PART A - INTRODUCTION

1. POLICY STATEMENT

1.1 It is the Company's policy to conduct all of its business in an honest and ethical manner. The Company takes a zero-tolerance approach to anti-competitive conduct. It is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates. It enforces effective systems to counter anti-competitive conduct.

1.2 The Company will uphold all applicable laws relevant to anti-competitive conduct in all the jurisdictions in which it operates. However, the Company remains bound by the laws of the UK, including the Competition Act 1998, in respect of its conduct both at home and abroad.

1.3 The purpose of this policy is to:

- Set out the Company's responsibilities, and of those working for it and parties acting on its behalf, in observing and upholding its position on anti-competitive conduct; and
- Provide information and guidance to those working for the Company and parties acting on its behalf on how to recognise and deal with competition law issues.

1.4 Competition law infringements could result in large penalties for the Company as well as imprisonment of individuals. The Company therefore takes its legal responsibilities very seriously.

1.5 The Company has identified that, from a risk perspective, competition law issues are most likely to arise as a consequence of the Company's dealings with customers, suppliers and competitors. To address the potential risks, the Company has, among other things, established this policy and provides general and specific training on this policy and competition law risks to employees.

1.6 In this policy, third party means any individual or organisation you come into contact with during the course of your work for the Company, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

1.7 In this policy, the Company Secretary means Julie Barr. If the Company Secretary is unavailable, please contact the Company's Legal Counsel, Stephen Taylor.

2. WHO IS COVERED BY THE POLICY?

This policy applies to all individuals working at all levels and grades, including directors, senior managers, employees (whether permanent, fixed-term or temporary), consultants, contractors, seconded staff, homeworkers, casual workers and agency staff, volunteers, agents, sponsors, or any other person associated with the Company, or any of its subsidiaries or their employees, wherever located (collectively referred to as workers in this policy) together with any third party acting on the Company's behalf.

PART B – COMPETITION LAW COMPLIANCE

3. PURPOSE OF COMPETITION LAW

The Company operates in an open market economy based on principles of free competition. Competition maximises incentives for companies to innovate, engage in new activities, and offer better services and wider choice at lower prices. A set of laws preventing collusion between companies, or excessive use of market power, is therefore necessary and must be respected to ensure that markets function properly for the benefit of consumers.

4. OVERVIEW OF COMPETITION LAW

The Company is exposed to potential competition law risks in a number of ways, for example:

- *Anti-competitive dealings with third parties* - Any arrangement with a competitor that is harmful to competition is illegal. This is discussed in more detail below.

- *Abuse of a dominant market position* – Companies which have a dominant position in the market need to comply with a special set of rules: for example, they are not allowed to engage in discriminatory pricing. Companies with market shares of 40% or more are normally thought to have a dominant position. The markets for carbonated and non-carbonated soft drinks are normally defined on a Great Britain-wide basis. The Company does not believe it is in a dominant position in any market, and therefore this is not further discussed in this policy. If you have any doubts in this regard, please contact the Company Secretary.

- *Corporate transactions* – Many corporate transactions (such as acquisitions and joint ventures) will require competition law approval. Therefore the Company Secretary will need to be involved in the planning at an early stage. This will not be further discussed in this policy.

5. ANTI-COMPETITIVE DEALINGS WITH THIRD PARTIES

Any arrangement with a third party that is harmful to competition is illegal. The arrangement need not be in writing so, for example, a telephone discussion between two competitors where they discuss and agree their sales prices would be an illegal agreement. An illegal arrangement may also be found where an (informal or formal) understanding between the

Company and a retailer exists for the retailer to sell at prices set by the Company. Further examples of anti-competitive arrangements are provided below. It is important to understand that illegal dealings may arise not only in formal meetings, but also in more informal settings (for example a chat with a competitor in a hotel bar at a trade fair).

A distinction is made between dealings with competitors and dealings with customers and suppliers.

(i) Anti-competitive dealing with competitors

Whenever you are dealing with a competitor, "alarm bells" should ring. Prior to meeting, or having any discussions with competitors, the agenda must be approved by the Company Secretary. The following are examples:

Pricing (in dealings with competitors)

- Do not discuss or agree any pricing information (e.g. sales and retail prices, margins, pricing strategy, purchasing and production costs etc) with competitors.
- Do not give any – formal or informal, direct or indirect – indications or signals to competitors as to the Company's future price changes. If you become aware of competitors giving such indications or signals, please contact the Company Secretary.
- Immediately end a conversation with a competitor (e.g. at a trade meeting) if he/she starts to discuss pricing information. In that situation you should also inform the Company Secretary as soon as possible.

