



The Eurofins Group Fair Competition Policy

It is each and everyone's responsibility at Eurofins to compete for and do business in a fair, lawful, and ethical manner.

Message from Eurofins CEO, Dr. Gilles Martin



THE EUROFINS STANCE TOWARDS FAIR COMPETITION

Compliance with the law is deeply enshrined in Eurofins Group culture and permeates the organisation all over the world. The position of Eurofins¹ towards competition is clearly described in the Eurofins Group Code of Ethics:

“Companies in the Eurofins Group aim to compete vigorously with their competitors, but in a fair and ethical way.”

Eurofins is committed at all levels to fair competition and to comply with competition rules applicable in the countries in which it operates. All leaders, directors and employees of all Eurofins Companies within the Group (referred to in this Policy as **“Eurofins Members”**)² are bound by this commitment. It is each and everyone’s responsibility at Eurofins to compete for and do business in a fair, lawful, and ethical manner.

HOW THIS POLICY WORKS

This Policy applies across all Eurofins Companies and to all of Eurofins Members. Each Eurofins Company will ensure that any third party (individual or organisation), for whose conduct that Eurofins Company may be responsible, complies with standards at least as rigorous as this Policy. This applies to any person acting for, on behalf of, any Eurofins Company (referred to in this Policy as **“Associate”**). Companies and joint ventures in which the Eurofins Companies do not have a controlling interest should be provided with a copy of and apply this Policy.

The Policy is meant to set a general standard applicable throughout the Eurofins Companies. It does not override requirements of local laws: whenever a local law specifies stricter requirements than this Policy, the local law shall always prevail. In its body, the Policy provides an overview of the material applicable legal concepts and restrictions. In its Appendix, it provides practical advice in the form of dos and don’ts. As compliance matters are governed by local laws, this Policy has to be read as recommendations and guiding principles, not as a legally binding document committing any Eurofins Company. It needs to be implemented in local policies, rules and processes by each Eurofins Company according to the locally applicable laws.

This Policy should be read in conjunction with the [Eurofins Group Code of Ethics](#).

FAIR COMPETITION IS AT THE CORE OF EUROFINS BUSINESS ETHICS

Two main competition rules are the basis of fair competition and at the core of Eurofins’ business ethics:

1. It is prohibited to enter into agreements or engage in concerted practices between companies, with the object or effect of restricting competition.
2. It is prohibited to abuse a dominant position in any relevant market.

1. AGREEMENTS AND CONCERTED PRACTICES

It is a fundamental principle of fair competition that companies compete independently on the markets in which they are active. Any coordination with competitors on key parameters of competition restricts this independence and should not take place. This primarily, but not exhaustively, concerns selling and purchase prices, but also includes other trading conditions, or the allocation of territories or customers. It also extends to any coordination which limits production, technical development or investment in the market.

This prohibition also extends to agreements with customers or suppliers, for example, if they modify production quantities or the extent of technical development of products/services or investment to be undertaken or if they bring about dissimilar trading conditions for equivalent business transactions or if they subject the conclusion of contracts to the purchase of additional, commercially unrelated products/services.

Agreements and concerted practices do not have to be formalized (in writing), but can also take place by way of informal or implicit understanding.

¹ Eurofins or Eurofins Group or “we” means Eurofins Scientific SE and any entity directly or indirectly controlled by it, each individually referred to as a “Eurofins Company”.

² The terms leader, director, employee, Eurofins Member, Associate and any other terms designating persons or groups of persons as well as the terms “he” or “she” in this Policy are not meant to specify any gender and are to be read as being strictly non-discriminatory.



While there can be exemptions and legitimate reasons for defending some agreements, those with the most severe restrictions of competition usually automatically carry a presumption of illegality.

2. ABUSE OF A DOMINANT POSITION

Companies holding a so-called dominant position are under a special responsibility. Behaviour, which may be perfectly legitimate for companies under normal circumstances, may not be legal for dominant companies. Dominance is not defined by absolute thresholds, but refers to any situation in which a company is not constrained by its competitors, regardless of the conduct it engages in.

