



Baxalta



Our Spark of Integrity

Baxalta Global Code of Conduct

Contents

Letter from the CEO

03

Our Values & Behaviors

04

The Promise of the Baxalta Spark

07

Company Overview

08

Compliance Decision Framework

09

Components of Our Effective Compliance Program

10

General Expectations

12

Core Expectations

13

I. Our Stakeholders/Passion for Improving Lives

15 Overview

16 Relationships with the Medical Community

17 Prohibition of Corrupt Practices

18 Fair Competition & Antitrust

19 Data Privacy

II. Our Therapies/Quest for Innovation

21 Overview

22 Bioethics

23 Protecting Patients & Producing Quality Products

24 Advertising & Promotion

25 Baxalta Assets & Property

III. Our Company/Inspired Teams

28 Overview

29 Employment Practices

30 Conflicts of Interest

31 Employee Gifts & Entertainment

33 Accurate Business Records

IV. Our World/Engaged with the World Around Us

35 Overview

36 Environment, Health & Safety

37 Suppliers

38 Trade Compliance

40 Business Intelligence

41 Appropriate Handling of “Inside Information”
& Securities Trading

42 Communication with Media & Investors

43 Public Affairs & Political Activities

45 Providing Information to Governmental Organizations

V. Raising Concerns & Doing the
Right Thing / Helpline

47

VI. Tools & Resources

49

VII. Compliance Governance at Baxalta

51

Closing Statement

53

Letter From the CEO

Dear Baxalta Colleagues,

The work we do at Baxalta and how we do it matters very much to many people around the world. Serving patients is our inspiration, we are passionate about improving their lives and we feel privileged to make a difference for them. Along with the privilege, our work carries with it the responsibility to operate with the highest standards of ethics and integrity. Achieving these standards is not only good for the people we serve, it is good for our business.

Our Baxalta Code of Conduct clearly outlines our standards and guides us in our day-to-day work as we navigate the increasing complexity of global healthcare. Within our Code, you will find practical advice to ensure we are adhering to all applicable laws, government rules and regulatory requirements. The Code is a critical component of our Baxalta Values and The Promise of the Baxalta Spark. Our Values and Behaviors represent our core beliefs, what we stand for as a company, and how these are demonstrated in our actions. The Promise of the Baxalta Spark encompasses our commitment to how we will serve our patients, our global communities, and each other. Together, the Code, Values, Behaviors and Promise create the foundation of our company and are the basis for our success now and well into the future.

As a key part of our commitment to the people we serve and each other, all Baxalta employees, suppliers and other partners must read the Code of Conduct and agree to follow its guidance. As part of our overall Compliance Program and complementing our Code of Conduct, we have tools and resources available to you to learn more about good compliance and report any issues or concerns. I encourage you to discover all these resources and tools have to offer and to be vigilant in raising any questions you may have.

When we reach for the extraordinary, work together and operate with the highest standards of integrity, we fulfill the promise of our company and make it possible for patients to dream big and live life to the fullest. Thank you for all you do each and every day on behalf of our patients and our global communities.

Sincerely,

Ludwig N. Hantson, Ph.D.
CEO, Baxalta



When we reach for the extraordinary, work together and operate with the highest standards of integrity, we fulfill the promise of our company and make it possible for patients to dream big and live life to the fullest.

Our Values & Behaviors

Our Values & Behaviors represent our core beliefs, what we stand for as a company, and define our actions



Our Values & Behaviors (continued)



Passion for Improving Lives

- Patients are at the center of everything we do.
- We commit ourselves to understanding their needs and delivering vital resources, support and transformative therapies to patients and caregivers worldwide.



Quest for Innovation

- Improving patients' lives drives us to constantly explore and innovate.
- Together, we bring science to life and focus our efforts in the quest for the extraordinary.
- We take balanced risks to transform today's challenges into tomorrow's breakthroughs.



Inspired Teams

- We thrive working in diverse high-performing teams.
- We empower and hold each other accountable to deliver on commitments.
- We are agile and aim for excellence in everything we do.
- We actively seek the unique contributions of all and believe there is more power in "we" than "I".



Engaged with the World Around Us

- We proactively look everywhere, both inside our industry and out in the world, to find new ways of thinking and working.
- As global citizens, we embrace change and seek diverse perspectives and partnerships to benefit patients and make a positive impact on the world.

Our Values & Behaviors (continued)



Put Patients at the Center

- We advocate for our patients, always putting them at the center of what we do.
- We are relentless in truly listening to and understanding our patients and the people who serve them on their journey.
- We use insights to make a meaningful, positive difference in the lives of our patients.



Imagine the Possibilities

- We unleash the bold and diverse ideas of each other and the world around us.
- We create a trusting environment where innovative, thoughtful risk-taking is encouraged and rewarded.
- We operate with agility and a learning mindset so that we can accelerate breakthrough innovations.



Grow People and Teams

- We are passionate about personal development and actively attract and inspire great people and teams.
- We build, empower and contribute to high performing teams that achieve extraordinary results.
- We create an environment where we have the courage to be ourselves, speak openly and embrace the diversity around us.



Drive High Performance

- We hold ourselves and each other to the highest levels of performance, ethics and integrity.
- We simplify the complex and make it easy for people and teams to succeed.
- We run our business like we own it with focus, discipline, and an unrelenting desire to create value for our patients, people and shareholders.



The Promise of the Baxalta Spark

Serving patients is our inspiration and we are passionate about improving their lives.

No matter what we do or where we work, we all strive for excellence on behalf of patients, caregivers and healthcare providers. We seek to understand their journey. Through our insights, we will deliver breakthrough therapies and personalized services.

We see a world with endless possibilities, where our imagination is inspired and harnessed with purpose. We embrace the bold and diverse ideas of one another and the world around us.

We build and empower agile, high-performing teams where we can be ourselves. We hold ourselves and each other accountable to the highest standards of ethics, integrity and performance. We take the time to celebrate success.

This is our spark at Baxalta. This is how we serve, with our hearts and our heads. This is how we make a meaningful difference so that our patients can dream big and experience life to the fullest.

At Baxalta, your life is our inspiration.

Company Overview

Acting with integrity and doing business the right way is crucial to all aspects of our operations in advancing our reputation as a global leader in healthcare.

