

Code of Conduct

Bribery and influence peddling



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We strongly believe that integrity is and will remain the foundation of Roche Group's culture, and a key factor for the sustainability and success of its activities. It explains why we are being particularly attentive to the respect of our Code of Conduct, especially on the topic of integrity in business.

Roche Code of Conduct and Directive on Integrity in Business are clearly setting our Roche's expectations that all employees will act in a responsible and ethical way, in line with the industry standards, the laws and regulations.

In France, article 17 of Sapin II Law of 9 december 2016 requires from some French companies that they adopt a **Code of Conduct** « *defining and illustrating the various types of prohibited behaviour that may constitute bribery or influence peddling* ».

Roche Group French affiliates (Roche Pharma & Institut Roche, Timkl, Roche Diagnostics France and Roche Diabetes Care France) have jointly issued this Code to :

- > **Define** The various type of prohibited behaviours associated with bribery and influence peddling; and
- > **Illustrate** the various types of prohibited behaviours associated with bribery and influence peddling.

Roche does not tolerate any form of bribery or influence. Any employee involved in bribery or influence peddling may face disciplinary actions, including dismissal as well as facing criminal prosecution.

This Code supplements [The Roche Code of Conduct](#) and the Directive about integrity in business, that can be found [here](#).

Please take the time to read this document and implement it in your daily work activities.

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Objectives

This Code of Conduct has been created to help with dealing with the most frequent situations.

If a specific situation isn't described in the Code, you should ask yourself the following questions :

> Is the decision I have to make lawful ?

> Is it in line with Roche Values ?

>What impact will it have on Roche Group ?

>Would I be comfortable with this decision becoming public (in the press for example) ?



If you answer NO to any of this questions, or in case of doubt :

[Contact](#)

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Definitions



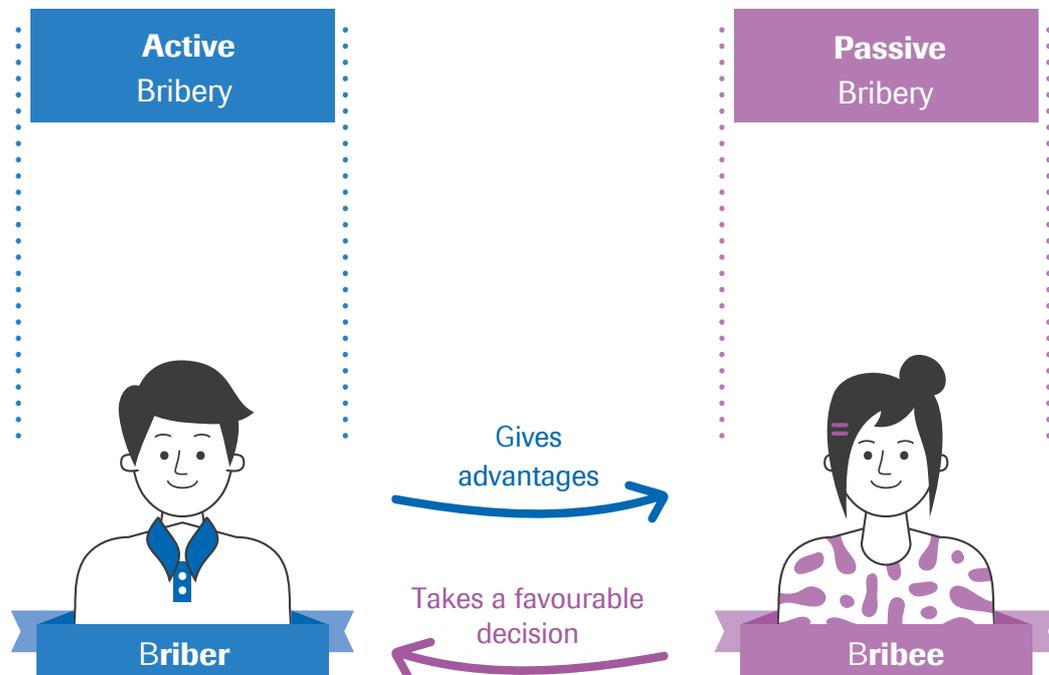
Bribery

Bribery occurs when a person holding a public office, or a person in business, directly or indirectly proposes, offers, requests or accepts any undue gift, offer, promise or advantage of any kind whatsoever, in return for performing, delaying or refraining from performing an act pertaining to their function.

- > Bribery is **active** when the person offers the undue advantage
- > Bribery is **passive** when the person benefits from the undue advantage



Those two forms of bribery are subjected to the same penalties.





