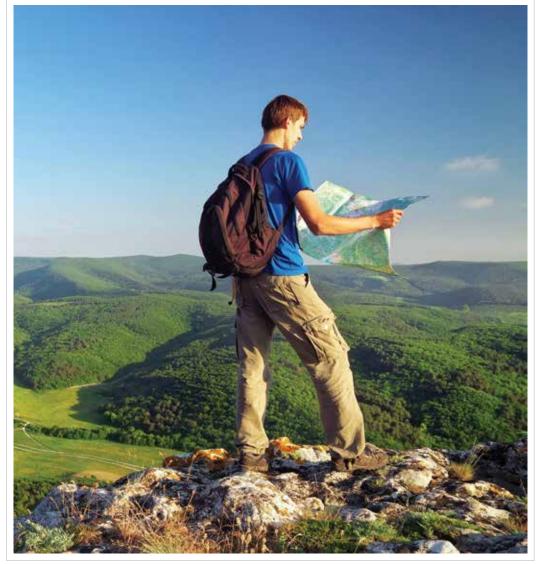
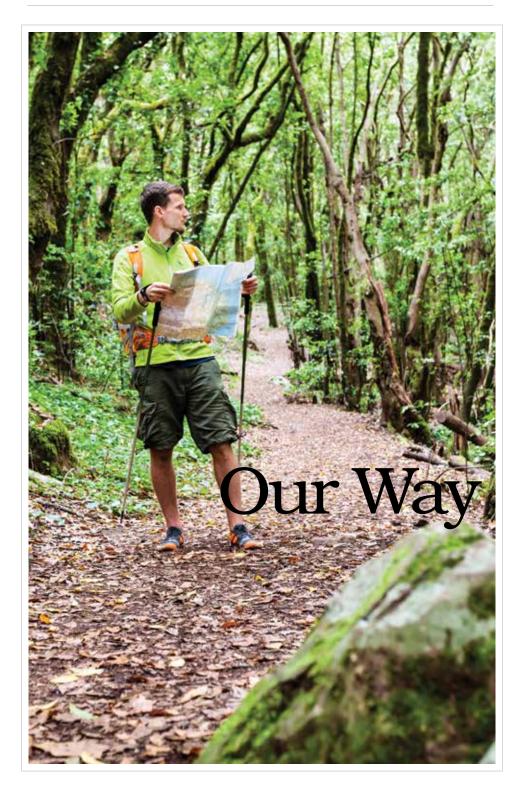


Together we comply!

# **COMPLIANCE W.I.N.S.**Worldwide Integrity is Necessary for Success









#### **BEFORE YOU BEGIN**

This Code of Conduct pertains only to the Bayer Pharma, Consumer Health and Animal Health businesses.

You are being provided this certification to assist you in meeting your responsibilities of conducting company business in an ethical manner, in conformity with the principles set forth in Bayer's Code of Conduct and within the company's Compliance Policies and Procedures. Please note that policies may vary by business. Consult your business Compliance Policies and Procedures manual to know what is relevant for your business.

The Bayer's Code of Conduct sets forth the broad principles under which Bayer conducts its business in a legal and ethical manner. Bayer requires all employees, contractors, consultants, and agents to adhere to the Bayer Code of Conduct.

This program will help familiarize you with the content of the Bayer Code of Conduct. Whenever deciding to engage in a given activity, you should always consult the Code of Conduct and other Corporate Policies for guidance.

All Bayer employees, contractors, consultants and agents are required to certify upon hire and thereafter annually that they have read, understood, and will abide by the Code of Conduct. When there are revisions to the Code of Conduct, all Bayer employees, contractors, consultants and agents are, likewise, required to certify within 21 days, that they have received, read, understood and shall abide by the revised Code of Conduct. The Bayer Compliance Department may communicate this certification process electronically or by paper and in the form of a training program or by publicizing the modifications to the Code of Conduct.



# A message from: Larry Platkin, Vice President & and Head, U.S. Compliance Office

## Dear Colleague:



Bayer is committed to the highest level of ethical conduct as reflected in the Bayer Compliance Program. One important aspect of that Compliance Program is the responsibility of every Bayer employee, contractor, consultant and agent to conduct the Company's business in conformity with the principles set forth in the Bayer Code of Conduct. In that connection, you are receiving this Bayer Code of Conduct with the request that you read it, and then certify that you received and understand, and agree to abide by, the Bayer Code of Conduct. This is an important Bayer initiative and your certification of the Code of Conduct should be a top priority.

It is imperative that you successfully certify the Code of Conduct no later than the date assigned in your Learning Plan. If this certification is not completed by the due date, you may be subject to disciplinary action. Please discuss any issues you feel may prevent you from meeting the deadline with your manager and the Compliance Department immediately so that those issues can be resolved and the deadline is met. Please contact the Compliance HelpLine at (862) 404-5220 if you have any questions.

The Bayer Compliance Hotline is a confidential toll-free phone number 1-888-765-3846 that you can use to report possible violations of this Code of Conduct or the Compliance Policies and Procedures that pertain to your specific division. You can also send an email to bayercompliance@expolink. co.uk or go online at www.expolink.co.uk/bayercompliance.

