



Local Policy

Compliance Principles for Events

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Disclaimer:

Depending on the scope of this Policy, it in its present is valid for relevant Legal Entities in China (excluding Taiwan and Hong Kong), unless specifically defined. The original version of this Policy is stored in the CRO database. This document is for internal use, only. Utilization or dissemination of this material outside the Bayer Group is not permitted except with the explicit approval of the Policy Owner.

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1 Management Summary

This document provides rules and guidance on the topic of Self-Organized Events and Invitation to Third Party Events to ensure it is conducted in a manner compliant with applicable laws, regulations and Code(s) of Practice. The main chapters of this document include Process and Responsibilities, Principles and Other Requirements.

2 General Provisions

2.1 Purpose

The purpose of this Policy is to describe principles relating to Self-Organized Events and Invitation to Third Party Events to ensure they are conducted in a manner compliant with applicable laws and regulations and Code(s) of Practice.

According to the latest updated AdvaMed Code of Ethics, starting from January 1st, 2018, the medical device business under RAD Department is not allowed to invite HCPs to attend any third party event and pay their logistic cost or registration fee, or to sponsor such related expense to the organizer of third party event by providing or recommending a specific name list of HCPs.

2.2 Scope and Target Group

This Policy applies to all employees of Pharmaceuticals and Consumer Health and other relevant Bayer employees.

This Policy describes principles relating to:

- Bayer China Pharmaceuticals Division (“Pharmaceuticals”) / Consumer Health Division (“Consumer Health”) Self-Organized Events and
- Pharmaceuticals / Consumer Health inviting HCPs and other Individual Third Parties to Third Party Events (“Invitation to Third Party Events”)

This Policy does not cover Pharmaceuticals / Consumer Health internal events.

2.3 Primary Version

The primary version of this Policy is the Chinese version. In case the English version does not conform to the Chinese version, the Chinese version prevails.

2.4 Review Frequency

This Policy shall be reviewed in every 3 years or earlier if necessary.

2.5 Definitions

“AdvaMed” means Advanced Medical Technology Association.

“AWB” means Approval Workbench system which is an electronic review and approval tool used by medical and other relevant functions for the application approval of promotional materials.

“Bayer Asia Pacific” means Bayer Pharmaceuticals / Consumer Health in Australia, Cambodia, Hong Kong, India, Indonesia, Japan, Malaysia, New Zealand, Pakistan, Philippines, Singapore, South Korea, Taiwan, Thailand and Vietnam.

“Code(s) of Practice” mean currently effective international pharma and medical device codes (e.g. IFPMA, EFPIA, RDPAC Code of Practice, AdvaMed Code of Ethics) as well as local codes in different countries.

“Domestic Event” means an event takes place in mainland China.

“Events” comprise Self-organized Events and Third Party Events. They do not include internal events.

"Government Official" shall comprise “State Employees” and “Quasi State Employees”.

- “State Employees” mean personnel working in government agencies, e.g. officials of the ministries, administrations and bureaus at the central level, such as National Health and Family Planning Commission, China Food and Drug Administration, etc., as well as officials of the local government at different levels and in different agencies, such as local health authorities and Food and Drug Administrations.
- “Quasi State Employees” mean personnel who are deemed as State Employees, who shall consist of:
 - Personnel working in state-owned companies and enterprises, public institutions and social organizations that carry out public duties; and
 - Personnel that are dispatched by state-owned companies and enterprises, public institutions and social organizations to entities other than state-owned companies and enterprises, public institutions and social organizations, and that carry out public duties; and
 - Other personnel that carry out public duties in accordance with the law.

E.g., in China, Quasi State Employees who carry out public duties usually include directors of state-run hospitals, but do not include doctors, nurses, pharmacists and other HCPs in general.

"HCP" means Healthcare Professional, i.e. any member of the medical, dental, pharmacy or nursing professions or any other person who in the course of his or her professional activities may prescribe, recommend, purchase, supply, or administer a pharmaceutical product.

“Individual Third Party/Parties” means HCPs, employees of associations, suppliers, distributors, vendors and/or other business partners.

“OPERA” means the Event approval IT system in Pharmaceuticals and Consumer Health.

“Overseas Event” means the location of an Event is outside of mainland China.