Dominance is not prohibited, only abuse thereof is. This generally refers to unilateral conduct and does not require coordination with another party. Abusing a dominant position is, for example, to charge unreasonably high or low prices, to discriminate between customers, to impose unfair terms on trading partners or to refuse to deal with certain trading partners.

EUROFINS FAIR COMPETITION FOCUS

INFORMATION GATHERING AND EXCHANGE

Any business is built on information, which is why Eurofins gives a lot of importance to how information is gathered and exchanged. Therefore, there shall be no direct exchanges with (potential) competitors on issues such as prices, discounts, costs, customers, suppliers, sales figures, terms of sale, warranties, territories, capacities, production, future products or services, planned investments, business opportunities (“sensitive information”).

Even receipt of sensitive information from a (potential) competitor can create liability. There is therefore a need to report any such receipt to Eurofins legal function³ and to openly distance oneself from the use of its content.

MERGERS, ACQUISITIONS, CO-OPERATIONS

Eurofins is aware that operating independently on the market and refraining from exchanging individual sensitive business information with competitors also impacts the way M&A transactions and other forms of co-operation are structured prior to closing. As a basic rule, as long as a deal is not closed (no matter whether this depends on antitrust approvals or not), the parties remain independent players.

Therefore, until a deal is closed, any Eurofins Company must behave on the market as a fully independent market player with regard to the acquisition target or future partner and must not exchange any sensitive information it would not normally share with such company. Taking account of a future acquisition or partnership before closing is generally called “gun-jumping” as it pre-empts authorisation by competition authorities.

DOCUMENT CREATION AND COMMUNICATION

Every business needs proper external and internal communication. When it comes to compliance of such communication with competition rules, all Eurofins Members are aware that, beyond substance, “appearance matters”. Anything that could shed doubt on Eurofins Group’s full competition compliance commitment or would not be representative of the Company Policy in case of publication or submission to a governmental authority should not be part of any communication, be it internal or external, of whatever form.

Even though this is often part of a pitch, overselling own market positions, any forms of exaggerations should therefore be avoided. Any reference to market or industry data should clearly state the source of which it is derived.

TRADE ASSOCIATIONS

Trade associations are an important way to exchange on industry developments and to foster development and promote innovation. Industry trends and statistics, health and safety information, industry employment and training issues, industry research and development, compliance with governmental regulations or the preparation of presentations to governmental bodies are topics (“industry-wide issues”) that market players want to exchange in order to foster development and promote innovation.

³ Currently the Group Service Centre Legal Department.



However, Eurofins is aware that exchanging with competitors requires extra caution. Participating in and reporting data to a trade association therefore needs prior approval by the relevant Eurofins Legal function and needs to be properly recorded by agendas and minutes. Any data pertaining to individual companies should therefore only be collected and disseminated by an independent third party, in a sufficiently aggregated manner so as not to disclose the data of an individual company. Strict rules regarding age of the data and frequency of the exchange have to apply in order not to foster coordination on parameters of current or future competition. Joint decisions on the manner how or with whom to conduct business or regarding joint industry standards or joint research activities should not be taken without seeking prior advice from legal advisors well versed in these matters.

TENDER PROCEDURES

It is an essential feature of tendering procedures that prospective suppliers should prepare and submit tenders or bids independently. Accordingly, any coordination on who should win or bid for a contract or tender or on the bid itself (also referred to as «bid-rigging»), without formally informing the person and organisation requesting the bids and obtaining their agreement is likely to be illegal. In some cases, bidding consortia may be legal if certain conditions are met, which are to be reviewed by expert legal advisors in each specific case. Bid-rigging includes submitting fake or intentionally high bids (“cover bidding”), withholding bids (“bid suppression”) or allocating/rotating bids (“bid rotation”) between competitors.