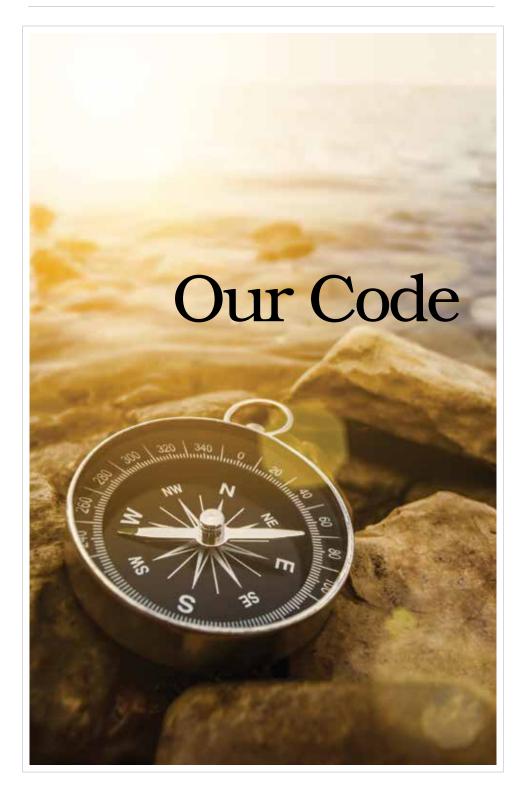
Thank you in advance for your prompt attention to this and your continuing support.

Regards,

Larry Platkin Vice President and Head, U.S. Compliance Office Bayer Corporation

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# Compliance with Federal Laws and Regulations

It is the policy of Bayer that all employees, contractors, consultants and agents comply fully with all applicable federal and state laws and regulations in every aspect of their business, including marketing, promoting, selling, advertising, contracting for, researching, developing, reporting adverse events and other safety information, providing information about and, as required, reporting prices for, products that are reimbursed by the government and private insurers. All employees, contractors, consultants and agents are expected to comply with all applicable federal and state healthcare programs and FDA requirements, as well as Bayer own policies and procedures including, but not limited to, those contained in each business' Compliance Policies and Procedures, and the Consent Decree with various states relating to the marketing, sale and promotion of Bayer Products.

#### Additional Guidance

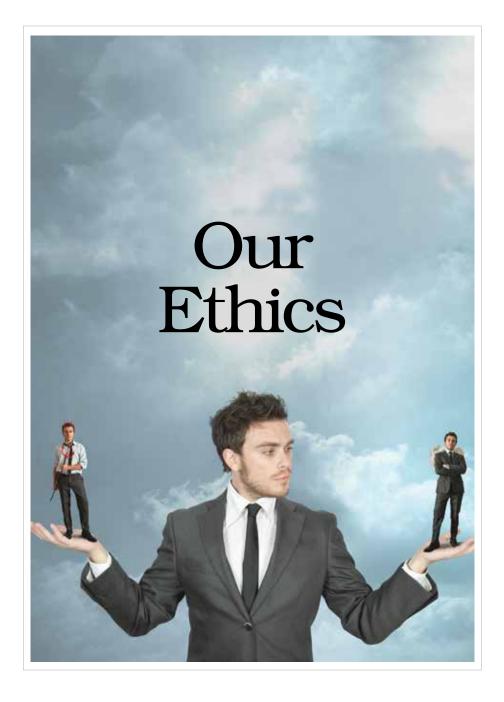
Failure to comply with Federal regulations, the Consent Decree and your business' Compliance Policies and Procedures can have direct and severe consequences both to you and to Bayer

You may face disciplinary action from Bayer, up to and including termination for violating the law or Bayer Compliance Policies and Procedures. In addition, you could be fined, precluded from working with federal healthcare programs, or sent to jail for failure to comply with federal healthcare programs and/or FDA requirements.

Bayer could also be fined or could be excluded from participation in federal healthcare programs, such as Medicare, Medicaid, Department of Veterans Affairs, and Department of Defense programs.

Bayer employees, contractors, consultants and agents are required to report actual or suspected violations of any federal healthcare program requirements, FDA requirements, or of Bayer's policies and procedures. All actual or suspected violations should be reported to your supervisor; the Bayer Corporation Law, Patents and Compliance Department; or the Bayer Corporation Compliance Officer; or via the Compliance Hotline (toll free 1-888-765-3846). Reports may be made anonymously. Any employee, contractor, consultant or agent who in good faith reports a suspected

violation of the law or company policy, or raises any compliance matter, will not be subject to any retaliation or adverse action based upon such report. Bayer will keep all such reports confidential to the full extent of the law.







## The Federal Anti-Kickback Statute

It is a violation of the law to offer or pay, directly or indirectly, "remuneration" - that is anything of value (such as discounts, rebates, educational grants, clinical research funding, charitable contributions, cash, educational items, promotional funds, fee-for-service arrangements, etc.) - to a healthcare professional, customer or prospective customer, with an improper intent to induce, influence, encourage or reward that healthcare professional's, customer's or prospective customer's purchase, order, referral, use, prescription or recommendation of a Bayer product(s). No actual knowledge of a violation of the law or specific intent to violate the law is required in order to commit a violation of the Federal Anti-Kickback Statute. Even if a person has legitimate reasons to offer or pay something of value, if one purpose of the offer or payment is to induce the recipient to prescribe or order Bayer products, the government may consider the offer or payment to be improper under the law. In addition, a violation of the Federal Anti-Kickback Statute is considered a false or fraudulent claim under the Civil False Claims Act.

There are some exceptions (commonly referred to as the "Statutory Exceptions" or "Regulatory Safe Harbors") to this general rule, which can be used only after review by and consultation with the Bayer Corporation Law, Patents and Compliance Department or other appropriate personnel.

The purpose of these rules is to keep companies such as Bayer from improperly influencing the clinical judgment of healthcare professionals or decision making of its customers, which could result in increased costs to government payers from over-utilization of a Bayer product or the inappropriate selection of one product over another.

