



Inside
Industry Association

Code of Conduct of INSIDE Industry Association

Release 2024 – V1.0

Table of Contents

| | | |
|-------------|---|----------|
| 1. | <i>Introduction and Purpose</i> | 3 |
| 2. | <i>Relevant Antitrust Rules and sanctions</i> | 3 |
| 3. | <i>The Principles of Compliance</i> | 4 |
| 3.1. | General Rule | 4 |
| 3.2. | Exchange of Information | 4 |
| 3.3. | Market Studies | 5 |
| 3.4. | Benchmarking | 6 |
| 3.5. | Communication | 6 |
| 3.6. | Meeting rules | 6 |
| 3.7. | Common Responsibility | 7 |
| | <i>Annex 1: reminder of Code of Conduct to be included in all INSIDE-IA meetings signature lists</i> | 8 |

1. Introduction and Purpose

INSIDE Industry Association, in short “INSIDE-IA”, is an international non-profit association registered under Dutch Law, which is the European Technology Platform for research, design and innovation on Intelligent Digital Systems and their applications. The objective of INSIDE-IA is to strive that the industry and academic community are supported and get funds contributing to create innovative, competitive, trustworthy, and sustainable solutions for the European industry and for European key application domains, in respect of European values.

The mission of INSIDE-IA is to cover only pre-competitive research¹, development and innovation activities. The purpose of this document is to complement the INSIDE-IA Article of the Association (AoA) by clarifying the compliance rules with competition law and describing the process to ensure their respect by all meeting participants. The rules apply both to relations between INSIDE-IA and its Members and to relations between Members within the framework of INSIDE-IA's missions and activities.

This Code of Conduct is applicable to all meetings organised within the framework of INSIDE-IA without any distinction of the body organising the meeting, the nature of the meeting, its participants and the matters subject of the meetings. This Code of Conduct shall be reviewed annually to integrate any changes in legislation.

2. Relevant Antitrust Rules and sanctions

As an Association including companies, INSIDE-IA is subject to the rules of competition law. The most important antitrust statute relating to the organisation activities is Article 101 of the Treaty on the Functioning of the European Union², which prohibits “*agreements between undertakings, decisions by associations of undertakings and concerted practices ..., which have as their object or effect the prevention, restriction or distortion of competition*”.

The antitrust laws in most countries which may have jurisdiction over INSIDE-IA and its Members differ only in detail and in each case prohibit as anticompetitive, in particular, agreements and concerted practices between two or more competitors that cover prices or price elements, allocation of customers, allocation of geographic markets, quantities in production and supply or capacities, limitation or control over technical development or investment. In addition, agreements between suppliers and customers, such as exclusive supply or purchase commitments, territorial limitations, agreements on resale prices and

¹ Pre-competitive research, development, and innovation activities refer to collaborative efforts between organizations to explore new technologies, methods, or solutions that are not yet commercially viable. These activities focus on fundamental research and early-stage development, often shared between partners, with the aim of advancing knowledge or technology that can later be applied competitively in the market. They help reduce risks and costs by pooling resources while maintaining a neutral space before entering into direct competition.

² <https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX%3A12008E101%3AEN%3AHTML>

other limitation of sales to specified customers or classes of customers, are also prohibited and/or restricted in many countries by the relevant anti-trust rules.

INSIDE-IA wishes to emphasise the significant risks of sanctions that may result from breaches of competition law rules: (i) an undertaking which infringes article 101 TFEU may be fined up to 10% of its total turnover, while (ii) in the case of an association of undertakings, the turnover considered is the cumulative turnover of each Member active on the market affected by the infringement of the Association.

Other sanctions, such as criminal sanctions against individuals who participated in the infringement, may be imposed.

Finally, the discovery of an anti-competitive practice seriously damages the image of the undertaking(s) involved.

3. The Principles of Compliance

3.1. General Rule

INSIDE-IA and its Members shall comply fully with all applicable laws and in particular shall ensure that their activities do not lead to any violations of relevant antitrust laws.

In support of this Code of Conduct, the Association shall be diligent to ensure that all new research programmes and activities of INSIDE-IA or changes in existing research programmes and activities do not generate any antitrust violations.

