



**GLOBAL COMPLIANCE AND RISK MANAGEMENT**

**GLOBAL ANTI-BRIBERY AND  
ANTI-CORRUPTION POLICY**

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## 1.0 PURPOSE

At Shire, we conduct business responsibly, ethically and free from any form of bribery or corruption—regardless of local custom or practice. **Shire does not buy business.** Building on the principles established in our Shire Code of Ethics and the Global Policy on Interactions with the Healthcare Community and Government Officials (“GIP”), this policy describes our global standards on bribery and corruption and addresses a variety of contexts where bribery or corruption may arise.

## 2.0 SCOPE

This policy applies to all Shire officers, directors and employees of Shire Companies, all contractors, temporary staff and agency workers. This policy contains Shire’s global standards. In some countries, more stringent laws, regulations, or industry codes may be applicable. Additionally, local policy or guidance may establish more restrictive procedures. Where multiple standards are at issue, the most stringent standard applies.

## 3.0 GOVERNING PRINCIPLES

### Prohibition on Bribery and Corruption

Shire prohibits all forms of **bribery and corruption**, whether involving a government official or private individual or entity, and whether direct or through a third party.

Compliance is the responsibility of each individual at Shire. Failing to recognize and avoid bribery and corruption can have significant impact on our reputation, business, and product safety, and can create criminal and/or civil liability for both Shire and the individuals involved.

Bribery and corruption comes in many forms. Although certain transactions and activities can be lawful and appropriate where conducted with transparency and in accordance with applicable law and Shire policy, they can also present greater risk of bribery and corruption.

#### **When faced with a difficult situation, always follow the Compliance Decision Guide (4P Test):**

- ✓ **Purpose:** Why are you doing it? Is it ethical and does it satisfy a legitimate business need? Is the activity permissible under all applicable laws, industry codes and company policy?
- ✓ **Policy:** Is there a Shire policy that speaks to the planned activity? If so, what are the requirements in the Shire policy? If not, were the right Shire experts consulted?
- ✓ **Process:** Did you follow the approved Shire process? Did you receive the appropriate approvals for the planned activity or interaction? Has this activity been conducted in an open and transparent manner?
- ✓ **Perception:** How would this activity be perceived by the public or a government regulator? Would this damage Shire’s reputation in the marketplace? What would patients think? Does this activity create an appearance of impropriety? Would this activity compromise the reputation of Shire?

If you have any concerns on the answers to these questions, please consult Legal or Global Compliance & Risk Management (GCRM).

## 4.0 APPLICATION OF GOVERNING PRINCIPLES

### A. Government Officials

At Shire, we must be particularly mindful of bribery and corruption involving government officials. Examples of where you might encounter a government official may include: customs agents, waste management inspectors at a manufacturing site, immigration authorities, regulatory inspectors, or individuals working at a Ministry of Health. Government officials may also be our customers when healthcare professionals (HCPs) are engaged by public hospitals. Shire engages with government officials in numerous and varied circumstances every day.

Consistent with our prohibition on bribery and corruption, it is Shire’s policy to conduct our business in compliance with all applicable anti-corruption laws, including those that prohibit improper payments to government officials.

**In addition to the 4P Test above, consider the following questions to ask when engaging with a government official:**

- When dining with a government official (e.g., Minister of Health, HCP from a public hospital, regulator, inspector), is the meal nominal in value?
- When conducting activities with a government agency, are all of my payments and activities transparent and well documented?

Because doctors, nurses and other HCPs in many countries are employed by or have privileges with public institutions such as hospitals and universities, they may be considered government officials under the law. To ensure our interactions with HCPs are conducted with transparency and in compliance with anti-corruption laws and all applicable rules and regulations and industry codes, Shire has adopted the GIP which provides requirements when interacting with the healthcare community, government officials and local community non-profit organizations. Always consult the GIP and its related resources when contemplating an interaction with an HCP.

## B. Third Parties

All third parties working with or on behalf of Shire must comply with our Shire standards, including all rules, laws, codes, and regulations where we operate or where the third party operates on our behalf. Examples of third parties include distributors, wholesalers, construction companies, cleaning and maintenance companies, relocation companies, consultants, lobbyists, custom agents and regulatory intermediaries.