Applying these rules can be complicated. If you are uncertain about a particular arrangement or practice, promptly bring it to the attention of the Business counsel.

## Practical Application of the Statute

Remuneration may be an illegal "kickback" if it:

 is provided to a person to induce, influence, encourage or reward that person (such as a physician, pharmacist or group buying agent) to prescribe, purchase, use, order, or recommend Bayer products;

is related to the volume or value of business generated by the recipient; or

 exceeds the fair market value of any good or service provided by the recipient.

Any remuneration that violates the Federal Anti-Kickback Statute may also create a financial arrangement that violates other federal or state laws, including, but not limited to, the Civil False Claims Act.

The most important issue to keep in mind in determining whether remuneration is an illegal "kickback" prohibited under the Federal Anti-Kickback Statute is whether something of value could be construed by the government as being given with the purpose of inducing, influencing, encouraging or rewarding the purchase, order, referral, use, prescription or recommendation of a Bayer product. Law enforcement officials seldom find direct evidence of a reciprocal "deal," so they determine the intent or purpose of the parties from the circumstances surrounding the transaction and the provision of remuneration. Bayer's Compliance Policies and Procedures are designed to avoid all circumstances where an improper intent or purpose might be inferred.

Compliance Hotline 1-888-765-3846



## The Civil False Claims Act

It is a violation of the law for anyone knowingly to make or cause others to make false or fraudulent statements or claims for payment or approval. It is also a violation to knowingly conceal or knowingly and improperly avoid or decrease an obligation to pay money, such as Medicaid drug rebates, to the government. A manufacturer, or employees, contractors, consultants or agents acting on its behalf, may "knowingly" cause or contribute to the filing of a false statement or claim if it actually knows that the statement or claim is false or if it acts in "deliberate ignorance" of, or with "reckless disregard" for, whether the statement or claim is actually true or not.

## Practical Application of the Statute

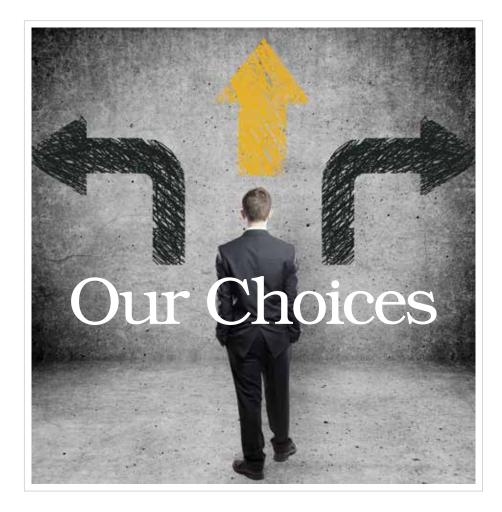
Bayer must ensure that information it provides to the government, including reimbursement and pricing information, is accurate and consistent with the requirements of federal and state healthcare programs, such as Medicare and Medicaid.

The government may charge companies or employees, contractors, consultants and agents with violating the Civil False Claims Act when they do the following:

- Make little or no effort to verify the truth or accuracy of their statements or claims so that it appears that they were acting recklessly even if they did not know for certain that the information was false;
- Act to avoid finding out whether their statements or claims are true or false, like the proverbial ostrich sticking its head in the sand;
- Make incorrect or inaccurate statements or claims over and over again, so that it appears they just do not care about getting it right;
- Help someone else (such as a customer or physician) make a false claim or statement to the government; or

• Fail to report and return an overpayment of federal healthcare program funds (e.g., Medicare or Medicaid funds) to which they are not entitled to a government agency or contractor within 60 days after the date on which the overpayment is identified or the date any corresponding cost report is due, if applicable.

 Innocent or inadvertent mistakes occasionally do happen in the course of work. Those types of errors generally should not violate the Civil False Claims Act. However, care must be taken so that those mistakes are identified, corrected and prevented.



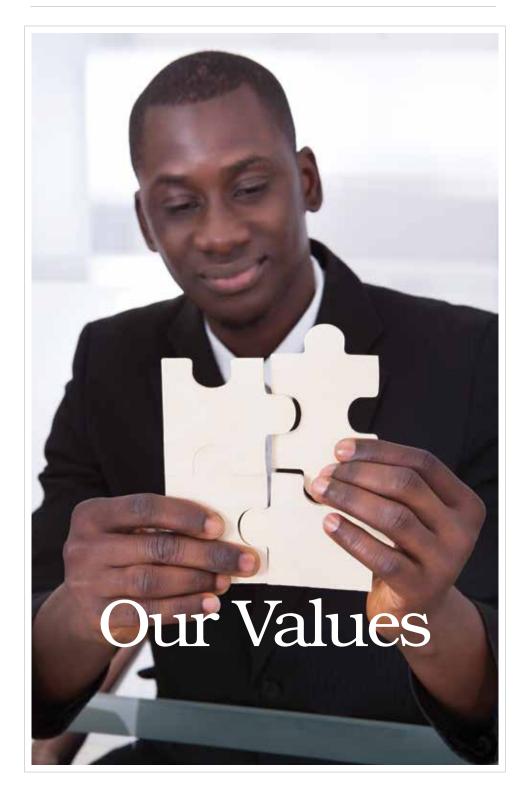
Compliance Hotline



# **Employee Education About the Civil False Claims Act**

The federal government has enacted laws to prevent, detect, and punish healthcare fraud and abuse, such as the Federal Anti-Kickback Statute, the Federal Civil False Claims Act, and other civil and criminal laws. Many states have enacted similar laws. The Federal Civil False Claims Act, and some state False Claims Acts, also include provisions under which individual citizens with evidence of fraud against the government may sue on behalf of the government to recover the lost funds. These laws also prohibit retaliation against persons who file such suits (e.g., "whistleblower suits"). More information about these laws, and the company's Compliance Policies and Procedures, can be obtained from your business' online Compliance Policies and Procedures, or the Bayer Corporation Law, Patents and Compliance Department.