No sales restrictions and market sharing (in dealings with competitors)

- Do not discuss or agree sales volumes or market shares with competitors.
- Do not discuss or agree plans with competitors to open – or not to open – new factories, or plans to launch new products or promotional campaigns.
- Do not discuss or agree with competitors limits on supplies (e.g. as a way to increase or stabilise prices).
- Do not discuss or agree with competitors markets in which the Company will – or will not – compete.
- Do not discuss or agree with competitors ways in which to deal with certain customers or suppliers (e.g. a boycott or a promise to refrain from marketing).

(ii) Anti-competitive dealing with customers or suppliers

When dealing with customers or suppliers, you should also be aware of the sensitivities from a competition law perspective. The first main risk is that the Company imposes retail prices on its customers. The second risk is that the Company becomes a 'conduit' for the exchange of pricing information between two or more retailers. The following are examples:

Resale prices (in dealings with customers)

- Do not fix resale prices or impose minimum resale prices. Similarly, do not fix your customer's profit margin or the maximum level of discount your customer can give to their customers.

- You are normally free to recommend resale prices to customers, as well as to set maximum prices. However, it is very important that you do not apply any pressure or offer incentives to customers with the aim of effectively fixing resale prices or setting minimum prices. For example, do not offer rebates or promotional contributions on the condition that the customer sticks to a certain resale price, and do not threaten to suspend supplies until the customer sticks to a certain resale price.

This is a complex area. You should raise any doubts or questions with the Company Secretary.

Information exchange (in dealings with customers and suppliers)

- Do not pass any information regarding the prices which the Company agrees with one customer or supplier to another customer or supplier.
- Do not try to obtain information from customers or suppliers regarding the prices charged or paid by the Company's competitors.

Exclusivity and other contractual restrictions (in dealings with customers and suppliers)

- Do not prevent your customers from reselling the Company's products in a given territory or to a given customer.
- If agreeing exclusivity with a customer or a supplier, please ensure that there is an objective justification, and also that such justification is recorded (e.g. customer will promote the products).

6. POTENTIAL ISSUES FROM POOR COMMUNICATION

It is important that all staff take care with the language that is used in all business communications, whether in writing or in the course of telephone conversations or meetings. A poor choice of words can make a perfectly legal activity look suspect and could be very damaging if the Company is subject to an investigation by the competition authorities or is involved in litigation with another company.

Many internal documents are likely to come under scrutiny during an investigation or legal proceedings involving a third party, even those which you might believe to be confidential such as diaries, telephone call records or personal notebooks. Documents in this context are not limited to papers, but will include any form in which information is recorded: computer records and databases, email, microfilms, tape recordings, films, videos and so on can all be examined.

You should therefore follow these guidelines:

- Ask yourself the question whether you need to write anything down at all.
- If you think it might be a sensitive area, speak to the Company Secretary before writing it down or typing it.
- Whenever you write something down, remember that it could be made public one day. Ask yourself the question whether that could cause any potential problems.
- Avoid any suggestion that an industry view has been reached on a particular commercial issue such as price levels.
- Do not write anything which implies that prices or strategic decisions are based on anything other than the Company's independent business judgement.
- State clearly the source of any pricing information (so it does not give the false impression that it came from talks with a competitor).
- Avoid vocabulary which suggests market power or anti-competitive conduct, such as "This will enable us to dominate the market", or "This will help eliminate the competition".
- Do not use language suggesting that the Company has a strategy to drive a competitor out of business.
- Do not use guilty vocabulary (e.g. "Please destroy/delete after reading").
- Do not speculate about whether an activity is illegal or legal.
- Do not keep papers for any longer than provided for in the Company's document retention programme.
- Avoid keeping lots of different versions of the same document in your files or computer system.
- Keep accurate notes of all meetings with competitors and seek approval of the agenda from the Company Secretary before any meeting/discussions take place.
- Follow the same rules if annotating copies of notes or memoranda from others.

Email and voicemail can often contain even more damaging statements than letters or memoranda, because they are usually sent or left casually, in the false belief that they are confidential or will be destroyed after a short time. Both email and voicemail messages can be accessed during an inspection by the competition authorities or in legal proceedings.

They are regarded as a particularly good source of information by competition authorities because they are stored by time and date and can give a full picture of what was done and said.

You should therefore:

- Take as much care in sending messages by email or leaving them on voicemail as you would when sending a letter or memorandum. Assume that all email or voicemail messages may be read or heard by others.
- Keep in mind that email and voicemail messages, even if deleted, leave a potentially damaging record that may have to be produced to the competition authorities or in legal proceedings.
- Exercise particular caution with messages sent to or received from outside the Company by email. Remember that email messages are often appended to other email messages and may be forwarded or replied to several times.