An **advantage** may take different forms, like :

- > money ;
- > a gift or invitation to a non-professional activity such as sport or cultural event ;
- > facilitation payments ;
- > a gift or a sponsorship to a charity or to a non-profit association ;
- > excessive discounts or rebates ;
- > a job or an internship
- > confidential or sensitive information

An **undue counterparty** may consist in, for example, being awarded or in obtaining :

- > a contract following a tender process ;
- > signature of a tender, a contract or an agreement ;
- > a permit, licence, approval or authorisation ;
- > an exemption from a regulatory obligation ;
- > tax benefits ;
- > a court decision in favour of the briber or its organization.



The act of offering or requesting an improper advantage in return of an undue benefit is punishable even if the other party declines this advantage or/and if no exchange takes place.

Are also prohibited, advantages bestowed upon family members or friends of the potential bribee or upon any other person designated by the potential bribee.





Influence peddling

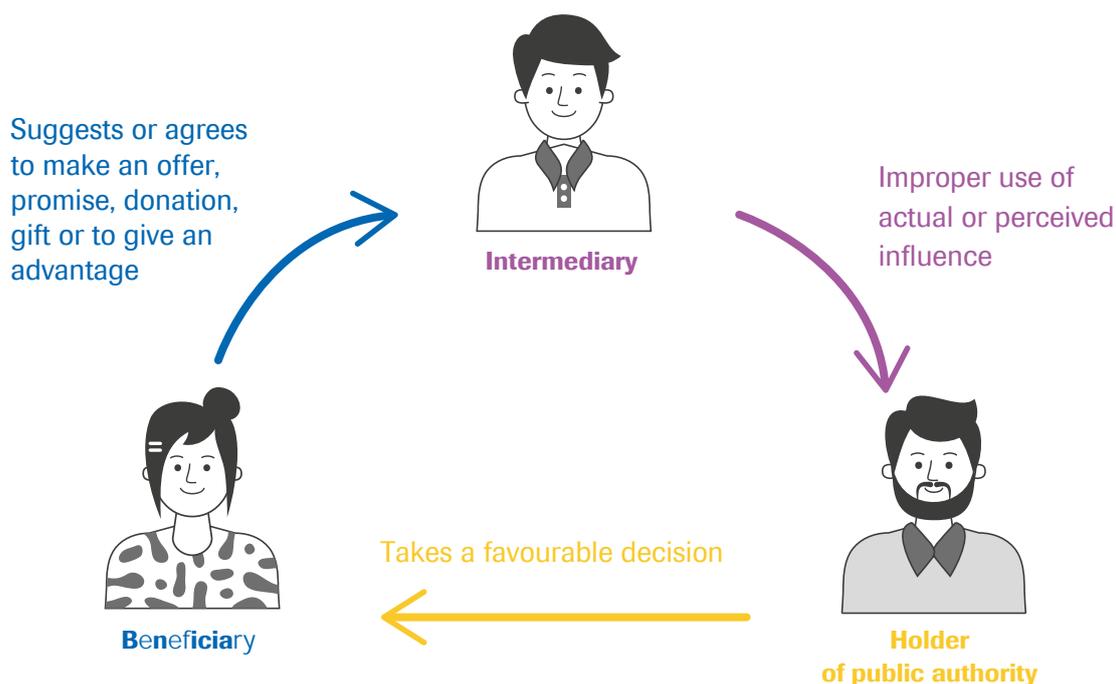
Influence peddling consists in offering to a person with influence (perceived or actual), or in this person to request or accept any undue gift, promise or advantage of any kind so that this person improperly exerts their influence over a third party to obtain a favourable decision

It involves three participants :

- > **The beneficiary** (who provides the advantages or gifts),
- > **The intermediary** (who accepts the advantage and exerts influence)
- > and **the target** who has a decision making power (public authority or agency, judge, court-appointed expert, etc.)



The beneficiary commits the criminal offence of **active influence peddling** while the intermediary (who can be a public official) commits the criminal offence of **passive influence peddling**.