Bayer has established a comprehensive Compliance Program, including policies and procedures to prevent, detect, and correct violations of law and company policy. Bayer employees, contractors, consultants and agents are required to report actual or potential violations of the law or company policy. You can report compliance concerns to your supervisor; to the Bayer Corporation Law, Patents and Compliance Department; or via Bayer's confidential disclosure process, the Compliance Hotline at 1-888-765-3846. Company policy prohibits retaliation against employees, contractors, consultants and agents for reporting in good faith suspected violations of law or company policy.



Compliance Hotline

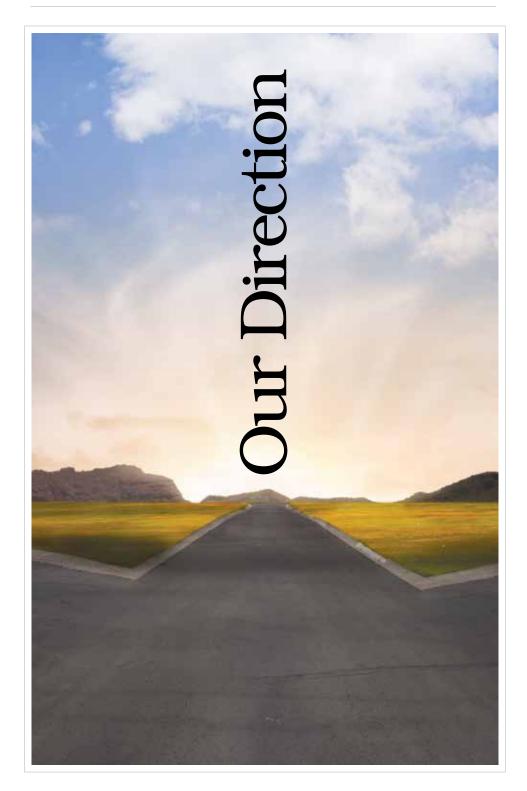


# **Antitrust Laws**

It is the long-standing policy of Bayer that its operations, in all respects, are conducted in full compliance with all applicable laws, including federal and state Antitrust Laws, and that its affairs are conducted in keeping with the highest legal and ethical standards. Antitrust laws are fundamental to our free enterprise system. They provide the environment in which we can achieve our profit and growth objectives unrestricted by anti-competitive practices.

The principal Federal Antitrust Laws are the Sherman Act, the Clayton Act, the Robinson-Patman Act, the Federal Trade Commission Act and the Hart-Scott-Rodino Act. Their purpose is to maintain the fundamental business conditions necessary for the proper functioning of a free enterprise system by prohibiting unreasonable restraints on competition and discriminatory business practices having anti-competitive effects. Basically, these laws require that each company act independently and sell its products fairly and honestly on the basis of price, quality and service.

All employees, contractors, consultants and agents are responsible for complying with this policy and must not inadvertently give the appearance of having violated the law or engaging in questionable conduct.



Compliance Hotline



# The Foreign Corrupt Practices Act (FCPA)

Bayer conducts its business with the highest legal and ethical standards and will not tolerate corruption. Each employee, contractor, consultant and agent must perform his/her job in full compliance with the Foreign Corrupt Practices Act (FCPA) and must never conduct business through unlawful payments, bribes, kickbacks, gifts, or other questionable inducements.

Provisions of the FCPA specifically prohibit Bayer employees, contractors, consultants and agents from offering, promising, making, authorizing, or providing, directly or indirectly, any payments, gifts, or anything of value to a non-U.S. government official (such as physicians at public hospitals or regulatory authorities), political party or candidate, or an official of an international organization (such as the World Bank or the World Health Organization), with the intent to:

- improperly influence or reward the official's actions;
- improperly influence decision-making in order to obtain or retain business; or
- secure an improper advantage.

Each Bayer employee, contractor, consultant and agent has the responsibility to ensure that his/her dealings with non-U.S. government officials, including state-employed healthcare professionals, comply with the FCPA. Likewise, each employee, contractor, consultant and agent is prohibited from making payments to any third party whom the employee, contractor, consultant or agent knows will, or believes is likely to, make an unlawful payment related to, or on behalf of, Bayer's business.

Compliance Hotline



# Compliance with Bayer AG Corporate Compliance Policy and the Bayer AG Compliance Manual

Bayer, complies fully with all applicable corporate policies and procedures. All Bayer employees, contractors, consultants and agents must comply with the Bayer AG Corporate Compliance Policy and the Bayer AG Compliance Manual. Bayer employees, contractors, consultants and agents must also comply with the Bayer US Compliance Program.

