



COMPETITION GUIDANCE

GOVERNING AIPM MEETINGS

The AIPM and member - companies are committed to conducting their activities in compliance with applicable competition laws and regulations.

The AIPM unites international pharmaceutical manufacturers for human use and other companies operating in the pharmaceutical and/or healthcare industry. Thus, when competing companies meet to discuss issues related to legal regulation and law enforcement in the field of medicines circulation, there is a risk that competition laws of the Russian Federation and the EAEU could be infringed.

The AIPM and member - companies acknowledge that certain topics in the field of legal regulation of the healthcare system and medicines the circulation require increased attention in terms of ensuring compliance with the antitrust laws of the Russian Federation and the EAEU.

When holding/attending AIPM meetings, member companies are obliged to avoid participating in the discussion of issues and refrain from actions, which might violate competition laws of the Russian Federation and the EAEU.

The AIPM and all its members shall act in strict compliance with AIPM Statute, this Guidance when organizing or attending the AIPM meetings.

If any contradictions are discovered between the provisions of this Guidance and the existing competition legislation of the Russian Federation and the EAEU, the existing competition legislation of the Russian Federation and the EAEU shall apply, respectively.

The Guidance will take effect upon being approved by the General Meeting of the AIPM.

Russian and EAEU Competition Law: Main Prohibitions

Prohibitions for AIPM member-companies to engage in an anticompetitive action, in particular, to:

- enter into agreements, whether written or tacit, binding or not, that lead or could lead to an anticompetitive effect (i.e. price alignment; market allocation with respect to products, sale volumes, territories, customers / suppliers; price discrimination; restriction of production; creation of market entry / exit barriers; etc.)
- engage in concerted actions with competitors based on publicly announced information concerning business policy of one of the competitors, if such actions lead to an anticompetitive effect.

AIPM does not allow actions to coordinate business activity of companies if it leads or could lead to an anticompetitive effect.

In order to anticipate and prevent such unlawful behaviour the AIPM and AIPM member-companies shall follow the described rules on Prohibited and Permissible topics and actions for discussion, and Rules for holding and attending the AIPM meetings.

Prohibited topics and actions for discussion

AIPM members shall refrain from discussing and exchanging commercial information of companies on the following prohibited topics:

- pricing strategies, product pricing, discounts, and credit terms of particular company / group of companies;
- costs of production and distribution, output, methods of computing costs;
- forms of interaction relating to specific suppliers and customers, including any discussion that may have the effect of ungrounded exclusion of suppliers or customers from the market;



- future plans of commercially sensitive investment plans, marketing strategies, and technological development;
- confidential information and any other individualized data constituting a trade secret.

Permissible topics and actions for discussion

AIPM member-companies are allowed to discuss the following market related topics and actions at an AIPM meetings:

- general economic and technical questions implying no exchange of commercial information among AIPM member - companies;
- general social topics and joint advocacy for interests of pharmaceutical industry;
- legal regulation in the area of medicines circulation and healthcare;
- analysis of amendments to legal regulation in the field of medicines circulation and healthcare;
- legislative developments in the area of medicines circulation and healthcare sector; proposals for draft laws and by-laws on these issues;
- analysis of legislative developments related to other markets/industries where the member-companies are not competitors.

When discussing permissible topics, it is possible to exchange the following commercial information:

- publicly available information (e.g., published statistics);
- historical data;
- aggregated data;
- other data that does not enable the identification of individual businesses, or is processed by an independent third party to ensure confidentiality.

Rules for holding and attending the AIPM meetings

To ensure compliance with the above set rules, legislative requirements and this Guidance the AIPM and member – companies must be guided by the following rules when holding and attending AIPM meetings:

- AIPM representative should be present at the meeting.
- The meeting should have a legitimate purpose.
- A topic and a written agenda of the meeting should be circulated in advance of the meeting.
- Discussion at the meeting should not generally deviate beyond the scope of the agenda.
- Where there is a doubt as to the legitimacy of a discussion of a topic / issue, the AIPM representative and/or any meeting participant shall object, the discussion of a topic / issue shall be postponed until its legitimacy can be confirmed with legal counsel.
- Written minutes should be taken at AIPM General Meeting, Board of Directors and Committees meetings. All minutes must be available for review by the participants of the meeting. Participants of the meeting can familiarize themselves with the minutes by sending a corresponding request to the AIPM, or directly at the office of the Association.
- The AIPM ensures the storage of meeting minutes, handouts and other documents shared at the meeting for a reasonable period of time but not less than 3 years.

*MEMBER-COMPANIES SHOULD SEEK INDIVIDUAL LEGAL ADVICE ON COMPETITION LAW OF THE RF AND EAEU AND ITS APPLICATION IN THE FRAME OF THEIR ACTIVITIES.
THESE GUIDANCE IS NOT A SUBSTITUTE FOR INDIVIDUAL MEMBER-COMPANIES' COMPETITION POLICIES.*