3.2. Exchange of Information

The activities of INSIDE-IA may involve the collection and analysis of information from its Members only where there are legitimate objective reasons for such work, e.g. impact assessment of projects and analysis of industry trends only for precompetitive research activities.

The collection and analysis of such information will be undertaken by INSIDE-IA in conformity with competition rules and its results should be used in full compliance with the Antitrust Rules.

In particular, INSIDE-IA will not solicit from any of its Members any information that is not necessary and indispensable to its activity and the exercise of its missions. Similarly, each Member of INSIDE-IA shall ensure that it only communicates information that is necessary for the activity and missions of INSIDE-IA.

INSIDE-IA will not communicate commercially sensitive information received from one Member to any other Member.

3.3. Market Studies

In order to ensure compliance with applicable antitrust laws, in conducting market studies, benchmarking and similar activities, INSIDE-IA shall make sure that commercially sensitive information is sufficiently aggregated so that it is not possible to identify the individual data of a specific Member, company, customer or transaction. Whether this work is carried out by INSIDE-IA or outsourced to specific consultants, it is mandatory to abide by the applicable compliance rules:

- commercially sensitive information will be published in aggregated form;
- information shall always be collected from at least 5 different Members (being understood that according to Article 5.4 of the Articles of Association, only one legal person or company from an organisation can represent the organisation as Member of the Association);
- information shall be anonymised so that individual Members, other organisations or customers shall not be capable of identification.

Commercially sensitive information is notably information on the following issues (not exhaustive list):

- Prices, including:
 - **Prices**, future prices, price changes, price differentials, discounts, allowances, credit terms, etc.
 - **Individual company** elements that make up pricing on costs, production, inventories, sales, etc.
 - **Rates** or rate policies for individual shipments, including basing point systems, zone prices, freight, etc.
 - Other **commercially sensitive** terms and conditions.
- Production, including:
 - **Plans** of individual Member companies, concerning the design, production, distribution or marketing of particular products, including proposed territories or customers.
 - Risks, investments, technologies and research and development programmes.
 - Changes in details of **production** capacity or inventories, envisaged quantities, etc.
 - Product quality or technical specifications.
- Market procedures, including:
 - Company **bids** on **contracts** for particular products, company procedures for responding to bid invitations.
 - Matters relating to actual or potential individual suppliers or customers that might have the effect of **excluding** them from any market or **influencing** the business conduct of firms toward them, etc.
 - **Blacklist** or boycott customers or suppliers.

3.4. Benchmarking

Where INSIDE-IA undertakes or assists in benchmarking exercises, INSIDE-IA will adopt the principle that market sensitive data shall only be benchmarked, if such data is:

- derived from at least 5 Members,
- aggregated and anonymised;
- historic in nature (i.e. more than 12 months old).

INSIDE-IA shall not undertake direct benchmarking between competitors nor frequent benchmarking if it involves market sensitive data and if identification of the individual Member in question is possible.

3.5. Communication

This Code of Conduct shall be circulated to all INSIDE-IA Members and Board Members and made available to them via INSIDE-IA intranet and/or other appropriate media.

All INSIDE-IA Members and INSIDE-IA Board Members should declare that they have read and accept this Code of Conduct and shall comply fully with all its principles.

At each meeting organised within INSIDE-IA (Board meetings, General Assembly meetings, committees, task forces and working group meetings), this Code of Conduct shall be reminded, and all participants shall commit to comply fully with all its principles. See Annex 1.

3.6. Meeting rules

The following rules must be followed at all times during and around the meeting, e.g. including breaks, lunches dinners, etc.

A precise and unambiguous agenda is drawn up for each meeting. It is sent to each participant with the invitation to attend.

The agenda indicated in the invitations must be respected. However, at the start of the meeting, any participant may request that a subject be added to the agenda. Such a change requires the express agreement of all those present. In the absence of unanimous agreement, the subject must be put on the agenda for the next meeting.

In each meeting the representative of an INSIDE-IA Member is appointed to be responsible for compliance with competition law.

