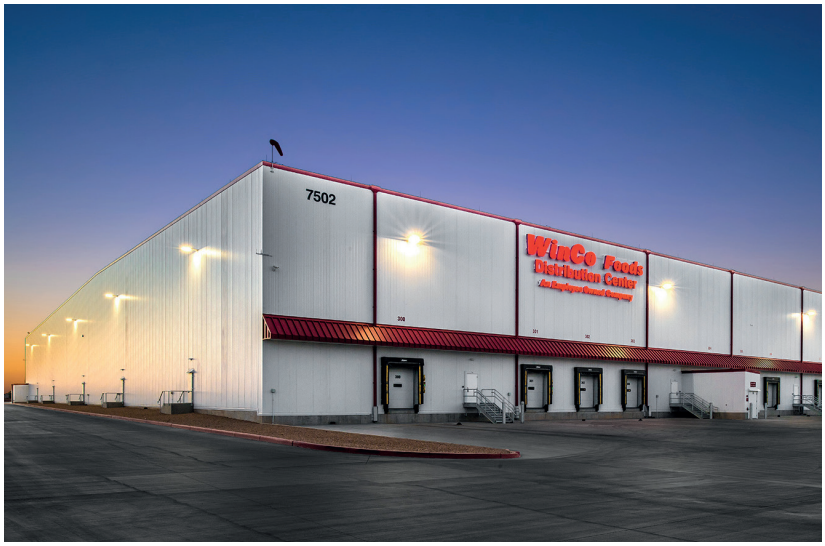
Group
Global

Competition Law Compliance Policy



Kingspan®

BE THE DIFFERENCE
THAT MAKES A DIFFERENCE.

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Foreword

"Kingspan firmly believes in the benefits of free and fair competition and is committed to conducting business in accordance with all relevant laws and regulations in all jurisdictions in which we operate.

To that end, Kingspan is also committed to fostering a culture of compliance throughout its companies that will serve as the foundation of proper conduct.

The Board takes this issue extremely seriously and expects all our stakeholders to do so too."

Gene M Murtagh, CEO Kingspan Group plc

Key Points

A Kingspan strictly prohibits any agreements with competitors that have as their object or effect the prevention, restriction or distortion of competition.

B Trade association participation can carry risks if used as a vehicle for unlawful information exchanges and agreements with competitors.

C You must not obtain or receive competitive intelligence directly from a competitor, nor must you use a customer/supplier as a go-between to exchange competitively sensitive information with a competitor.

D Retail Price Maintenance is generally prohibited i.e. a wholesaler or distributor who buys products from Kingspan must be free to set its own resale prices.

E Where Kingspan has a "Dominant" market position, you must not engage in conduct that could be viewed as an abuse of that dominance.

F It is the obligation of every director, officer and employee of Kingspan to be aware of and to adhere to this competition compliance policy, and to the competition laws of the jurisdictions in which they carry on Kingspan's business.

G Adherence to this competition compliance policy is mandatory. Kingspan will consider any breach of this policy as a serious disciplinary matter which may result in disciplinary action, up to and including dismissal.

Introduction

Competition Law

A variety of statutes and regimes prohibit anti-competitive conduct in the countries where Kingspan operates. For example:

- The main provisions of Irish competition law are contained in the Competition Act 2002, as amended by the Competition and Consumer Protection Act 2014 and are principally enforced by the Competition and Consumer Protection Commission;
- Anti-competitive behaviour in the UK is prohibited under Chapter I and II of the Competition Act 1998 and enforced by the Competition and Markets Authority;
- In the EU, in addition to national competition laws enforced by Member States, the relevant competition rules are contained in Articles 101 and 102 of the Treaty on the Functioning of the European Union and enforced by the European Commission;
- In the US, there is a large body of antitrust laws prohibiting anti-competitive practices including the federal Sherman and Clayton Acts and similar state legislation;
- Anti-competitive behaviour in Canada is principally prohibited by the Competition Act 1985 (as amended), which is administered and enforced by the Competition Bureau;
- In Australia, the core competition law provisions are contained in Part IV of the Competition and Consumer Act 2010, as further amended;
- In Brazil, competition law and practice is governed primarily by Law no. 12,529 of 2012, as further amended;
- Similar legislation applies in most other jurisdictions in which Kingspan operates.

