

## **Group Compliance and Business Integrity Guidelines**

### **Annex 2: Antitrust Compliance Guidelines**

Antitrust regulations aim at preserving fair competition. ASTA's commitment to business integrity also applies in the battle for market share. We do not enter into any prohibited arrangements, and we comply with the applicable rules of fair competition and antitrust regulations.

Violations of antitrust regulations are sanctioned severely in all jurisdictions: not only will violations result in nullity of the agreements concerned but may also cause severe fines, substantial claims for damages (even threatening the existence of ASTA Group) and in special cases also imprisonment. However, already the mere suspicion of a violation may have significant negative consequences for ASTA's reputation (e.g. long lasting investigations). Therefore, ASTA is dedicated to implement a zero tolerance approach and will apply sanctions (including disciplinary actions, termination of contracts and damages, as further defined in section 8 of the Group Compliance and Business Integrity Guidelines) against any employee or business partner, who has violated antitrust regulations.

Every employee at ASTA is responsible to ensure that his actions and the actions of our business partners are compliant with the rules of fair competition and antitrust laws. In cases of doubt, you are obliged to consult with your superior who may involve our external legal advisors.

#### **1. Ban on cartels**

Antitrust laws explicitly forbid cartels and related practices which have as their object or effect the prevention, restriction or distortion of competition. Usually, cartels aim at increasing individual members' profits by reducing competition. Such impermissible restrictions, preventions or distortions of competition may not only occur in interactions with our competitors (i.e. horizontally) but also between suppliers and buyers (i.e. vertically):

##### ***i. What do we mean by horizontal agreements?***

Horizontal means any sort of agreements between competitors or potential competitors operating at the same level of the supply chain. Our employees have to ensure that we do not enter into any form of agreement, participate in decisions by associations of undertakings or in concerted practices which may affect trade and which have as their object or effect the prevention, restriction or distortion of competition (hereinafter together referred to as "**horizontal agreements**").

Although the term "agreement" is used hereinafter, please note that a violation of antitrust regulation may not only occur in case a formal (signed) agreement has been reached, also a mere oral agreement or even the implementation of a recommendation with the mentioned purpose or effect on competition may be subject to severe sanctions. Even the mere exchange of sensitive information may be forbidden and penalized (e.g. exchange of any information which may reduce strategic uncertainties on the market, such as production costs, sales figures, marketing plans, customer data).

Please note that sanctions may already be imposed if the purpose of restricting or preventing competition has not even been fulfilled (e.g. an agreement to fix purchase prices will be sanctioned regardless of whether the participating companies have actually implemented such agreement).

In general, it is forbidden to enter into agreements with competitors which (**so called hardcore restrictions**)

- prevent competition between those companies or business with suppliers,
- directly or indirectly fix purchase or selling prices or any other trading conditions;
- limit or control production, markets, technical development, or investment;
- share markets or sources of supply;
- apply dissimilar conditions to equivalent transactions with other trading parties, thereby placing them at a competitive disadvantage;
- make the conclusion of contracts subject to acceptance by the other parties of supplementary obligations which, by their nature or according to commercial usage, have no connection with the subject of such contracts.

In addition, it is generally forbidden to

- disclose prices, production quantities or capacities, sales, offers, profits, margins, costs or other parameters to competitors which determine, influence or allow conclusions to be drawn on the company's current or future market behavior, with the aim of effecting corresponding market strategies;
- coordinate on filing a bid or omitting to file a bid or the contents of a bid in a specific tender process.

Please note that also forming a bidding consortium with actual / potential competitors in a tender may violate antitrust laws. Therefore, only consider forming a bidding consortium if the following conditions are met: **(i)** based on objective criteria, it is technically and / or economically unfeasible for ASTA to participate in the respective tender on its own; **(ii)** clearly document in writing why the participation of ASTA in the respective tender on its own would not be possible and comprehensibly indicate the underlying technical and / or economical reasons **(iii)** ensure prior consultation with your superior (who may obtain external legal advice).