At the end of each meeting, a detailed report must be drawn up, faithfully transcribing both the purpose and the content of the participants' discussions. It specifies the names of the participants and the organisation to which they belong.

In the event of discussions raising competition law concerns, the INSIDE-IA Member appointed for the compliance with competition law must immediately put an end to the discussions. If

the discussions do not stop, the appointed INSIDE-IA Member must put an end to the meeting and ask the participants to leave the meeting. The situation should be reflected in the minutes of the meeting.

3.7. Common Responsibility

INSIDE-IA shall take all appropriate measures to ensure its activities and programmes are in compliance with this Code of Conduct.

At each meeting the representative of an INSIDE-IA Member shall be entitled to stop any activity including any meeting that is not fully compliant with this Code and shall report immediately any suspected compliance issues to the INSIDE-IA Board.

Notwithstanding the foregoing it is the responsibility of each INSIDE-IA Member and each Board Member to ensure its representatives when involved in the activities of INSIDE-IA:

- shall not undertake any activity which is an infringement of applicable competition law or anti-trust rules, including entering into any prohibited agreements or exchanges of market sensitive information with competitors;
- shall fully comply with the EU Competition Law and Anti-trust Policy and avoid any activity which is non-compliant;
- shall be vigilant and protest any conduct or behaviour which is an actual or potential infringement of the EU Competition Law and Anti-trust Policy.

Compliance with this Code of Conduct is a condition of Membership and participation to INSIDE-IA activities.

A Member's failure to comply with competition rules gives rise to the application of the provisions of article 6 of the Articles of Association (end of Membership).

Annex 1: reminder of Code of Conduct to be included in all INSIDE-IA meetings signature lists

Reminder to all meeting participants about the Code of Conduct of INSIDE-IA regarding Compliance

By participating in this INSIDE-IA meeting the participants commit to comply fully with this Code of Conduct and all its principles. The Code of Conduct is available on the INSIDE Industry Association intranet and an overview of its principles is provided below.

Reminder of Antitrust Rules: Article 101 of the Treaty of the European Union prohibits *“agreements between undertakings, decisions by associations of undertakings and concerted practices ... , which have as their object or effect the prevention, restriction or distension of competition”*. The antitrust laws in most countries which may have jurisdiction over INSIDE-IA Board and its Members differ only in detail and in each case prohibit as anticompetitive, in particular, agreements and concerted practices between two or more competitors that cover prices or price elements, allocation of customers, allocation of geographic markets, quantities in production and supply or capacities. In addition, agreements between suppliers and customers, such as exclusive supply or purchase commitments, territorial limitations, agreements on resale prices and other limitation of sales to specified customers or classes of customers, are also prohibited and/or restricted in many countries by the relevant anti-trust rules.

Therefore, all participants in INSIDE-IA meetings:

- shall not undertake any activity which is an infringement of applicable competition law or anti-trust rules, including entering into any prohibited agreements or exchanges of market sensitive information with competitors;
- shall fully comply with the EU Competition Law and Anti-trust Policy and avoid any activity which is non-compliant;
- shall be vigilant and protest any conduct or behaviour which is an actual or potential infringement of the EU Competition Law and Anti-trust Policy.

In practice, do not, in fact or appearance, discuss or exchange information not in conformity with EU Competition law, including for example on:

- Price, including:
 - **Prices**, price changes, price differentials, discounts, allowances, credit terms, etc.;
 - **Individual company** elements that make up pricing on costs, production, inventories, sales, etc.;
 - **Rates** or rate policies for individual shipments, including basing point systems, zone prices, freight, etc.;
 - Other **commercially sensitive** terms and conditions.
- Production, including:

- **Plans** of individual Member companies, concerning the design, production, distribution or marketing of particular products, including proposed territories or customers;
- Changes in details of **production** capacity or inventories, etc.
- Market procedures, including:
 - Company **bids** on **contracts** for particular products, company procedures for responding to bid invitations;
 - Matters relating to actual or potential individual suppliers or customers that might have the effect of **excluding** them from any market or **influencing** the business conduct of firms toward them, etc.;
 - **Blacklist** or boycott customers or suppliers.