

## **MCKESSON CORPORATION**

### **COMPREHENSIVE COMPLIANCE PROGRAM**

McKesson has established a Comprehensive Compliance Program that is based on the Compliance Program Guidance for Pharmaceutical Manufacturers issued by the Office of the Inspector General (OIG) of the U.S. Department of Health and Human Services (68 Fed. Reg. 23731 (May 5, 2003)) and the Code on Interactions with Health Care Professionals from the Pharmaceutical Research and Manufacturers of America (PhRMA). Our Comprehensive Compliance Program consists of the following elements:

#### **I. Leadership and Oversight**

McKesson has established a comprehensive compliance program that is integrated throughout the Company and its various business units. McKesson has designated a corporation-wide Chief Compliance Officer and a Senior Vice President of Global Compliance and Ethics who have the overall responsibility for overseeing and monitoring implementation of McKesson's Comprehensive Compliance Program. The Compliance Program responsibilities include: reporting to management on compliance matters and program effectiveness; periodically reviewing McKesson's written compliance policies and procedures and revising as necessary; overseeing McKesson's compliance training program; coordinating internal compliance monitoring activities; reviewing complaints, reports and questions received through the McKesson toll-free Ethics Line and other internal lines of communication; coordination of investigations relating to compliance matters and, where necessary, ensuring that corrective action is taken. McKesson has also established a Global Compliance and Ethics Department to assist the Compliance Officer in these activities. McKesson has designated a separate business unit compliance officers to assist the Compliance Officer in carrying out the above activities at the business unit level.

#### **II. Written Policies and Procedures**

McKesson has a Code of Business Conduct and Ethics (the Code of Conduct, available [here](#)), which sets forth legal and ethical standards of conduct to guide McKesson employees and management. Among other issue specific policies, McKesson has also adopted U.S. Marketing Compliance Policies and compliance procedures that provide employees with guidance in key areas that present a risk of liability under the health care fraud and abuse laws, including the following areas:

- Product training and education meetings
- Support of third party programs

Sales and promotional meetings  
Arrangements with consultants  
Gifts  
Providing reimbursement and other economic information to customers  
Grants and charitable donations  
Interactions with government employees and officials  
State spending limits and reporting requirements.

### **III. Compliance Training**

McKesson Corporation has implemented a comprehensive compliance training program which combines both interactive on-line training and in-person training programs for its employees. Employees, both domestic and international, are required to annually complete a comprehensive on-line ethics and compliance training course as well as other compliance training courses that may be assigned as relevant to an employee's assigned duties. The company training also includes separate trainings on topics such as Fraud and Abuse Laws, sexual harassment, HIPAA and patient privacy, antitrust and trade regulation laws; environmental health and safety and other ethics and compliance risks.

In addition to this general training, McKesson has developed a training program on its U.S. Marketing Compliance Policies, which were adopted in February 2009 and are available to all employees. This training is mandatory for all current and new employees involved in sales and marketing activities.

### **IV. Internal Reporting of Concerns and Questions**

McKesson has established a toll-free EthicsLine, available 24-hours a day, 7 days a week, which employees can use (anonymously, if they wish) to report violations of the Company's policies or other suspected illegal or unethical activity. Calls are answered by an independent third-party provider who documents all calls received before forwarding them to the McKesson Corporation Global Compliance and Ethics Department. All allegations are investigated and, on a periodic basis, a comprehensive report of allegations and investigations is provided to senior management and the Board of Directors.

In addition to the EthicsLine, employees are encouraged to contact the Compliance Department, their business unit compliance officer, the Law Department, or their supervisors with any questions or concerns they may have regarding this Comprehensive Compliance Program, any Company policies and procedures, or the proper course of action in a particular situation. The Global Compliance and Ethics Department maintains both a separate phone line and email address for this purpose. Retaliation against an employee who makes a complaint through the EthicsLine or other channels is strictly prohibited.

## **V. Auditing and Monitoring**

The design and overall effectiveness of the McKesson Comprehensive Compliance program itself is subject to ongoing evaluation. In furtherance of our objective to prevent and detect instances of noncompliance, McKesson has established an independent audit program to monitor and evaluate compliance with selected individual company policies and procedures and federal and state laws and regulations. As is suggested by the HHS-OIG Guidance, the nature, extent and frequency of our compliance monitoring and auditing is dependent upon a variety of factors, including regulatory requirements, changes in our business practices, and other considerations.

## **VI. Implementation and Enforcement of Standards**

The McKesson Code of Business Conduct and Ethics requires any employee who knows of or suspects a violation of applicable laws or regulations, the Code of Conduct, the U.S. Marketing Compliance Policies, or other McKesson policies and procedures, to immediately report that information to a supervisor, the business unit's Compliance Contact, the Law Department or the Ethics Line.

McKesson has adopted Investigation Protocols and Procedures governing the investigation of all reported allegations, which establish standards and procedures for reporting issues to senior management and the consistent implementation of corrective measures and disciplinary action, up to and including termination.

## **VII. Responding to Detected Problems and Taking Corrective Action**

Compliance concerns are promptly investigated. Disciplinary action, re-training, revision of policies and procedures, or other corrective actions are promptly taken as warranted by the situation.

## **VIII. Declaration of Compliance with Comprehensive Compliance Program**

California Health & Safety Code §§ 19400 and 19402 require certain pharmaceutical and medical device manufacturers and distributors, among other things, to declare annually in writing that it is in compliance with its Comprehensive Compliance Program. Accordingly, as of July 1, 2013, to the best of our knowledge, we are in compliance in all material respects with our Comprehensive Compliance Program, as described above. Our Comprehensive Compliance Program may be updated from time to time as we continue to review our activities in this area.

## **IX. Availability of Compliance Program and Written Declaration**

McKesson's Comprehensive Compliance Program and written declaration of compliance are publicly available at [www.McKesson.com](http://www.McKesson.com). A copy of the Comprehensive Compliance Plan and written declaration of compliance may also be obtained by calling the toll free number at (877) 625-4625.