

Fair Competition (1 of 2)



Investigations by competition authorities may result in significant fines and costs, compensation claims by our customers and competitors, and damage to our reputation and commercial relationships. Criminal sanctions for individuals may also apply.

Competition laws prohibit:

- Anticompetitive agreements
- Sharing of commercially sensitive information between competitors, unless approved by Legal
- Certain restrictions imposed on or agreed with distributors and other customers; and
- Abuses of dominant market positions.

This Code Policy sets out what employees must do to ensure Unilever upholds fair competition.

Co-operating with competition authorities

Unilever co-operates fully with the competition authorities, while consistently and robustly defending its legitimate interests. All contacts with competition authorities (including, where relevant, national courts) are co-ordinated by the relevant Legal Business Partner. For more details, see the Code Policy on Contact with Government, Regulators & Non Governmental Organisations (NGOs).

Musts

Market Cluster/country, Category and Function Heads must, with the support of Legal, ensure that the requirements of competition law are understood by employees, contractors and agents operating in their categories, markets and functions, by providing appropriate documentation, communication and training, with tailored programmes for specific (in particular 'high risk') groups.

Employees must:

- Comply with competition law for all categories and markets in which they operate and undertake all relevant training

Fair Competition (2 of 2)

Musts

- Before taking part in a trade association or industry event, ensure all mandatory requirements set out in the Unilever Standard on Trade Association Memberships have been complied with; this also applies to less formal meetings or events that involve competitors, such as awards ceremonies or associated social contacts
- Object immediately if inappropriate topics are raised during any contact with competitors and leave immediately – and noticeably – if any inappropriate discussion continues
- Report incidents of inappropriate discussions immediately to their Legal Business Partner
- Promptly seek advice from their Legal Business Partner:
 - Whenever you need help applying the competition rules laid out in this Policy to any specific business situation, and in any case of doubt
 - In situations which may involve the exchange of information with a competitor
- Before discussing joint purchasing arrangements, or production, research and development, and standardisation agreements with any competitors
 - When contemplating restrictions on the commercial activity of a customer or a distributor
 - In situations where Unilever might have a strong market position and Unilever's commercial practices could be perceived as unfair to customers or competitors
- Clearly record sources of competitor information in all communications and documents so their legitimacy is beyond doubt

Must nots

Unilever prohibits participation in cartels in all countries, even those that do not have competition law.

Employees **must not**:

- Participate in cartels
- Discuss, agree or exchange information about, any of the following, directly or indirectly, with competitors (unless approved by Legal Group):
 - The price or terms of sale for products and / or services
 - The price or terms to be demanded from suppliers
 - The co-ordination or allocation of bids or quotes
 - Limitations on production or sales; or
 - The division or allocation of geographic markets, customers or product lines
- Boycott or refuse to deal with certain competitors, customers or suppliers without first seeking advice from their Legal Business Partner
- Impose restrictions on the commercial activity of a customer or a distributor without first seeking advice from their Legal Business Partner, including control of the resale price, the territory or channels in which they may resell Unilever products and the extent to which they may sell competing products
- Where Unilever has a strong market position, conduct itself in order to take unfair advantage of customers or unfairly prevent competitors from entering, remaining or expanding in a market, e.g. selling below cost, certain types of conditional rebates, exclusivity arrangements