

Collective initiatives among competitors: how to participate safely



Objective, scope, and structure of these Guidelines

1. Objective

- **Trade associations** and other collective initiatives among competitors **provide valuable services** to their members such as lobbying actions, recommendations, legal advice, collection and distribution of statistical data, organization of conferences and events, etc.
- However, **they are a source of Competition Law risk** as they provide a natural forum for competitors to meet and discuss.
 - **Objective of these Guidelines: ensure Sanofi participation in trade associations and other collective initiatives between competitors is safe.**

2. Scope

- The following Guidelines contain an overview of Competition Law rules applicable **both to**:
 - **structured trade associations bringing competitors together**, such as syndicates, federations or committees (for instance: IFPMA; EFPIA; PhRMA...);
 - **any type of collective initiative that may bring competitors together**, such as working groups, think tanks, consortiums.
- To simplify these Guidelines, we refer to both categories as « **Collective initiatives** » or « **CI** ».



Please note that Collective initiatives may be organized through formal channels such as meetings organized by associations, but **also through informal channels**, such as WhatsApp groups or informal conversations.

- **Every Sanofi employee who attends/is likely to attend Collective initiatives among competitors must be aware of these Guidelines**: not only commercial or sales teams are concerned, but also other teams, such as Corporate affairs (Public Affairs, market access, CSR) or Regulatory, R&D, P&C, M&S, HSE, EBI, Security, Legal etc.
- **Note**: Specific additional rules apply to Merger & Acquisition transactions as well as Research & Development/Business Development collaborations. Please ensure these transactions are reviewed by the Antitrust department and relevant Legal departments.

3. Structure

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How to use these Guidelines?



Participants

Public affairs



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Section 1
Why are these Guidelines
important?



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Section 1. Why are these Guidelines important?

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1.1 Competition Law rules and these Guidelines are an integral part of the Sanofi Code of Conduct



Paul Hudson
Chief Executive Officer

“Sanofi supports laws promoting fair competition and trade practice, as well as a vital ecosystem of innovation. We comply with all these laws wherever we do business and never attain competitive advantage through unethical or illegal business practices.”¹

¹ For more information, see our dedicated page “Competing Freely and Fairly”: <https://www.codeofconduct.sanofi/topics/competing-freely-fairly/>.

1.2 Participation in Collective initiatives among competitors is a source of serious Competition Law risks

❖ Main rules

- **Fair Competition** only exists **when each competitor determines its own commercial strategy on the market autonomously from other competitors**. This implies **uncertainty** about competitors' strategies.
- Collective initiatives among competitors may organize collective actions, provided that they:
 - are limited to matters of a **general nature**;
 - **do not** result in **exchanges of commercially or competitively sensitive information**;
 - **do not determine each competitor's individual commercial or competitive strategy**: each competitor must remain free to define its own strategy
 - are carried out within a **clear Competition Law compliance** framework.



Do's

❖ Main Competition Law risks/Prohibited actions

- **avoid "cartels"**: using the Collective initiative to agree on common commercial or competitive strategies, commercial conditions (such as prices, discounts or payment terms), or to allocate territories, customers or sources of supply, between competitors, is a very serious infringement;
- **avoid exchanging commercially sensitive information**: among competitors (directly or via an intermediary), sharing commercially sensitive information about individual strategies reduces uncertainty and must be avoided– see [Section 2.3.2](#) for practical tips on avoiding sensitive information exchanges;
- **avoid strategic coordination even within a legitimate initiative**: a breach can occur if the Collective initiative's members coordinate on strategic Competition parameters, even when they do not have the intention of creating a cartel – see [Section 2.3.3](#) for practical tips on avoiding coordination.











Don'ts

→ Avoiding these risks requires **careful monitoring of meetings**: see [Section 2.5](#) for practical tips on monitoring meetings.

1.3 Breach of Competition Law rules leads to severe consequences for Sanofi and Sanofi's employees

❖ Important sanctions and related risks

- Competition Law **protects important values** such as open markets, enhanced innovation and consumer welfare: this is why a breach of Competition rules may lead to **severe sanctions**.

MAIN SANCTIONS	RELATED RISKS
 Very high fines: Ex : in the EU, up to 10% of the association's members aggregate worldwide turnover .	 Reputational risk : impact on public image and consequences on rating agencies and share prices.
 Criminal sanctions and/or administrative penalties against individuals in certain jurisdictions.	 Burden on teams to prepare the defence, and related legal costs.
 Prohibition to participate in public tenders (depending on local rules).	 Business disruption
 Damages claimed by third parties affected by anticompetitive behavior.	 Unenforceability of anticompetitive agreements concluded in this context

❖ Extensive investigation powers

- Competition authorities **have very extensive investigation powers:** they may conduct **dawn raids at offices and private homes**, request massive amounts of information and interview any participant in a Collective initiative and employees of the companies participating in it.
- **All devices, materials and documents in any forms, including yours, may be seized and analyzed by Competition authorities:** laptops, mobiles, tablets, storage devices, chats (such as WhatsApp or Zoom), mailboxes (including your private e-mail accounts), AI-generated meeting minutes, etc.

→ As a participant in Collective initiatives meetings, your role is key to ensure compliance with Competition Law and monitor the content of any exchanges you participate in, under any format – see next Section for a presentation of your role and practical tips.



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Section 2.

Roles and responsibilities of participants in Collective initiatives among competitors

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5 steps to follow for Sanofi's employees participating or likely to participate in any Collective initiatives:

- 1 Complete the E-Learning**
- 2 Answer the Public affairs questionnaire at the end of the e-learning**
- 3 Understand and apply the Competition rules**
(Avoid : cartel activity / commercially sensitive information exchange / strategic coordination)
- 4 Make sure the Collective initiative among competitors in which you participate comply with these Guidelines and Competition rules (before and during your participation)**
- 5 Monitor meetings**

2.1 Complete the e-learning on Collective initiatives among competitors

- Once a year, train yourself using the GCL e-learning platform.

2.2 Answer the Public affairs questionnaire at the end of the e-learning

- The purpose of the questionnaire is to list all Collective initiatives among competitors in which Sanofi is involved.