#### **ii. What do we mean by vertical agreements?**

Many jurisdictions also contain prohibitions of certain arrangements in agreements between companies operating at different levels of the supply chain (e.g. supplier and customer, manufacturer and distributor) (so called "**vertical agreements**"). In general, it is forbidden to (**so called hardcore restrictions**)

- restrict the buyer's ability to determine its sale price;
- restrict the territory into which or the customers to whom the buyer may sell; however certain exceptions apply (e.g. for sales representatives), before negotiating any such restrictions make sure to consult with your superior who may obtain external legal advice;
- restrict active or passive sales to end users by members of a selective distribution system operating at the retail level of trade;
- restrict cross-supplies between distributors within a selective distribution system, including between distributors operating at different level of trade;
- if agreed between a supplier of components and a buyer who incorporates those components: to restrict the supplier's ability to sell the components as spare parts to end-users or to repairers or other service providers not entrusted by the buyer with the repair or servicing of its good

Prohibitions may also apply to vertical agreements which contain

- non-compete / exclusivity obligations (if exceeding a certain time threshold);

- arrangements causing the buyer, after termination of the agreement, not to manufacture, purchase, sell or resell goods or services
- arrangements causing the members of a selective distribution system not to sell the brands of particular competing suppliers.

In cases of doubt, before entering into a potentially problematic vertical or horizontal agreement please consult with your superior who may obtain advice from our external legal counsel if considered necessary.

## **2. Abuse of a dominant market position**

In addition, antitrust laws in most jurisdictions prohibit the abuse of a dominant market position. Defining the relevant market is a complex task which – inter alia – has to take into account the product market and the geographic market. Market shares are a useful first indication (e.g. under Austrian law a market share of more than 30% already implies a dominant position). Therefore, please note that if you have reason to believe that ASTA might have a dominant market position in a particular market, additional rules will need to be complied with. In particular, the following practices are prohibited (regardless of whether you intend to restrict or prevent competition):

- directly or indirectly imposing unfair purchase or selling prices or other unfair trading conditions;
- limiting production, markets or technical development to the prejudice of consumers;
- applying dissimilar conditions to equivalent transactions with other trading parties, thereby placing them at a competitive disadvantage;
- making the conclusion of contracts subject to acceptance by the other parties of supplementary obligations which, by their nature or according to commercial usage, have no connection with the subject of such contracts.

If you are in doubt whether ASTA might have a dominant market position in a particular market please consult with your superior who may obtain advice from our external legal counsel if considered necessary.

## **3. Merger Control**

Antitrust regulations also apply in the area of mergers and acquisitions. Usually, merger control and the requirement to obtain prior approval of the competent competition authority kicks in if the envisaged merger would create a company with an annual turnover exceeding certain preset thresholds. Please note that a proposed merger or acquisition must not be implemented before the approval of the competent competition authority has been obtained. Mergers are generally only approved when they do not restrict competition. This is in order to protect businesses and consumers from higher prices or a more limited choice of goods or services. Proposed mergers may be prohibited if the merging parties are major competitors or if the merger would otherwise significantly weaken competition in the market (e.g. by creating or strengthening a dominant player).

Therefore, please bear in mind that any mergers or acquisitions of ASTA Group might require prior approval of the competent competition authorities. In cases of doubt please consult with your superior who may involve our external legal advisor where deemed necessary.

#### **4. Our Policy on Antitrust Compliance and Further Guidance**

The following principles shall serve as basic guidelines to ensure that our everyday business conduct is in compliance with antitrust laws and hence, have to be followed by each employee:

- We do not get involved in any sort of conduct, agreement or practice which might cause the impression – regardless of whether internally or externally – that ASTA prevents, distorts or restricts competition on the relevant market.
- We do not disclose any information which is confidential or allows conclusions to be drawn on our current or future market behavior nor do we request any such information from our competitors.
- We do not enter into any sort of agreements (regardless of whether oral, in writing or in the form of concerted practices) which might potentially have a restrictive impact on competition.
- In the event that during a meeting of an industry association you have doubts whether the contents of the discussion are in compliance with antitrust laws, please make sure to raise your concerns immediately, ask the participants to stop this discussion, ensure that your statement has been properly included into the meeting records and leave the meeting without undue delay.
- Before entering into agreements that might be problematic under antitrust laws, please make sure to consult with your superior who may then obtain advice from our external legal counsel.
- In the event that you are confronted with any alleged violation of antitrust laws, please make sure to inform your superior immediately who shall then follow the reporting guidelines as set forth in sections 5 and 10 of the Group Compliance and Business Integrity Guidelines.

Please note that these Guidelines and the Attachment are only of an exemplary and basic nature. Antitrust law is a highly complex area of law; in addition to the principles set forth above other prohibitions as well as exceptions may apply. An overview of basic rules is also provided in the Attachment “Antitrust Do’s & Don’ts” hereto. However, in light of the complexity and imminent severe sanctions, if you have any doubts or are uncertain about a situation please make sure to consult with your superior well in advance who may then consult our external legal advisor, if deemed necessary.