"Promotional Aids" mean branded, small Gifts of minimum value and quantity which are provided as a courtesy. Promotional literature such as detail aids, leave-behind pieces,

booklets, etc. are not considered to be Promotional Aids. For details please see the Gifts and Hospitality Policy.

“RDPAC” means R&D-Based Pharmaceutical Association Committee.

“Requester” means the Bayer employee who is responsible for the application and the execution of the Event in line with the applicable laws and regulations, including but not limited to this Policy.

“Satellite Meeting” means a meeting that is typically held over breakfast, lunch and after the main meeting, and not during the main meeting agenda. The sponsoring pharmaceutical company typically decides the content and assigns the speakers. A Satellite Meeting is normally a part of the official Third Party Event agenda.

“Self-organized Event” means a symposia, congress, meeting, or training organized by Pharmaceuticals and Consumer Health with the purpose of informing HCPs and/or other Third Parties about products and/or to provide scientific or educational information.

“Settlement List” means the comparison between the budget and the actual cost breakdown, including an explanation in case of deviations.

“Side-Event” means e.g. side meeting, hospital visit, factory visit, congress dinner organized by Pharmaceuticals and Consumer Health which is affiliated to an Event. A Side-Event normally takes place on the occasion of the Third Party Event, but is independently organized by Bayer and – other than a Satellite Meeting – not mentioned as a part of the official agenda of the Third Party Event.

“Sponsorship” means supporting an Third Party Event, activity, or organization financially or through the provision of products or services in exchange for a direct and adequate consideration. Reference is made to the Sponsorship Policy (No. 9086).

“Third Party Event” means a congress, symposium, meeting, or training organized by a Third Party with the purpose of providing scientific and/or educational information to HCPs and/or other Third Parties.

“Third Party/Parties” include, but are not limited to, associations, hospitals and distributors. Other Bayer Group companies and employees are not considered as Third Parties for the purpose of this Policy.

2.6 Risks covered and resulting Benefits

Self-Organized Events and Invitation to Third Party Events are common events, it needs to ensure compliant with all applicable laws, regulations and code(s) of practices. It has potential risks, e.g. bribery/corruption risks, unfair competition risks, conflict of interests risks, etc. It is very important to stipulate the principles, process and detailed requirements of Self-Organized Events and Invitation to Third Party Events.

3 Process and Responsibilities

The following table shows the end-to-end process relating to Self-Organized Events and Invitation to Third Party Events including sub-processes and responsible functions:

Sub-Process	Responsible Person/Function
Budgeting	Requester
Application (including all mandatory documents)	Requester
Pre-Approval	Manager, Compliance (depending on the amount of budget, see below)
Execution	Requester
Expense settlement and reconciliation	Requester
Payment approval based on Requester's recommendation	Manager
Accounting check	Finance and Accounting
Documentation and filing	Requester

The Requester is responsible for the end-to-end process, also when he/she is supported by other departments and/or agencies for application and/or execution.

The following sections describe the sub-processes in detail and outline the requirements.

3.1 Budgeting

When organizing a Self-Organized Event or when selecting Third Party Events for Invitation to Third Party Events the Requester shall always consider economical means, i.e. by selecting the project with the best cost-benefit ratio.

The budget relating to Self-Organized Events and Invitation to Third Party Events may never be split in order to circumvent necessary approval and/or procurement processes.

3.2 Application

The Requester is responsible for correctness and completeness of the application in respect of Self-Organized Events and Invitation to Third Party Events.

Applications need to be done in OPERA or for Non-OPERA users, on paper.

For OPERA users, please follow the system instruction. For Non-OPERA users, please see attachment "Att-01 Events Application Form", Att-02 Event Participant List, Att-03 Event Venue List and Att-04 Breakdown List of Event Budget.

A dedicated Sales and Marketing Self-organized Event Catalogue ('Event Catalogue') has been agreed by Compliance Department with the relevant functions. The Event Catalogue stipulates all permissible types of Self-organized Events and contains detailed rules for each type of Event, e.g. any speaker shall generally have no less than 30 minutes of lecture time. The Event Catalogue, as a binding document related to this Policy, has been published on the "Bayer China Compliance Portal" ([link](#)), and must be used as guidance for arranging any Sales and Marketing Self-organized Events. In case of doubt, Compliance Department shall be consulted.