2.3 Understand and apply the Competition rules



2.3.1 Avoid "cartels"

Entering into an agreement with competitors relating to competitive or commercial factors is a very serious infringement and should be avoided under any circumstances. A few examples of prohibited agreements are:

- No price fixing or agreement on commercial strategies / conditions with competitors.
- No territory or customer allocation between competitors.
- No restrictions on production volumes or technical development.
- No agreement with competitors on restriction of development / procurement of new technologies / products / equipment.
- No agreement with competitors on joint boycott of competitors or of any third parties (such as suppliers or clients)
- No agreement on communication campaigns or other marketing elements

2.3.2 Avoid exchanges of commercially or competitively sensitive information ("CSI")



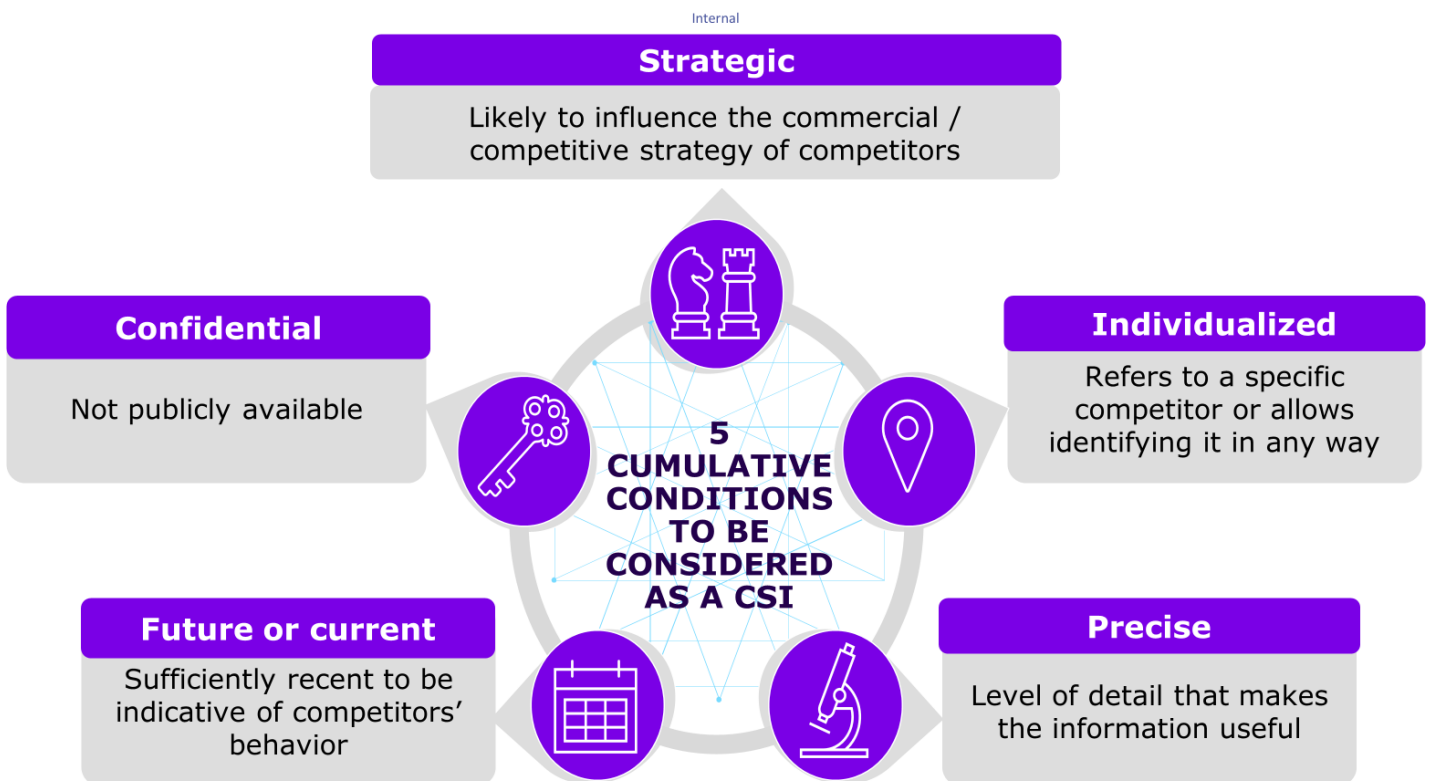
Understand the essential rules: why exchanges must be avoided and what is CSI

❖ Why exchanges of CSI between competitors must be avoided?

- Exchanging and/or agreeing on commercially or competitively sensitive information among competitors must be avoided **because it reduces strategic uncertainty about how the other competitors will behave on the market.**

❖ What is CSI?

- Information is **commercially sensitive** when it is **all** the following (see [Annex 1](#) for **details** on these criteria and **examples**):



- **Information about traditional competitive factors is often sensitive** (if it fulfills the five conditions presented above): for example, prices, commercial policy, innovation strategy, costs, margins, customers, or suppliers, capacity, production, quantities, market shares, plans to enter or exit markets, or other important elements of a company's strategy.

- But information about **new competition parameters may also be sensitive and create risks if they lead to an exchange of individual CSI**: for example, CSI on sustainability individual strategies, human resources (ex: information on wages, benefits or non-compete obligations) or strategies of communication on public health issues.
- **Any form of exchange of CSI may be anticompetitive, including informal exchanges**, such as oral conversations or chat exchanges.

→ In a nutshell, CSI is usually an important element of a company's strategy that competitors active in a genuinely competitive market would not want to reveal to each other.