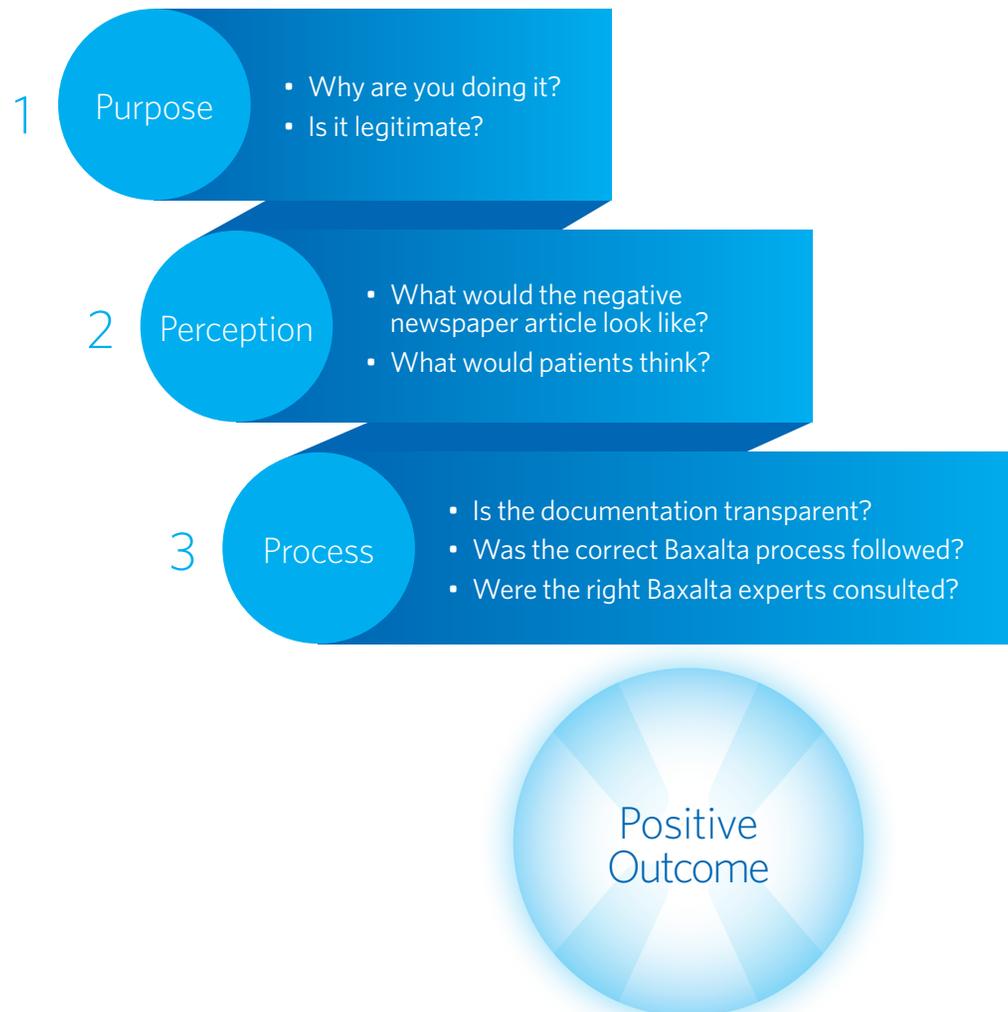
Baxalta Incorporated is a global biopharmaceutical leader developing, manufacturing and commercializing therapies for rare and chronic conditions in hematology, oncology and immunology. Baxalta's broad and diverse pipeline includes biologics with novel mechanisms and advanced technology platforms such as gene therapy. The Baxalta Global Innovation and R&D Center is located in Cambridge, Massachusetts. Launched in 2015 following separation from Baxter International, Baxalta's heritage in biopharmaceuticals spans decades. Baxalta's therapies are available in more than 100 countries and it has advanced biological manufacturing operations across 12 facilities,

including state-of-the-art recombinant production and plasma fractionation. Headquartered in Northern Illinois, Baxalta employs 16,000 employees worldwide.

As a diverse global biopharmaceutical company, the nature of our business offers a heightened sense of purpose to what we do. We are privileged to work in an industry where the products we make have such a profound impact on people's lives. How we go about our work is equally important. Acting with integrity and doing business the right way is crucial to all aspects of our operations in advancing our reputation as a global leader in healthcare.

Compliance Decision Framework—3P Test

Use the simple 3P test below as a tool to guide decisions and interactions. The questions within the 3P test about purpose, perception and process can help you predict whether or not the result will be positive.



Components of Our Effective Compliance Program



Components of Our Effective Compliance Program



Compliance

Compliance is rooted in behaviors avoiding legal sanctions, however it is more than that. Compliance incorporates adherence to a framework of defined policies, regulations and laws, as well as conformity to industry and professional behavioral expectations.

Compliance defines activity-based standards and expected behaviors for employees, thereby fostering a problem-solving culture and trusting environment where innovation and performance are encouraged and rewarded.

United by these common principles and a shared commitment to the behavior of organization members, compliance will carry us forward to even higher levels of success.



Ethics

Ethics are the moral principles and values that guide the way an individual behaves. The same principles that determine an individual's actions also apply to business.

Ethics are our predominant form of self-regulation that causes us to behave consistently with an ethical consciousness from one decision to another — to do the right thing or do business the right way.

For the organization it is a collective commitment to a set of ideals embodied by the organization that applies equally to all persons.



Integrity

Integrity is an action verb that may state the manner in which we get things done.

Integrity is conduct based on our foundation of ethics and compliance.

Integrity is achieved by applying our ethical principles and commitment to compliance in our decision-making process, and ultimately our behavior.

As a driving force of our enterprise, integrity aligns our actions with our words to deliver what we promise.

Together, individuals who carry out ethically sound actions create a greater sense of trust and purpose, supporting a reputation as one of the world's great companies — and strengthening it for tomorrow.

General Expectations

Baxalta's reputation comes from our individual business conduct. Every interaction with our stakeholders is an opportunity for us to demonstrate that we do business in an ethical and compliant manner, and to achieve results the right way. At Baxalta, our reputation of quality and integrity, and the positive image that comes from our actions, helps build trust with patients, customers and the communities we serve.

Each Baxalta employee, officer and director must deal fairly with our customers, suppliers, competitors and importantly, each other. We will not tolerate business practices involving manipulation, concealment, abuse of information, misrepresentation of material facts or any other unfair practice.

We establish our own behavioral expectations to achieve results the right way. We do not base our standards and practices on the activities of competitors, and do not change our expectations because others behave differently. Moreover, we do not compromise our standards to meet financial or other goals.

We are each responsible for knowing and complying with the current laws, rules, regulations, standards, policies and procedures that govern our work, which may change over time. Baxalta employees who fail to comply with applicable laws, rules, regulations, standards, policies and procedures are subject to discipline, up to and including termination.

Doing business the right way is everyone's job at Baxalta.