- You must not destroy documents or records (which would not otherwise be destroyed in accordance with the Company's usual policy) because you think they contain damaging information. This will damage the Company's standing with the competition authorities if it comes to light in an investigation, and can lead to an increase in the level of fine and even criminal penalties.
- If you are notified that the Company is under investigation by the competition authorities, all document destruction (including the routine deletion of emails) must immediately be suspended until further notice from the Company Secretary.

7. DEALING WITH COMPETITION ENQUIRIES

Competition authorities have wide powers to carry out investigations into anti-competitive behaviour. Like most organisations, the Company has procedures in place to deal with a situation where it is the subject of an investigation. Such an investigation would be handled by the Company Secretary in the first instance. If you are ever contacted by any competition authority it is important that you follow the initial contact procedures detailed below.

(i) Telephone enquiries

If you receive a phone enquiry from an inspector or other government official, or any other person in relation to competition issues you must put it through to the Company Secretary immediately. If the Company Secretary is not available, do not put it through to another person but note down the name of the caller, the purpose of the call, the name and number of the inspector and their contact telephone number. Record any other information he/she gives you, such as the date and time of a potential inspection. Pass all this information as soon as possible to the Company Secretary or, in the event that she is unavailable, to the Company's Legal Counsel.

(ii) Written (including email) enquiries

If you receive a letter or email from a competition authority, you should pass it as soon as possible to the Company Secretary. You should not respond yourself (do not even send a "holding response" to say that you have passed it on).

(iii) Visitors

If one or more inspectors from a competition authority arrive in person, ask to see their identity cards (and write down their names, the name of their organisation and the time they arrived). Contact the Company Secretary immediately or, in her absence, the Legal Counsel. Keep the inspectors in the reception area where you can see them until the Company Secretary arrives. Please observe the following rules:

- Do not allow the inspectors to wander round the building; and
- Do not put the inspectors in a room containing files or records.

8. REPORTING ANTI-COMPETITIVE BEHAVIOUR

If you have a suspicion of anti-competitive behaviour – whether by the Company or by a third party (e.g. a competitor suggesting an agreement on pricing) – you must immediately notify the Company Secretary. Where she is unavailable you should contact the Company's Legal Counsel. You should initially raise your concerns through a face to face meeting or over the telephone. You should be careful that no documentation supporting your suspicion is destroyed. Concerns should be reported by following the procedure set out in the Company's Speaking Up Policy, which can be found on the Company's internal Policy Portal.

PART C - GENERAL

9. YOUR RESPONSIBILITIES

9.1 You must ensure that you read, understand and comply with this policy.

9.2 The prevention, detection and reporting of anti-competitive practices are the responsibility of all those working for the Company or under its control. All workers are required to avoid any activity that might lead to, or suggest, a breach of this policy.

9.3 You must notify your manager or the Company Secretary as soon as possible if you believe or suspect that a breach of this policy has occurred, or may occur in the future.

9.4 Any employee who breaches this policy may face disciplinary action, which could result in dismissal for gross misconduct. The Company reserves the right to terminate its contractual relationship with other workers, or third parties acting on its behalf, if they breach this policy.

10. PROTECTION

10.1 Workers who raise concerns or report another's wrongdoing are sometimes worried about possible repercussions. The Company aims to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.

10.2 The Company is committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in anti-competitive conduct, or because of reporting in good faith their suspicion that an actual or potential or competition law offence has taken place, or may take place in the future. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform the Company Secretary immediately. If the matter is not remedied, and you are an employee, you should raise it formally using the Company's Grievance Policy, which can be found in the Company's internal Policy Portal.

11. TRAINING COMMUNICATION

11.1 Training on this policy forms part of the induction process for all new workers in relevant functions. All existing workers will receive regular, relevant training on how to implement and adhere to this policy.

11.2 The Company's zero-tolerance approach to anti-competitive conduct must be communicated to all suppliers, contractors and business partners at the outset of its business relationship with them and as appropriate thereafter.

12. WHO IS RESPONSIBLE FOR THE POLICY?

12.1 The board of directors has overall responsibility for ensuring this policy complies with the Company's legal and ethical obligations, and that all those under its control comply with it.

12.2 The Company Secretary is the designated compliance officer and has primary and day-to-day responsibility for implementing this policy, and for monitoring its use and effectiveness and dealing with any queries on its interpretation. Management at all levels are responsible for ensuring those reporting to them are made aware of and understand this policy and are given adequate and regular training on it.

13. MONITORING AND REVIEW

13.1 The Company Secretary will monitor the effectiveness and review the implementation of this policy, regularly considering its suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering anti-competitive conduct.

13.2 All workers are responsible for complying with this policy and should ensure they use it to disclose any suspected danger or wrongdoing.

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