

UPCELL ALLIANCE - European Battery Manufacturing Alliance

Association Act of 1 July 1901- N°RNA W691106639

Registered Address: c/o Agence Schneider Electric - 292-312 Cours du 3^{ème}
Millénaire, 69800 SAINT PRIEST

MEMBERS' ETHICS CHARTER

1 Preamble

The ethics charter of the Association (hereinafter the “Charter”) sets out the moral and ethical values that Association members are expected to embrace in their relations with each other, and their relations with the Association itself. All members must read and sign the charter upon admission to the Association.

The primary aim of the Association is to establish a network of natural persons and legal entities from the public and private electric battery sectors, including manufacturers, suppliers of electrical components and automation solutions, machinery equipment manufacturers, battery manufacturers, car manufacturers, chemical producers and universities and research centres, ultimately with a view to developing the European electric battery industry.

As a professional organisation, the Association strives to develop and implement initiatives to promote the collective interests of its members, in line with its stated purpose and according to a range of applicable regulations. It also offers advice and assistance to its members in this capacity.

In practice, the Association keeps its members up to date, provides a forum in which ideas and experiences can be exchanged, and monitors the European projects of this sector with a view to promoting innovation and enhancing the activities of its members.

It also organises a number of events including regular meetings where members can share information relevant to their respective activities. The information made available by the Association is supposed to inform the decisions of members and facilitate the development of this market.

On the other hand, the Association and its members undertake not to breach competition law or interfere in the management of members' business activities.

All members are aware that, if they interact with other professional members from the same industry as part of the Association's activities, they should do so in a way that has no direct or indirect bearing on competition. Members are urged to proceed with caution in this respect.

The Association has therefore introduced measures to make sure that members, either in the course of their business activities or during an event organised by the Association, do not engage in any concerted practice with other Association members that is apt to give rise to a cartel or anti-competitive activity.

Any meetings and events organised by the Association should not be used to pave the way or support anti-competitive practices.

For the record, concerted practices between undertakings operating at the same level of the supply chain are indicative of cartel activity.

Also, for the record, under Articles L. 420-1 et seq. of the French Commercial Code, it is an offence to engage in any concerted practice whose object or potential effect is the prevention, restriction or distortion of competition on a market; coordinated action, agreements, express or tacit cartels or coalitions, in so far as they:

- Limit access to the market or the free exercise of competition by other undertakings;
- Prevent price fixing by the free play of the market, by artificially encouraging the increase or reduction of prices;
- Limit or control production, markets, investments or technical progress;
- Share out the markets or sources of supply.

Finally, at European level:

“The following shall be prohibited as incompatible with the common market: all agreements between undertakings, decisions by associations of undertakings and concerted practices which may affect trade between Member States and which have as their object or effect the prevention, restriction or distortion of competition within the common market, and in particular those which:

- 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 [...];*
- make the conclusion of contracts subject to acceptance by the other parties of supplementary obligations [...].”*

In view of all these legal obligations, this Charter has been established not only to govern the practices of the Association and all its members, such that they do not fall foul of prohibited practices and compromise membership, but also to set out the moral and ethical values that members are expected to embrace in their relations with each other, with third parties and with the Association itself.

This Charter, which specifies the applicable regulatory rules, was adopted during the Founding General Meeting of 6 October 2022.

It must be distributed to and signed by all new members upon admission to the Association. This formality underscores the commitment of all members to embrace the values of the Association and to comply with the rules and practices set out herein.

Finally, failure by any member to comply with this Charter may result in the penalties set out in the internal regulations and in the dismissal of the member in question.

Moreover, the Association reserves the right to bring further action against any members, be they natural persons or legal entities, who violate the rules hereof.

2 - Undertaking to provide information and take part in the formal proceedings of the Association

Members undertake to inform the admissions officer of any changes to the information they report to the Association upon admission: this may include information about proxies, postal addresses, telephone numbers, e-mail addresses, etc.

Moreover, members also undertake to respond promptly (within eight calendar days) to any requests or notices of the Management Group, and to regularly attend any relevant meetings or sessions of the bodies to which they are elected/appointed, i.e., General Meetings, Board of Director meetings, Committee sessions, etc. If members expect to be absent from a number of such meetings, they shall inform the Chair of the Association. Any member who has not made contact with the Association by e-mail or telephone, or who fails to attend meetings during a financial year without reporting their unavailability, may have their member status revoked at the discretion of the Board of Directors.

3 - Undertaking to contribute to the operations of the Association

Subject to their level of expertise and availability, all members undertake to contribute to the Association's operations, especially by taking part in any current or future working or study groups and by offering to monitor business activities; and, in general, to facilitate the tasks undertaken by the Association as part of its functional remit. More generally still, all members undertake to respond expediently to the demands of the Association. If, after accepting responsibility for a certain task, a member is unable to carry out that task, they shall inform the Chair or leader of the corresponding team within a week. One of the most important criteria for selecting a member for a position on the Board of Directors is the extent to which they contribute to the Association's operations. Before making any commitments, members should contact the Association's Management Group for further details about the task to check that they can fit it into their schedules.

