

COMPETITION GUIDELINES GOVERNING INNOVATIVE MEDICINES CANADA MEETINGS

INTRODUCTION

As the national voice of research based pharmaceutical companies, Innovative Medicines Canada advocates for policies that enable the discovery, development and commercialization of innovative medicines and vaccines that improve the lives of all Canadians. We support our members' commitment to being a valued partner in the Canadian healthcare system.

Innovative Medicines Canada and its member companies meet in person or remotely (e.g. phone, videoconference, webinar, etc.) to discuss policy issues relevant to the industry. Many of these members may be competitors, creating the potential for anti-competitive conduct. These guidelines are intended to help ensure that, in organizing and/or attending meetings in which competitors participate, Innovative Medicines Canada and its members avoid engaging in or facilitating any discussion or activity which may violate Canadian competition law.

Compliance with these guidelines is a condition of membership in Innovative Medicines Canada. Both Innovative Medicines Canada and its member companies can be liable for anti-competitive conduct.

GUIDELINES

A. Discussion Topics to Avoid

It is unlawful to enter into agreements (whether oral or in writing, formal or informal) to fix prices, allocate markets or reduce output, or which otherwise substantially lessen or prevent competition in a market. To prevent such agreements from occurring, members shall refrain from exchanging information on topics such as:

- Company product pricing, pricing strategies, discounts, and credit terms
- Costs of production and distribution, output and methods of computing costs
- Discussions that may have the purpose or effect of excluding suppliers or allocating customers
- Confidential future business strategies and plans

The above also applies to informal discussions between members prior to or following formal meetings.



B. Conduct of Meetings

Innovative Medicines Canada will utilize the following safeguards in conducting in person or remote meetings:

- An Innovative Medicines Canada representative should be present, but if unable to attend, the chair or designated chair must ensure competition law compliance.
- The meeting must have a legitimate purpose.
- A written agenda must be circulated in advance of the meeting.
- Discussion at the meeting should not generally deviate beyond the scope of the agenda.
- Written minutes should be taken at the meeting and circulated to all participants.
- If any of the prohibited topics outlined above arises at a meeting, or if any participant is unsure as to whether a topic is prohibited, further discussion of that topic will be immediately terminated pending consultation with legal counsel. In the event that a prohibited topic may have been discussed, the incident should be promptly reported to Innovative Medicines Canada counsel.
- A copy of these rules will be distributed at the outset of Innovative Medicines Canada meetings and the attached competition law statement will be read before the meetings' official business is commenced.

These guidelines are effective as of June 30, 2015, and are meant only as a reference to assist in identifying and avoiding potential issues at Innovative Medicines Canada meetings. They are not a substitute for member competition law compliance programs. Members should seek independent legal advice on Canadian competition law and its application to their activities.



SCHEDULE “A” – COMPETITION LAW STATEMENT

While most of the functions and activities of trade associations do not raise competition law issues, bringing competitors together may allow trade associations to be used, directly or indirectly, to facilitate illegal agreements to restrain competition. In view of the potential risks involved, you must not become involved in any communications or agreements that might give rise to concerns under the Competition Act, the Innovative Medicines Canada Competition Law Guidance, or the Competition Guidelines Governing Innovative Medicines Canada Meetings while you are attending or participating in any Innovative Medicines Canada meetings.

Innovative Medicines Canada has taken measures to ensure that formal Innovative Medicines Canada meetings do not involve anti-competitive conduct or the appearance of anti-competitive conduct. It is your obligation to ensure that you do not engage in any other contacts outside of the formal meetings that could create issues.

This reminder is provided to you as part of Innovative Medicines Canada’s ongoing commitment to legal and ethical behavior including, in this specific instance, compliance with Canadian competition law. Any questions regarding specific issues should be discussed with Legal Affairs at Innovative Medicines Canada.