

CODE OF CONDUCT: TRADE PRACTICES COMPLIANCE

1. INTRODUCTION

The Code of Conduct: Trade Practices Compliance (The Code) has been developed to uphold the high degree of integrity, professionalism, culture and impact the Association strives to achieve to achieve and maintain, in support of its Mission. The Code provides all Association stakeholders with guidance on conduct which complies with the Competition and Consumer Act 2010 (the Act).

2. APPLICATION

National Precast Concrete Association Australia is the peak body representing the manufacturers of precast concrete products in Australia. With a role of representing and promoting the precast concrete industry, National Precast's initiatives include, among other member services, the organisation, facilitation and attendance of meetings, workshops, exhibitions and other industry events. In most cases, these are attended by National Precast member representatives. Others, such as representatives of suppliers to the industry and allied industry representatives and stakeholders may also be in attendance.

Depending on location and scope of products and services they supply, National Precast's Precaster and Provisional Precaster members can be competitors in their industries. The National Precast Board of Directors is aware that the conduct of competitors is subject to the Competition and Consumer Act 2010 particularly as it relates to the prohibition of anti-competitive conduct under the 'restrictive trade practices' sections of the Act. The Board makes every endeavour to take all reasonable steps to minimise the risk that the Act may be infringed by National Precast's employees and members.

National Precast understands that the restrictive trade practices provisions of the Act prohibit various anti-competitive practices that limit or prevent competition including:

- Price fixing;
- Anti-competitive agreements (which includes unwritten understandings or arrangements);
- Concerted practices;
- Misuse of market power;
- Predatory pricing;
- Exclusive dealing and third line forcing; and
- Resale price maintenance.

Examples of illegal cartel conduct include market sharing, bid rigging, output controls and price fixing.

Further information can be obtained from the Australian Competition and Consumer Commission, www.accc.gov.au or ACCC Infocentre: 1300 302 502.

3. SCOPE OF COMPLIANCE

National Precast, by way of this protocol, wishes to make it clear that its employees and its members and their representatives, in all their dealings under the auspices of and whilst representing National Precast or participating in any National Precast activities or otherwise, **must comply strictly with the provisions of the Competition and Consumer Act 2010.**

4. MODE OF COMPLIANCE

a) Awareness

All member companies through their nominated representative, all Committee members and all National Precast employees are to be made aware of these protocols.

b) Training

It is incumbent on members to ensure that their representatives have received adequate training on compliance with the Act, including periodic refresher courses.

5. MEETING PROTOCOLS

All meetings carried out under the auspices of National Precast must comply with the following protocols:

- a) Participants must not breach or be involved in, authorise or condone any breach of the Act including any breach by other parties.
- b) All committee and working group chairpersons are required, at each meeting to draw members' attention to this protocol at the start of the meeting.
- c) All meetings must have formal agendas, an attendance list and minutes must be taken. The acknowledgement of the Trade Practices Protocol shall be minuted at each meeting. The protocol shall be issued with the agenda for each meeting.

6. AWARENESS AND ACCOUNTABILITY

It is expected that individuals be trained concerning their responsibilities under the Act and take individual responsibility for being aware of them. Any discussion between competitors as to price setting, supply to customers or market segments, tendering or output controls is a high risk situation and is likely to be in breach of the Act. The following are examples of areas of risk. It is not intended to be comprehensive.

- Failure to draw members' attention to this protocol at the start of the meeting.
- Failure to have accurate meeting attendance records.
- Failure to write minutes appropriately.
- Failure to read and check minutes.
- Improper side discussions whilst at the meeting.
- People attending meetings as delegates for other people i.e. more junior employees who may not have had appropriate training.
- Inappropriate discussions, agreements, or information exchange, including those that have the purpose or effect of reducing competition or strategic certainty.
- Remaining at a meeting or in a discussion if matters that could put you in breach of the Act are raised.
- People not from the industry, such as government officials, seeking to have inappropriate discussions which would impact the members.

7. ACTIONS TO BE TAKEN IN EVENT OF INCIDENT OR SUSPECTED INCIDENT

All incidents or suspected incidents involving the Act, should be treated seriously at the time, acted upon immediately where necessary, contemporaneous notes taken and a report made to the National Precast CEO as soon as possible. Failure to do so can place the organisation and the individual at serious risk.

Following are some possible incident types and actions that should be taken:

- If you are at a meeting under National Precast auspices with competitors and matters are raised which you believe may be illegal or doubtful with regard to the Act, make sure that you advise everyone present that you consider the discussion/behaviour inappropriate and may be in breach of the Act. If it continues you should leave the meeting or discussion advising why you are leaving and do so. If you are unsure whether the subject is inappropriate or you reflect on it after the meeting, report it to the National Precast CEO as soon as possible, to seek advice.
- If on a phone call and your warning is not heeded, terminate the call after telling the other party you do not want to be involved.
- If while representing National Precast in meetings or discussions with other bodies or authorities and matters are raised which might be anti-competitive in nature, you must advise all present that you believe the discussion/behaviour is inappropriate and may be in breach of the Act. If it continues advise everyone you are leaving the meeting or discussion and do so.
- If you are responsible for preparing any publications or replying to enquiries on behalf of National Precast, you must tell the truth and not engage in misleading or deceptive conduct. If you have any doubts first seek advice from the National Precast CEO.

If any of these behaviours are observed, make appropriate notes and report the incident to the National Precast CEO as soon as possible.

8. ADVICE AND ASSISTANCE

If in doubt about these protocols and its application, you are encouraged to seek advice from the National Precast CEO. If you as a member representative have not received trade practices compliance training you should raise this with your employer.