Broadly speaking, all these laws prohibit anti-competitive agreements between businesses which prevent, restrict or distort competition as well as other types of conduct, such as the abuse of a dominant position in a market.

All these laws also establish significant penalties that may have very serious implications for both Kingspan and the individual(s) concerned, resulting in potentially very heavy fines for Kingspan and/or fines and/or imprisonment upon conviction for individuals.

Other possible negative consequences for breaches of competition laws include invalidation of commercial agreements; disqualification from participation in bids for government contracts; third party claims and payment of civil damages; loss of management time; damage to Kingspan's reputation, and disciplinary action up to and including dismissal for the individuals concerned.

The legal, economic and reputational consequences of non-compliance are significant and outweigh any misguided perceived advantages to Kingspan. Given the significant adverse consequences involved, violations of competition laws do not benefit Kingspan and are in no way condoned by it.

Purpose of this Policy

Competition laws are broad and complex and cover many activities across our businesses. Accordingly, this policy is not intended to be a comprehensive statement of the law in each jurisdiction where Kingspan operates. Instead, the policy sets out general dos and don'ts which are broadly mirrored in the different relevant legislative regimes that relate to Kingspan's business activities. The purpose is to underscore Kingspan's commitment to competition compliance, to equip you with the ability to identify possible problems or issues, and to encourage you to seek guidance when you have questions or concerns.

The Do's and Don'ts relate to the following situations:

- Dealings with competitors;
- When participating in Trade Associations and similar activities;
- Competitive intelligence;
- Dealings with customers / suppliers;
- Pre-merger information exchanges / coordination ("Gun-jumping");
- Document creation;
- What to do in the event of a dawn raid / search / seizure.

Scope of this Policy

This Competition Law Compliance Policy (the Policy) is applicable to Kingspan Group plc and all its subsidiaries and joint ventures (in which Kingspan has an interest of 50% or more), and their directors, officers and employees. This Policy applies to all our business, both international and domestic, wherever it is conducted.

Your Obligation

It is the obligation of every director, officer and employee of Kingspan to be aware of and to adhere to this competition compliance policy and to the competition laws of the jurisdictions in which they carry on Kingspan's business. Illegal or anti-competitive conduct – including even the appearance of such conduct – is prohibited and must be avoided.

Further Information

Adherence to this competition compliance policy is mandatory.

Kingspan will consider any breach of this policy as a serious disciplinary matter which may result in disciplinary action, up to and including dismissal.

If you have any queries in relation to this policy, want any clarification or opinion in relation to a particular set of circumstances, or have concerns about a possible violation of this policy or the law, contact your Divisional Legal Lead or your usual contact within the Group Legal Team.

[1] In the UAE, the main competition law provisions are included in Federal Law No. 4 of 2012.

Do's and Don'ts - Dealing with Competitors

The following guidelines are intended to help you avoid competition law issues when dealing with competitors (or potential competitors).

Do:

- DO compete vigorously in all markets in which you are active.
- DO always act and be seen to act independently of competitors.
- DO remember that conversations and contacts with a competitor (even social ones) can be used as evidence of collusion.
- DO determine prices, trade terms and other competitive aspects of Kingspan's business independently from competitors.
- DO advise your Divisional Legal Lead or your usual contact within the Group Legal Team before entering any joint venture or other commercial transaction with a competitor.
- If a competitor contacts you about a competitively sensitive subject or raises these matters in any meeting or other contact with you (including social functions), DO terminate the discussion immediately and advise that you are not permitted to talk about these topics with competitors.

  For these purposes, competitively sensitive subjects include topics such as prices, margins or costs, trade terms (including credit and warranties), market shares, allocating customers or territories, output/capacity restrictions, coordinating on bids, refusal to supply customers or distributors, refusal to purchase from suppliers, or any other business strategy or matter affecting competition.

  Remember that sensitive information shared by one entity, even if no-one else reciprocates, can lead to an antitrust law infringement by all the parties involved unless they distance themselves from the incident.