Practical advice to avoid exchange of CSI

- **Avoid all types of exchanges of commercially sensitive information, not only formal and written communications but also informal and oral exchanges**: for example, the person you are talking to may write an email summarizing your conversation to their manager – that email may be seized by Competition authorities.
- Remember that exchanges of CSI are problematic **even if competitors do not intend to act upon the information received**.
- **Avoid indirect exchanges**: it is also prohibited to indirectly exchange commercially sensitive information with competitors, for example through a distributor or a supplier, including commonly used IT-tools or software as a service solution. **Benchmarking** provided by an external company may also be problematic: it is important to check how data is collected and provided.
- **Even one-way disclosure or passive reception of commercially sensitive information may be considered an infringement**: if you are present to an exchange of sensitive information, you must expressly disagree with it – see [Annex 2](#) for practical tips on how to stop an exchange and dissociate yourself from it.
- **Competitors, through trade associations or Collective initiatives, may organize the collection of CSI**, for the purposes of, for example, establishing statistics panels or a benchmark. **However, this must absolutely be done in a secure way, in compliance with these Guidelines.** - See [Annex 3](#).
- In case of doubt, for example, if you are not sure whether an element of information is sensitive, **do not hesitate to contact your Legal and/or the Antitrust department**.

2.3.3 Avoid strategic coordination in legitimate Collective initiatives



Understand the essential rules: competition rules also apply to legitimate Collective initiatives

- In most cases, competitors meet within a Collective initiative to pursue a **legitimate goal**, such as, for example: understanding regulatory changes, organizing lobbying initiatives, defining an improved production standard or implementing a sustainability initiative.
- **Even if these initiatives are legitimate, they still may inadvertently lead to anticompetitive coordination:** to avoid this, the discussion must remain at a general level – **each competitor must remain free to determine its own commercial strategy**. For example, recommendations may be adopted, but they cannot be compulsory. Even when they are widely followed by the operators in the sector, they must remain optional.



Practical advice to avoid strategic coordination in legitimate Collective initiatives

- Make sure that the membership rules of the Collective initiatives among competitors **are not discriminatory and do not exclude any operator likely to participate/potential participants unless based on objective and legitimate criteria**.
- Make sure that the initiative is **not compulsory, and that each member remains free to adopt its own strategy**.

→ **Remember: before** participating in any Collective initiative, make sure that compliance measures have been adopted by following the Checklist in **Annex 4**.

- These precautions concern any kind of Collective initiative, such as:

 Sustainability initiatives	 Discussions on new regulations	 Definition of standard terms and conditions
 Lobbying initiatives	 Discussions on tenders	 Crisis-management groups
 Communication campaigns	 Cooperation projects	 Discussions on human resources issues
 Collective negotiations	 Request for legal advice and support	 Membership rule modification
 Statistics panels	 Settings standards	

- Remember that this list of initiatives is **not exhaustive**.
- **See Annex 3 for practical tips on how to deal with these specific situations/initiatives.**





2.4 Make sure the Collective initiative among competitors in which you participate comply with these Guidelines and Competition rules

- **Before participating in any Collective initiative among competitors: ensure that this CI has implemented Competition compliance measures [See the Check list in Annex 4 and confirm that you answered “yes” to all the questions of this Check list].**
- The verification of compliance with this Check list should be made:
 - if it is a new CI: before the first meeting;
 - if it is a CI you already attend: before the next meeting;
 - if it is a new specific project launched by a CI you already attend: before the first meeting related to the new project.
- Once this verification has been completed, it will not be necessary before each meeting.
- If you have any doubts or if you respond “No” to any of the questions in the Check list, contact Legal and/or the Antitrust department to discuss appropriate safeguards and request their implementation by the CI or interrupt your participation.

- **During your participation**, make sure that the CI among competitors you participate in complies with these Guidelines and Competition rules [See 2.4 and 2.5], both in its regular activities and specific projects.
- If you have any doubt, check with your Legal and/or the Antitrust department.

2.5 Monitor meetings to ensure compliance with these Guidelines

- Avoiding inappropriate information exchanges and coordination requires careful monitoring of the way in which meetings are conducted.
- **Attending meetings where illegal discussions are held is also illegal even if you did not get actively involved in the discussions.**
- **Carefully follow the recommendations presented below** – this is one of your main roles as a participant in Collective initiatives meetings.

 Before the meeting	 During the formal meeting	 During an informal meeting	 After the meeting
Check the Agenda	Monitor the discussions	Monitor the discussions	Check minutes
<ul style="list-style-type: none"> ● Check that an agenda is established and verify its content. ● If there is no agenda: request it or formally indicate you cannot attend the meeting without an agenda. ● If any of the subjects seem to raise a Competition issue / or if you are in doubt : check with your Legal. ● If the agenda contains a new Collective initiative between competitors (see 2.4) : ensure its compliance with these Guidelines. 	<ul style="list-style-type: none"> ● Ensure that the discussion does not deviate from the agenda. If it does, make sure it is reflected in the meeting minutes. ● Watch out for potential competition issues (CSI exchanges / coordination of individual strategies / cartel activity). ● In those cases: end the conversation and ask for your objection to be recorded in the minutes. If the conversation continues, you must immediately leave the meeting, ensure that your departure is recorded in the minutes and inform your Legal. 	<ul style="list-style-type: none"> ● Also important to watch out for Competition issues. ● Tactfully stop discussion if sensitive issue raised. ● If needed, leave the meeting or discussion. ● This can be handled in a diplomatic manner : <i>“I don’t think we should be discussing this topic – let’s check with Legal”</i>. ● In case of an informal talk via electronic means, reply by expressing your objection 	<ul style="list-style-type: none"> ● Report any incidents to your Legal. ● Check that you received the minutes. ● Check that the minutes reflect the content of the meeting. ● If you left the meeting ensure that the minutes reflected this (or any objection) ● In certain cases, it is possible to send a message after the meeting to correct an error – check with your Legal.



Any doubt ? Contact your Legal !

- **See Annex 2 for more details** on the main steps and actions to take before, during and after any formal or informal meeting.