3.3 Pre-Approval Process

3.3.1 Thresholds and Supporting Documents

All Events shall get pre-approved by necessary levels of cost center owners in line with relevant Signature Guideline. Any Domestic Events/Sponsorship with total budget \geq CNY 80,000 and \leq CNY 200,000 must be additionally pre-approved by responsible Compliance Counsel. Any Domestic Events/Sponsorship with total budget $>$ CNY 200,000 and any Overseas Event/Sponsorship, must be additionally pre-approved by Head of Compliance China. Any Event with total budget \geq CNY 500,000 or budget per person \geq CNY 50,000 shall be additionally pre-approved by the China Division Head of Pharmaceuticals / Consumer Health (*Applications from RAD Department should be approved by Head of RAD China, and Applications from R&D Department should be approved by Head of PH Development Beijing).

Line managers who are empowered to approve Self-Organized Events and Invitation to Third Party Events shall carefully review the applications and be responsible for the authenticity and compliance of the Self-Organized Events and Invitation to Third Party Events that they have approved.

During Events, only those promotional materials that have been approved by Medical, must be used.

An overview of Compliance required mandatory supporting documents for pre-approval is included as attachment (please see "Att-05 Compliance Required Mandatory Supporting Documents for Pre-Approval and Payment").

3.4 Execution

The Requester shall ensure that Self-Organized Events and Invitation to Third Party Events are executed in line with the approval. Any deviations shall be reported to and

aligned with his/her line manager. In case of doubt, Compliance Department must be consulted. In case of any change during the execution phase, the Requester shall follow the guidance provided in the 'Change Management after OPERA approval', which has been published on the Compliance Portal, see [link](#). The Requester must clearly document (the reasons for) deviation(s) between the approved and executed Self-Organized Events and Invitation to Third Party Events.

When a Pharmaceuticals / Consumer Health employee applies for reimbursement after an Event, if the actual expenditure exceeds CNY 5,000 and more than 10% of the approved budget, the applicant should submit an explanation and get approval by his/her line manager.

For specific principles and standards related to the execution of Events except for so-called "Small Events" with total budget not exceeding CNY 10,000 (including speaker fee), please refer to relevant policy from Event Management Department.

3.5 Payment and reconciliation

After the completion of Self-Organized Event or Invitation to Third Party Events, the Requester shall perform his/her settlement and reconciliation duty. Specifically, the Requester shall acquire all mandatory supporting documents for payment. He/she shall check all submitted documents in detail including, the settlement list, end service supplier invoice copy (if available), etc. and confirm that they reflect the actual consumption.

The line manager of the Requester shall double-check the supporting documents, inquire the Requester about occurrence of the Self-Organized Event or Invitation to Third Party Events, and approve the payment only if he/she does not identify any irregular issue.

Unless explicitly permitted by relevant Bayer policies, Bayer shall not provide any direct or indirect payment to an individual (e.g. an HCP, a Government Official).

Any permissible expense associated with Individual Third Parties to attend an Event must not be paid to the participants but be directly paid by Bayer via bank transfer to:

- Eligible Bayer vendor, or
- Third Party Event organizer, or
- Agency nominated by the Third Party Event organizer, or
- Participant's employer

If this is not possible (due to an objective and sufficient reason), a Pharmaceuticals / Consumer Health employee can make payment and then apply for reimbursement accordingly. Nevertheless, registration fees can never be paid and reimbursed by Pharmaceuticals / Consumer Health employees. Both payment and reimbursement must follow relevant Compliance and FA requirements. The reimbursement must be supported by adequate appropriate documentation (e.g. relevant invoice/receipt of expenses actually incurred).

The limit of local transportation for Individual Third Parties in the form of taxi/subway/bus is maximum CNY 200 per way, two ways per Individual Third Party per

Event. Local transportation should be paid by Pharmaceuticals / Consumer Health employee and then apply for reimbursement. Any special case exceeding the limit must be approved by the Head of Compliance China. If the local transportation is in the form of car rental arranged and paid by Pharmaceuticals and Consumer Health, the car rental arrangement as well as the expense shall be reasonable.

If an Individual Third Party decides to drive to an Event in his/her car, Bayer cannot pay for and reimburse the Individual Third Party's petrol consumption.

