

## ANTI-BRIBERY AND CORRUPTION POLICY

### 1. INTRODUCTION

This policy sets out the general rules and principles to which we adhere in order to prevent acts of bribery and corrupt practices. It will be communicated to all our employees (of Servier Laboratories Ltd and Servier Research and Development Ltd) “Servier”, as well as relevant business partners and other individuals and entities that Servier deals with in the ordinary course of its business.

Bribery and corruption have a range of definitions in law, but the fundamental principles apply universally:

- **Bribery** is the offer, promise, giving, demanding or acceptance of an advantage as an inducement for an action which is illegal, unethical or a breach of trust.
- **Corruption** is the misuse of public office or power for private gain; or misuse of private power in relation to business outside the realm of government.

Acts of bribery or corruption are designed to influence the individual in the performance of their duty and incline them to act dishonestly. For the purposes of this policy, whether the payee or recipient of the act of bribery or corruption works in the public or private sector is irrelevant. Further, it does not matter whether the act of bribery is committed before or after the tendering of a contract or the completion of administrative tasks.

The person being bribed is generally someone who will be able to obtain or retain business. Promotional activities and sales initiatives (such as tendering and contracting) are therefore particularly high risk; but bribery and corruption may even occur in the context of the handling of administrative tasks such as licences, customs, taxes or import/export matters.

This policy explains the procedures through which Servier can maintain its high ethical standards and protect its reputation against any allegations of bribery and corruption. Its successful implementation requires pro-active adoption at the following levels:

- **Board:** Approval of the board
- **Local Management:** Implementation decision
- **Servier’s employees:** Servier’s employees are required to read and understand all aspects of this policy, and abide by it.
- **Agency workers, contractors etc.:** as described on page 3, required to read and understand all aspects of this policy, and abide by it.

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## **Anti-bribery and Corruption Policy**

This Policy applies to Servier and its employees (“Servier employees”). It also applies to workers, agency workers, contractors, affiliates, business partners or associates including but not limited to agents, service providers, or other intermediaries or individuals and entities that Servier deals with in the ordinary course of its business.

### **PART I: KEY PRINCIPLES**

#### **1. Zero Tolerance Policy on Bribery**

- 1.1. Servier is committed to acting with the highest integrity and ensuring adherence to the highest legal and ethical standards.
- 1.2. Servier’s board attaches the utmost importance to this policy and will apply a “zero tolerance” approach to acts of bribery and corruption by any employee, worker, agency worker, contractor, affiliate, business partner or associate including but not limited to agents, service providers, or other intermediaries or individuals and entities. Any breach of this policy will be regarded as a serious matter by Servier and is likely to result in disciplinary action or a termination of the business relationship (as applicable).
- 1.3. It is intended that by adopting, implementing and enforcing this policy, Servier will ensure compliance with the Bribery Act 2010 (the “Bribery Act”). A commercial organisation (such as Servier) will commit a criminal offence if it fails to prevent bribery, unless it can show that it had in place “adequate procedures” designed to prevent the payment of bribes. This Anti-Bribery Policy (the “Policy”) reflects the principles and values which are given force in a detailed anti-bribery programme designed to ensure that Servier has in place adequate procedures to prevent the payment and receipt of bribes. The Policy, as well as Servier’s anti-bribery programme, are regularly reviewed and revised to capture changes in law, reputation demands and changes in business.

## 2. **No Paying Bribes**

2.1 General policy on the payment of bribes: Servier does not tolerate the payment of bribes to anybody.

2.2 Definition of “bribery”: Bribery means offering, promising or giving a financial or other advantage to another person (“X”) in the following circumstances:

- with the intent to induce or reward improper performance of a relevant function or activity (by X or by another person); or
- knowing or believing that the acceptance of the advantage would itself constitute the improper performance of a relevant function or activity by X.

Bribes typically involve corrupt intent and there will normally be a ‘quid pro quo’, meaning that both parties will benefit. A bribe will not always be financial in nature.

2.3 Definition of “relevant function or activity”: A function or activity will be relevant where:

- it is (i) a function of a public nature; (ii) an activity connected with a business; (iii) an activity performed in the course of a person’s employment; or (iv) an activity performed by or on behalf of a body of persons; and
- the person performing the function or activity is in a position of trust by virtue of such performance and/or is expected to perform in good faith, and/or impartially.

2.4 Definition of “improper performance”: A relevant function or activity is performed improperly if it is performed in breach of an expectation arising from a position of trust or of good faith or impartiality (as the case may be). A relevant function or activity is to be treated as being performed improperly if there is a failure to perform the function or activity and that failure is itself a breach of such expectation.