4 - Voluntary contribution

Members are reminded that their contribution to the Association's activities is voluntary and will not be remunerated under any circumstances, save for the exceptional cases specified in the internal regulations.

5 - Loyalty and respect for the image of UPCELL ALLIANCE

Members are expected to act professionally and to refrain at all times from any practice that may tarnish the image of the Association and its members. In all circumstances, and especially when members are in direct competition with each other, they undertake to adopt a conscientious and loyal approach to their dealings with other Association members, their managers and shareholders, and other public bodies of the Association.

On no account may a member publicly express an opinion on the Association's behalf, either to the press or through any other media, without the prior approval of the representative bodies and specifically the Chair.

In much the same way, on no account may an Association member publicly express a view on a matter that is disputed within the Association, without the prior approval of these representative bodies.

The stance of the Association is expressed exclusively by the Chair, unless any other person is appointed for this purpose by virtue of a special authority.

6 - Independence

Members will be allowed to undertake their activities within the Association in a completely autonomous manner, in accordance with the principle of separation of duties and functions. Any members whose industrial activities are identical to - and in competition with - those of other members would do well to remember this principle.

7 - Confidentiality

During their contribution to the Association's operations, members are apt to be privy to information relevant to the stated purpose of the Association.

Members undertake not to disclose this information to third parties without the consent of the Association.

The status of third party does not extend to subsidiaries or business entities controlled by the member.

All members undertake to introduce the necessary safeguards to protect the information to which they are privy during their contribution to the Association's operations.

Moreover, they promise not to reveal, exploit, publish or disclose to third parties, all or part of this information, either directly or indirectly, in any form whatsoever, for any reason and at any time, without the prior, written consent of the Chair.

The provisions of this previous paragraph shall not apply to any information:

- that is revealed to the recipient by any source of the Association,
- that was in or has subsequently entered the public domain.

The non-disclosure obligation by which all members are bound is not limited in time, provided that the information in question amounts to a business secret or an intellectual property right.

All members also undertake to inform the Association's Management Group of any potential conflict of interest between their private or professional activities and their involvement in the Association's operations. This non-disclosure obligation becomes effective upon the member's admission and is applicable for an unlimited period both during and after their membership, save for exceptional circumstances which must be approved by the disclosing party in writing.

8. Relations between Association Members

Members share the same entrepreneurial mindset. Their relations are forged *intuitu personae* and based on mutual confidence and respect. They undertake to clearly set out their intentions. The Association acts to promote the development of European industrial projects. Under no circumstances may it advise any of its members and it undertakes not to interfere in their business relations. Any members who undertake investments on their own behalf are solely responsible for their investment decisions, regardless of the action taken by the Association in respect of the opportunity in question. Every member expressly waives the right to bring action against the Association.

9. Anti-competitive practices

As indicated in the preamble, which is an integral part of this Charter, although the Association provides a forum in which actors from the same industry can liaise and interact, it should not be used to engage in any practice that may directly or indirectly distort competition within the sector

On no account may members take advantage of the Association's General Meetings, the meetings of its representative bodies or working groups held internally or externally, to exchange information with a view to restricting competition.

The Association and its members therefore undertake not to engage in any practices, discussions, exchanges of information, initiatives or projects, or to make collective decisions, the purpose or effect of which either directly or indirectly:

- restricts the freedom to set the marketing prices of their products, equipment and services,
- limits production or marketing activities,
- limits or controls access to markets and customers and allocation of customers.

By and large, the Association and its members undertake not to engage in any unfair practices that prevent, distort or restrict competition.

For the record, the following activities are considered to be anti-competitive practices by the Competition Council:

- price-fixing cartels and ancillary tariffs,
- instructions designed to standardise behaviour and business practices,
- calls for a boycott of potential competitors,
- concerted action, arrangement between parties for the purposes of a bid and identical price as part of a call for tenders,
- concerted action, arrangement between parties to exclude competitors/create barriers to a market.

All Association members undertake to refrain from such practices whenever they use the services of - or take part in events organised by - the Association. Any member that fails to do so will be dismissed and penalised.

10 - Penalty

The Board of Directors may dismiss any member who breaches any of the clauses of this Charter. While the other members of the Association will be informed of the dismissal, they will not be told of the reason for that decision. Despite their dismissal on the grounds of serious misconduct, the member will continue to liable for any obligations assumed vis-à-vis the Association, its members and any third parties.

11. Acceptance of the Charter

Members of the Association undertake to:

- read the terms of this Charter and approve them upon admission
- to comply with its terms for the duration of their membership with the Association,
- regularly refer to this Charter at meetings,
- add items to the agenda of every meeting in compliance with this Charter.

I, the undersigned:

Name: _____

Forename: _____

acknowledge that I have read and accept this Charter unconditionally.

Signature:

Nb. Precede signature with "read and approved"