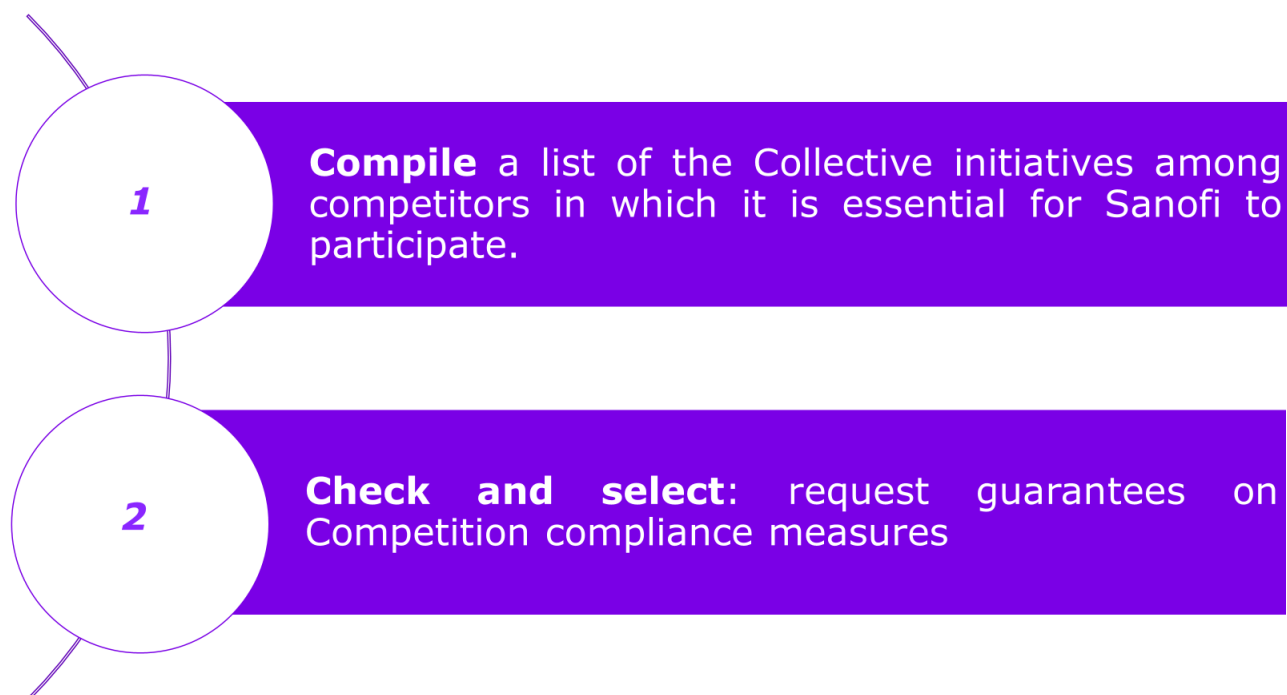


Section 3. Roles and responsibilities of the Public Affairs Team

*Defining a safe
policy*

Steps to follow

- As a member of the Public Affairs team, you play **a key role in ensuring a compliant participation in association and other Collective initiatives with competitors by all participants.**
- **If you are participating yourself**, please also refer to **Section 2** of these Guidelines.
- In addition, your role is **essential in defining a compliant policy for participation** in Collective initiatives among competitors, in close cooperation **with the Antitrust and the relevant Legal departments**, through the following steps:



3.1 Compile the list of the Collective initiatives resulting from the e-learning questionnaire

- **Compile the list** of the Collective initiatives **among competitors** currently attended by Sanofi teams that will result from **the responses provided by the teams to the Public Affairs questionnaire at the end of the e-learning** (see **Section 2** above and **Annex 5** for the “Public Affairs questionnaire”).
- **Provide a copy of this list to the Antitrust department and relevant Legal department for information purposes.**

3.2 Check and select: request guarantees on Competition compliance

- Within this list, **select the Collective initiatives that are in your scope.**
- It is essential that you ensure, **for CI within your scope**, with the assistance of the Legal and the Antitrust departments, that Sanofi teams **only attend Collective initiatives that have implemented Competition compliance measures** (See the “Check” questionnaire in **Annex 4**) and in which it is essential for Sanofi to participate.
- These measures can be adopted in a simplified form (a few reminder points are sufficient), but they **should include** the following:
 - a **written document explaining Competition law** in the specific context of the relevant Collective initiative – this document should be made available to all new members;
 - a **written document setting out rules for managing meetings**: agendas, minutes, reminder of Competition law rules at the beginning of the meeting, monitoring information exchanges;
 - a **confirmation that the purpose of the Collective initiative** (or each new ad-hoc project/ additional initiative) **been analyzed and validated under Competition law** (examples: a data collection initiative or an ad hoc working group or any situation listed in **Annex 3**);
 - a **person (from within or outside the Collective initiative) in charge of monitoring** application of Competition Law rules, making sure that cartel activity, exchanges of commercially sensitive information and strategic coordination are avoided.
- **Check**, with the assistance of the Antitrust department / your Legal, if necessary, **that the Collective initiative membership rules are easily accessible, objective and justified** (i.e. they do not exclude any operator or category of operators without an objective justification).

- **If these measures do not exist, it is essential to request their implementation by the Collective initiatives before participating in future meetings, with the possible assistance of your Legal and the Antitrust department.** If participation is absolutely necessary, please discuss with Legal to implement safeguard measures.
- **Check regularly** that the Collective initiatives within your scope have Competition Law compliance measures in place.



Annexes

[Annex 1: How to determine if an information is commercially sensitive including examples](#)

[Annex 2: Main steps and actions to follow for Collective initiatives meetings among competitors](#)

[Annex 3: Rules and recommendations to deal with specific situations involving Collective initiatives among competitors](#)




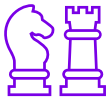

[Annex 4: « Check » questionnaire](#)





[Annex 5: Public Affairs Questionnaire](#)

Annex 1: CSI exchanges

❖ How to determine if information is a CSI

- Information is not CSI unless it fulfills the five **cumulative** criteria set in the table below:

	FIVE CRITERIA	DEFINITION	 LANGUAGE TO AVOID	 ACCEPTABLE LANGUAGE
	Confidential	Information is not confidential if publicly available.	<i>We have offered special commercial terms, including 20% discount, to private clinics A and B, to make sure they remain among our key clients..</i>	<i>Tender results have been published, we have been awarded the contract with hospital A.</i>
	Strategic	Information is strategic when it is likely to influence the commercial strategy of competitors relates to an important aspect of a competitor's commercial strategy/ competitive factors.	<i>We are creating an AI platform that will allow us to improve logistics in Southern countries next year. This will represent an investment of 50 million euros and we expect our profitability to improve by 20%. We intend to use this to offer targeted rebates to our clients, particularly in Spain and Italy.</i>	<i>AI is an important part of our strategy. and we are planning substantial investments in this field</i>
	Individualized	Information is individualized when it refers to a specific competitor/product or allows identifying it in any way.	<i>Our antibiotics BU has grown 27% this year and we expect this growth to continue next year by at least 15%.</i>	<i>The antibiotics market has grown this year, due to higher rates of infections in flu epidemics.</i>

	FIVE CRITERIA	DEFINITION	 LANGUAGE TO AVOID	 ACCEPTABLE LANGUAGE
	Precise	Information is precise when it allows for the identification of a specific company market-conduct / strategy.	<i>We are building a new storage unit in the Netherlands, 40K m² for wholesaler clients. It will cost 23m€ but we expect profitability to increase by 34% in only 2 years.</i>	<i>Infrastructure is key and we plan to invest to ensure swift delivery.</i>
	Future or current	Information is not sensitive if it is so old that it is unlikely to be indicative of competitors' intended conduct. Depending on the type of information, this means at least 6 months old. In each case, check local rules to determine the length of time after which information is considered historical	<i>We intend to apply a price increase of 15% next year to compensate for API cost increase.</i>	<i>Prices have progressively increased in the last decade.</i>

❖ Non-exhaustive examples of CSI


Information about the following will usually constitute CSI (unless it does not fulfill one of the 5 above-mentioned criteria – i.e., if it’s not confidential, strategic, individualized, precise and current/future).


CSI (non-exhaustive list)	
<ul style="list-style-type: none"> ● Commercial strategy, including current or prospective pricing, global pricing policy, specific discount and reimbursement policy/strategy, profit margins, price increase/decrease, market access and promotion/marketing strategy. ● Current and future costs, including any component relating to costs such as production or distribution expenses, formulas for cost accounting, methods for cost calculation, salaries. ● Sales and company’s production, especially production volumes, sales profits, operating capabilities, level of stocks or supplies and forecasts (for production and sale), production strategy. ● Market shares ● Actual customers/suppliers (including terms and conditions) and prospective customers/suppliers. ● R&D programs, R&D strategy for pipeline products and planning for clinical trials to enhance the product profile. 	<ul style="list-style-type: none"> ● Product launch, launch sequence and associated regulatory strategy. ● Regional and country plans and stakeholder engagement plan. ● Training materials provided to sale and medical representatives, promotional material at launch. ● Plans to expand/reduce production volumes. ● Trade secrets and other proprietary IP/tech. ● Evidence generation plan. ● Risk management plan. ● Non-public safety information. ● On-going non-public litigations. ● Group’s strategy relating to sustainability, innovation, digitalization. ● HR conditions, wage policy.



Please note that, in certain cases, it may be necessary to communicate CSI to customers to some extent, for example in a public procurement procedure – check with your legal and/or the Antitrust department if you have questions about the communication of a specific item.

Annex 2: Main steps and actions to follow for Collective initiatives meetings among competitors

- Please note that this table provides you with a list of the first questions/precautions that must come to your minds before, during, and after a meeting.

Step and main action	Checklist: if you respond YES to any of these questions, take action detailed in next column	Action
<p>Before the meeting</p> <p>Check agenda</p> 	<p>Has the association / CI declined to establish an agenda?</p>	<p>Formally indicate that you cannot attend the meeting in the absence of a clear agenda.</p>
	<p>I can't attend the meeting, what should I do?</p>	<p>If you do not attend the meeting, record it to all the extent possible (for example, by refusing the invitation)</p>
	<p>Are any of the agenda items clearly anticompetitive (see Section 2: cartel agreement, exchange of sensitive information or strategic coordination)? <i>E.g.</i>, discuss pricing strategies.</p>	<p>Contact association / CI formally ask for the point to be removed + report to your Legal.</p>
	<p>Does any of the agenda items look suspicious? <i>E.g.</i>, forward strategy discussion.</p>	<p>Contact association / CI, ask for clarification + report to your Legal.</p>
	<p>Does the agenda contain one of the Collective initiatives listed in Annex 3?</p>	<p>Make sure that it complies with these Guidelines. If you have any doubt, check with your Legal and/or the Antitrust department.</p>
	<p>Do you think there is a risk that the conversation drifting towards anti-competitive subjects or that CSI are being exchanged? Does the agenda contain a particularly sensitive subject?</p>	<p>Consider asking for the presence of a Competition lawyer during the meeting + report to your Legal.</p>




Step and main action	Checklist: if you respond YES to any of these questions, take action detailed in next column	Action
<p data-bbox="197 378 429 445">During formal meetings</p> <p data-bbox="225 517 402 580">Monitor discussions</p> 	<p data-bbox="491 378 911 472">A reminder of Competition rules isn't made at the beginning of the meeting?</p>	<p data-bbox="949 378 1426 439">Formally ask for this reminder to be made.</p>
	<p data-bbox="491 528 911 589">Is the discussion going off the agenda?</p>	<p data-bbox="949 528 1426 685">Suggest staying on topic and organize a different meeting for the additional subject. If the discussion continues, be particularly careful about anticompetitive subjects.</p>
	<p data-bbox="491 743 911 931">Are any of the participants sharing commercially sensitive information or trying to coordinate their strategy? E.g., details about its individual commercial strategy.</p>	<p data-bbox="949 743 1426 1256">End the conversation and ask for your objection to be recorded in the minutes. You must also inform your Legal. If the conversation continues, you must immediately leave the meeting, ensure that your departure is recorded in the minutes and inform your Legal. This is one of the most difficult actions to take, but it is key to avoid Competition risk. It can be handled in a diplomatic way: « <i>I don't think we should be discussing this topic – I suggest we check with our Legal departments before resuming the discussion</i> ».</p>
	<p data-bbox="491 1312 911 1406">Do you feel uncomfortable with a discussion item but are not sure if it is anticompetitive?</p>	<p data-bbox="949 1312 1426 1469">Raise the issue and suggest interrupting the discussion until the point has been checked. If the other participants refuse, leave the meeting.</p>