2.5 Scope of prohibition on the payment of bribes: It does not matter whether the function or activity is performed inside or outside the UK, whether the other person(s) involved is/are in the public or private sector and whether the advantage is offered, promised or given directly by the Servier employee or through a third party (e.g. an agent or other intermediary).

### 3. **No Paying of Bribes to a Foreign Public Official**

- 3.1 Acts of bribery and corruption will commonly, but not always, involve public or government officials. Servier's policy of anti-bribery extends to the bribery of a Foreign Public Official ("FPO") with the intent to influence the FPO in his capacity as such and to obtain or retain business or an advantage in the conduct of business. It does not matter if the financial or other advantage is given to the FPO or to another person at the FPO's request (or with his assent or acquiescence).
- 3.2 An FPO includes but is not restricted to someone who holds a legislative, administrative or judicial position of any kind in a country/territory outside the UK, or exercises a public function outside the UK, or is an official agent of a public international organisation.

### 4. **No Receiving Bribes**

- 4.1 General policy on the receipt of bribes: Servier employees must not request, agree to receive or accept a bribe from anybody (whether directly or indirectly).

Definition of "requesting, agreeing to receive or accepting" a bribe: Bribes typically involve corrupt intent and there will normally be a 'quid pro quo', meaning that both parties will benefit. A bribe will not always be financial in nature. Servier employees must not request, agree to receive or accept a financial or other advantage from a former, current or future client, business partner or supplier or any other person in the following circumstances:

- intending improper performance of a relevant function or activity (whether that performance is by the Servier employee or another person);
- where that request, agreement or acceptance itself constitutes the improper performance of a relevant function or activity;
- as a reward for improper performance of a relevant function or activity (whether that performance is by the Servier employee or another person); or
- where a relevant function or activity is performed improperly by the Servier employee or by another person at the request or with the assent or acquiescence of the Servier employee in consequence of that request, agreement or acceptance.

Further, Servier does not condone improper performance of a relevant function or activity in anticipation of the Servier employee requesting, agreeing to receive or accepting a financial or other advantage.

4.2 Scope of prohibition on the receipt of bribes: It does not matter whether the function or activity is performed inside or outside the UK, whether the other person(s) involved is/are in the public or private sector, whether the Servier employee requests, agrees to receive or accepts the advantage directly or through a third party (e.g. an agent or other intermediary), and whether the advantage is for the benefit of a Servier employee or another person. It does not matter whether the Servier employee knows or believes that the performance of the function or activity is improper.

4.3 The definitions of “relevant function or activity” and “improper performance” set out (respectively) in sections 2.3 and 2.4 above apply equally in this context.

## **5. No Bribery through Intermediaries**

5.1 Responsibility for acts of bribery committed by persons who perform services for or on behalf of Servier: Servier or its employees may be held responsible for acts of bribery committed by intermediaries or ‘associated persons’ (namely, persons who perform services for or on behalf of Servier). This may include, but is not restricted to: business partners, suppliers, agents, distributors, advisors, healthcare professionals acting in a consultancy capacity or other consultants.

5.2 Policy on bribery through intermediaries: The use of intermediaries for the purpose of committing acts of bribery is expressly prohibited. For the avoidance of doubt, this means that Servier shall not condone acts of bribery committed by such intermediaries associated with it who intend to obtain or retain business or an advantage in the conduct of business for Servier.

5.3 Potential risk associated with use of intermediaries: There is a risk of bribery and corruption where an intermediary conducts activities on Servier’s behalf, so that the result of their actions can be seen as benefitting Servier.

5.4 Policy on selection of intermediaries: Intermediaries who act on Servier’s behalf must be advised of the existence of and operate at all times in accordance with the Policy. The Director of Finance is directly responsible for the evaluation of each relationship and will conduct properly documented due diligence proportionate to the associated risk. This due diligence may include some or all of the following:

- Evaluate the background, experience and reputation of the intermediary;

- Understand the services to be provided, and methods of compensation and payment;
- Take reasonable steps to monitor the transactions of intermediaries appropriately;
- Ensure there is a written agreement in place which acknowledges the intermediary's understanding of and compliance with the Policy;
- Depending on the level of control that Servier has over the intermediary, ensure that it has an anti-bribery policy of its own consistent with the Policy which, where applicable, requires that the intermediary adopts risk-based due diligence and a zero tolerance approach to bribery in contracting with the next entity within the supply chain.

5.5 Ongoing monitoring of relationship: The appropriateness of existing relations and the intermediaries' compliance with their contractual obligations and the Policy shall be reassessed periodically. If the intermediary is suspected of bribery, existing business relations shall be terminated forthwith even if this may result in a loss of business.