This means that no third party working on our behalf may engage in any conduct that would be prohibited if undertaken by Shire. For example, we are not allowed to ask a third party to provide hospitality or entertainment to HCPs that we are prohibited from providing ourselves.

**Make sure you only engage third parties where:**

- There is a legitimate business need for the goods / services to be provided;
- The engagement is permissible under applicable laws and regulations;
- The bribery and corruption risks associated with the third party have been assessed and mitigated to the extent possible;
- The goods and services are provided at fair market value; and
- There is a written contract that contains anti-bribery clauses unless otherwise approved by Legal.

It is the responsibility of the Shire employee requesting/sponsoring the third party to manage the relationship consistent with applicable law and our policy.

## C. Lobbying & Political Contributions

Shire engages in **lobbying** activities with policy makers and non-governmental organizations to advocate for a policy and regulatory environment that supports innovation and value that will benefit patients, healthcare systems and society worldwide and may influence standards of care. Lobbying must never be used for any corrupt or illegal purposes, or to improperly influence any decisions.

Shire does not make **Political Contributions**. Shire created a unified Political Action Committee (PAC), a separate legal entity, integrating our political engagement activities and policies. PAC funds are generated from voluntary contributions from eligible Shire employees. Shire's Public Affairs team maintains clear rules and procedures governing the activities of our PAC, which conducts our political engagement.

**Always ensure that:**

- Lobbying activities are carried out by relevant departments such as Public Affairs or done with the guidance of these departments.
- Any business incidentals offered to government officials are nominal in value and therefore would not be viewed as extravagant or lavish.
- We do not provide any gift to any Government Officials

## D. Facilitation Payments

Shire prohibits all **facilitation payments**.

In extreme and rare instances, we may deem it necessary to make a health and safety payment, which are payments that occur in rare circumstances where the safety of an employee may be put at risk. For example, a Shire employee is traveling and finds himself/herself in a dangerous situation, such as civil unrest or government coup. The employee is asked to provide a payment to an official in exchange for the ability to leave the country. In these circumstances, the safety of the employee is a priority. Any such payments must be brought to the attention of your Compliance Business Partner, Legal counsel and Corporate Security as soon as safety is secured. These payments must be accurately recorded as health and safety payments with appropriate documentation.

There are times when Shire utilizes approved government processes such as the U.S. expedited passport service or the U.K. fast track or premium expedited visa and passport services. These types of services are permitted with the understanding that these are services operated and/or sanctioned by the government of the country from which the visa or passport will be obtained and are available to the general public.

**When working with government entities or agencies, third parties, customs agents or other regulatory agents, ask yourself:**

- Do you have documentation (program pamphlet, invoice or receipt) validating the visa or passport or other expediting service?
- Have you received detailed accounting of how Shire's funds have been spent?
- Are you (or a third party working with you) providing any benefit/type of financial incentive to a government official to expedite or complete a service you (or Shire) are owed?
- Do you know what sub-contractors your third party works with and have you assessed them for risk?

## E. Business Incidentals

### Gifts and Entertainment

Providing **gifts** to government officials is prohibited. Giving cash or cash equivalents such as gift cards or certificates, personal gifts, flowers, holiday gifts, gift baskets and other similar items is also not permitted.

Note: Pricing discounts such as discounts offered on product tenders do not necessarily constitute a gift. Contact GCRM for review if you are in doubt regarding the appropriateness of any transaction.

It is prohibited to provide **entertainment** or recreation to HCPs, government officials and any other third parties. We do not pay for or provide tickets for activities such as concerts, theatre shows, sporting events, golfing, skiing, spas or other similar entertainment activities.

#### What You Can Accept

- We can accept modest business incidentals as long as they are not given during the purchasing or contracting decision process and do not impact the overall decision making as to whether or not to move forward with a contract.

#### What You Cannot Accept

- Paid extravagant recreational outings, travel or lodgings at supplier sponsored events
- Tickets to sporting events or artistic performances
- "Prizes" sponsored by a commercial entity
- Gifts valued at an amount which you would not be able to reciprocate in equal value under Shire policy
- Gifts from potential suppliers or vendors that Shire doesn't already work with or gifts from suppliers or vendors during negotiation of an original/new contract, or renewal of an existing contract, with Shire.

## Business Incidentals

**Business incidentals** such as travel, meals and accommodation must be modest, inexpensive and provided infrequently. It must never be promised, offered or provided with the intent of causing the recipient to do something favoring Shire, to reward such behavior or to refrain from doing something disadvantaging Shire.