Don't:

- DON'T meet with competitors unless for a legitimate business reason, for example, to discuss a potential merger, joint venture or other commercial arrangement, or at a trade association or industry meeting (see Appendix B).
- DON'T agree with competitors on prices, trade terms or other competitive aspects of Kingspan's business, such as capacity or output, dealings with customers/suppliers/ other competitors (including the boycott or black-listing of any of these), promotional and advertising strategies, costs and margins, responding to bid/tender processes, competitive strategies, etc.
- DON'T exchange or discuss information with competitors relating to any commercially sensitive topics, including the ones mentioned above. This includes price increase announcements that have already been sent to customers.
- DON'T discuss one competitor with another competitor (even if you are not sharing sensitive information about Kingspan's business).
- DON'T use any customer, supplier or other third party (such as an agent, customer, supplier or trade association) as a go-between ("conduit") for information exchanges with competitors.
- DON'T announce intended price increases or intended changes to trade terms more widely than is strictly necessary to inform customers.
- DON'T provide competitors with advance notice of price increases or advance copies of price increase letters, or otherwise signal Kingspan's intentions regarding pricing, trade terms or other elements of competition.
- DON'T discuss or agree with competitors about whether, or on what terms, to extend credit to a customer or class of customers (credit terms are considered an inseparable aspect of "price").
- DON'T exploit legitimate customer/supplier relationships with competitors to discuss or enter into anti-competitive agreements.
- DON'T take part in a collective boycott (such as a refusal to sell to particular customers or buy from particular suppliers).
- DON'T enter into collaborative agreements with competitors without first consulting your Divisional Legal Lead or your usual contact within the Group Legal Team, including joint venture and R&D arrangements.

Do's and Don'ts - Participating in Trade Associations or Similar Activities

While there is nothing illegal about participating in trade associations, bringing competitors together raises the potential for associations to function as facilitators of illegal agreements if appropriate precautions are not taken. The following guidelines are intended to help you avoid competition law issues when dealing with trade associations or similar organizations. The same considerations apply if you attend trade shows or similar events where you may encounter competitors.

Do:

- DO restrict your discussions and activities at trade association events to what is strictly necessary to achieve the goals of the association, discussing only generic issues which are clearly removed from "competitive parameters": for example, (i) matters (in the public domain) of general interest to the industry, such as the impact of new legislation or regulation, (ii) representing the industry's views to government or other regulatory bodies, (iii) collecting, collating and disseminating statistical information (provided this is on an aggregated and anonymised basis, and relates to historic data), (iv) promoting education and training.
- DO use publicly available aggregated data only to comment on market trends and discuss only in general terms emerging technologies which may have the potential to increase production or distribution efficiencies.
- DO ensure that the association has adopted adequate protections with respect to its meetings, such as:
  - A competition compliance policy of its own;
  - Agendas pre-approved by your Divisional Legal Lead or your usual contact within the Group Legal Team, circulated in advance and adhered to (the agendas should be clear and must avoid ambiguous language);
  - All conduct between association members takes place via officially organised events;
  - A "competition caution" that is read out at the beginning of any meeting/event;
  - Procedures for members to object if the discussion turns to topics that may be of concern and to terminate any such discussion if concerns are raised;
  - Having the association's competition counsel present at meetings or available to be consulted if concerns arise;
  - Recording minutes of meetings which are also reviewed and corrected if mistakes are identified.
- DO ensure that the trade association adopts appropriate protections if it engages in data collection and surveys, such as:
  - Only historic (as opposed to current data) is collected;
  - Data is appropriately marked as "Confidential";
  - Raw data is not shared between members but provided direct to the trade association;
  - Data is only reported in such a way that avoids the disclosure or identification of individual member information;
  - Retaining a third party to conduct the information gathering exercise if necessary.
- DO make a "noisy exit" if you are uncomfortable with any topic discussed at a trade association meeting or event (formal or informal). In other words, voice your objection and leave the meeting or event immediately. If possible, and prior to leaving, insist that your reasons for objection and the fact of your departure be noted in any minutes of the meeting and that you receive a copy.
- DO ensure any standardised terms and conditions that the association develops are easy to understand, in clear and plain language and are fair to consumers; and that any schemes operated for quality certification are fair, reasonable, and available to all businesses who meet the criteria. In addition, any criteria for admission to the trade association should be transparent, capable of being objectively assessed and proportionate.