An overview of Compliance required mandatory supporting documents for payment is included as attachment (please see "Att-05 Compliance Required Mandatory Supporting Documents for Pre-Approval and Payment").

3.6 Accounting Check

Finance and Accounting shall check the supporting documents before the payment is made. No payment shall be made, unless the invoice issuer clarified all open questions, if any, of the accountant.

3.7 Documentation and Filing

The Requester shall document and keep the documentation relating to the Self-Organized Event or Invitation to Third Party Events, specifically to demonstrate that the content of the event was purely scientific and the execution of the event was in line with Bayer policies.

All kinds of mandatory documentation relating to the Self-Organized Event or Invitation to Third Party Events must be submitted to the company for the purpose of pre-approval or payment. An overview of Compliance required mandatory supporting documents for pre-approval as well as for payment is included as attachment (please see "Att-05 Compliance Required Mandatory Supporting Documents for Pre-Approval and Payment").

All promotional materials (e.g. Bayer presentations) used for Events must be reviewed and approved by Medical. The respective AWB-number must be entered in OPERA, so that the presentation can be traced in the AWB database.

4 Principles for Self-Organized Events and Invitation to Third Party Events

4.1 Event Purpose

The purpose of all Events must be restricted to providing genuine scientific and educational information. Furthermore, the topics of such Events must be related to therapeutic/product/research areas of Pharmaceuticals / Consumer Health.

An educational/training Event (including trip) may be organized for distributors provided it is based on business need and not organized as an incentive/leisure trip.

4.2 No Inappropriate Influence

Bayer's interactions with any (Individual) Third Party must at all times be ethical, appropriate and professional. Nothing must be offered or provided by Bayer in a manner or on conditions that would have an inappropriate influence.

Under no circumstances may interactions with (Individual) Third Parties be used as a way of circumventing the transfer of benefits to an HCP with the intent to obtain a favorable business-related decision. It goes without saying that Self-Organized Events and interactions with (Individual) Third Parties may never be faked or manipulated.

For Invitation to CME (Continuing Medical Education, usually will be accredited) programs organized by Third Party, Bayer China shall not give advice or provide guidance to the agenda, content or the faculty. For details, please follow the stricter CME requirements and process in relevant medical compliance guidelines.

4.3 Preferred Vendor

The Requester must arrange Self-Organized Events and Invitation to Third Party Events by using preferred vendors if requested by relevant Procurement policy.

4.4 Participants

The selection of an Individual Third Party for an invitation to an Event must be objectively justified before issuing the invitation. Therefore, the selection must be based solely on factual criteria. Such criteria include, but are not limited to: (medical) expertise and experience in the particular (medical) field covered by the Event, possible cooperation with the selected Individual Third Parties for future scientific projects as consultants or speakers for Bayer.

It is never permitted to make any arrangement or payment for any accompanying person who is not formally invited to attend an Event, especially spouses, children, other family members and guests of participants.

Invitation of State Employees for any Overseas Events is not allowed. To clarify, hospital directors or deputy directors who are Quasi State Employees can still be invited to Overseas Events.

4.5 Invitation Letter

When Bayer invites an Individual Third Party to an Event, the Requester shall send a Bayer invitation letter. This applies to Self-Organized Events and invitation to Third Party Events.

For avoidance of doubt, in case of invitation to a Third Party Event, two invitation letters must be submitted: (1) an invitation letter of the Third Party organizer and (2) the Bayer invitation letter, indicating that Bayer will cover the logistic cost for the Individual Third Party in connection with the Third Party Event.

The invitation letter should clearly remind the Individual Third Party that they shall not change flight by themselves but must inform Bayer employees to do so, and they shall not have any accompanying person.

4.6 Permissible Expenses

Bayer may bear genuine and reasonable expenses related to Individual Third Parties' participation in Events.

Permissible expenses are limited to:

- Registration fees
- Travel (including train/flight tickets, car rental, taxes and travel insurance)
- Accommodation (including room charges, taxes and internet service)
- Local transportation
- Meals
- Visa
- Others (permitted by Compliance case by case)

Any other expenses including laundry, mini-bar, movies, telephone and other consumption services shall not be borne by Bayer. It is not permitted to provide any pocket money in any form to invited Individual Third Parties.