Employee Responsibilities

- Understand and comply with all Code of Conduct standards that apply to your work at Baxalta
- Conduct business the right way, aligned with Baxalta policies and legal requirements
- Support ethical behavior and protect Baxalta's reputation by actively supporting the Code of Conduct, policies and procedures
- Reach out to your resources with any questions
- Report any concerns or suspected compliance violations through the Ethics & Compliance Helpline or available resources
- Fully and honestly cooperate in any investigation of alleged misconduct or violation of the Code of Conduct or Baxalta policies and procedures

Management's Additional Responsibilities

- Inspire those with whom you interact to be accountable for compliance and to do business the right way
- Create an open environment that encourages dialogue and debate, as well as support, so people are comfortable raising compliance questions or concerns without hesitation or fear of retaliation
- Be familiar with compliance risks specific to your business activities and proactively address them
- Establish compliance goals for yourself and your team

Core Expectations

Integrity and Compliance

Baxalta employees must achieve results the right way, doing business in compliance with Baxalta policy and legal requirements. Compliance is everyone's responsibility at Baxalta.

Open Communication

Baxalta employees must encourage open, honest and full debate of issues related to compliance with policy or legal requirements.

Raising Questions

Baxalta employees must raise questions and resolve issues about compliance with policy or legal requirements when they arise.

Reporting Violations

Baxalta employees must report perceived violations of policy or legal requirements in a timely manner. This can occur through the Ethics & Compliance Helpline, the Ethics & Compliance team, management, Legal, Finance or Human Resources.

Cooperation

Baxalta employees must assist fully and transparently with any audit, compliance assessment or internal inquiry with candid, accurate and complete information.

Non-Retaliation

Baxalta employees may never punish or retaliate against anyone for raising a good-faith question or concern about compliance with policy or legal requirements.

The background features a central glowing light source, possibly representing a sun or a flame, which is held by four hands. The hands are positioned at the top, bottom, left, and right, with their fingers pointing towards the center. The entire scene is set against a blue gradient background that transitions from a darker blue at the edges to a lighter, almost white glow around the central light.

I. Our Stakeholders

Passion for Improving Lives

Section I: Overview

At Baxalta, we are passionate about improving lives. How we work to serve our stakeholders is as important as what we do. By working the right way every day, we can achieve extraordinary results and make a positive impact on the world.



Relationships with the Medical Community

Baxalta's relationships with the medical community (including healthcare professionals, healthcare organizations, patients, patient organizations, government officials and payors) are heavily regulated and strictly enforced around the globe.

The rules that govern the payment or provision of anything of value such as gifts, meals, entertainment, honoraria, sponsored trips, grants or other items are complex, and can even differ from country to country. The consequences for failing to comply with these rules can result in significant monetary and sometimes criminal penalties for Baxalta and for individuals. It is therefore important that you understand and comply with all applicable rules.

Baxalta has established specific global policies and processes governing our interactions with the medical community globally. To the extent countries have more restrictive requirements than Baxalta, those are to be followed as well. Any payment or benefit provided to a member of the medical community must comply with Baxalta policy and have received any necessary approvals given the country in which the member of the medical community resides and/or practices medicine.

In general, any payment or benefit provided to a member of the medical community must meet the following standards:

- All payments must be accurately documented and transparent;
- Payments should never, directly or indirectly, be linked to sales or other decisions that impact the company or be used as a bribe, reward, inducement or incentive for sales;
- Payments must be for legitimate services, or in support of legitimate research or education, that are of value to Baxalta or the scientific community at large; and
- Baxalta does not pay more than fair market value for services or more than necessary to support clinical or medical education and research.

Government Contracting

Baxalta employees involved in sales to government organizations also are responsible for ensuring compliance with the special laws and regulations of government sales in many parts of the world. Engage the Legal Department on all government sales and contracts.

Prohibition of Corrupt Practices

The legal requirements of every country where Baxalta does business prohibit improper payments to government officials. In many parts of the world, government officials include healthcare professionals like doctors and hospital administrators who work in the public sector.

Baxalta employees are prohibited from directly or indirectly paying anything of value to a government official in order to:

- Win or retain business or to improperly influence the act or decision of any government official, political party, candidate for political office, or official of a public international organization;
- Gain an improper advantage; or
- Illegally influence the action of any individual, customer, company, or company representative.

Accurate Books and Records

All Baxalta officers, employees, contractors and agents are required to keep accurate and transparent records that reflect actual transactions and payments consistent with Baxalta's system of internal accounting controls.

Contracting with Third Parties

Baxalta often meets its obligations to patients through partnerships with third parties, such as agents, representatives, independent contractors, consultants, distributors and suppliers. To safeguard Baxalta's relationships of trust with our stakeholders, employees who select and monitor third-party relationships are required to:

- Conduct adequate due diligence on third-party partners to ensure they are reputable and qualified;
- Document third-party relationships in writing and ensure all transactions are transparent;
- Verify that Baxalta is paying no more than fair market value for products or services;
- Ensure that third parties are not being engaged to conduct activities on behalf of Baxalta that Baxalta employees would be prohibited from performing directly; and
- Adhere to Baxalta's policy on contracting with third parties.

Fair Competition & Antitrust

Baxalta believes in free and fair competition. We sell our products based on quality, efficacy and price.

Communication with Competitors

Do not share the following with competitors:

- Confidential information including price, sales/marketing cost, R&D or supply information;
- Terms in contracts with any customer, supplier, or vendor;
- Bids, quotes, pricing proposals, tenders or responses to RFPs and RFQs with customers and governmental agencies;
- Whether Baxalta refuses — or would refuse — to work or deal with any customer, supplier, or vendor.

Communication with Customers or Distributors

Do not communicate with customers or distributors concerning the following:

- Whether Baxalta would refuse to deal with a competitor of a customer/distributor;
- Specific prices that Baxalta charges a customer's competitor.

Certain Sales Methods May be Illegal

- Bundling: Requiring customers to buy one product as a condition of their ability to buy a different product, or discounting a product conditioned on the purchase, or commitment to purchase, a bundle of products
- Minimum resale price: Agreeing with a customer/distributor as to the minimum resale price they may charge for a Baxalta product it purchases
- Exclusive contracts: Entering into exclusive dealing or distribution contracts with customers/distributors

Any questions should be raised with the Legal Department.

Data Privacy

Baxalta respects the confidentiality of our customers', patients' and employees' information.