SEEKING GUIDANCE

Individuals are encouraged to communicate any questions about this Policy and its application to their direct supervisors or relevant Eurofins legal department. If you are unsure who to speak to, or if you would prefer to communicate questions beyond the Company that you work for, please contact Compliance Helpline on the Company’s intranet site (DMS).

WHISTLEBLOWING

For concerns relating to misconduct at work, breaches of this Policy or other illegal activities within the Eurofins Group, Eurofins Members and Associates are encouraged to raise concerns in the knowledge that their action will be viewed positively and that they will be protected from victimisation which may result from their reporting of these facts.

Actual or suspected criminal offences, failure to comply with legal obligations, serious health and safety risks, damage to the environment, financial and procedural irregularities, deliberate suppression or concealment of any of these should be reported to the Whistleblowing Point of Contact. For more information on whistleblowing, please see the Company’s intranet site (DMS) and the Company’s website: [Whistleblowing Contact](#).

On behalf of the Eurofins Group Operating Council

Dr. Gilles Martin
Chief Executive Officer



APPENDIX: EUROFINS FAIR COMPETITION DO'S AND DON'TS

BUSINESS WITH COMPETITORS

DO behave independently from your competitors.

DO learn from market but not directly from competitors.

DO cooperate with competitors to comply with regulatory requirements where legally acceptable.

DO NOT under any circumstances reach an agreement on prices with any competitor or even discuss prices with them.

DO NOT discuss, negotiate or enter into any agreement with a competitor or any employee of a competitor that has anything to do with pricing or varying your business's trading terms (including discounts, intended price changes or even methods of calculating prices).

DO NOT allocate or discuss allocation of customers, territories or lines of commerce with a competitor.

DO NOT agree a maximum permissible volume of services with a competitor.

DO NOT agree not to offer new services unless the other competitors agree.

INFORMATION GATHERING, EXCHANGE AND TRADE ASSOCIATIONS

DO set up your own independent market intelligence system.

DO keep customers informed about prices, terms and conditions, new products, services and applications.

DO exchange or promote any non-competition-related industry-wide issues through trade associations.

DO prepare joint statistics through trade associations, provided that rules of information gathering have been signed off by the Group Compliance Officer.

DO keep agendas and minutes of all meetings with competitors, within or outside trade associations.

DO NOT share or discuss sensitive information as defined above with your competitors, within or outside trade associations:

- a. pricing and pricing policies, including current and forecasted profitability;
- b. discounts, terms of sale or warranties;
- c. current or planned bids, orders, or other planned projects/investments or business opportunities;
- d. production and capacities as well as territories covered;
- e. business plans containing information on and strategies for (future) products and services and marketing;
- f. current and future sales data and plans;
- g. information on particular customers, including their identity or the value or volume of their purchases;
- h. information on suppliers of goods or services to either party, including their identity or value or volume of what they provide;
- i. current and future costs and cost structures, including employee salary information;
- j. cooperation or other business relations upstream or downstream or with other competitors; and
- k. particular technical or commercial capabilities constituting trade secrets.

DO NOT adopt joint decisions, recommendations or joint standards within a trade association without consulting expert legal advisors.

If you want to oppose a discussion on matters that should not be discussed among competitors or an agreement made within a trade association **DO** ask for your objection to be recorded in the minutes and **DO** leave the meeting immediately.

DO NOT participate in any vote, which has as its purpose the exclusion of any member of the industry from participation in the association or any of its activities without consulting expert legal advisors in advance.

M&A TRANSACTIONS AND COOPERATION

Business conduct until closing

DO continue to operate the businesses as separate entities, including by independently making bids, soliciting customers, etc., in the ordinary course of business.

DO continue to make unilateral decisions that are in the best interest of each company. Consult with expert legal advisors before taking any action or making any decision that is based on the assumption that the deal/cooperation will be implemented.

DO discuss post-closing planning and integration, but **DO NOT** implement any of those plans prior to closing, such as consolidating or integrating programs, systems, operations or **DO** have joint customer or supplier contact as long as this is limited to explaining the deal/cooperation partnership and future operations but **DO NOT** include discussions on price and future terms of supply (even if initiated at the request of customer or supplier).