4.7 No Payment for Attending Event

It is never permitted to make any payment in any form to invited Individual Third Parties who attend an Event to compensate for their time spent in attending.

4.8 Airline and Train Booking

Airline class booked for domestic Individual Third Party shall be economy (this does not include premium economy).

For senior persons who are 50 years or older, premium economy class and business class are acceptable. First class may not be booked in any case.

Train tickets booked for domestic travel of an individual Third Party shall be

- regular train: soft-seater / soft-sleeper class
- high speed train: second or first class

For a foreign Individual Third Party who is invited to attend an Event in China, the standard of airline class and train ticket booking must be subject to his/her home country code. If there is no such home country code, then the above-mentioned domestic standard shall apply.

Purchasing air tickets or train tickets for Individual Third Party shall follow relevant Procurement process, i.e. using preferred vendor, when available.

For Bayer employees, the Bayer China Travel Guideline (in its current valid version) applies in terms of airline and train booking.

4.9 Employer Approval

Whenever an Individual HCP is invited to an Overseas Event, he/she must provide a “Nomination Letter” sealed by his/her employer (e.g. the hospital administration) or signed by his/her direct supervisor (e.g. the department head) to prove he/she has obtained necessary approval to attend. (Please see attachment “Att-06 Nomination Letter”.)

Whenever a State Employee or a (deputy) hospital director is invited to *any* Event, a Nomination Letter must also be provided and sealed by his/her employer (e.g. the hospital administration).

4.10 Support hospital to designate HCPs to attend third party event

For Invitation to Third Party Events, usually Bayer will invite HCPs (who should get prior consent from his/her employer) and arrange the Event related registration fee and/or logistic costs directly or through its preferred vendors.

An exceptional scenario for Invitation to Third Party Events is that Bayer may support a hospital to designate its employee HCP(s) to attend a Third Party Event by signing an agreement with and make the payment to the hospital. The payment to the hospital shall be limited to the Event related reasonable registration fee and logistic cost (e.g. travel, meal and lodging). For the applicable agreement template, the Requester shall contact Bayer Legal Department. The Requester should ensure that the hospital issues and provides an attendance confirmation letter after the Event (Please see attachment “Att-11 Event Attendance Confirmation Letter”).

Sometimes, a third party who is not the event organizer and other than the hospital scenario above, will ask for Bayer’s support of the registration fee and/or logistic costs of its selected HCPs to attend a Third Party Event. In principle, this is not allowed.

4.11 Event Itinerary and Agenda

The itinerary shall not include locations or destinations that are not related to the official program, business purpose or scientific or educational program.

Itinerary may not be made in a way that the participants can redeem any part of the arrangement (e.g. air ticket bookings, hotel reservations) for money or anything else of value.

Itinerary must be arranged so that the participants arrive and depart at reasonable time close to the start/end of the Event. For example, for a 1.5 days Event which starts at 8 AM and ends at 12 PM the next day, it is appropriate if the participants arrive the night before and leave in the afternoon on the last day of the Event.

The agenda must clearly demonstrate the complete content of the Event, including purpose, background, topics, speakers and other important information, if hospitality(meal, refreshment) is provided, should also be clearly demonstrated in the agenda. It must be prepared and circulated among all participants in advance.

Events may not contain sightseeing, entertainment or any other leisure activities. The agenda must not leave time for participants to make self-arrangement for any sightseeing, entertainment or leisure activities.

For instance, Events may not contain:

- Cultural events (e.g. sightseeing, excursions, visits to museums, art exhibitions, theatre, opera, musicals, concerts, or cinema)
- Sports activities (e.g. golf) or visiting sports events (e.g. motorcar racing, soccer)
- Leisure activities (e.g. spa, sauna, massage, relaxation services)
- Entertainment activities (e.g. karaoke) or entertainment involving celebrities (e.g. pop star)

4.12 Policy Extension days or special transportation requests

Paying or arranging for “extension days” is not permitted, even if the associated costs are not paid by Pharmaceuticals and Consumer Health. An exception is that the “extension days” are justified due to further professional engagements of the Third Party and no additional cost related to the “extension days” will be borne by Bayer. Such exceptions shall be approved upfront by Compliance Department.