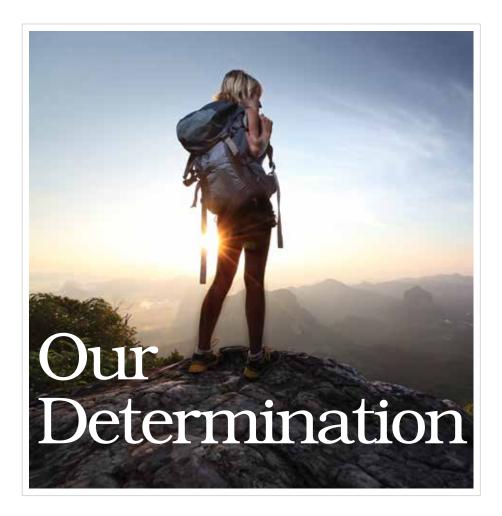
Although the scopes of these programs differ, Bayer's commitment to ethical behavior is consistent throughout all of the compliance programs, and Bayer employees, contractors and agents are required to comply with all applicable Bayer Compliance Policies and Procedures. In cases where your business' Compliance Policies and Procedures reflect more stringent or more restrictive requirements or activities than other corporate policies, the more stringent or more restrictive policies and procedures apply.

#### Additional Guidance

Bayer AG has established global standards of conduct to provide employees, suppliers, customers, and members of the general public with a clear indication of how it and each of its employees, contractors and agents will conduct itself and themselves, both internally and in the marketplace. The policies of the Bayer AG Corporate Compliance Policy are not intended to encompass all areas of business conduct but, as with other company policies, they establish general guidelines. These standards are more fully described in each business' Compliance Policies and Procedures.

The principles set forth in the Bayer AG Compliance Manual also represent a broad outline of the standards of business conduct that Bayer AG expects each of its employees, globally, to follow. These fundamental principles and standards are derived from globally applicable laws, industry codes and internal regulations, and are consistent with the laws, regulations, guidelines and Compliance Policies and Procedures applicable in the US. However, where stricter local standards exist, the stricter standards apply.

The provisions of each business's Compliance Policies and Procedures are not intended to alter the employment-at-will relationship in any way. The employee or Bayer may terminate the employment relationship at any time, with or without notice, and for any or no particular cause or reason. Moreover, the business's Compliance Policies and Procedures of the Bayer Compliance Program neither create an employment contract or term, nor limit the reasons or procedures for termination or modification of the employment relationship, nor do they create any substantive or procedural rights for Bayer personnel. In addition, the company reserves the right, in its sole discretion and without notice, to add, amend, delete or terminate any provision of this Code or any of the respective business Compliance Policies and Procedures at any time.



Compliance Hotline



# Compliance with Bayer Compliance Program and Business Compliance Policies and Procedures

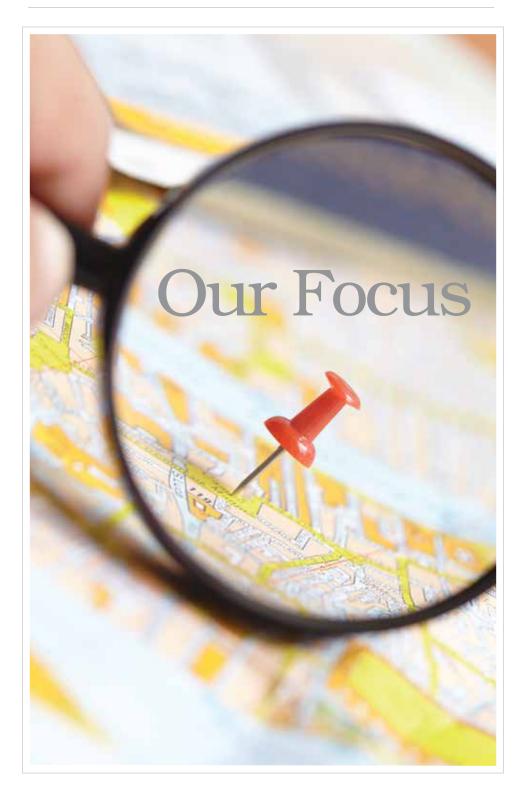
It is the policy of Bayer that its employees, contractors, consultants and agents comply fully with all applicable Bayer Compliance Program elements, including the employee's business' Compliance Policies and Procedures and this Code.

#### Additional Guidance

If the Bayer Compliance Policies and Procedures are more restrictive than other policies and procedures, the more restrictive policies and procedures apply.

If your supervisor or other individual within your supervisory line of authority has established a directive or departmental procedure with more restrictive requirements or activities, then the more stringent or more restrictive policies and procedures apply.

Deviations from any Bayer policy or procedure without appropriate review and documented approval will subject employees, contractors, consultants and agents to disciplinary action.



Compliance Hotline



# **Advertising and Promotion of Bayer Products**

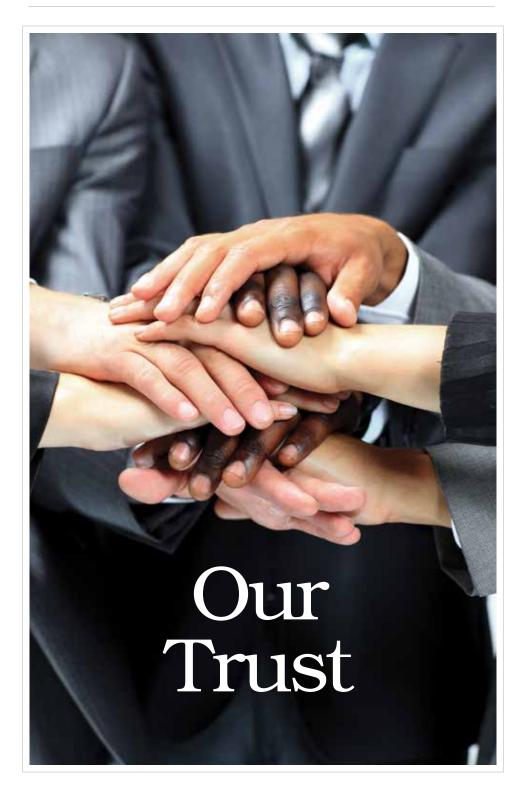
Bayer employees, contractors, consultants and agents are prohibited from promoting any company product that has not been approved by the FDA.