Below are examples of related information that can be held by Baxalta:

- Social Security or national identification number(s)
- Marketing information
- Patient information
- Clinical trial information
- Employee information
- Adverse-event information

To protect customer, patient and employee information, Baxalta employees must:

- Be aware of personal information in the area in which they work;
- Understand the legal and contractual limitations on the use of the information;
- Collect, use and disclose the information in compliance with all applicable data privacy laws and regulations;
- Share the information with other employees only when it is required to do their job and only after approval by the Legal Department;
- Properly store or transport the information (e.g., encrypt, password protect, secure in locked area); and
- Report unauthorized use, disclosure or loss of the information to your supervisor, IT or the Ethics & Compliance Helpline immediately.

Things to Consider

Before obtaining or releasing customer, patient and employee data, consider the following:

- ✓ Is the information I want to use or disclose considered customer, patient and employee information?
- ✓ If so, do Baxalta internal policies, external laws or business contracts restrict the use or disclosure of this information?
- ✓ Does the person or entity requesting this information need to have it to do his/her job for Baxalta?
- ✓ Has the information been lost, stolen or otherwise used in an unauthorized manner?





II. Our Therapies

Quest for Innovation

Section II: Overview

At Baxalta, we create innovative therapies with uncompromising standards for precision in our work and the quality of our products. Real people are counting on the quality and availability of our life-saving therapies. We keep this fact squarely on focus and never lose sight of our responsibility and commitment to achieve high quality standards in all that we do.



Bioethics

Baxalta recognizes that we must carefully consider the risks and benefits to patients and society prior to making any decision to commercialize a product or therapy.

Research performed by Baxalta or at the direction of/with support from Baxalta must:

- Comply with applicable law, regulations and accepted ethical and professional standards;
- Protect the life, health, privacy and dignity of those participating in clinical trials;
- Minimize the use of animals in our research to the extent possible, and support the conscientious use and highest standards of animal care in research when no other valid scientific alternative exists; and
- Protect the environment and maintain global biodiversity and sustainability.

Our commitment to bioethics extends to work performed at the direction of Baxalta by external contract research organizations, consultants and third-party vendors.

Protecting Patients & Producing Quality Products

Delivering safe and effective life-sustaining products to patients is the most critical aspect of our work. Baxalta's reputation is built on our ability to consistently provide quality products to the marketplace. To safeguard our customers' trust, every Baxalta employee is expected to demonstrate uncompromising dedication to quality.

As Baxalta employees, we must:

- Deliver quality services conforming with the Baxalta Corporate Quality System;
- Act as champions of product quality and quality systems;
- Meet commitments to regulatory authorities;
- Immediately raise quality issues to your supervisor and/or to the appropriate quality personnel;
- Report all product complaints from any source to Product Surveillance within one business day;
- Report all adverse events from any source to Drug Safety within one business day; and
- Fully understand, be trained in, and follow your department's Standard Operating Procedures (SOPs).

Baxalta's reputation is built on our ability to consistently provide quality products to patients and the global healthcare community.

Things to Consider

You have resources available when it comes to product quality and drug safety:

Global Drug Safety Phone:

1-800-999-1785

Fax: 1-800-874-7528

or E-mail: DrugSafety@Baxalta.com



Advertising & Promotion

Our customers can be assured of Baxalta's credibility because we are committed to honestly and accurately describing our products and services.

Advertising and Competitors

Baxalta employees must not unfairly criticize a competitor's products or services. Comparisons between products on safety and efficacy must not be made without appropriate clinical data to support the claims being made and must be approved through our processes prior to first use. In some countries, comments about a competitor and their products or services are prohibited. Special care must be taken in such cases to ensure compliance.

Promotion

All Baxalta promotional materials and activities, including advertising, literature and public statements about products and services must be consistent with approved product labeling, be approved before first use and include a balanced picture of risks and benefits. The materials must be supported by appropriate scientific evidence, and must not contain false or misleading information.

Prohibition of Off-Label Promotion

Baxalta employees are prohibited from unlawfully promoting products prior to approval or for a use that has not been approved by the appropriate regulatory authorities. We only promote our products on-label, based on the approved prescribing information.

Baxalta Assets & Property

Baxalta employees must conserve, preserve and protect Baxalta's physical and intellectual property and financial assets.

Intellectual Property and Confidential Information

Baxalta's intellectual property and confidential information are valuable assets, and employees must take all appropriate steps to optimize the value of, and/or maintain the secrecy of, these assets.

For example, employees must maintain the secrecy of innovations for which Baxalta will seek or is seeking patent protection, the company's plans with respect to its use of trade or service marks and any strategies regarding copyright protected material. To preserve Baxalta's rights, trade secrets must be closely and rigorously guarded and protected.

Confidential information must not be shared outside Baxalta without a confidentiality agreement approved by the Legal Department. Confidentiality obligations continue even after you leave Baxalta.

Baxalta's financial information is confidential and should not be shared outside the company without approval.

Any unauthorized disclosure of Baxalta's confidential information, whether inadvertent or not, must be reported to the Legal Department immediately.

Products

You must protect, store and transport products as your department requires.

Baxalta Assets & Property (continued)

Baxalta employees must conserve, preserve and protect Baxalta's physical and intellectual property and financial assets.

Physical Property and Inventory

Facilities and equipment must be well maintained and secured appropriately against theft and misuse. Baxalta's property is to be used only for company business, unless approved by senior management.

Mobile Devices, Electronic Media, Internet and Email Use

There are many tools critical for our global business, including mobile devices, electronic media, the internet, email and others. Baxalta employees are required to take precautions to protect these tools.

Take special care to protect confidential business information and mobile devices such as laptop computers, external drives, disks and the like:

- Encrypt or password protect data as may be required by Baxalta policy;
- Keep mobile devices with you or lock these while traveling;
- Protect Baxalta's confidential information and electronic media;
- Comply with local data-protection laws;
- Use these tools primarily for business purposes; only incidental personal use is permitted; and
- Use these tools consistent with Baxalta's Electronic Media Use policy.

Baxalta monitors electronic communications in accordance with applicable laws.

The background features a central glowing white orb held by four hands, one from each quadrant. The hands are rendered in a light blue, semi-transparent style, and the entire scene is set against a vibrant blue background with diagonal stripes of varying shades.

III. Our Company

Inspired Teams

Section III: Overview

At Baxalta, we empower and hold each other accountable for the highest standards of quality and integrity in everything we do. When we strive and achieve this level of excellence we build our positive reputation and earn the trust of our patients, customers and the global communities we serve. Our diversity is a fundamental strength and our engagement with the world around us fuels our success.



Employment Practices

One of Baxalta's greatest strengths is our diverse, high-performing team. We empower and hold each other accountable to deliver on commitments and must always treat each other with dignity and respect.

Diversity and Non-Discrimination

Baxalta seeks out and retains highly skilled and motivated employees, regardless of gender, age, race, religion, national origin, sexual orientation, gender identity or expression, protected veteran status or disability status. At Baxalta, we do not tolerate any form of discrimination.