DO NOT have joint dealings or discussions with customers or suppliers without the advance approval of expert legal advisors.

DO NOT coordinate under any circumstances any marketing strategies or agree on prices or the allocation of products, territories or customers. You should not even refer to the possibility of coordinating future behaviour.

DO NOT issue orders to the other party or try to influence the other's business decisions, personnel or other operations of the other party.

DO NOT implement any management or personnel changes, especially not if this is at the behest or suggestion of the other party.

DO NOT give any appearance of coordination in dealing with third parties, such as referring customers to one another or telling customers that they are unable to enter into a transaction because the other party could not approve.

Exchange of information

DO exchange information that is reasonably necessary but limited to conduct due diligence or that is otherwise necessary for implementing the deal or cooperation.

DO exchange information about employment, tax and regulatory compliance.

DO create a written agenda for each meeting with representative of the target/cooperation partner and discuss with counsel in advance whether counsel need to be present at individual meetings or discussions.

DO check with counsel before exchanging any information that would upset a customer or supplier if they knew of the exchange.

DO mark sensitive information with a confidentiality notice such as "Confidential – Only for use in connection with project [X]" to facilitate destruction or return of the documents should the partnership not be implemented.

DO exchange historical and aggregated data, such as aggregated information on sales, aggregated production or purchasing costs, aggregated margins, and aggregated expenses and overhead charges, only if the receiving party cannot deduce any competitively sensitive information by disaggregating the data.

DO NOT exchange sensitive information as defined above, except within a limited group of executives and advisors not involved in the ongoing business of either company and with these only ("clean team"). The exchange with and within the clean team must be strictly limited to the sole purpose of the deal or cooperation considered or its implementation, in each case under a strict confidentiality agreement and guidance by specialised legal advisors.

TENDERS

DO make decisions on how to bid independently of competitors.

DO contact the Group Compliance Officer if you become aware of any competitors participating in a collusive-tendering agreement. You may be able to bring such an agreement to an end and claim compensation or reopening of the tender.

DO NOT create a formal or informal bidding-consortium in which your business, other competitors and consumers or suppliers may combine to win a particular contract or licence without checking with expert legal advisors that your particular consortium would not be anti-competitive before putting it in place.

DO NOT exchange information with competitors on how you intend to respond to an invitation to tender.

DO NOT discuss with competitors (even those that you supply) how your business will bid or agree bidding strategies.



DOCUMENT CREATION

DO remember that whenever you write something down it could be made public any day.

DO clearly state the source of any price or similarly sensitive information (in order not to give the impression it comes from a competitor).

DO NOT use the following:

- “destroy or delete after reading”
- “no copies/records”
- “off the record”
- “monopoly”
- “dominate the market”
- “fix/control prices”
- “control/stabilize the market”
- “eliminate from the market”
- “crush/destroy the competition”
- “boycott”
- “increase prices”

DO NOT speculate about whether or not an activity is illegal, **DO** seek legal guidance if in doubt.

DO NOT give the impression that an industry view has been reached on something.

DO NOT give the impression that a customer gets special treatment over other customers regarding key terms of trade.

DO NOT give unnecessary details about any Eurofins Company’s market share, especially where it is high.

DO NOT emphasize Eurofins market share or market power in a market description.

DO NOT describe Eurofins as being dominant or being the market leader in a given market.

DO NOT write anything that implies that prices are based on anything other than internal business judgement.

DO NOT suggest weak competitive conditions on a market in which Eurofins is active (for example, references to matters such as «high barriers to entry», «a concentrated market», «strong margins» or «strong price growth»).

DO NOT destroy a document before the date on which it would normally be destroyed in accordance with your Company’s document retention programme, even if you feel it may raise competition law concerns. In case of doubt, always first consult an expert legal advisor. Destroying documents in this way may eventually give competition authorities even a greater cause for suspicion.