Bayer employees, contractors, consultants and agents must not advertise or promote any company product "off-label," meaning for a use that has not been approved by the FDA, in a manner that is inconsistent with the labeling for such product, or the Consent Decree with various states relating to the marketing, sale and promotion of Bayer Products.

Prohibited "off-label" promotion includes such practices as:

- Using any approved or unapproved materials to promote products for uses that are not approved by the FDA.
- Conducting speaker programs or other educational presentations on off-label uses of Bayer products. Bayer may support CE/CME programs that discuss off-label uses of Bayer products, but Bayer employees, contractors, consultants and agents may not, directly or indirectly, control or influence the content, selection of faculty or attendees, educational methods or program materials of such programs.
- Targeting healthcare professionals who do not have a reasonable opportunity to use a product for a use approved by the FDA.

Bayer employees, contractors, consultants and agents may not use any materials for the advertising or promotion of any Bayer product unless those materials have been reviewed and approved for such use through the Legal, Medical and Regulatory (LMR) process governing the review and approval of such materials.

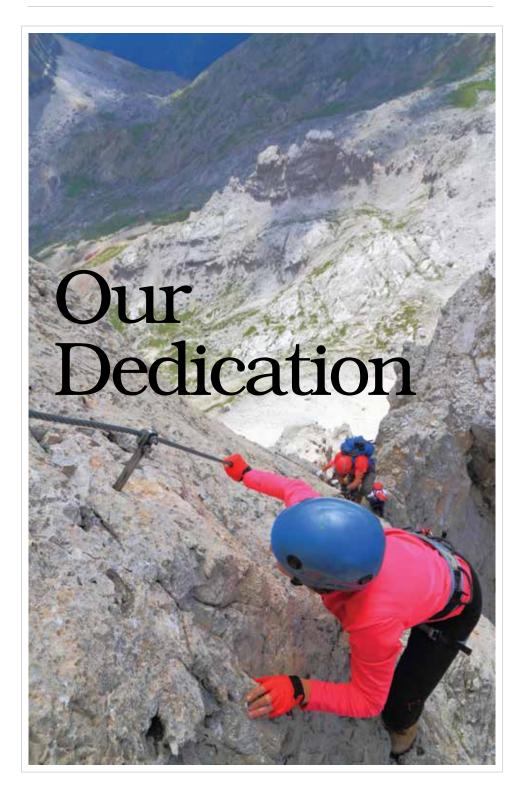


Compliance Hotline



# **Promotion and Government Reimbursement**

Bayer employees, contractors, consultants and agents must comply with all applicable laws pertaining to federal healthcare programs and FDA requirements in marketing, advertising and promoting Bayer products. Bayer promotes its products based upon their established efficacy and safety, as well as their health related value. Bayer does not promote products by comparing Medicare or Medicaid payment amounts to purchase prices, determining the customer's potential profit margin, or encouraging purchases based on the "spread."







# Incentives to Purchase, Use, Order, Recommend, Refer or Prescribe Bayer Products

Bayer employees, contractors, consultants and agents must not offer any remuneration, or anything of value, to induce, influence, encourage or reward any individual (including Government Officials) or customer to purchase, use, order, recommend, refer or prescribe Bayer products in violation of the Federal Anti-Kickback Statute, or other applicable laws. Remuneration can include anything of value (such as educational grants, clinical research funding, charitable contributions, speaker payments, cash, promotional funds, educational items, business meals, etc.) offered or provided to an individual, customer, prospective customer, or referral source. The offer, payment, request or receipt, directly or indirectly, of any remuneration to purchase, use, order, recommend, refer or prescribe Bayer products could constitute a kickback and thus be considered a violation of the Federal Anti-Kickback Statute or, as applicable, the Foreign Corrupt Practices Act. No actual knowledge of a violation of the law or specific intent to violate the law is required in order to commit a violation of the Federal Anti-Kickback Statute. The government may consider it a violation of the Federal Anti-Kickback Statute if even one purpose of a payment or offer of payment is to induce the recipient to purchase, use, order, recommend, refer or prescribe Bayer products. Discounts and rebates are considered remuneration and must be properly disclosed so that they can be appropriately reflected by healthcare providers as reductions in claims submitted to government healthcare programs (e.g., Medicare or Medicaid).







## Transfer of Value to Professionals

Pharmaceutical, biologics and device manufacturers must track certain payments and other transfers of value to certain "Covered Recipients" (e.g., physicians, certain teaching hospitals) as defined under the Sunshine Law provisions of the federal healthcare reform law, the Patient Protection and Affordable Care Act ("PPACA"), and report this information to the federal government.

Since these data will be made public, accuracy and accountability are imperative to help avoid data issues. It is the responsibility of each Bayer employee to accurately and completely capture required information, and to report data in a timely manner to the Company. These steps are extremely important so that the Company can meet its obligations to submit accurate, complete and timely reports to the government.

You will now review 3 common types of transfers of value that you may encounter:

- Business Meals and Educational Items
- Support of Educational Programs
- Clinical Research, Development and Clinical Study Support

#### **Business Meals and Educational Items**

Business meals and educational items may not be offered or provided to induce, influence or encourage any individual or customer to purchase, order, refer, use, prescribe or recommend Bayer products or to reward a healthcare professional, individual or customer for doing so. Healthcare professionals should select and use Bayer products based solely upon medical considerations and patient needs. All business meals provided to a Covered Recipient, such as a healthcare professional, as defined in the Sunshine Law, are considered a transfer of value and reportable.