Don't:

- DON'T agree on 'industry solutions' to commercial issues, e.g. problems with a particular customer or supplier.
- DON'T engage in any activity that could involve, or appear to involve, Kingspan in anti-competitive conduct. This includes entering into any agreements, arrangements or understandings, engaging in formal or informal discussions, or exchanging information, on competitively sensitive matters, such as:
  - Prices, price formulae or factors, pricing strategies, discounts or rebates and other terms or conditions of sale;
  - Quantity or quality of production, including production forecasts, limits on production or facilities;
  - Sales territories, customers, markets, product lines and shares;
  - Selection, classification, rejection and termination of distributors, customers or suppliers;
  - Bids or intentions to bid;
  - Dealing with customers (such as whether or not to provide credit to a customer);
  - Dealing with suppliers;
  - Sales, profits and margins;
  - Capital projects and investments;
  - Cost information, including cost reductions;
  - Procurement of supplies and raw material costs;
  - Boycotts or refusals to deal (including via restrictive association membership rules or setting of standards);
  - Advertising, marketing programs or other expenditures;

Do's and Don'ts - Participating in Trade Associations or Similar Activities

Don't:

- Strategic business plans, business risks and marketing strategies.
- Technologies, R&D programs and technical data that relate to current and future R&D (including any limitations or control on production, R&D or technical investment and development).
- Establishing restrictions on association membership, or industry standards that cannot be objectively justified.

Remember that sensitive information shared by one entity, even if no-one else reciprocates, can lead to an antitrust law infringement by all the parties involved unless they distance themselves from the incident.

Do's and Don'ts - Competitive Intelligence

It is perfectly legitimate to seek out and obtain competitive intelligence that will be of assistance to Kingspan's business. The following guidelines are intended to help you avoid competition law issues when doing so.

Do:

- DO obtain competitive intelligence from public sources and, when freely given, from third parties (e.g., customers, distributors or suppliers), provided that you do not solicit the information from such third parties (and subject to any confidentiality obligations).
- DO make it clear that information obtained about a competitor came from a legitimate third-party source and not from the competitor itself. The best way to do this is to immediately record on the face of the material itself the source, date and context of the information received (filing any written correspondence or related materials together with the underlying document). Where any conclusions have been drawn, set out any caveats or assumptions used and as much background information for your conclusions as possible.
- DO ensure that any unpublished Kingspan price information is only provided to customers who legitimately need it and is marked "Confidential. Not for Distribution".
- DO stick to the facts when documenting the results of competitive intelligence, avoiding exaggerated statements about Kingspan's position, or the position of third parties. Set out your evidence for any conclusions and make sure that you do not present information in a way that would allow for misinterpretations as to the degree of market power that a company actually possesses.
- DO notify Group Legal immediately if you receive unsolicited emails or documents (even inadvertently) which you believe contain inappropriate material including commercially sensitive information to which Kingspan should not have access. Do not review the email/ document further or use or circulate the email/ document more widely. Group Legal will usually request that you respond with a clear statement that Kingspan does not wish to receive this type of information). Make sure to keep a clear record of the correspondence and the reply.

Don't:

- DON'T obtain information or verification about a competitor's business strategies or activities from that competitor.
- DON'T provide information about Kingspan's business strategies or activities to competitors.
- DON'T solicit commercially sensitive information from customers on prices or other terms of business of competitors.
- DON'T use a third party (such as a customer, distributor or supplier) as a go-between ("conduit") to exchange information with a competitor. For example:
  - DON'T ask a third party to provide Kingspan information to a competitor or to find out from your competitor how it might react to a Kingspan strategy (for example, a change in pricing);
  - DON'T give any confidential information to a customer/supplier on the understanding or expectation that it will be passed on to a competitor of Kingspan.
- DON'T provide information about Kingspan's own customers, distributors or suppliers to any third party, and particularly a competitor of the customer, distributor or supplier.

Do's and Don'ts - Dealing with Customers / Suppliers

The following guidelines are intended to help you avoid competition law issues when dealing with customers/ suppliers.

Do:

- DO consult with your Divisional Legal Lead or your usual contact within the Group Legal Team if:
  - Incorporating non-compete provisions in supply or distribution agreements;
  - Entering into an agreement which obliges a customer to purchase products (near-)exclusively from Kingspan or a supplier to sell substantially only to Kingspan;
  - Refusing to do business with a customer for products where Kingspan has a dominant share;
  - Entering into an agreement which could restrict distributors from selling to particular territories, to specified customer groups or online, or if an arrangement is proposed which could stop distributors trading with each other;
  - Requiring as a condition of sale of a product that the customer must also purchase a second, different product.
- DO take particular care when your customer/supplier is also a competitor as the nature of the conversation can change from legal to illegal depending on the capacity in which the customer/supplier is acting with you. Ensure that only information that is objectively necessary in the ordinary course of business and directly related to the buyer-seller relationship is shared with the customer/ supplier. Contact your Divisional Legal Lead or your usual contact within the Group Legal Team if you are unsure of how to proceed.