## Antitrust Compliance Guidelines

### Attachment: Antitrust Do's & Don'ts

#### I. Horizontal Agreements<sup>1</sup>, Exchange of Information

DO's	
✓	determine purchase or selling prices or any other trading conditions autonomously
✓	decide independently whether we file a bid in a certain tender
✓	determine autonomously to which customers, groups of customers and geographical markets we will supply our products and provide our services.
✓	reject offers of competitors to disclose confidential information which allows conclusions to be drawn on current or future market behavior (e.g. prices, costs, customers, markets)
✓	before entering into agreements that might be problematic under antitrust laws, consult with your superior who may obtain advice from external legal counsel
DON'TS:	
X	directly or indirectly fix purchase or selling prices or any other trading conditions (e.g. rebates; production quantities; sales; offers; margins; costs)
X	limit or control production, markets, technical development, or investment
X	agree to share markets or sources of supply
X	align on whether you will file a bid, omit to file a bid or the contents of a bid in a specific tender
X	do not disclose any confidential information which allows conclusions to be drawn on our current or future market behavior (e.g. prices, costs, customers, markets)

#### II. Vertical Agreements<sup>2</sup>

DO's	
✓	let buyer determine its sale price (i.e. only indicate non binding price recommendations)
✓	consult with your superior (who may obtain external legal advice) before agreeing on sales restrictions regarding territory or customers
✓	consult with your superior (who may obtain external legal advice) before agreeing on non-compete / exclusivity obligations
✓	consult with your superior (who may obtain external legal advice) before agreeing on clauses under which buyer may not manufacture, purchase, sell / resell goods / services post termination
✓	before entering into agreements that might be problematic under antitrust laws, consult with your superior who may obtain advice from external legal counsel
DON'TS	
X	restrict the buyer's ability to determine its sale price (e.g. minimum prices, fixed reselling prices)
X	restrict the territory into which or the customers to whom the buyer may sell without prior consultation with your superior
X	agree on non-compete / exclusivity obligations without prior consultation with your superior (who may obtain external legal advice on acceptable thresholds)
X	agree on clauses under which buyer may not manufacture, purchase, sell / resell goods / services after termination of the agreement, without prior consultation with your superior (who may obtain external legal advice on acceptable clauses)

<sup>1</sup> As defined in section 1, subsection i. above.

<sup>2</sup> As defined in section 1, subsection ii. above.

### III. Participation in meetings of Industry Associations

DO'S	
✓	pre-align the agenda of the meeting with your superior
✓	When participating in a particular meeting, document its contents and report them to your superior
✓	only discuss issues which have no relevance for competition / market behavior
✓	only disclose publicly available information
✓	after prior consultation with your superior (who may obtain external legal advice): disclose historical data
✓	after prior consultation with your superior (who may obtain external legal advice): disclose aggregated / anonymized information which does not allow to draw conclusions on the market behavior of individual meeting participants provided that such data has been collected, aggregated and organized by an independent third party (i.e. not a competitor)
✓	if you have doubts whether the contents of the discussion comply with antitrust laws, please make sure to raise your concerns immediately in the meeting, ask the participants to stop this discussion, ensure that your statement is properly documented in the meeting records and leave the meeting without undue delay (if the discussion does not stop)
DON'TS	
X	talk about sensitive market information (e.g. prices, price increases, costs, costs increases or other confidential customer or product relevant information). <i>Attention:</i> Already the receipt of sensitive market information can be impermissible!
X	disclose information (e.g. for purposes of benchmarking exercises) which allows to draw conclusions on the market behavior of ASTA
X	participate in meetings in which competitors discuss competition / market behavior relevant information. <i>Attention:</i> This also applies if you do not actively participate in such discussion!
X	arrange with competitors to boycott certain customers or suppliers

### IV. Participation in a Bidding Consortium with actual / potential competitors

DO'S.	
✓	In case you consider forming a bidding consortium: Clearly document in writing and in an objectively comprehensible manner why the participation of ASTA in the respective tender on its own would not be possible and specifically indicate the underlying technical and / or economic reasons
✓	Only after prior consultation with your superior (who may obtain external legal advice): If – based on objective criteria - it is technically and / or economically unfeasible for ASTA to participate in a certain tender process on its own you may consider forming a bidding consortium
DON'T'S	
X	Engage in a bidding consortium without prior consultation with your superior or without having comprehensible documentation on the technical / economic reasons as to why ASTA could not have participated in the tender on its own
X	Participate in a bidding consortium for strategic reasons only