#### Additional Guidance

Meals may only be provided to healthcare professionals if they are: (1) occasional, (2) modest, (3) incidental to a bona fide presentation or discussion of Bayer products, disease states relevant to Bayer products, medical education, or other legitimate business discussions related to Bayer products, (4) take place in a setting conducive to such discussion, and (5) involve only individuals who are necessary for the conduct of Bayer business.

Only items that are designed primarily for the education of patients or healthcare professionals, have no value outside of the healthcare professional's professional responsibility and are permitted by law can be offered or provided to healthcare professionals. Examples of permissible items include medical textbooks, reprints, patient educational materials, and anatomical models.

Federal law governing the provision of items of value, including business meals and educational items, provided to federal government employees (including part-time federal government employees) is much stricter than the laws and regulations for private customers. In order to ensure that Bayer complies with federal law, it is Bayer's policy not to provide any items of value, including meals or educational items, to federal government employees. You should consult your business' Compliance Policies and Procedures for details.



Compliance Hotline



Some states have additional, separate and very strict laws regarding the provision and/or disclosure of business meals and educational items that are more restrictive than Bayer's general policy. You should consult your business' Compliance Policies and Procedures for details on which states are affected and whether the law applies to your business. If you interact with healthcare professionals from any of these states, you must consult the relevant Bayer Compliance Policies and Procedures prior to providing any item of value to those healthcare professionals.

#### **Support of Educational Programs**

Support of certain types of educational programs/events may also be a covered transfer of value to a healthcare professional and teaching hospital (as defined as "Covered Recipients") and therefore reportable under the Sunshine Law.

Bayer provides financial support for educational grants in compliance with applicable laws, FDA regulations, OIG guidance, and industry guidelines. All educational grants must be made for the purpose of fostering the increased understanding of scientific, clinical or healthcare issues that contribute to the improvement of patient care. The website for submissions of requests for educational grants is: <a href="http://grants-contributions.bayerweb.com/en/home/">http://grants-contributions.bayerweb.com/en/home/</a>.

A grant cannot be made in order to induce, influence, encourage or reward a healthcare professional or other customer to prescribe, purchase, order, refer, use or recommend Bayer products or to encourage off-label use of such products. Educational grants may not be provided if one of the purposes is to encourage or reward referrals for Bayer products.

Educational programs may either be controlled by Bayer or controlled by an independent third-party, such as a Continuing Medical Education (CME) or Continuing Education (CE) vendor.

#### **Promotional Programs**

Bayer-controlled promotional programs are educational programs where Bayer employees, contractors, consultants and agents are permitted to control or influence elements of the program, such as content and audience selection. These types of promotional programs generally take the form of Bayer sponsored speaker events where Bayer contracts with the speakers and selects the invitees. These programs must only discuss

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uses of Bayer products that are consistent with the FDA-approved labeling. Sales personnel may attend and conduct promotional activities at such programs. Materials used in the program must be reviewed and approved through the Bayer LMR process governing the review and approval of promotional materials.

#### Third-Party Programs (Including CME/CE)

Bayer may provide support for CME, CE or other third-party educational conferences or professional meetings that contribute to the improvement of patient care by providing educational grant funds to the conference sponsor. Support for medical education programs that relate to unapproved product uses must be handled through a grant to a third-party sponsor, in accordance with your business' Compliance Policies and Procedures, in order to ensure that the programs are independent of Bayer and are non-promotional in nature.

Bayer employees, contractors, consultants and agents must not, directly or indirectly, control or influence the content, selection of faculty or attendees, educational methods or materials of a CME, CE or other third-party educational program. Under certain limited circumstances, sales personnel may attend third-party educational programs, including CME or CE, but may not conduct promotional activities during or after these programs. Bayer sales personnel who do not attend the program may conduct appropriate promotional activities outside the program meeting rooms, such as at an adjacent exhibit hall, to the extent these activities are permitted by the conference sponsor.



## Clinical Research, Development and Clinical Study Support

Payments for clinical research at teaching hospitals (as defined as "Covered Recipients") are also considered a transfer of value to the hospital and/or investigator, and will be reportable under the Sunshine Law.

All clinical research and development as well as clinical studies supported by Bayer must be in support of legitimate research goals. Support for any research, development or clinical study cannot be provided to induce, influence, encourage or reward the purchase, order, referral, use, prescription or recommendation of Bayer products. Any research, development or clinical study supported by Bayer must be conducted pursuant to a written agreement approved by the Bayer Corporation Law, Patents and Compliance Department.



Compliance Hotline



# Reports of Adverse Events/Product Technical Complaints/Device Complaints Involving Bayer Products

As an employee, agent, contractor or consultant of Bayer, if you become aware of Adverse Event/Product Technical Complaint/ Device Complaint information involving a Bayer product, you must immediately (within 24 hours) report this information to your local pharmacovigilance department or local product complaints department, respectively. FDA regulations require Bayer to report such safety-related information to the FDA under strict timelines. Because you are an employee, agent, contractor or consultant of Bayer, the date you learned of the safety-related information is imputed to Bayer. You must report safety-related information regardless of whether you believe that a facility or healthcare professional will report it and regardless of the causality/relatedness or seriousness of the event to the Bayer product. For the complete details on what and how to report, please refer to your business' Compliance Policies and Procedures and other applicable policies and procedures.