Don't:

- Attempt to fix, dictate, influence upwards or discourage the reduction of prices at which a customer resells our products or a competitor's product or otherwise restrict a customer's pricing discretion (e.g., by establishing a percentage mark-up formula or regulating a customer's discount).
- DON'T facilitate anti-competitive agreements between customers or suppliers (e.g., by acting as a go-between ("conduit") for unlawful information exchanges or agreements). For example, make sure not to share commercially sensitive information provided by one customer to another customer.

Do's and Don'ts - Pre-Merger Information Exchanges / Coordination ("Gun-jumping")

Until a transaction actually closes, parties to a proposed merger are regarded under competition law as independent entities. Consequently, they must continue to operate their respective businesses separately and in the same way as prior to commencement of the merger negotiations and signing of the merger agreement.

In addition, certain acquisitions may not be implemented until they have received clearance from the relevant competition authorities. Therefore, any action which could be regarded as a prior implementation of the merger may be illegal for that reason.

Accordingly, while it is permissible to engage in legitimate due diligence and/or transaction planning before closing, there must be no coordination of competitive behaviour (e.g., by fixing prices, allocating customers or sales territories, restricting output/capacity, coordinating on bids, or integrating operations), or inappropriate exchanges of competitively-sensitive information, that would affect the rivalry or competition between the parties . Moreover, Kingspan should not enter into arrangements with the other party that it would not have entered into but for the proposed merger.

You should always inform your Divisional Legal Lead or your usual contact within the Group Legal Team about a possible transaction who will deal with the issues below. However, the following guidelines are intended to help you avoid competition law issues during the pre-closing period of a proposed merger transaction, i.e., from the start of negotiations until the closing of the transaction (should one be concluded).

Information Exchanges

Do:

- DO record the parties' intended transaction objectives by preparing a non-binding letter of intent or memorandum of understanding outlining the scope and purpose of their discussions. Such documentation can be helpful to demonstrate that the purpose of the discussions is not to advance or achieve an illegal objective but in furtherance of a legitimate commercial transaction.
- DO execute a confidentiality agreement or non-disclosure agreement that provides for, among other things, the return or destruction of competitively sensitive documents if the transaction is not consummated.
- DO redact commercially sensitive information before sharing with individuals that are not part of a clean team and are engaged in day-to-day commercial decision making.
- DO maintain records documenting the exchange of competitively sensitive information.
- DO take particular care that the following types of information are not shared without specific safeguards: strategic business plans and marketing plans, including profitability targets; current and future pricing programs and strategies; other sensitive terms or conditions of sale; planned cost reductions; modifications of operating plans; customer-specific or supplier-specific information; R&D plans; information about proprietary technology; detailed margin and cost information (current and future); trade secrets; bids; other possible mergers, acquisitions or joint ventures. Note: This is not an exhaustive list but only a representative sample. Such documents should preferably only be shared between external advisers and not directly with the other party. Consider staging disclosure so that the most sensitive information is only exchanged after the deal is signed.

Don't:

- DON'T exchange information unless strictly needed to (i) assess the merits of the proposed transaction, (ii) prepare regulatory filings, or (iii) after signing of the purchase agreement, legitimately plan for post-closing integration and implementation.
- DON'T use any information received as part of the merger process for any commercial or other purposes unrelated to the above objectives and DON'T share with persons not actively involved in the merger process.
    - Wherever possible, persons who have access to competitively sensitive information as part of this process should be limited in number and not be involved in day-to-day, customer-facing operations and competitive decision-making before closing and for a certain period from the date of joining the clean team ("clean teams");
    - In certain circumstances, where particularly sensitive information is at issue, the exchange of information should be limited to external counsel or to other external advisors.
- DON'T use the merger process to share information or engage in discussions/agreements with the other party that are unrelated to this process.
- If Kingspan is the purchasing party, DON'T provide any information to the Target/Vendor (or any of its representatives/advisers) unless there are objectively legitimate reasons why competitively sensitive information needs to be shared both ways and this is approved by counsel.