5.6 Compensation: Compensation paid to agents and other intermediaries will be appropriate and justifiable remuneration for legitimate services rendered.

## 6. **No Facilitation Payments**

6.1 General policy on facilitation payments: Unofficial payments or gifts of small value to public officials (or in some cases to an agency or service provider) in order to secure or expedite the performance of a routine action are prohibited.

## 7. **Gifts, Hospitality and Expenses**

7.1 Explanation of the risk: Gifts, hospitality and expenses present significant risks related to bribery. For example, gifts will constitute bribes where they create an obligation or expectation; *bona fide* gifts should be given without expectation of consideration or value in return.

7.2 Sector specific risk: Compliance with the high standards set out in the Code of Practice of the Association of the British Pharmaceutical Industry (the "ABPI Code") should be ensured at all times. It is particularly important to preserve the independence of healthcare professionals (which is for the best interests of patients). By way of example, it is therefore essential to ensure that acts of hospitality for the benefit of healthcare professionals,

arrangements and dealings with healthcare professionals acting as consultants and the provision of (for example) medical and educational goods/services or promotional aids are not used as subterfuge for bribery.

7.3 General policy on gifts, hospitality and expenses: Servier expressly prohibits the giving or receiving of gifts, hospitality or other expenses that could influence or be perceived to be capable of influencing a contractual or material transaction.

7.4 Guiding principles: In assessing whether the gift, act of hospitality or reimbursement is appropriate, it is useful to ask the following three questions:

- What is the underlying intent?
- How would the act appear when viewed from the perspective of an independent third party (for example, if the details were disclosed in a national newspaper)?
- Would the situation be acceptable if the circumstances were reversed, or would there be a double standard?

In answering these questions, the following guiding principles apply:

*i. Gifts, hospitality and other reimbursable expenses must be given and received for right reason*

A gift or act of hospitality must not be given or received in return for services provided, or to obtain or retain business, but shall be handled openly and unconditionally as a gesture of esteem and goodwill only.

In the case of reimbursed expenses, these should be for a bona fide business purpose.

*ii. There must be no obligations or expectations attached to the gift, hospitality or reimbursement of expenses*

The gift, hospitality or reimbursement of expense must not place the recipient under any obligation.

Servier employees must not accept any gift, hospitality or reimbursement of expenses which places them under any obligation.

*iii. The giving and receiving of gifts, hospitality or reimbursement of expenses must be transparent*

This means that the gifts, hospitality or reimbursement must be made openly and must be properly approved, recorded and reported to management. For this purpose a form is attached in the appendix and is also available separately on the Servier intranet.

*iv. The gift, hospitality or reimbursed expense must be appropriate and proportionate*

Gifts must always be of symbolic nature and value and must not be made in cash. The giving or receiving of gifts and hospitality must not be overly frequent and should be viewed as exceptional rather than as part of normal business dealings. The nature and value of a gift, act of hospitality or reimbursed expense must accord with general business practice and local customs. Consistent with this, it must not be such that it would discredit Servier in the eyes of stakeholders, or cause them to lose confidence in Servier.

The gift, hospitality or reimbursed expense must be compliant with the relevant laws and rules of self-regulation from time to time, including the ABPI Code, as well as meeting the rules or code of conduct of the recipient's organisation.

## 8. **Sponsorship**

- 8.1 Scope of “sponsorship”: Sponsorship may include the sponsorship of an event (for example a scientific meeting) or a person (for example a health professional).
- 8.2 General policy on sponsorship arrangements: Where relevant, sponsorship arrangements must comply with the ABPI Code. Sponsorship arrangements must not be used as a subterfuge for bribery and must be generally consistent with the spirit of this policy.

## 9. **Charitable Contributions and Sponsorships**

- 9.1 General policy on charitable contributions and sponsorships: All such contributions and sponsorships must be transparent. The recipient’s identity must be clear. Payments to individuals and for-profit organisations, payments to private accounts and payments in cash are prohibited. The reason and purpose for the contribution or sponsorship must be justifiable and documented. All charitable contributions and sponsorships will be publicly disclosed.
- 9.2 No subterfuge for bribery: Charitable contributions and sponsorships may not be used as a subterfuge or route for bribery.
- 9.3 Any charitable contributions and sponsorships must be made in accordance with Servier’s documented policy for relationships with patient organisations and charities.

## **PART II: PROCEDURE AND PRACTICE**

### **10. Director of Compliance & Special Projects**

Servier has appointed a Director of Compliance & Special Projects who will be responsible for implementing the Policy, providing guidance and training, monitoring compliance and sanctioning violation of the Policy. The Director of Compliance & Special Projects will review annually the suitability, adequacy and effectiveness of Servier's anti-bribery regime and implement improvements as appropriate.

