

Anti-Bribery and Corruption

1.1 INTRODUCTION

Neurocrine is dedicated to ensuring full compliance with all anti-bribery and corruption laws and regulations. As such, this policy applies to all Neurocrine officers, directors and employees, and anyone doing business on Neurocrine's behalf, including Neurocrine's agents, contractors, distributors, sales agents, customs brokers, partners and other intermediaries (collectively, "Representatives"). Generally, anti-bribery and corruption laws prohibit making payments or gifts to obtain or retain business, or to secure any improper business advantage. Anti-bribery and corruption laws extend beyond the borders of the countries in which they form part of the laws. The U.S. Foreign Corrupt Practices Act (the "FCPA") applies to activities outside the U.S. and which involve public officials and the United Kingdom's Bribery Act can apply to bribery taking place outside the United Kingdom, indeed anywhere in the world and with both governmental and private organizations. This is the case even where bribery is prevalent or commonplace in the local jurisdiction, which is no defense.

1.2 POLICY STATEMENT; ENFORCEMENT

It is Neurocrine's policy that no Neurocrine Representative may offer payments (or anything else of value) whether to a government official or any other person to make that individual or the entity they represent act in a manner that will assist Neurocrine in obtaining or retaining or securing any improper business advantage. Every Neurocrine Representative is obligated to keep books, records and accounts that accurately and fairly reflect all transactions involving Neurocrine and the use of Neurocrine assets.

Neurocrine takes bribery and corruption very seriously. Any employee found to be violating this policy will be subject to disciplinary action, which may include termination. If you engage in (including to facilitate or permit) conduct that is intended to obtain or maintain improper business advantage, both you and Neurocrine may become subject to government investigations, criminal and/or civil penalties and sanctions. Further, any non-employee Representative found to be violating this policy may be prohibited from doing further business with us (or on our behalf) and may be the subject of legal action or investigation by enforcement authorities. Neurocrine encourages its Representatives to report any suspicious activity that may violate this policy. A confidential and discrete way to report any violations or suspicious activity is described below. An employee's failure to report known or suspected violations may lead to disciplinary action.

1.3 KEY CONCEPTS

A “**bribe**” is a direct or indirect offer, authorization, gift or promise to give anything of value to a government official or other person with the intent to obtain or retain business or gain an improper business advantage.

A “**government official**” as used in this policy refers to an official of any country, including any:

- government employee or elected or appointed official;
- political party;
- candidate for political office (even if not currently in office);
- health care professional (e.g., doctor, nurse, dentist, hospital administrator) who works in a public or government-sponsored health care program (e.g., state-owned university or hospital);
- consultant, speaker or advisor retained by Neurocrine who is a government employee;
- government employee who benefits from a Neurocrine research grant;
- official or employee of quasi-public or non-governmental international organization (sometimes referred to as “NGOs”) such as the United Nations, Red Cross/Red Crescent, International Monetary Fund and the World Bank; or
- employee of a quasi-public agency and other companies or organizations partly or wholly owned or controlled by a government.

1.4 GENERAL GUIDELINES

- Except as otherwise allowed under applicable law and Neurocrine policy, no payment, hospitality or gift of any kind may be made, promised or offered to any person, whether a government official, healthcare professional, private individual or a corporation. No Neurocrine Representative is permitted to provide payments, hospitality or gifts with the intention of persuading anyone to act improperly or to influence a public official in the performance of his/her duties.
- It is not Neurocrine’s practice to make contributions to political parties; any such contributions are subject to the review and approval of the Neurocrine Legal Department and must otherwise be made in accordance with Neurocrine policies and procedures. Any personal contributions by Neurocrine Representatives to political parties must be clearly identifiable as such and must otherwise be made in accordance with Neurocrine’s Code of Business Conduct and Ethics and other applicable codes and policies.
- No charitable donations will be made by or on behalf of Neurocrine unless such donations are reviewed and approved in advance in accordance with Neurocrine policies on *Healthcare Sponsorships and Charitable Contributions*, *Independent Medical Education Grants* and *Charitable Contributions to Independent Patient Assistance Foundations*. In no event shall any charitable donations be made for the purpose of gaining any improper business advantage.