Do's and Don'ts - Pre-Merger Information Exchanges / Coordination ("Gun-jumping")

Coordination

Do:

- DO continue to make decisions on pricing, product launches, advertising campaigns etc. as independent competitors, and continue to act as if the two will operate as independent businesses for the foreseeable future.

Don't:

- DON'T coordinate (even informally) competitive behaviour or attempt to manage, direct, assume control over or participate in each other's ordinary course business affairs during the period prior to closing. For example:
  - DON'T attempt to direct or manage any of the other's policies, business decisions or individuals. The right to veto decisions/actions taken in the ordinary course of business may constitute gun-jumping;
  - DON'T meet with one another, formally or informally, except to the extent necessary to negotiate or plan for implementation of the transaction;
  - DON'T formulate joint business strategies, or commence joint marketing or advertising initiatives;
  - DON'T cease competing against each other for business;
  - DON'T engage in written or oral communications or enter into any agreement or understanding relating to sales terms, prices or pricing strategy, discounts, market allocation issues, product output, bids or tenders, or any other competitively sensitive topic;
  - DON'T grant the other party unlimited access to premises and accounting and administrative records;
  - DON'T conduct joint discussions/negotiations with customers or suppliers. Keep separate contact persons and separate account managers with regard to common customers. Do not tell customers that the other party will be withdrawing from any area of business in the future;
  - DON'T form joint committees to monitor the target's business;
  - DON'T conduct joint sales or purchasing activities or enter into cross-supply arrangements or into negotiations or commitments on behalf of the other party;
  - DON'T give the impression that the parties are jointly owned (e.g., by using new business cards with a new logo, changing the website, or answering the telephone by reference to the other company);
  - DON'T transfer or second employees between the businesses, execute employee rationalisation plans or change employee job descriptions at the request of the other party. However, employees may apply for a position properly advertised in the ordinary course;
  - DON'T reorganize or otherwise assign responsibility over the business of one party to employees of the other party'
  - DON'T integrate the businesses or implement the proposed merger on a commercial level (for example, by dismantling existing IT systems with a view to later adopting the system of the other party)'
  - DON'T phase out existing products or introduce new products in coordination with each other'
  - DON'T consolidate accounting and reporting mechanisms or jointly report financial figures'
  - DON'T involve the employees of one party in the decision-making processes of the other party (i.e. business and strategic plans of one party should not require the review and approval of another party; one party should not control whether another party pursues the business of certain customers).
- NOTE: setting up teams after signing to discuss integration planning to take effect post-completion is fine, but make sure your Divisional Legal Lead or your usual contact within the Group Legal Team or external advisers sign off on the participants in any such group and the scope/content of its activities. The integration planning discussions should not involve confidential and sensitive business information.
- NOTE: it is permissible, prior to the closing of the transaction, to include covenants protecting against material changes to the scope, value or nature of the target business (e.g. covenants requiring the target business not to pay dividends, not do engage in acquisitions/divestments/mergers, not to terminate any material contract with a value exceeding a certain threshold). However, caution should be exercised that these covenants do not give the purchasing party the ability to intervene in the target's ordinary course of business.

Do's and Don'ts - Document Creation

As part of their review of proposed transactions, antitrust authorities are placing increasing weight on internal documents when assessing whether a deal is likely to adversely impact competition. The reasoning is that internal documents may well give a more "honest" picture of the potential impact of the deal than documents which have been prepared specifically for the purposes of making a merger control filing or interacting with the antitrust authorities.

The following guidelines are intended to help you avoid competition law issues when creating business-related documents as part of your duties with Kingspan (including emails, text messages and other electronic communications, both with third parties such as customers and suppliers, as well as internal communications). These guidelines should also be provided to third party advisors when appropriate, for example, if they are asked to prepare documents relating to Kingspan's proposed business strategies.