Step and main action	Checklist: if you respond YES to any of these questions, take action detailed in next column	Action
<p data-bbox="181 600 443 667">During informal meetings</p> <p data-bbox="164 734 461 768">Monitor discussions</p> 	<p data-bbox="491 383 911 768">Even if you are in an informal meeting or conversation (for instance, before / after conferences or seminars with competitors, Whatsapp exchanges, social media, etc) watch out for Competition discussions and ask yourself: are any of the participants sharing sensitive information? E.g., details about its individual commercial strategy.</p>	<p data-bbox="949 383 1426 797">If the discussion drifts towards Competition or Competitively sensitive issues, stop the conversation immediately and inform your Legal. If the conversation continues, you must immediately leave the meeting/discussion. If participants tell you that they can discuss sensitive information in an informal manner as there will be no trace, remind them that Competition rules apply in all circumstances.</p>
	<p data-bbox="491 842 911 931">Do you feel uncomfortable with a discussion item but are not sure if it is anticompetitive?</p>	<p data-bbox="949 842 1426 1025">Raise the issue and suggest interrupting the discussion until the point has been checked with Legal. If the other participants refuse, leave the meeting/ discussion immediately.</p> <p data-bbox="949 1099 1426 1216">Contact your Legal to assess risks. It is possible to formally distance yourself from informal sensitive discussions after they took place.</p>
<p data-bbox="165 1263 459 1296">After the meeting</p> <p data-bbox="204 1364 421 1397">Check Minutes</p> 	<p data-bbox="491 1245 911 1368">Do the minutes contain additional elements or is the record different from the actual discussion</p>	<p data-bbox="930 1263 1437 1323">Contact association/ CI, formally ask for the minutes to be corrected.</p>
	<p data-bbox="491 1413 911 1473">You have not received any minutes.</p>	<p data-bbox="930 1413 1437 1697">Contact the association / CI and request them: they should clearly explain their processes regarding meetings. Be aware that minutes may take different forms: recording of virtual meetings, exchange of emails, AI-generated meeting notes, handwritten notes, action points, mobile recordings...</p>
	<p data-bbox="491 1742 911 1832">If you left the meeting, have the minutes omitted to reflect this?</p>	<p data-bbox="930 1742 1437 1832">Contact association / CI, formally ask for your departure to be recorded + report to your Legal department.</p>
	<p data-bbox="491 1872 911 1962">Do you have afterthoughts about any of the items discussed during the meeting?</p>	<p data-bbox="930 1872 1437 1962">Do not hesitate to contact your Legal department: it is possible to send a message afterwards.</p>


Annex 3: Rules and recommendations to deal with specific situations involving Collective initiatives among competitors.








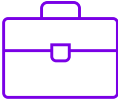
If any specific situation described below happens and if you have any doubt, check with your Legal assisted by the Antitrust department.


Situation	Rules to remember to avoid risks
<p>Crisis cartels</p> 	<p>Key rule: a crisis situation is NEVER accepted as a justification for a cartel.</p> <p>Never engage in coordination of Competition parameters such as:</p> <ul style="list-style-type: none"> ● sale prices; ● purchase prices; ● margins; ● production volumes; ● logistics; ● communication strategies; ● coordination on tenders.
<p>Legal advice and support/ discussing implementation strategies in relation to regulation</p> 	<p>Key rule: legal support actions cannot result in coordination of commercial behavior on the market.</p> <p>Make sure that:</p> <ul style="list-style-type: none"> ● legal advice provided by the CI is formulated as a recommendation, and does not encourage competitors to align their commercial behavior (for example, by applying similar pricing patterns, refusing to grant rebates or boycotting certain clients or suppliers); ● no CSI is discussed during working groups. If data collection is necessary, it should be performed through a secure system (see above rules on statistics panels); ● legal action is limited to a general legal debate and does not directly impact individual strategies. Discussions about future developments should not flow into discussions on individual firm's strategies form implementing legislative change, the impact of the legislative change on the individual firm, or the alignment of future conduct. <p>Also: remember that legal advice requested by the CI from an external lawyer may not be privileged in certain cases.</p>
<p>Membership rules</p> 	<p>Key rule: membership rules must be objective and non discriminatory.</p> <p>Make sure that membership rules are not drafted or amended with the objective of excluding a particular competitor or a category of competitors.</p>

Situation	Rules to remember to avoid risks
<p data-bbox="284 259 421 293">Tenders</p> 	<p data-bbox="571 259 1426 360">Key rule: advice cannot result in coordination of commercial behavior. Tenders are a sensitive context and extra precaution should be adopted.</p> <p data-bbox="571 398 786 427">Make sure that:</p> <ul data-bbox="571 434 1426 535" style="list-style-type: none"> ● all competitors remain entirely free to determine their strategy in responding to the tender; ● there is no exchange of CSI.
<p data-bbox="217 557 491 591">Statistics panels</p> 	<p data-bbox="571 557 1426 624">Key rule: statistics panels must never lead to an exchange of CSI among competitors.</p> <p data-bbox="571 663 1426 797">Before contributing data to a statistics pool, request the collection and treatment rules from the Collective initiative, and ask whether they have been validated from the point of view of Competition law.</p> <p data-bbox="571 835 1233 864">In terms of information input, make sure that:</p> <ul data-bbox="571 871 1426 1319" style="list-style-type: none"> ● data is collected centrally by the CI and there are no exchanges of commercially sensitive information between competitors directly among participants or indirectly via the CI. If needed, information may be collected by a neutral third-party; ● persons in charge of data collection do not work for any of the members and have signed a confidentiality agreement; ● information collected is historic (this condition may be interpreted differently in each case, but as a precaution, information should be at least 6 months old)). Prospective estimates and information should not be pooled; ● data is provided by a number of competitors sufficient to avoid that an individual competitor may be identified; <p data-bbox="571 1357 1254 1386">In terms of information output, make sure that:</p> <ul data-bbox="571 1393 1426 1594" style="list-style-type: none"> ● the output contains only aggregated data, meaning that no individual competitor may be identified; ● each participating competitor receives information about the market and its position in it, but not about the other competitors; ● access to the panel information is non-discriminatory. <p data-bbox="571 1632 1426 1733">Please note that sell-out data collected at the points of sale does not, in general, raise any competition issues, since it is not obtained from competitors.</p> <p data-bbox="571 1771 1426 1839">If the information input and output go beyond this frame, ask validation by your Legal and/or the Antitrust department.</p>