Business incidentals to government officials to attend a Shire meeting are allowed in accordance with local law. However, Shire prohibits inviting or paying for spouses, guests or non-active participants.

Examples of business incidentals may include a Technical Operations colleague having a business dinner with a Quality inspector at one of our manufacturing facilities, management luncheon with the Ministry of Health or Public Affairs representatives dining with a government representative.

**In addition to the 4P Test above, consider the following questions to ask when providing business incidentals:**

- Is there a valid business reason to provide travel and accommodation to any government official, including HCPs, working at public hospitals?
- When we provide meals, travel and accommodation to an HCP or government official, are we providing these business incidentals with the intent to improperly influence, induce or reward his or her decision to prescribe, purchase, recommend or use a Shire product, therapy or service?
- Do you have full transparency and oversight when a third party, such as a meetings and event agency, provides travel to anyone who may be considered a government official?

## F. Grants and Donations

**Grants** and **Donations** can be provided to eligible institutions, organizations or associations in accordance with Shire's review and approval process led by Shire's grant and donation committees. Refer to the GIP for the requirements on grants and donations.

**In addition to the 4P Test above, ask yourself the following questions when considering grants and donations:**

- Is a government official associated with the organization or the donation recipient, and if so, can they make decisions about Shire's business in their country?
- Could the timing of the grant be in question, such as providing a grant while Shire is being considered for a tender?

## G. Books and Records

Shire must maintain **books and records** that accurately document the sources and use of Shire's revenue and assets.

We are responsible for ensuring that transactions are accurately described with appropriate detail and supporting documentation for expenses and payments is obtained, reviewed, and maintained.

"Off the books" accounts, and false, deceptive or intentionally vague descriptions or submissions are expressly prohibited.

**Some questions to ask when documenting finances:**

- When approving invoices from third parties working on our behalf, have they provided detailed invoices clearly and transparently describing their activities? Do their agreements with Shire accurately state the services that they are carrying out on our behalf?
- When providing business incidentals which include meals, travel and accommodation to any government official, do you have detailed receipts documenting the meal or activity?
- Were the payments made in accordance with our Global Business Travel & Entertainment Policy and, if applicable, GIP?

- When developing rebates, discounts or other pricing schedules, are we recording them accurately and transparently in our books?
- Have we made payments to off-shore accounts at the request of a third party?

## 5.0 REPORTING

Shire takes very seriously all allegations of illegal or unethical conduct, including any form of bribery or corruption.

If a Shire employee or third party becomes aware of a possible act of bribery or corruption or violation of law or Shire policy, that potential violation should be reported immediately. In most cases, employees should contact their managers first to make the report. Shire expects managers to listen to reports objectively and address them effectively. Violations of policy can also be reported to functional resources such as Human Resources, Internal Audit, Legal, GCRM or Corporate Security. If an employee or other reporter prefers not to make the report internally, reports can be made to the Shire Global Compliance Helpline (visit: [www.Shire.Ethicspoint.com](http://www.Shire.Ethicspoint.com)).

Failure to comply with bribery laws is a criminal offense which can have a serious impact on Shire both to Shire's reputation and financial stability. Failure to comply with this policy may lead to disciplinary action based on local rules and regulations.

Shire does not tolerate any form of retaliation against any Shire associate for reporting concerns or issues in good faith. Nothing in this or any other Shire policy prohibits you from reporting any concerns or illegal activity to the appropriate regulatory authorities.

## 6.0 SUPPORTING INFORMATION

### Supporting Internal Policies

All Policies can be found at Shire's Policy Center: <https://shire.co/policies>

- Shire's Code of Ethics
- Global Interactions Policy (GIP)
- Third Party Risk Management Standard Operating Procedure
- Contract Policy
- Procurement Engagement Policy
- Global Business Travel & Entertainment Policy
- Continuum of Access to Medicines Policy

### Additional references on Lobbying & Political Contributions

- Political Action Committee (PAC) bylaws
- <https://www.shire.com/who-we-are/how-we-operate/policies-and-positions/public-policy>

### Intranet sites

- GCRM Intranet site: <http://shire.co/gcrm>
- Anti-Bribery Intranet site: <https://shire.co/anti-bribery>
- GIP Intranet site: <https://shire.co/global-interactions-program>

## 7.0 Definitions

<b>Books and Records</b>	<b>Books and Records</b> include accounts, invoices, correspondence (including email), papers, CDs, tapes, memoranda, and any other document or transcribed information of any type.
<b>Business Incidentals</b>	<b>Business incidentals</b> include the provision of meals, refreshment, travel and/or accommodation. <b>Entertainment</b> generally includes activities such as concerts, sporting events, spa treatments, etc.