Do:

- DO understand that documents (including emails) create a formal written record.
- DO follow this general rule of thumb: **Avoid writing anything that you would not want to see on the first page of your local newspaper or have read out loud in a court of law. If you believe that anti-competitive behaviour (e.g. price fixing) has taken place, refrain from putting anything in writing and contact your Divisional Legal Lead or your usual contact within the Group Legal Team via telephone as soon as possible**.
- DO create documents only if necessary.
- DO circulate documents only to persons who need to see them.
- DO be clear, concise and accurate and avoid ambiguities in your language.
- DO keep in mind Kingspan's strategy in relation to acquisitions when producing internal documents.
- DO emphasize the pro-competitive aspects of a proposed strategy or transaction:
    - These might include, for example, likely cost savings and efficiencies, product improvements, innovations in intellectual property and technology, expansion into new products and geographic areas, and the enhanced ability to service customers;
    - Generally it is preferable for the benefits of the deal to be presented from the point of view of offering a better product to customers rather than from the point of view of the benefit to the parties' market position;
    - DO remember that all documents and correspondence (including e-mails) are the property of Kingspan and may be read by your Manager and can be required to be produced to regulators.

Don't:

- DON'T circulate internal documents outside of Kingspan unless for legitimate business purposes.
- DON'T assume that documenting information in a more informal way (e.g. an email as opposed to a formal memorandum) means that how you present the information is any less important.
- DON'T give the false impression that Kingspan does not compete vigorously, that its pricing or other competitive decisions are based on anything other than its own business judgement or that its actions are the result of understandings with competitor, for example:
- DON'T suggest that Kingspan is adopting a course of conduct "in line with industry practice" or as a "signal" to its competitors.
- DON'T refer to competitors that Kingspan is interested in acquiring as a "main competitor", or similar, of Kingspan.
- DON'T suggest that a proposed strategy or transaction will:
    - Give Kingspan a dominant position or the ability to set the terms of competition or prices in any category (or suggest that such a position exists already);
    - Facilitate Kingspan's ability to unilaterally raise prices, increase margins or otherwise lead to price increases or enhance pricing discipline;
    - Eliminate or target specific competitors;
    - Increase Kingspan's leverage against customers or suppliers;
    - Create or raise barriers to entry or expansion;
    - Reduce innovation;
    - Give the merged company an unrivalled product or product range;
    - Lessen or limit competition in any other way.
- DON'T refer to Kingspan as being "in a dominant position" or "a price leader" or "market maker".
- DON'T refer to prices as being "high" or "anti-competitive".
- DON'T make exaggerated claims or use "antitrust-charged" phrases, for example: DON'T use phrases such as monopolize, dominate, control, eliminate the competition, leverage, pricing power, stabilize/improve industry structure, foreclose or block entry, that it is "the only supplier" etc.
- DON'T use the term "market".
    - Market definition is a technical legal issue and inexact usage of this term in discussions and documents could be prejudicial to Kingspan's position'
    - If necessary, use terms such as industry, business, sector, category or segment and speak of share of sales or share of purchases.
- DON'T refer to narrow market segments and avoid including detailed market shares for Kingspan and its competitors.
- DON'T disparage or denigrate the level of competition amongst competitors, the ability of new competitors to enter/expand or the bargaining strength of customers/ suppliers.
- DON'T speculate on the legal implications of a proposed strategy or transaction.
- DON'T express your sales objectives in negative terms – say that your goal is to increase revenue, not to "steal" business from your competitors or "wipe out" the competition.

What to do in the Event of a Dawn Raid / Search and Seizure

First Contact (Receptionist) Action Points

Do:

- DO request and record the following information from the officials: full name and mobile phone number of lead official; name of the authority that the officials represent; purpose of the officials' visit (including which company they are here to investigate); number of officials that wish to enter the building and the full name of each. Finally, take a copy of the inspection document (i.e. the legal authority that the officials are using to enter the building).
- DO obtain the business card of each search team officer.
- DO advise the officials that you will telephone members of the Legal Team and senior members of staff who will greet the officials and immediately contact the appropriate company personnel (**Divisional MD, Divisional FD, & Plant Manager**) as well as external counsel. Let the officials know how long the staff members will take to arrive.
- DO obtain an indication from external counsel of when they are likely to arrive and inform the officials how long external counsel will take to arrive.
- DO ask the officials to sign the visitor log in the usual way and prepare security passes for each official. Ensure that the security passes clearly state "EXTERNAL INVESTIGATOR" followed by the particular organisation that the official represents
- DO provide the search team with a boardroom located away from public areas and employees to use throughout the search. Ensure there are no files or computers in the room, or information on whiteboards or similar. Arrange for another member of reception or security to escort the officials to the conference room and remain with the officials pending the arrival of a legal advisor or a senior member of staff. Attempt to keep other visitors from the area occupied by the officials.
- DO be courteous but do not speak to the search team about the substance of the matters under investigation.
- DO, if the lead official advises that they wish to commence the investigation immediately, without waiting for a legal advisor or external counsel:
    - Immediately contact a senior (non-legal) member of staff to come as quickly as possible to greet the officials (the officials will usually be willing to wait for this);
    - Allow the officials to start the investigation if they insist – do not obstruct them;
    - Ensure that they are accompanied at all times by a member of reception or security until a legal advisor arrives to take over.
- DO email the relevant persons in Group Legal Team and the relevant senior members of staff the information and copies of documents obtained on the official's first arrival (as set out above). Also provide this information and give them the copies when they arrive at reception.
- DO arrange external lawyers to have security passes when they arrive. Notify the Group Legal Team and the relevant senior members of staff of their arrival.