Harassment

Baxalta provides a safe workplace for all. Verbal or physical harassment and intimidation are not tolerated.

Drugs and Alcohol

Baxalta employees must not possess, use or sell illegal drugs on Baxalta property or perform their work under the influence of alcohol or illegal drugs. Baxalta may require employees to take drug tests to ensure a drug-free workplace.

Minimum Hiring Age

In most cases, regular full-time employees must be 18 years old or beyond. Baxalta does not manufacture or distribute products using forced or indentured child labor.

Violation of these standards should be reported immediately to the employee's supervisor, Human Resources, Ethics & Compliance or any member of management.

Conflicts of Interest

Employees must work objectively and effectively for Baxalta. This means that an employee's private interests cannot interfere or even appear to interfere with Baxalta's interests.

There are a number of forms of conflicts of interest:

- **Financial Conflicts of Interest** — These may arise when you or a relative have financial interests, a job with or a position on the Board of Directors of any Baxalta competitor, supplier, distributor or vendor. A potential financial conflict of interest may exist when you or a relative directly or indirectly have a “significant financial investment” in any company that competes with, does business with or seeks to do business with Baxalta. A “significant financial investment” exists when:
 - The employee or relative owns more than 1% of the outstanding capital of a business and/or
 - The investment represents more than 5% of the total assets of an employee or relative.
- **Personal Relationships Conflicts of Interest** — These may arise when you have a person who is a family member, domestic partner or other close personal relationship working in your department

or on your management team. Disclose the relationship to your manager to determine whether there is a conflict, and if there is, determine what to do.

- **Time Conflicts of Interest** — These may arise when you are engaged in a second job or business of your own that may conflict with your responsibilities at Baxalta.
- **Corporate Opportunities Conflicts of Interest** — These may arise when you take advantage of personal opportunities based on information obtained through Baxalta. Employees may not personally take for themselves any opportunities that are discovered or advanced through the use of Baxalta property, information or position. Employees may not compete with Baxalta, and generally owe a duty to advance Baxalta's interests when the opportunity arises.

In all of these situations, or if there is a doubt as to whether a conflict of interest exists, Baxalta employees must disclose any apparent or actual conflicts to their management or the Ethics & Compliance team. When Baxalta management or Ethics & Compliance approve an apparent or actual conflict, the approval decision must be documented in accordance with Baxalta policy.

Things to Consider

- ✔ Do you or any family member have a financial interest in, own or operate, or work for a supplier, consultant, distributor or other third party that is, has or is trying to do business with Baxalta?
- ✔ Does anyone else with whom you have a close relationship work for a supplier, consultant, distributor or other third party that is, has or is trying to do business with Baxalta?
- ✔ Do you or any family member have a significant financial interest in or work for a competitor of Baxalta?

If you've answered “yes” to any of the above questions, you may have a potential conflict of interest that must be disclosed, discussed with your manager or Ethics & Compliance, assessed and documented appropriately.



Employee Gifts & Entertainment

In many cultures, exchanging courtesies such as modest gifts and entertainment is an integral part of conducting business. However, providing or accepting inappropriate gifts and entertainment has the potential to harm Baxalta's business and reputation, and may even be illegal.

What You Can Accept

Receiving gifts or entertainment must relate to Baxalta's business. Generally, accepting modest gifts, entertainment or other business courtesies is permissible if the gift or entertainment helps improve business, political or community relationships. Baxalta employees can accept modest meals, entertainment or small gifts as long as they are not given during the purchasing or contracting decision process and do not impact the overall decision making as to whether or not to move forward with a contract.

In some circumstances, Baxalta employees can accept corporate gifts of significant value to follow local custom; this is acceptable provided that the gift becomes Baxalta property for proper accounting and disposition. If there are questions as to the appropriateness of such a gift, contact the Ethics & Compliance team.

What You Cannot Accept

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

Employee Gifts & Entertainment (continued)

In many cultures, exchanging courtesies such as modest gifts and entertainment is an integral part of conducting business. However, providing or accepting inappropriate gifts and entertainment has the potential to harm Baxalta's business and reputation, and may even be illegal.

In addition, Baxalta employees are not permitted to solicit gifts or ask suppliers or other business associates to support charitable causes.

What You Can Give

In our industry, particular rules govern our ability to provide gifts or anything of value — meals, entertainment and free product, for example — to doctors, hospital employees, business partners and government officials. All such activities are governed by the Relationships with Healthcare Professionals and Healthcare Organizations and the Prohibition of Corrupt Practices standards found in the “Our Stakeholders” section of this code.

When exchanging gifts and entertainment with other business associates, Baxalta employees must:

- Comply with local laws, regulations or more stringent business unit or regional policies;
- Ensure gifts are in good taste;
- Ensure gifts are reasonable and customary in value;
- Adhere to the receiving entity's gift policy;
- Not exchange cash, gift cards, or cash equivalents;
- Avoid the appearance of giving or accepting a bribe or kickback;
- Avoid embarrassment; act as if the public could view the exchange; and
- Avoid compromising the ability or appearance of being able to make decisions in the best interest of Baxalta.

Gifts may never be given or received as a bribe, kickback or reward for business.

Accurate Business Records

Many stakeholders inside and outside of Baxalta rely on the integrity of our business records. Inaccurate records put the company at legal risk and threaten our competitive advantage.

Baxalta employees must legibly record information accurately and completely and in accordance with Baxalta requirements. Original data (the result of an original observation and activity) must be recorded exactly as it was first observed and cannot be rounded (outside of specifications), guessed at or altered in any way.

Special consideration should be made with the following records, whether in paper or electronic format:

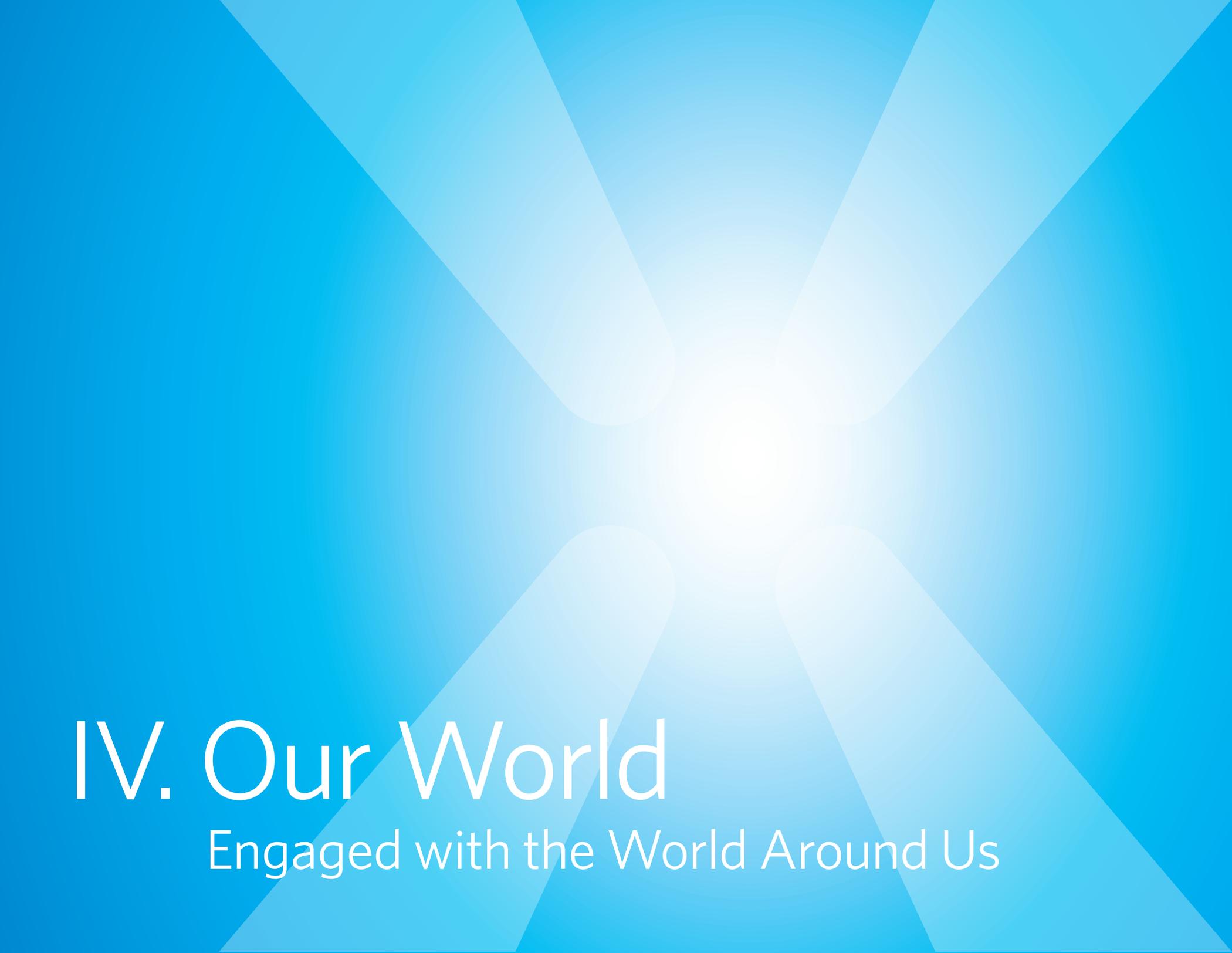
- Financial records, including financial statements, accounting entries and supporting detail information
- Manufacturing and research records, including production data, quality reports and research test results
- Records filed with or required by government agencies; and
- Other business-related records, including time records and business expenses

Record Management

The preservation of records is necessary to run our business. The routine removal of records that are no longer needed improves our operations.

To ensure appropriate records management, employees must:

- Maintain records in accordance with the applicable record management policy or quality system for your business, region or function;
- Review documents under your control at least annually to ensure that the necessary documents exist and that unnecessary records are not being created or retained; and
- Preserve all documents pertaining to pending or anticipated litigation and governmental audits or investigations.

The background features a central bright white light flare surrounded by four large, overlapping, semi-transparent blue shapes that resemble stylized hands or petals. The overall color palette is various shades of blue, from deep to light, with the white light flare at the center.

IV. Our World

Engaged with the World Around Us

Section IV: Overview

Baxalta team members live, work and engage with numerous stakeholders in countries around the world. We all work together across a range of cultures and perspectives to make a meaningful difference on our global communities.



Environment, Health & Safety

Baxalta is committed to being a global leader in Environment, Health & Safety (EHS). Our EHS policies have been developed to:

- Protect employees, neighbors and the environment;
- Manage EHS issues, including regulatory compliance, by using best-demonstrated management standards and systems;
- Conserve resources, reduce costs and minimize adverse EHS effects and risks that may be associated with our products, services and operations; and
- Promote sustainable practices and communities.

We must understand and follow all applicable Baxalta and governmental EHS requirements. We must work in a way that assures our personal safety and the safety of co-workers. Any accidents, emergencies or suspected non-compliance to legal requirements or policy must be promptly reported to your manager or Ethics & Compliance and promptly addressed.

Suppliers

Baxalta relies on its network of suppliers to provide quality goods and service for our customers. It is critical that all Baxalta suppliers share our commitment to conducting business the right way.

When engaging or dealing with a supplier, Baxalta employees are required to:

- Clearly define requirements and engage in fair and open competition per the Global Purchasing Policy;
- Ensure suppliers are reputable and qualified;
- Ensure the engagement of a supplier does not create an actual or apparent conflict of interest;
- Evaluate and approve suppliers before any materials, components, products or services are purchased from them in accordance with Baxalta's Supplier Quality Standard, Global Purchasing Policy and other requirements;
- Incorporate into any written agreement Baxalta's Ethics and Compliance Standards for Suppliers or the supplier's own ethics and compliance standards when those standards meet Baxalta's expectations; and
- Obtain approval from Corporate Communications prior to any public endorsement of a business partner.

Trade Compliance

Baxalta is committed to compliance with applicable trade regulations, including export and import controls. Violations of these laws jeopardize Baxalta's ability to service customers and also subject Baxalta to substantial fines and other penalties.

Trade regulation is complex. Employees must follow Baxalta's International Trade policy and are encouraged to raise regulatory related questions to the Ethics & Compliance Team.

Examples of significant regulations that must be followed include:

Sanctions

The U.S. has imposed sanctions and trade limits on a number of countries. For updates on U.S. sanctions against countries and other sanctions, see the U.S. Department of Treasury's Office of Foreign Asset Control's sanction program list at <http://www.treasury.gov/resource-center/sanctions/Pages/default.aspx> or contact the Ethics & Compliance Team.

Denied Parties

We are prohibited from conducting business with certain individuals, groups or organizations that have violated certain trade compliance laws, been designated as terrorists, or supporting terrorism, drug traffickers, etc.

All imported goods must be classified accurately and assigned the correct tariff number in order to determine the appropriate duty owed.