Situation	Rules to remember to avoid risks
<p data-bbox="236 257 467 291">Sustainability</p> 	<p data-bbox="571 257 1425 392">Key rule: sustainability discussions cannot result in coordination of commercial behavior on the market and must not lead to discriminatory or inappropriate standards restricting Competition.</p> <p data-bbox="571 432 1107 465">Make sure and properly document that:</p> <ul data-bbox="571 468 1425 882" style="list-style-type: none"> ● benefits arising from any sustainability project outweigh potential Competition risks; ● the CI clearly defines the scope of any sustainability project or agreement to avoid unnecessary exchanges of CSI. If data collection is necessary, it should be performed through a secure system (see above rules on statistics panels); ● any sustainability standard is voluntary and not imposed on CI members; ● adopted standards are necessary and do not impose an excessive burden; ● adopted standards are not based on any bias and are not discriminatory. <p data-bbox="571 920 1425 1122">Be aware that local Competition authorities may have published guidelines on sustainability cooperation and agreements that may be useful to assess the situation. For instance, the European Commission published guidelines in 2023 providing a safe harbor for sustainability standardization agreements that meet six cumulative conditions:</p> <ul data-bbox="571 1124 1425 1892" style="list-style-type: none"> ● the procedure for developing the sustainability standard must be transparent and all interested competitors must be able to participate in the process leading to the selection of the standard; ● the sustainability standard must not impose on companies that do not wish to participate in the standard any direct or indirect obligation to comply with the standard; ● participating companies must remain free to apply higher sustainability standards; ● participating companies must not exchange commercially sensitive information that is not objectively necessary and proportionate for the development, implementation, adoption or modification of the standard; ● effective and non-discriminatory access to the outcome of the standard-setting process must be ensured to allow non-participating companies to adopt the standard at a later stage; ● the sustainability standard must not lead to a significant increase in the price or a significant reduction in the quality of the products concerned and/or the combined market share of the participating companies must not exceed 20% on any relevant market affected by the standard.

Situation	Rules to remember to avoid risks
<p data-bbox="277 259 427 293">Lobbying</p> 	<p data-bbox="571 259 1425 360">Key rule: common lobbying cannot result in coordination of commercial behavior on the market and must avoid misleading authorities.</p> <p data-bbox="571 398 783 427">Make sure that:</p> <ul data-bbox="571 434 1425 846" style="list-style-type: none"> <li data-bbox="571 434 1425 535">● the position presented by the CI does not prevent its members from having a different position and conducting their own lobbying; <li data-bbox="571 542 1425 674">● the CI does not encourage its members to modify their commercial behavior to align it “in advance” with the promoted position, before it has been validated by the authorities; <li data-bbox="571 680 1425 781">● the information and arguments presented to the authorities are coherent, founded and do not contain any misleading, disparaging or aggressive messages; <li data-bbox="571 788 1425 846">● lobbying campaigns are proportionate and do not target non-relevant authorities.
<p data-bbox="225 875 480 909">Communication</p> 	<p data-bbox="571 875 1425 1005">Key rule: common communication cannot result in coordination of commercial behavior on the market and must avoid any disparaging or misleading message or calls for boycott.</p> <p data-bbox="571 1048 783 1077">Make sure that:</p> <ul data-bbox="571 1084 1425 1391" style="list-style-type: none"> <li data-bbox="571 1084 1425 1184">● the position presented by the CI does not prevent its members from having a different position and conducting their own communication; <li data-bbox="571 1191 1425 1249">● the CI does not encourage its members to modify their commercial behavior; <li data-bbox="571 1256 1425 1391">● the communication arguments are coherent, founded and do not contain any misleading, disparaging or aggressive messages or calls for boycott in relation to outside members.
<p data-bbox="248 1417 456 1485">Collective negotiations</p> 	<p data-bbox="571 1417 1425 1485">Key rule: all collective negotiations should be conducted in strict compliance with the legal framework.</p> <p data-bbox="571 1525 783 1554">Make sure that:</p> <ul data-bbox="571 1561 1425 1868" style="list-style-type: none"> <li data-bbox="571 1561 1425 1619">● the CI is aware of the legal framework and how to comply with it; <li data-bbox="571 1626 1425 1727">● request that the process be analyzed and validated from a Competition Law point of view by an internal or external lawyer; <li data-bbox="571 1733 1425 1868">● there is no exchange of sensitive information; the CI does not use illegitimate measures to exert pressure on the counterpart (such as threats, or collectively withholding services or products).