Penalties



Individuals

	Bribery involving a private individual	Bribery involving a public official	Influence Peddling
Main penalties	≤ 5 years imprisonment ≤ €500 000 fine or twice the proceeds of the offence.	≤ 10 years imprisonment ≤ €1 000 000 fine or twice the proceeds of the offence.	≤ 10 years imprisonment ≤ €1 000 000 fine or twice the proceeds of the offence.
Additional penalties	<ul style="list-style-type: none"> ▪ Loss of civic, civil and family rights ; ▪ Ban on holding public office, pursuing the professional or social activity in the course of which the offence was committed, or managing a business; ▪ Confiscation of the sums or items unruly received by the offender ▪ Posting or dissemination of the decision. l'infraction ; 		



Legal entities

	Bribery involving a private individual	Bribery involving a public official	Influence Peddling
Main penalties	≤ €2 500 000 fine, or or twice the proceeds of the offence.	≤ €5 000 000 fine, or twice the proceeds of the offence	≤ €5 000 000 fine, or twice the proceeds of the offence
Additional penalties	<ul style="list-style-type: none"> ▪ Permanent or temporary ban on pursuing a professional or social activity; ▪ Entity placed under judicial supervision; ▪ Permanent or temporary closure of the entity's establishments or one or more of its establishments that were used to commit the offences; ▪ Permanent or temporary ban on making a public offering of financial securities or applying for admission to trading of its financial securities on a regulated market; ▪ Ban on issuing cheques or using payment cards; ▪ Confiscation of the proceeds of the offence or assets used to commit the offence; ▪ Obligation to roll out a remedial compliance programme under the supervision of the French Anti-Corruption Agency (AFA); ▪ Posting or dissemination of the decision. 		



Examples



If you have any concern, ask
> your manager,
> the Legal Department
> your Compliance Officer



I am a Sales representative for Roche.

During a visit at the hospital, the head of the pathology lab is asking me if Roche could sponsor a scientific event he is organising with his peers.

He insinuates that if Roche agrees, he would put in a word in our favour to their Finance Department, or to the hospital's pharmacy in the course of an ongoing tender process.

What should you do ?

You should refuse, sponsoring an event in order to obtain a favourable decision toward Roche's interest could constitute an act of influence peddling.



I work for Roche's Medical Affairs Department.

One of my acquaintance who is oncologist, suggests that if I invite her to the next Roche event, all expenses included (flights tickets, hotel and meals), she will definitely tell her brother-in-law, the Chair of CEPS (the French regulatory agency in charge of pricing and reimbursement), how highly she rates our new product, for which we will soon be applying for reimbursement status.

What should you do ?

You should refuse, inviting this person so she then uses her influence to obtain a favourable decision for Roche would constitute an act of influence peddling.



A hospital resident applies for an internship at Roche.

It states in his application that at the end of his internship, he will work in the oncology department of a hospital client of Roche.

Would this be an influence peddling infringement ?

It would not. In this specific case there is no intermediary exerting an influence on a holder of public authority. However, the situation could be misinterpreted and people could assume that, following his internship, he might use his influence at hospital in order to help Roche winning tenders.

It is important to clarify this situation when the internship begins.



I work for Roche's Purchase Department.

While providing maintenance services at our headquarters, one of our suppliers' sales representative offers to do some work at my house for free if I decide to renew their contract.

What should you do ?

You should deny the offer as it could qualify as a case of bribery. In that case, a favourable decision would be influenced by the personal benefit you could obtain.

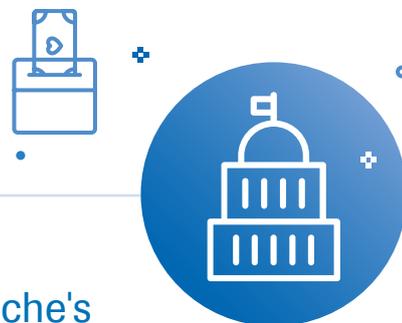


A batch of products intended for an overseas distributor is being blocked in a foreign port.

Your local distributor tells you that "some cash" would oil the wheels and obtain its release.

What should you do ?

You should not pay and immediately inform your Compliance Department.



I am in charge of exporting one of Roche's products in a new country.

The authority in charge of issuing the administrative authorisations we need suggests that Roche could financially support a local association.

What should you do ?

There is a risk that the financial support given to this association is used as a channel of corruption. Preliminary checks must be conducted to establish the identity of the people in charge of this association and ascertain what are its exact activities.



I work for Roche's Purchase Department.

A supplier, that employs my sister in its Sales Department, contacts me in order to do some business.

Can I work with this supplier ?

There is a conflict of interest given the family ties. You should stop working on this project and inform your line manager.