Things to Consider

- ✓ Does the transaction include shipping product to, or conducting business or sharing technology with, individuals or organizations in trade restricted or prohibited countries?
- ✓ Am I aware of a trade transaction that might involve an agreement to engage in boycott activity or a request for boycott-related information?
- ✓ Am I aware of a trade transaction that may involve inaccurate documentation, including inaccurate tariff information or inaccurate value documentation?

If your answer is yes to any of the above, discuss your concern with a member of the International Trade and Customs group or Ethics & Compliance Team.

Trade Compliance (continued)

Prohibited Activities

We are prohibited from engaging in transactions with “end-users” who may be involved in chemical or biological weapons development, ballistic missile development or sensitive nuclear activities in certain countries.

Anti-Boycott Restrictions

We are prohibited from supporting the Arab League boycott of Israel.

Restricted Products and Technologies

Baxalta requires an export license for certain products, software and technologies even when they are shipped to an appropriate customer in a friendly country for peaceful use. Transfer of technical data to foreign nationals, including Baxalta employees who reside in the U.S., are considered to be exports.

Classification of Goods

All imported goods must be classified accurately and assigned the correct tariff number in order to determine the appropriate duty owed.

Valuation

It is prohibited to undervalue goods on commercial documents in an attempt to reduce duty.

Things to Consider

- ✓ Am I concerned that a visitor coming to my plant or office may be from a restricted/prohibited country or on the denied-parties list?
- ✓ Does the transaction raise a suspicion or “red flag” if the final destination is not what the documents state? For example, does the shipment include electrical equipment for a country using 110 volts but the destination on the document uses 220 volts?

If your answer is yes to any of the above, discuss your concern with a member of the International Trade and Customs group or Ethics & Compliance Team.



Business Intelligence

Information is critical in the global, fast-paced environment in which we conduct business. Baxalta is committed to appropriately obtaining the business intelligence necessary for the operation and success of our business in a way that is both legal and ethical.

Baxalta employees and agents may not compromise our integrity in the pursuit of business intelligence by engaging in any of the following types of activity:

- Fraud or misrepresentation;
- Invasive techniques such as illegal entry or trespass;
- Use of gifts, bribes or coercion to obtain confidential information;
- Solicitation or acceptance of information that is protected by trade-secret laws;
- The violation of legitimate non-disclosure agreements; or
- Utilizing third parties to engage in activities in which Baxalta employees are prohibited from engaging.

Things to Consider

Baxalta employees frequently attend trade shows to keep current on industry trends. When attending these types of events, there are a few ground rules to keep in mind:

- ✓ Baxalta employees must always wear name badges that accurately describe the employee's affiliation with Baxalta.
- ✓ Baxalta employees may not obtain information at trade shows through any type of misrepresentation or deceit.
- ✓ Baxalta employees are not permitted to enter private or invitation-only areas without authorization.



Appropriate Handling of “Inside Information” & Securities Trading

Baxalta periodically discloses important information concerning the company to the public. These disclosures should be full, fair, accurate, timely and understandable.

Until Baxalta has made important information about the company public, employees must keep it confidential and are not permitted to use it for their own personal gain. It is a violation of United States law to purchase or sell Baxalta stock on the basis of material non-public information.

In the course of their jobs, Baxalta employees also may receive material non-public information about other companies. Employees must also hold this information confidential and may not trade in the stock of other companies on the basis of it.

Certain employees who regularly have access to material non-public information may be subject to quarterly closed trading windows or obligations to pre-clear trades with the legal team. Further, employees are generally prohibited from undertaking certain aggressive or speculative actions with regard to Baxalta stock. These obligations — and more information about trading generally — are provided in the Baxalta Securities Trading Policy.

What is “Material Information”?

Material information is information that investors in securities would consider important. More precisely, information is material if, when disclosed, it could reasonably have an effect on the price of a company’s securities or which is likely to be considered important by a reasonable investor in determining whether to buy or sell such securities (or otherwise alter his or her market behavior).

Examples of information that may be material include:

- Acquisitions or divestitures of businesses, product lines or technologies;
- New products or research or clinical initiatives;
- Financial results and trends; or
- Significant regulatory, litigation or contractual developments.

Communication with Media & Investors

Media engagement

Only official spokespeople designated by Global Communications and Country Communication leads are authorized to speak with the media. If you are approached by the media, please decline politely to respond, take details and direct the media request to Communications (country or global).

Investor Engagement

Only official authorized spokespeople are approved to speak with the investment community. If you are approached by an investor, please refer the individual to Investor Relations.

Public Speaking Engagement

If you have been invited to speak to a conference, please make sure you receive approval to speak from your Vice President/Business leader. While you are invited as an expert, be aware that any position you present could affect the Company reputation. Your talk should be focused on your area of expertise and should note upfront that you are speaking in an individual capacity and not on behalf of Baxalta, unless otherwise approved by Corporate Communications. Please refer to Corporate Communications to get access to approved corporate messages about the Company.

Things to Consider

Prior to speaking with the media or the financial community, or at events where they will be present, answer the following questions:

- ✓ Have you been authorized to speak on behalf of Baxalta by either Corporate Communications or Corporate Investor Relations?

If you answered “yes” to the above, consider the following additional questions:

- ✓ Have you reviewed Baxalta’s policies on speaking to the media and the financial community?
- ✓ Is the information you plan to provide already in the public domain? If you are unsure, ask your manager or Corporate Communications.

If the answer to any of the above is “No,” you must obtain approval from Corporate Communications or Corporate Investor Relations to disclose the information.

Public Affairs & Political Activities

Baxalta regularly engages in appropriate political activities around the globe, such as legislative lobbying and providing input on administrative rulemaking, to advance the interests of the company and the patients we serve.

The rules governing participation in the political process differ greatly from country to country, are complex and often carry significant penalties for violation. In general, all such activity should be conducted with Baxalta's Patient, Innovation and Policy team (PIP).

Global Rules on Lobbying

Wherever you are located, you are required to consult and coordinate first with your PIP representative on all efforts to influence a government policy decision on:

- Legislation and regulations
- Tenders, contracts, and grants
- Any other issue in which Baxalta has an interest, except for requests for information, inspections, investigations and litigation.

Global Rules on Political Contributions

Wherever you are located, you are required to consult and coordinate with your leadership, PIP team and Legal Department representative before you make a monetary contribution on behalf of Baxalta to a political campaign, political party or to any event or entity at the direction of a government official.

Global Rules on Gifts to Government Officials

Wherever you are located, Baxalta's policy on providing gifts to government officials is restrictive.

You are required to consult and follow Baxalta's policies on interactions with the medical community and anti-corruption policies.

Public Affairs & Political Activities (continued)

Baxalta regularly engages in appropriate political activities around the globe, such as legislative lobbying and providing input on administrative rulemaking, to advance the interests of the company and the patients we serve.

