

COMPETITION LAW POLICY



Enabling trust

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1 INTRODUCTION

This SICPA Policy on Competition Law compliance (the "Policy"), as approved by the Board of Directors of SICPA HOLDING SA on 15.09.2014, updates and replaces the previous Policy in place.

Competition law is intended to help preserve the competitive, free enterprise system that is the basis of the free market economy. Competition laws apply to all business arrangements, irrespective of their form, as well as to business conduct in general. However, they do not normally apply to business transactions between companies of the same group.

2 POLICY

2.1 POLICY RATIONALE

The aim of this policy is to list the main principles of competition law which are common around the world so as to establish standards to be followed within SICPA Group.

As a group with global business activities, it is the objective of SICPA to adhere to the national and international laws and regulations in force in the various countries in which it operates as well as to implement high standards of integrity in business transactions. Even in the absence of such law, the interests of SICPA, its shareholders and employees are best served by a policy of vigorous and fair competition. Therefore, it is the policy of SICPA to comply strictly with the laws relating to competition matters in all jurisdictions in which it trades or operates. This is reflected in the SICPA Code of Business Conduct (chapter 2.7 on "Fair Competition").

Violation of the main competition law principles outlined below would create unacceptable financial, legal and reputational risk for SICPA. It is important that every director, officer and employee within SICPA, particularly those in contact with competitors, suppliers and/or customers, and those advising on such matters, as well as relevant Associated Third Parties¹, are aware of these principles and comply with them.

2.2 MAIN COMPETITION LAW PRINCIPLES

Companies must not coordinate their behaviour in the market instead of competing with each other. Competition law notably regulates two types of illegal conduct:

¹ Associated Third Party shall mean any third party which may be engaged to assist SICPA in its business development, commercial efforts and its dealing with customers or which may do business on SICPA's behalf, whatever the description of such third party is, i.e. consultant, agent, adviser, broker, distributor, intermediary, representative, partner

2.2.1 RESTRICTIVE AGREEMENTS OR PRACTICES BETWEEN TWO OR MORE COMPANIES;

Restrictive agreements can be further distinguished as follows:

- Coordination agreed between competitors (including potential competitors), notably on fixing prices and sale conditions and/or market sharing, which is generally considered to be a serious violation of competition law, regardless of whether the parties have acted by wilful misconduct or negligence (so-called "horizontal agreements").
- Coordination agreed between companies operating at different levels of the supply chain (e.g., a manufacturer and a distributor). Such arrangements (so-called "vertical agreements") are prohibited when they have as their object or effect an appreciable restriction of competition in a specific market.

2.2.2 ABUSE OF A DOMINANT MARKET POSITION BY ONE OR MORE COMPANIES

The EU and many countries have competition laws that prohibit abuse of a dominant market position. Having a dominant market position is not prohibited in itself. However, where a company holds a dominant position, it has additional legal obligations to ensure that its behaviour in the market is not designed to eliminate its competitors or exploit its customers in a way that is considered to be abusive.

As a rule, a company is deemed to be dominant in a specific market when it can behave independently from competitors and customers. The question of whether a company has a dominant market position in a specific market is a complex one.

The SICPA Group Legal Department can provide advice on whether SICPA might be considered to have a dominant position in any relevant market.

2.2.3 BID RIGGING

Bid-rigging is a serious offence and is prohibited. It eliminates competition among suppliers, increases costs and harms ability to compete. Bid-rigging typically involves competitors agreeing to artificially: (i) renounce to submit a bid; (ii) withdraw a bid; or (iii) submit a bid arrived at by agreement, notably on the price of the goods and/or services offered to potential customers in order to distort the bid process and influence the award of the contract to a designated competitor.

2.2.4 STATE AID

State aid is defined as an advantage in any form whatsoever conferred on a selective basis to companies by national public authorities. Relevant EU Treaty lays down principles and objectives of state aid control, in order to ensure that government interventions do not distort competition and trade inside the EU. SICPA does not obtain any state aid and any advantage

conferred by public authorities which could be perceived as such. Any doubt on this needs to be cleared with SICPA Group Legal Department.

3 RESPONSIBILITY FOR ENFORCEMENT

This Policy has been endorsed by the Board of Directors of the SICPA Group, and all SICPA employees and relevant Associated Third Parties are expected to fully comply with it. SICPA's Directors and Officers are responsible for ensuring that this Policy is adhered to within their organization.

4 TRAINING, REPORTING, SANCTIONS AND MONITORING

SICPA Legal Department, together with SICPA Human Resources, will on a continuing basis provide specific training on this Policy and on competition law in general, for SICPA employees and other relevant Associated Third Party who may find themselves affected by this Policy. In particular, SICPA Legal Department supports training for SICPA's sales and business development teams as well as for employees involved in internal control procedures, to ensure that their responsibilities and duties are correctly understood and that best practice is followed.

All SICPA employees and relevant Associated Third Parties shall promptly report to the General Counsel or the Group Compliance Officer (compliance@sicpa.com) any suspected violations of this Policy. SICPA will protect its employees against retaliation and will keep its employees' identity confidential at their request (unless such employees have themselves violated the present Policy or have acted in bad faith). Failure to report known or suspected violations may lead to disciplinary action.

SICPA's employees and Associated Third Parties who violate any applicable anti-trust laws may be subject personally to severe criminal and civil penalties, including imprisonment and substantial fines, which will not and cannot be reimbursed by SICPA.

In addition, SICPA's employees who violate any applicable competition laws and regulations or this Policy will be subject to SICPA internal disciplinary action, which may include termination of the employee's employment relationship. Appropriate sanctions, including immediate contract termination, shall apply to Associated Third Parties who violate any applicable anti-trust laws and regulations or this Policy.

If you have any question, doubt or concern in relation to the application of this Policy, please contact the SICPA Group General Counsel and/or seek further advice with the SICPA Group Legal Department.

Compliance with this Policy will be periodically reviewed by Internal and External Audit.