Situation	Rules to remember to avoid risks
<p data-bbox="172 259 534 293">Terms and conditions</p> 	<p data-bbox="571 259 1425 360">Key rule: discussions to establish general terms and conditions cannot result in coordination of commercial behavior on the market and must be reasonable.</p> <p data-bbox="571 400 786 430">Make sure that:</p> <ul data-bbox="571 436 1425 707" style="list-style-type: none"> ● terms and conditions are adopted voluntarily; ● members remain free to apply different contractual terms and conditions from any CI developed template conditions if they wish to do so; ● any template contract terms and conditions developed by the CI are clear, easily understood and fair to consumers; ● terms and conditions do not restrict nor limit CI members' individual commercial strategy.
<p data-bbox="252 730 451 763">Cooperation</p> 	<p data-bbox="571 730 1425 831">Key rule: discussions on cooperation projects cannot result in coordination of commercial behavior on the market.</p> <p data-bbox="571 871 786 900">Make sure that:</p> <ul data-bbox="571 907 1425 1424" style="list-style-type: none"> ● the purpose of the cooperation is legitimate; ● benefits arising from any cooperation project outweigh potential Competition risks; ● the CI clearly defines the scope of any cooperation project or agreement to avoid unnecessary exchanges of information. If data collection is necessary, it should be performed through a secure system (see above rules on statistics panels); ● participation to cooperation projects must remain voluntary and not be imposed on CI members. ● Be aware that local Competition authorities may have published specific guidelines (for instance on R&D cooperation agreements) that may be useful to assess the situation.
<p data-bbox="272 1447 435 1480">HR issues</p> 	<p data-bbox="571 1447 1425 1547">Key rule: working groups and recommendations cannot result in coordination of HR conditions, which may be part of the commercial strategy.</p> <p data-bbox="571 1588 786 1617">Make sure that:</p> <ul data-bbox="571 1624 1425 1928" style="list-style-type: none"> ● no CSI is discussed during working groups (such as HR conditions). If data collection is necessary, it should be performed through a secure system (see above rules on statistics panels); ● recommendations are not compulsory and each competitor remains free to determine its own HR strategy; ● recommendations do not contain any "no-poaching" (non-solicit, no hiring) or wage-fixing obligations imposed on the association / CI members.

Situation	Rules to remember to avoid risks
<p data-bbox="199 257 507 331">Recommendations and standards</p> 	<p data-bbox="571 257 1425 360">Key rule: recommendations and standards cannot result in coordination of commercial behavior on the market and must not have discriminatory effects.</p> <p data-bbox="571 398 786 427">Make sure that:</p> <ul data-bbox="571 434 1425 1124" style="list-style-type: none"> <li data-bbox="571 434 1425 533">● any standard is voluntary and not imposed on association / CI members: ensure participants remain free to adopt higher or lower standards; <li data-bbox="571 539 1425 674">● no sensitive information should be exchanged to prepare standards. If data collection is necessary, it should be performed through a secure system (see above rules on statistics panels); <li data-bbox="571 680 1425 741">● adopted standards are necessary and do not impose an excessive burden; <li data-bbox="571 748 1425 846">● adopted standards are not based on any bias, and are not discriminatory; on the contrary, they must be based on objective and legitimate criteria; <li data-bbox="571 853 1425 952">● when setting a standard, the process for adoption is transparent, fair and non-discriminatory and participants have several opportunities to engage with the process; <li data-bbox="571 958 1425 1019">● access is granted to the standard on transparent, fair, reasonable and non-discriminatory grounds; <li data-bbox="571 1025 1425 1124">● no standard is implemented if it may lead to an increase in price or reduction in the choice of products available on the market.

Annex 4: "Check" Questionnaire

"Check" Questionnaire

Please follow this questionnaire before attending any Collective initiative among competitors:

- if it is a new CI: before the first meeting;
- if it is a CI you already attend: before the next meeting;
- if it is a new specific project launched by a CI you already attend: before the first meeting related to the new project.

1. Please indicate the name of the Collective initiative¹ among competitors

Cliquez ou appuyez ici pour entrer du texte.

2. Please indicate the Country/Region of the Collective initiative

Cliquez ou appuyez ici pour entrer du texte.

3. Do you confirm that at least one of Sanofi's competitors² is also a member of this Collective initiative?

Yes **No**

If your answer is "No", no need to answer this questionnaire.

4. Has the purpose of the Collective initiative (or each new ad-hoc project) been analyzed and validated under Competition law?

Yes **No**

5. Does the Collective initiative have a written document explaining Antitrust rules applicable to its activity?

Yes **No**

¹ In this document, Collective initiative is defined as a structured trade associations bringing competitors together, such as syndicates, federations or committees (for instance: IFPMA; EFPIA; PhRMA...) or any type of collective initiative that may bring competitors together, such as working groups, think tanks, consortiums.

² Please note that we compete not only with companies in the healthcare sector for the sale of products, but also with companies in very different sectors, for example for the recruitment of the same staff or the purchase of the same inputs.

6. Do you confirm that this document is available for all new members?

Yes No

7. Does the Collective initiative have a written document setting out rules for managing meetings: agendas, minutes, reminder of Competition Law rules at the beginning of the meeting, monitoring information exchange?

Yes No

8. Are the Collective initiative membership rules easily accessible, objective and justified (i.e. they do not exclude any operator or category of operators without an objective justification)?

Yes No

9. Does the Collective initiative have a person (from within or outside the Collective Initiative) in charge of monitoring application of Competition Law rules, making sure that cartel activity, exchanges of commercially sensitive information and strategic coordination are avoided?

Yes No

If you have responded "No" to any of the above questions, please contact your Legal or the Antitrust department.

Annex 5: Public Affairs Questionnaire

Public Affairs Questionnaire

1. Do you participate, as a representative of Sanofi, in a Collective initiative¹ among competitors²?

- Yes No

(If you answered yes, please go to question 3)

2. Are you planning to participate this year in such a Collective initiative?

- Yes No I don't know

(If you answer yes, please go to question 3 – If you answered "No" or "I don't know", no need to answer the rest of the questionnaire.)

3. Please indicate the name of the Collective initiative.

Cliquez ou appuyez ici pour entrer du texte.

4. Please specify the working group in which you participate and its purpose.

Cliquez ou appuyez ici pour entrer du texte.

5. Please indicate Country/Region of the Collective initiative

Cliquez ou appuyez ici pour entrer du texte.

6. How many Sanofi's competitors are members of this Collective initiative?

Cliquez ou appuyez ici pour entrer du texte.

¹ Please note that a Collective initiative is defined in this questionnaire as:

- a structured trade associations bringing competitors together, such as syndicates, federations or committees (for instance: IFPMA; EFPIA; PhRMA...)
- or any type of collective initiative that may bring competitors together, such as working groups, think tanks, consortiums.

² Please note that we compete not only with companies in the healthcare sector for the sale of products, but also with companies in very different sectors, for example for the recruitment of the same staff or the purchase of the same inputs.

7. Please describe Sanofi's interest in being a member of this of this collective initiative?

Cliquez ou appuyez ici pour entrer du texte.