In situations HCPs are invited by another (pharmaceutical) company to join another scientific meeting just before the Pharmaceuticals / Consumer Health Self-Organized Event or the Third Party Event to which Pharmaceuticals / Consumer Health invited them. In general, Pharmaceuticals / Consumer Health shall not pay for the flight from the other scientific meeting. Exceptions shall be approved by TA Head / Franchise Head / Commercial Head or above in Pharmaceuticals, or Channel Head or above in Consumer Health.

In situations, HCPs are invited by another (pharmaceutical) company to join another scientific meeting just after the Pharmaceuticals / Consumer Health Self-Organized Event or the Third Party Event to which Pharmaceuticals / Consumer Health invited them. In general, Pharmaceuticals / Consumer Health shall not pay for the flight to the other scientific meeting. Exceptions shall be approved by TA Head / Franchise Head / Commercial Head or above in Pharmaceuticals, or Channel Head or above in Consumer Health for any Event with total budget < CNY 80,000, and shall be additionally pre-approved by Compliance Department for any Event with total budget ≥ CNY 80,000.

4.13 Location, Venue and Accommodation

All Events must be held at a reasonable location/venue/hotel that is conducive to the scientific or educational purpose:

Locations that are typical tourist attractions or with particular inappropriate feature are not allowed. Such locations include but not limited to Sanya, Jiuzhaigou, Lijiang, Zhuhai, etc.

The time of the Event should not coincide with local or internationally recognized sport or cultural events (e.g. Olympic Games, the World Cup) taking place in the same location, at the same time and preferably not just before or just after the Event.

Venues which are well-known or even promoted for entertainment value or touristic attractiveness are generally not permitted (e.g. ski resorts, golf resorts, hot springs, cruise ships, etc.).

The location shall be appropriate in respect to the geographical scope of the Event.

Capital cities and other large metropolitan cities considered to be commercial hubs are likely to be reasonable and appropriate locations for Events.

Hotel arrangement for any Event must be reasonable, which means the selected accommodation must:

- Have a clear business hotel character with respect to their infrastructure, technical equipment and facilities
- Not have a focus on leisure activities
- Are not luxurious and not known as a recreational destination (for example, hotels like Ritz-Carlton and St. Regis are not seen as reasonable, disregarding the price of the room)

4.14 Restriction on using intermediary agency for Events with total budget < CNY10, 000

For Events with total budget < CNY10, 000, the applicant must directly engage end suppliers instead of using any intermediary agency (i.e. travel agency, event agency).

The following exceptions apply. In these exceptions, the payment must follow the Third Party payment process, no personal reimbursement is allowed. Section 3.5 applies accordingly.

- If a Pharmaceuticals / Consumer Health employee needs to arrange necessary pickup during an Event, and no car rental vendor is available, the pickup service can be arranged through a travel agency.
- If a Pharmaceuticals / Consumer Health employee supports an Individual Third Party to attend an Event outside the city where the employee is based, an agency can be engaged (e.g. to arrange transportation service, accommodation, meal).
- If a Pharmaceuticals / Consumer Health employee supports an Individual Third Party to attend an Event, and the registration fee cannot be paid by Bayer to the meeting organizer through bank transfer, an agency can be engaged.

There might be situations in which the travel agency is the end supplier (e.g. the car for transportation is owned by the travel agency itself). In these situations, Pharmaceuticals / Consumer Health employees can pay the travel agency directly and claim reimbursement.

When being engaged in permissible situations, an intermediary agency is responsible to deliver the agreed services. Under no circumstances shall a Pharmaceuticals / Consumer Health employee use the agency solely as invoice issuer and arrange the services him/herself.

4.15 Photos

For any Self-Organized Events, Satellite Meetings or Side-Events regardless of number of participants, photo(s) must be provided. When the Requester applies for reimbursement (for Event expenses)/payment (for e.g. speaker fee). The photo(s) must meet the following conditions:

- Taken during the scientific part of the Event
- One photo showing the meeting overview including participants for each Event
- If applicable: one photo per speaker while he/she is delivering speech
- Soft copy of photos required
- In case of Self-Organized Events, for company iPad users, it is mandatory to take the photo with designated company photo APP installed on the company iPad.