- Paying excessive travel and entertainment expenses on behalf of a government official or other person can be considered bribes. For example, a company that paid for employees of a foreign government-owned company to tour its manufacturing facilities and also included side trips for them and their families to Disneyland and Las Vegas were considered to have bribed these government officials in violation of the FCPA.
- Where healthcare professionals are involved, even modest payments, contributions, donations, hospitality or gifts to or on behalf of (or at the request of) such healthcare professionals can breach applicable laws and codes because they are subject to an overriding ethic to behave in the best interest of their patients and to not allow their own interests to conflict with that principle. All payments, hospitality or gifts made, promised or offered to healthcare professionals, and all contributions or donations made to, on behalf of, or at the request of, healthcare professionals, must be made in accordance with the Neurocrine policies on *Transfers of Value to Healthcare Professionals*, *Engaging Healthcare Professional Consultants*, *Charitable Contributions to Independent Patient Assistance Foundations*, *Independent Medical Education Grants*, and *Healthcare Sponsorships and Charitable Contributions*.
- An improper business advantage includes not only illegally obtaining new business, but also the situation where bribes are given to maintain existing business operations. For example, bribing an official to obtain or renew operating permits or certifications is illegal in many countries by local law as well as by the FCPA and other applicable national laws and is forbidden under this and other Neurocrine policies.
- Payments or gifts made at the request of a government official to obtain or maintain business are forbidden. For example, if a government official indicates that he will cause his agency to do business with you if you purchase office furniture from a business owned by his brother, then such a transaction would be considered a bribe to the government official and is forbidden.
- Payments made to an intermediary can be considered bribes. If an intermediary promises to have special connections and requires a high fee for his services and he bribes an official in order to secure business for you, that bribe can be imputed to you. Neurocrine will run a thorough background check on all intermediaries. Payments to an intermediary may never be made in cash.
- The FCPA has a narrow exception for "facilitation payments," which are payments to ministerial government officials to perform routine government actions that are ordinarily and commonly performed and where there is NO DISCRETION on the part of the government official. The UK Anti-Bribery Act does not provide for this exception. Neurocrine's policy is that all facilitation payments must be approved by the Legal Department prior to the payment being made or offered.

- Accurate books and records must be kept, and falsifying records to conceal a bribe is not allowed and can, of itself, be a criminal offense. For example, if a cash payment were made to a government official to refrain from taking an enforcement action that the official is otherwise obligated to pursue, and false invoices were created to make the payment appear as if it were for a contractor or supplier, this would violate this policy and the FCPA's recordkeeping requirements, whether or not it also involved an attempt to obtain or maintain business.
- Non-employee Representatives are required to abide by Neurocrine's Code of Business Conduct and Ethics. Improper actions by our non-employee Representatives may be imputed to Neurocrine and could expose Neurocrine and its officers, director and employees to significant criminal and civil penalties (including fines, incarceration, disgorgement of profits and debarment or suspension from doing business) and reputational harm. Examples of improper actions include: (i) offering hospitality or gifts under circumstances that could induce improper conduct or that could create the appearance of impropriety; (ii) acceptance of gifts or other items of value if the purpose, effect or appearance is to influence your judgment; (iii) making unauthorized representations, warranties, promises or agreements on Neurocrine's behalf to a government official or other person; and (iv) providing any type of payment, hospitality, gift, contribution or donation in response to a solicitation or request from a government official or other person.

1.5 TRAINING AND MONITORING

All Neurocrine employees are trained on this policy and it is available on the Neurocrine intranet. This policy is also made available to our non-employee Representatives, as applicable.

Compliance with this policy is monitored and communicated through Neurocrine's internal controls processes and via regular reports to Neurocrine's Compliance Committee and our Board of Directors. New or emerging bribery and corruption-related risks are investigated thoroughly to resolution.

1.6 REPORTING A VIOLATION

Any transaction, regardless of the dollar amount, may give rise to violations of anti-bribery and corruption laws and regulations. Thus, it is important that every Neurocrine Representative understands the rules (including their own national laws) and reports any wrongdoing he or she notices as soon as possible. If you believe a violation is occurring or has occurred, you should report it immediately to your supervisor, your functional vice-president, human resources, any member of the Compliance Committee, or any member of the Legal Department. If you do not feel comfortable reporting to any of these individuals, you may also report actual or suspected violations of the Code, or any Company policies anonymously through our Ethics Hotline or by submitting a report at NeurocrineEthics.com. The Ethics Hotline is managed by a third party vendor, and is available 24 hours a day, 7 days a week at 1 (800) 688-2908.

Any Representative, who in good faith, lawfully and truthfully, seeks advice, raises a concern or reports misconduct is doing the right thing. No matter how you choose to report, as long as your report is made in good faith, Neurocrine will take no retaliatory action against you for making the report. Allegations of retaliation will be investigated and appropriate action taken. This policy is consistent with the Neurocrine Code of Business Conduct and Ethics, which requires fair and ethical dealing by all Neurocrine Representatives. All Neurocrine Representatives are expected and required to comply with this policy.