# **Confidential Disclosure Program**

Bayer maintains a confidential disclosure program, referred to as the "Compliance Hotline," that allows employees, contractors, consultants and agents to report to the Bayer Corporation Compliance Officer suspected violations of federal or state healthcare programs, FDA requirements or Bayer's policies and procedures. Bayer has established a toll free number (1-888-765-3846) that can be used for confidential, anonymous reporting. Bayer will keep all such reports confidential to the full extent of the law. The Bayer Corporation Compliance Officer (or designee) will make a good faith inquiry into any reported violation. Any employee, contractor, consultant or agent who in good faith reports a suspected violation of the law or company policy, or raises any compliance matter, will not be subject to any retaliation or adverse action based upon such report.



# **Compliance Training**

All Bayer employees, contractors, consultants and agents will be asked to sign a statement certifying that they have received, read, understood, and shall abide by the Bayer Code of Conduct. In addition, each business may mandate training on more comprehensive Compliance topics.

Employees, contractors, consultants and agents must certify their completion of all training.

#### Additional Guidance on Compliance Training

Training is provided about topics related to laws, regulations and guidelines applicable to the industry, and risks and other identified issues related to Compliance. Training requirements are critical to the success of Bayer's Compliance Program. Therefore, any employee, contractor, consultant or agent who fails to complete the Code of Conduct certification and/or assigned Compliance Training will face disciplinary action.

# **Ineligible Persons**

It is the policy of Bayer not to hire Ineligible Persons. "Ineligible Persons" are individuals who are excluded, suspended, debarred or otherwise ineligible to participate in federal healthcare programs or in federal procurement or no procurement programs or who have been convicted of a criminal offense related to federal healthcare programs. If an individual becomes an Ineligible Person while employed with Bayer will, at a minimum, remove the employee, contractor, consultant or agent from work involving government reimbursement programs and from any position for which the Ineligible Person's compensation, or the items or services furnished, ordered, or prescribed by that person are paid, in whole or in part, directly or indirectly, by federal healthcare programs, or federal funds, until such time as the person is reinstated into participation in federal healthcare programs.

All Bayer prospective employees, contractors, consultants and agents must certify whether they are Ineligible Persons. Current employees, contractors, consultants and agents must inform Human Resources and the Bayer Corporation Compliance Officer (or designee) immediately in the event that they become ineligible during their employment.



# Discipline

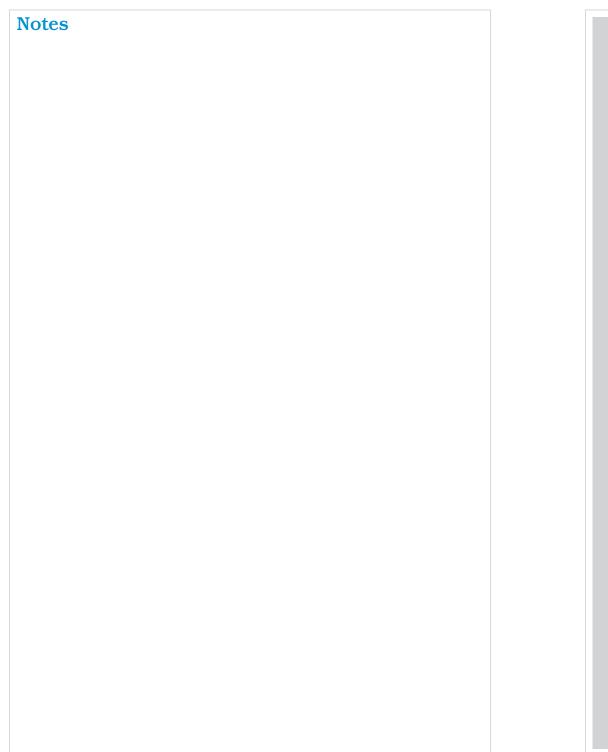
Violations of this Code or of the employee's business' Compliance Policies and Procedures will subject employees, contractors, consultants and agents to disciplinary action. Any Bayer employee, contractor, consultant or agent who fails to report an actual or suspected compliance issue or other inappropriate activity that has been brought to his or her attention may be subject to disciplinary action, including, but not limited to, the following:

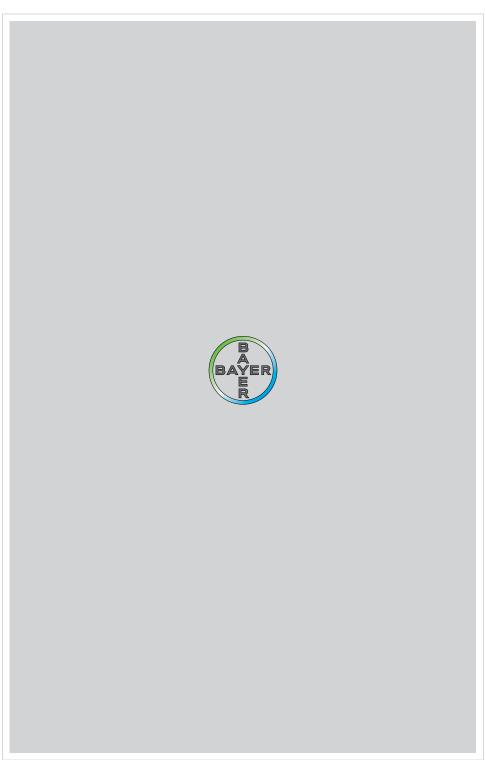
- Written letter of reprimand;
- Monetary penalty;
- Suspension; or
- Termination.

All discipline will be subject to Bayer's discretion.

Nothing in this Code is intended to change the employment-at-will relationship in any way nor is it intended to create legal rights.







Compliance Hotline 1-888-765-3846