The Director of Compliance & Special Projects directly reports to the Chief Executive Officer. Once a year, the Chief Executive Officer reports the results of the reviews to the board.

### **11. Accurate Books and Record-Keeping**

11.1 The issue: Many serious global bribery and corruption offences have been found to involve some degree of inaccurate record-keeping.

11.2 General policy on books and record-keeping: Off-the-book accounts and false or deceptive booking entries are strictly prohibited. It is Servier's policy to maintain accurate books, records and financial reporting within all Servier business units and for significant business partners working on Servier's behalf. Servier's books, records and overall financial reporting must accurately reflect each of the underlying transactions, including any gifts, hospitality or expenses (whether in cash or in kind). Record retention and archival policy must be consistent with Servier's accounting standards, tax and other applicable laws and regulations.

### **12. Employment and Training**

12.1 Recruitment: It is Servier's policy to recruit only individuals with high ethical standards who Servier reasonably believes will embrace the principles set out in the Policy.

12.2 Employment contract: New joiners shall be bound by a contractual obligation in their employment contract not to engage in bribery as defined in the Policy.

12.3 Training: Servier shall provide anti-bribery training to all its employees on a regular basis to make them aware of this Policy, in particular of possible types of bribery, the risks of engaging in bribery activity, and how employees may report suspicion of bribery.

12.4 Monitoring: Compliance with the Policy will be monitored regularly.

12.5 Disciplinary Procedures: Breach of the employment contract, the Policy and/or the Bribery Act by an employee, will be sanctioned by disciplinary action and might result in the termination of their employment contract. The employee will be held responsible for any damages that are incurred by Servier as a result of their actions.

### 13. **Seek Assistance and Provide Feedback**

13.1 It is not possible to formulate a set of guidelines that applies to every possible situation that may raise issues under the Bribery Act. Each employee must use common sense in identifying risks from the bribery and corruption perspective.

13.2 If you have any questions regarding the Policy or need assistance with respect to the conduct of your business activities, please contact your line manager or Director of Compliance & Special Projects *before* you proceed with any activity that could potentially violate anti-bribery provisions.

13.3 If you wish to give any feedback to support the continuous improvement of the Policy, please contact the Head of Human Resources or the Director of Compliance & Special Projects.

### 14. **Raise concerns**

14.1 Any Servier employee who suspects that any other employee, or any other person acting for or on behalf of Servier, may have engaged in conduct inconsistent with the Policy, should contact their line manager, Director of Compliance & Special Projects or Head of Human Resources immediately. Any concern raised by an employee shall be treated confidentially; where appropriate and on request it may be made anonymously.

14.2 Except where permitted by law, any suspicion of bribery or corruption should not be disclosed outside Servier.

14.3 No employee shall be penalised for merely reporting suspected misconduct.

15. **Start Date**

The Policy has been published on Servier's intranet and sent via email to all Servier employees today. The Policy enters into force as of July 2012 and shall be reviewed annually.

**Servier Laboratories Limited and Servier Research and Development Limited.**

**London, *October 2015***

**The Policy is reviewed annually**

**Appendix : Gift receipt form**

## GIFTS REPORT FORM

This form is to record any gifts with a value over £25 that you may receive from clients, customers, suppliers and contractors, including prospective and former clients, customers, suppliers and contractors, or from any other person or organisation with which the Company has, or might have, business connections. A “gift” is deemed to be any payment or item given to you (including competition prizes) on an apparent ex gratia basis by any party in connection with your employment by the Company. Occasionally it may be unclear whether the value of the gift is over £25, in which case complete the form.

It must be completed as soon as you are offered or receive the gift and then passed to your manager for assessment in accordance with the Company’s Anti-bribery and Corruption Policy. The Director of Compliance is able to provide any necessary advice on gift compliance with policy.

You do not need to complete this form in relation to the receipt of small promotional gifts, i.e. items such as pens, mugs, calendars or stationery that bear the company name or logo of another organisation, provided these have a value of less than £25.

Full name of employee:
Date of receipt of the gift:
Please give full details of the nature of the gift:
Your estimated value of the gift:
Please give full details of the identity of the sender of the gift, including the nature of your business relationship with them:
Was the gift received for a special occasion, for example Christmas? YES / NO
If yes, please specify the occasion:

I declare that the information I have given on this form is correct. I understand that it is a disciplinary offence to provide false information on this form or to fail to report the receipt of gifts with a value of over £25.

Gift Approved  Gift To Be Rejected

Signed: .....

Signed: .....

*(insert name of employee)*

*(insert name of manager)*

Date: .....

Date: .....

**Please forward completed copy to Director of Compliance**