Additional Rules for Political Activity in the U.S.

- Federal and State lobbying: All lobbying must be coordinated with the PIP team
- Corporate Political Contributions: In general, Baxalta cannot make monetary or in-kind contributions to federal candidates or their campaigns, except through BaxaltaPAC.
- Corporate Contributions: Over 20 states forbid Baxalta from making corporate contributions to political parties or candidates. Contributions to state or local candidates or other political campaigns must be cleared with the PIP team
- Travel, Gifts and Meals: Baxalta's ability to provide gifts or travel expenses to politicians, their staff and political candidates is extremely limited, and all such activity must be approved by the PIP team

Personal Political Activity

Baxalta encourages its employees to engage in personal political activity as they wish, provided:

- Their activity is purely personal and not on behalf of Baxalta;
- Contributions to state political campaigns by director-level and above are cleared with the PIP team first to ensure compliance with new state laws;
- Baxalta facilities are not used; and
- The activities do not conflict with work responsibilities.

Providing Information to Governmental Organizations

Baxalta's businesses are highly regulated and governments may often request information from us. We will cooperate with legitimate requests for information through appropriate channels.

- All routine requests for information by any government agency must be reported to the legal counsel responsible for the division or function, unless the Legal Department has agreed that another business or function may handle that type of matter alone.
- All subpoenas, court orders and requests for depositions, testimony, interviews or documents must be reported to the lawyer responsible for the division or function, who must report the matter to the chief litigation counsel.
- Any sudden request to inspect Baxalta's facilities or to execute a search warrant must be immediately directed to your division legal counsel, who will report this matter to the chief litigation counsel. You must allow access where required by local law.
- All requests for information by the U.S. Congress must be reported to the Office of the General Counsel for appropriate action.

V. Raising Concerns & Doing the Right Thing / Helpline

Section V: Raising Concerns & Doing the Right Thing / Helpline

In Baxalta's complex and highly regulated environment, making the proper decision can be challenging. Occasionally, you may need advice or assistance in order to resolve an issue. You are encouraged to seek information about or guidance on our ethics and compliance standards.

Baxalta encourages the open discussion of questions and concerns in order to avoid inappropriate decision-making or action that is a potential violation of the standards. Baxalta employees have an obligation to raise perceived violations of the standards with respect to Baxalta's financial affairs, accounting practices, auditing matters, corruption, fraud or other serious concerns where the interest of the company or the moral or physical integrity of our people or assets are at stake.

We encourage employees, as a first step, to seek out local management or the Ethics & Compliance team for assistance in addressing concerns.

Baxalta enforces a non-retaliatory environment, making it safe for employees and other stakeholders to raise ethics and compliance concerns in good faith. The [Non-Retaliation Policy](#) is actively supported by Baxalta's senior management and is strictly enforced.

Ethics & Compliance Helpline

Representatives on the Ethics & Compliance Helpline are available 24 hours a day, 7 days a week to consult with you in almost any language. You may file a report online or dial the toll-free number for your country as provided on the website.

When using the Ethics & Compliance Helpline, an individual's identity will be treated confidentially and shared with a limited number of people who have a need to know or who are responsible for dealing with reports and investigations. Your personal information will be held and used in accordance with Baxalta's Global Privacy Policy and data privacy laws. Reports can be made anonymously.

Using these resources in your decision-making process will help us maintain Baxalta's reputation as a responsible corporate leader whose people are respected for performance and integrity.

We encourage employees, as a first step, to seek out local management or the Ethics & Compliance team for assistance in addressing concerns.

Things to Consider

To reach the Ethics & Compliance Helpline, go to:

- www.baxalta.com/compliance to file a report online
- USA phone: 1-844-294-5419
- International phone: check www.baxalta.com/compliance for your country's toll-free number



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VI. Tools & Resources

Section VI: Tools & Resources

As part of Baxalta's overall Compliance program and complementing the Baxalta Global Code of Conduct, there are tools and resources available to learn more about good compliance and report issues or concerns.

Important Contacts

Contact:

- Your supervisor, manager, or department leader
- Functional experts such as Legal, Human Resources, Quality, etc.
- Ethics & Compliance Team
- Ethics & Compliance intranet site
- CRO contact info: Corporate.Responsibility.Office@baxalta.com
- Ethics & Compliance Helpline: www.baxalta.com/compliance



VII. Compliance Governance at Baxalta

Section VII: Compliance Governance at Baxalta

The CRO is responsible for communicating Baxalta's ethics and compliance standards, providing guidance and training to employees.

Baxalta's Board of Directors, Quality and Compliance Committee and Corporate Responsibility Office (CRO)

Baxalta's Board of Directors recognizes the importance of having a strong organizational foundation that supports an ethical environment and assists us in achieving results the right way.

The Board's Quality and Compliance Committee is charged with ensuring that Baxalta operates with integrity, has an effective compliance program and operates as a socially responsible member of our global community.

The CRO is responsible for communicating Baxalta's ethics and compliance standards, providing guidance and training to employees, maintaining multiple channels for employees to report concerns, and monitoring compliance. The CRO reports to the Quality and Compliance Committee and reports on financial matters to the board's Audit Committee.

Any waiver of Baxalta's Code of Conduct for executive officers or members of the Board of Directors may be made only by the Quality and Compliance Committee subject to approval by the full Board. Any waiver must be promptly disclosed to shareholders as required by applicable law and stock exchange rules.

Section VII: Compliance Governance at Baxalta (continued)

The CRO is responsible for communicating Baxalta's ethics and compliance standards, providing guidance and training to employees.

Country/Cluster Compliance Committees

Baxalta is pleased to have compliance committees around the globe. These committees, led by the business, are responsible to:

- Operationalize the compliance program
- Enhance ownership and accountability for compliance
- Embed ethics and compliance in business strategy and operations
- Drive compliance as a competitive advantage

Baxalta's Ethics & Compliance Team

The Ethics & Compliance team implements compliance across the organization. With representatives supporting the divisions and geographies, the Ethics & Compliance team is responsible for compliance policy development, training, compliance assessments, monitoring, counseling and investigations. The Ethics & Compliance team is always available to answer questions, discuss issues or concerns and help navigate Baxalta's policy requirements.

Closing Statement

The standards and supporting policies contained in this document may change from time to time, and cannot account for every circumstance that you may face. Baxalta employees are responsible for knowing and complying with the current laws, regulations, standards, policies and procedures that govern our work. If you have any questions contact the compliance resources listed.

The most current version of this document can be found on the Ethics & Compliance homepage on Baxalta's intranet site.

This document is not an employment contract between Baxalta and its employees.