<b>Bribery</b>	<b>Bribery</b> is (1) offering, promising or giving or (2) authorizing someone else, including Third Parties working on our behalf, to offer, promise or give, anything of value, directly or indirectly, to any person or entity to improperly influence the recipient, gain an improper business advantage, or as a reward for any act or decision benefiting Shire improperly.
<b>Corruption</b>	<b>Corruption</b> is wrongdoing through means that are illegitimate, immoral and incompatible with ethical standards. It mixes together private and professional interests, resulting in someone abusing his or her power in their job for personal gain.  For situations where associates receive, agree to receive, request or accept a financial benefit or anything else of value please see our Code of Ethics.
<b>Donation</b>	A <b>Donation</b> is any financial and/or in-kind (i.e., non-financial and/or indirect) support given to external, independent, not-for-profit or for-profit organizations.
<b>Facilitation Payment</b>	Prohibited payments to Government Officials that are used to expedite or secure the performance of routine government services or actions to which Shire is otherwise entitled to receive.
<b>Gift</b>	A <b>Gift</b> is anything of value given to another for personal benefit.
<b>Government Official</b>	<b>Government Official</b> is broadly defined under anti-corruption law. At Shire, a <b>Government Official</b> is any individual acting in an official capacity for or on behalf of: <ul style="list-style-type: none"><li>• Any officer or employee of a government, department, or agency including sub-national and local governments (e.g., Ministry of Health);</li><li>• Any civil servant, military personnel, or member of a royal family;</li><li>• Any officer or employee of a public international organization (e.g., the World Bank, the World Health Organization);</li><li>• Any political party, political party official, or candidate;</li><li>• Any officer or employee of a government-owned or controlled entity (e.g., HCPs at a public hospital, clinic, or university);</li><li>• Any individual otherwise categorized as a Government Official under applicable local laws; and</li><li>• All close relatives of any of the above, including spouses, children, siblings, parents, or other immediate family members or individuals sharing the same household;</li><li>• As well as how it is defined in any applicable local laws and regulations</li></ul>
<b>Grant</b>	A <b>Grant</b> is any financial and/or in-kind support such as a Shire product provided to healthcare institutions, organizations, or associations that are comprised of HCPs and/or that provide healthcare or conduct research. Continuum of Care provided to patients is not considered as grants and is covered separately
<b>Lobbying</b>	<b>Lobbying</b> is any activity or interaction with policy makers (or anyone employed by or professionally supporting a policy maker) with the intent to represent Shire's position in the policy-making process. Active contribution to policy making is an integral part of the political process and a legitimate business activity as it enables the representation of different societal interests.
<b>Political Contributions</b>	<b>Political Contributions</b> are monetary or non-monetary contributions to support political parties, politicians, candidates or political initiatives.
<b>Third Party</b>	A <b>Third Party</b> is any individual or entity who is not employed or owned by Shire, but who is retained to provide goods or services, or to engage in business on behalf of Shire.

## 8.0 POLICY SPONSOR, OWNER AND SUBJECT MATTER EXPERTS

- **Policy Sponsor:** Jennie Orrico, Senior Vice President and Chief Compliance and Risk Officer
- **Policy Owner:** Julie Kudyba, Vice President and Head International Compliance
- **Subject Matter Expert:** Sandra Grass, Head Anti-Bribery / Anti-Corruption

## 9.0 REVIEW CYCLE AND REVISION HISTORY

This Policy is reviewed every year and as needed.

VERSION	PUBLISHED DATE	NOTES
CP-EC-007-V1	01 July 2015	Legacy Baxalta Global Third Party Anti-Bribery and Corruption Compliance Policy (Global Third Party Policy) – Retired
06-106GL	01 July 2015	Legacy Shire Policy on Anti-Bribery and Corruption for Internal Use of Third Parties – Retired
CP-GCRM-003	01 February 2018	Initial Version