Don't:

- **DON'T attempt to stop or interfere with the search (especially attempt to destroy or alter documents or electronic files). Obstruction of a competition law investigation is prohibited by law.**

What to do in the Event of a Dawn Raid / Search and Seizure

Senior Executive Action Points

Do:

- DO ask to see the order authorizing the search and e-mail a copy to the Group Legal Team and external counsel immediately.
- DO advise the search team that external counsel has been contacted and ask that they wait for external counsel to arrive before starting the search.
- DO allow the search team to proceed if they will not wait for external counsel to arrive. You should not attempt to stop or interfere with the search (especially attempt to destroy or alter documents or electronic files). Obstruction of a competition law investigation is prohibited by law.
- DO issue an internal e-mail to all employees based at the premises (and any other affected premises) informing them of the investigation and the appropriate procedures, including a warning not to destroy documents or otherwise obstruct the investigation, or to inform anyone outside Kingspan of the dawn raid. All employees should be aware that they are not to be hostile to the officials or obstruct the investigation, nor should they refuse to supply information, documents or answers to the officials' questions unless expressly instructed to do so by a legal advisor or external counsel.
- DO inform employees not to answer any queries from the press or third parties (e.g. customers or competitors) and to notify a member of the Legal team or external counsel if they are approached for information by an official who is not accompanied by a lawyer or other member of staff. All such queries should be referred to Group Head of Legal. Employees should be informed not to create any emails or documents in relation to the investigation unless instructed to do so by a legal advisor.
- DO appoint a small internal team of senior employees (e.g., IT, sales, finance) to assist the external counsel throughout the investigation.
- DO, if you have agreed with the officials that a senior member of staff will answer questions on behalf of the company, ensure that the officials know they are to direct all general questions to this person and that employees know not to answer questions themselves.
- DO ensure that every investigator has someone from Kingspan (or external counsel) who has been fully briefed on the scope of the inspection (and given a copy of the official's authorisation) to shadow them at all times. DO make sure they take detailed notes of questions that are asked and the responses given, any documents that are reviewed/copied (copies should be obtained of all hardcopy and electronic documents copied/removed by the officials), computers or drawers/cabinets inspected and, if possible, search terms used by officials when searching electronic documents.
- DO identify with external counsel which documents/ electronic folders and computer hard drives may contain legally privileged information and ensure that officials are not reviewing or inspecting documents that are irrelevant to the investigation, i.e., outside the scope in terms of product area, geographic area or time frame. Make sure that if the official persists in wishing to review such documents, your legal advisor or external counsel is immediately contacted.
- Where necessary, DO appoint external PR consultant to respond to any media enquiries. All PR communications to be pre-approved by Kingspan Group PR advisers.
- DO advise the search team that it is Kingspan's intention to be co-operative and to refer all substantive questions to counsel.
- DO, before the officials leave, reserve the right with officials (in writing) to assert privilege or confidentiality over any document, or to challenge relevance, at a later stage. Confirm that allowing them to remove the documents does not amount to any form of waiver.
- If the inspection is not completed and officials have affixed seals to any offices or areas, DO ensure that all employees, cleaners and security are instructed not to break the seal. Consider stationing a security guard outside the sealed area and/or adding your own signs.
- DO ask for a copy of the official's notes (although they may refuse to give these) and, where possible, written confirmation that the officials are satisfied with the level of cooperation during the inspection. Check with your legal advisor or external counsel before signing any other documents.

Contact Details

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THAT MAKES A DIFFERENCE.

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