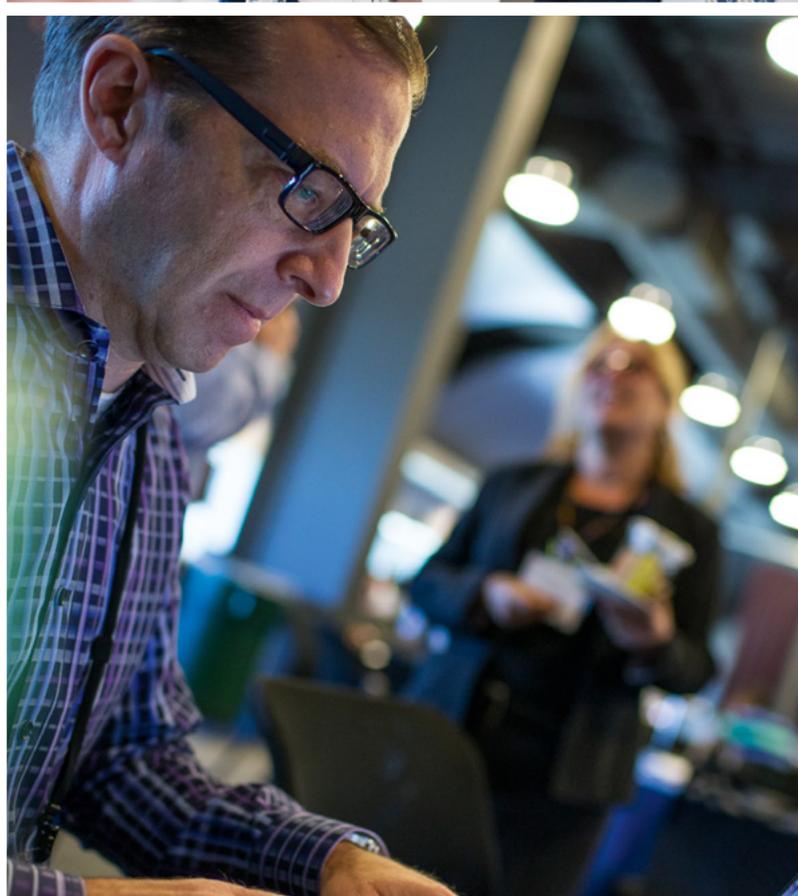


I am in charge of Roche's products' export sales.

The local distributor stresses he has to "encourage some doctors" who "will show their appreciation" with additional rebates.

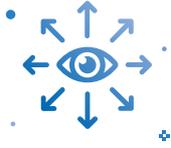
What should you do ?

Excessive rebates can be used by the distributor to pay bribes to healthcare professionals. Do not agree to them.





Think Compliance



Identify risky situations

Some situations could alert you.

Although they do not constitute acts of bribery or influence peddling *per se*, they do require to be carefully monitored.

It includes but is not limited to :

- > The use of intermediaries or consultants to facilitate relationships with clients or public officials.
- > Contractual relationships with public entities or politically exposed persons.
- > The lack of information about a partner.
- > Any pressure to use a specific service provider
- > Requests to speed up administrative processes or contract assignement
- > Public contracts assignement periods
- > Projects in countries with a high risk of bribery
- > Possible conflicts of interest (any situation where an employee's private interest could clash with Roche's interest).





Think Compliance

In a risky situation you should:

- > Anticipate, to ensure you don't find yourself "backing into a corner", facing physical, financial threat or danger if you refuse. We advise you to inform your partners of Roche's values and rules as soon as possible.
- > Make sure every rebates and discounts granted are stated on the corresponding invoices.
- > Always be able to justify every payments with appropriate supporting documentation.
- > Be on the safe side, do not accept or offer any gifts or invitations that might be hard to explain to your colleagues, family, friends, or to the medias.
- > Be careful when managing any unusual request or any unusually complex circuit.
- > If you are not sure how to react in any given situation, ask your Compliance Officer for advice.

Use the SpeakUp Line to report any breach to this Code of Conduct

[here](#)



To go further

You can find additional information and advice on the intranet and on [Roche's Compliance Gsite](#), as well as in Roche website if it has been made available to the public.

Roche's position papers ensure consistent internal and external communication with stakeholders. They are available on Roche's website.

Roche has introduced a comprehensive Compliance Management System (cCMS) to reinforce the key messages of Roche Group Code of Conduct and raise awareness on the importance of integrity in business relations.

- > Roche's Directive on Integrity in Business
- > eLearning programs, such as "Roche Behaviour in Business" (RoBiB), and an anti-bribery eLearning module ("Prevention de la corruption")
- > As well as other user-friendly tools such as the "Compliance Podcasts".

All the documents and informations are available [here](#)

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