4.16 Declaration of Compliance Conformity

After any Self-organized Event and Overseas Event which Pharmaceuticals / Consumer Health employees attend, the Pharmaceuticals and Consumer Health employee who is the Requester (or, if the Requester does not attend the Event, the most senior Pharmaceuticals / Consumer Health employee) shall submit a declaration that the Event was implemented in accordance with all relevant internal and external rules and regulations (“Declaration of Compliance Conformity”). This declaration shall be submitted as follows:

- For those OPERA users who use a company iPad, sign declaration on iPad immediately after the event
- For those OPERA users who don't use a company iPad, complete the declaration of compliance conformity in OPERA
- For all non-OPERA users, fill in “Att-07 Declaration of Compliance Conformity” and submit it when applying for reimbursement or payment

If a Pharmaceuticals and Consumer Health employee who is the Requester or participant of an Event detects any deviation from the relevant internal and external regulations, he/she must immediately report to the Head of Compliance China.

4.17 Attendance Record

Each participant – including the speaker – who is invited to a Self-Organized Event or Third Party Event or Side-Event must sign the attendance record in person during the Event (please see attachment “Att-08 Scientific Meeting Attendance Record”). The same applies for internal Pharmaceutical / Consumer Health employees who attend the Event. In the attendance record, all the information must be printed in advance or filled in clearly with regular script to ensure that the Individual Third Party can be identified.

In case an Event is held for several days, the specific requirements are as follows:

- Self-organized Event & Invitation to Third Party Event (Domestic): Sign the attendance record only once

- Overseas Event: Sign the attendance record day to day from start date to end date of the official program (excluding registration/arrival day and departure day, unless they are as same as start date and end date of the official program)

Immediately after any Self-Organized Event, the chairperson(s) / speaker(s) / contributor(s) / interpreter shall confirm having provided the agreed service during the Event by signing on a company iPad used by the Requester.

4.18 Overseas Events

4.18.1 Allowed Overseas Events

Pharmaceuticals may also invite individual Third Parties to attend Overseas Third Party Events such as International Scientific Congresses and Symposia that derive participants from various countries/regions.

Such support is only allowed if:

- The majority of the participants are from outside mainland China and it makes greater logistical sense to hold the event in a foreign country (e.g. international scientific conference or congress with participants from various countries); or
- Considering the location of the relevant resource or expertise which is the object or subject matter of the event, it makes greater logistical sense to hold the event abroad (e.g. if a scientific meeting requires certain research equipment only available in a specific research institution outside mainland China, this would justify holding the meeting in a foreign country).

In case Pharmaceuticals invites an Individual Third Party to an Overseas Event the China RDPAC/AdvaMed Code and the home country code of the invited Individual Third Party must be followed.

If Pharmaceuticals supports an Individual Third Party from Mainland China to an Overseas Event, standard for hospitality (i.e. meals and refreshments) should always follow the code of the host country/region of the Event. Standards for hospitality in other countries/regions can be checked on the [Link](#). In case the Event takes place in Germany or in a Bayer Asia Pacific country, the code of the host country of the Event must be applied, in addition to China RDPAC/AdvaMed Code.

In case Pharmaceuticals organizes any Side-Events during an Overseas-Event the code of the host country of the Event must be applied, in addition to China RDPAC/AdvaMed Code.

4.18.2 No Self-organized Overseas Events

Pharmaceuticals / Consumer Health must not organize any Self-Organized Event that takes place outside of mainland China. However, an Overseas Side-Event may be organized, which must be arranged immediately before, during, or after an Overseas Third Party Event (please the section hereinafter “Allowed Overseas Events”)

4.18.3 Pre-Approval Overseas Events

Any Overseas Third Party Event disregarding the total budget requires additional pre-approval as outlined in the following table. A list of Pharmaceuticals / Consumer Health Compliance Officers of other countries is available at the following [link](#).

In case of doubt, please contact local Compliance business partners for support.

