



COMPETITION LAW COMPLIANCE POLICY

The Costain Group is committed to compliance in full with all laws and regulations governing our businesses, including competition laws. Costain adheres in all of its business practices to the principle of fair and efficient competition, and does not engage in conduct which is anti-competitive - such as entering into agreements which restrict, prevent or distort competition.

To comply with competition laws, Costain should seek to bid for contracts independently from, and without any agreement or arrangement with, its competitors. The only exception to this is if neither Costain nor the competitor would have a good chance of winning the bid on its own because it is too small or does not have all the requisite skills. In such circumstances, Costain may enter into a joint venture arrangement for the purposes of submitting a joint bid with one or more of its competitors - provided always that co-operation is strictly limited to that which is necessary for the purposes of the joint bid.

Acting independently means not engaging in agreements regarding pricing, bids or bidding strategies.


This includes not:

- Discussing any element of pricing (e.g. profit margins, labour costs) or engaging in cover pricing or price fixing.
- Discussing restrictions on geographic markets, customers or terms and conditions of contract with competitors.
- Engaging in methods of keeping new competitors out of the market.
- Discussing sub-contractor or supplier arrangements with competitors.
- Engaging in bid rotation or bid suppression.
- Engaging in sub-contract bid rigging.

Costain considers a breach of this Policy as a serious offence. Any violation will result in disciplinary action, up to and including dismissal of an individual in appropriate circumstances. Breach of competition laws may also lead to penalties including fines and/or imprisonment being enforced against the individual by the regulator.

The policy covers all Costain Group activities.

This policy will be reviewed annually to ensure that it reflects current legislation and regulations.

Signed:


A Wyllie CBE (Chief Executive Officer)

Date: 1st February 2018