Mandatory Pre-approvals for Invitation of HCPs to an Overseas Event (internal or external) disregarding total budget					
	HCP Home Country	Approver			Comment
Pharmaceuticals / Consumer Health invites an individual Third Party to attend an Overseas Third Party Event	Mainland China	Head of Compliance China		If the HCP is invited to Events in Germany or Bayer Asia Pacific countries, the additional approval of the Code Compliance Officer of respective country is needed	Please follow the local approval process (in OPERA)
	Outside mainland China	Head of Compliance China	Pharmaceuticals / Consumer Health Code Compliance Officer of the home country of the invited HCP		Please see attachment "Att-09 Checklist for Invitation of HCPs to International Events"

Mandatory Pre-approvals for Organization of an Overseas Side-Event disregarding total budget			
	Approver		Comment
Pharmaceuticals / Consumer Health organizes a Side-Event during an Overseas Third Party Event, e.g. Satellite Meeting, side meeting, booth, hospital visit, factory visit	Head of Compliance China	Pharmaceuticals / Consumer Health Code Compliance Officer of the host country of the Event	Please see attachment "Att-10 Checklist for Organization of International Events for HCPs"

The approval process must be completed before the Event execution. The applicant shall initiate such process and the Compliance Department must provide necessary support.

An overview of Compliance required mandatory supporting documents for pre-approval is included as attachment (please see “Att-05 Compliance Required Mandatory Supporting Documents for Pre-Approval and Payment”).

5 Others

5.1 Mandatory Training

Any new employee of Sales and Marketing shall not independently conduct business relating to HCPs before completing the on-boarding Compliance training including this Policy and other mandatory trainings.

5.2 Sales Line Manager Participation

Sales line managers should participate in Events organized by their subordinates with appropriate proportion and frequency so as to better monitor the implementation of compliance requirements by their teams. This particularly applies to the first couple of meetings organized by new Medical Representatives from his/her team.

5.3 No off-label promotion

Any off-label promotion activity is prohibited. For details please check relevant Bayer Medical policy via “Bayer China Compliance Portal” [link](#).

5.4 No prescription data collection

Collection of prescription amount information on doctor, department or hospital level (“tong fang”) is strictly forbidden. Nevertheless, collection of patient’s treatment information of a department or a hospital overall is generally allowed. Only Commercial Department may collect legitimate distributors’ sales data. For more details, refer to the dedicated compliance training material (see Compliance Portal, [link](#)) or consult the Compliance Team directly.

5.5 Lucky Draw

Pharmaceuticals / Consumer Health may not organize or pay for a lucky draw in any Event. Prizes of permissible Promotional Aids could be provided for on-site Q&A contests (Quiz).

6 Implemenation Plan

Communication will be delivered to Bayer China Employees working for the divisions Pharmaceuticals and Consumer Health. In addition, several trainings will be arranged and the training slide will be put in Compliance Portal. Furthermore, all IT system changes relevant to the update will be implemented before the effective date of this Policy.

7 Summary of Changes

The main changes compared with the last version are:

- Chapter 2.1, add new requirement for relevant events of RAD Department;
- Chapter 3.3, update the pre-approval process, Self-Organized Events and Invitation to Third Party Events below 200k no longer needs approval by Head of Compliance;
- Chapter 4.5, update relevant requirement to Invitation Letter;
- Chapter 4.8, stipulate the stricter rule that first class may not be booked in any case;
- Chapter 4.10, stipulate the situation of Bayer support a hospital to designate its employee HCP(s) to attend a Third Party Event by signing an agreement with and make the payment to the hospital;
- Chapter 4.11, update relevant requirement to Agenda;
- Chapter 4.12, update the approval person of special transportation requests under different circumstances;
- Chapter 4.17, update the requirement of Attendance Record;
- Chapter 5.2, update the requirement of line managers attending and monitoring the events organized by their subordinates.

8 Annex

The latest effective attachments to this Policy can be found and downloaded on two intranet sites, i.e. “China Regulation Online” [link](#), and “Bayer China Compliance Portal” [link](#).

Attachment list:

Att-01 Events Application Form

Att-02 Event Participant List

Att-03 Event Venue List

Att-04 Breakdown List of Event Budget

Att-05 Compliance Required Mandatory Supporting Documents for Pre-Approval and Payment

Att-06 Nomination Letter

Att-07 Declaration of Compliance Conformity

Att-08 Scientific Meeting Attendance Record

Att-09 Checklist for Invitation of HCPs to International Events

Att-10 Checklist for Organization of International Events for HCPs

Att-11 Event Attendance Confirmation Letter