



## **COMPLIANCE PROGRAM OVERVIEW**

Aptevo Therapeutics, Inc. is committed to establishing and maintaining a comprehensive and effective compliance program in accordance with California SB 1765 (California Business & Professions Code 119400, 119402), and the Office of Inspector General, U.S. Department of Health and Human Services, "Compliance Program Guidance for Pharmaceutical Manufacturers" (OIG Guidance).

Aptevo Therapeutics, Inc. declares that, to the best of its knowledge, and based on a good faith understanding of the statutory requirements of California Health and Safety Code § 119400 and 119402, as of March 31, 2017, Aptevo Therapeutics, Inc. believes that it is in compliance with its Comprehensive Compliance Program.

### **1. Written standards**

Aptevo Therapeutics has established written policies and procedures to ensure compliance with the OIG Guidance and PhRMA Code, including the Code of Conduct and Ethics Policy, Policy on Interactions with Healthcare Professionals, and other complimentary policies that outline the company's commitment to compliance and corporate accountability. The standards set forth in the policies apply to all Aptevo Therapeutics employees and adherence to company policies is a condition of employment.

Aptevo Therapeutics does not permit gifts, promotional materials, items, or activities prohibited by the PhRMA Code, OIG Guidance, or FDA regulations. For items and activities that are not prohibited, Aptevo Therapeutics has set a cumulative annual spending limit of \$2,000 per healthcare professional. We track and monitor compliance with this promotional spending limit to the best of our ability and will modify our internal processes as necessary.

### **2. Education and Training**

All employees are required to receive compliance training applicable to their job function and responsibilities, which includes training on the Compliance Program and Aptevo Therapeutics policies. In addition, further specialized training may be provided where a need for additional training has been identified. Annual healthcare compliance training is required of all employees, contractors and agents who engage in, or support, commercial activities. Aptevo Therapeutics regularly reviews and updates its training programs to help ensure it continues to meet the educational needs of its employees.

### **3. Auditing and Monitoring**

Aptevo Therapeutics recognizes that a comprehensive auditing and monitoring plan is critical to maintaining the effectiveness of a Compliance Program. The subject of our auditing and monitoring assessments, as well as the extent and frequency of our reviews, may vary according to a variety of factors, including new regulatory requirements, changes in business practices and other considerations. As appropriate, auditing and monitoring results will be reported to the Legal department and senior management in order to help guide the Aptevo Therapeutics risk-assessment process.

### **5. Responding to Potential Violations**

The purpose of our Compliance Program is to prevent and detect violations of law or company policy. As the OIG Guidance recognizes, however, the implementation of such a program cannot guarantee that improper employee conduct will be entirely eliminated. Nonetheless, it is Aptevo Therapeutics' expectation that employees will comply with the Aptevo Therapeutics Compliance Program, and the policies established in support of such program. In the event that Aptevo Therapeutics becomes aware of



violations of law or company policy, we will promptly investigate the matter and, where appropriate, take disciplinary action and implement corrective measures to address potential policy gaps and prevent future violations.

#### **6. Corrective Action Procedures**

A key element of the Aptevo Therapeutics Compliance Program is to provide clear disciplinary policies that set out the consequences of violating the law or company policy. After investigation of a reported or detected issue, the company will assess whether disciplinary action is appropriate, and whether a violation is in part due to gaps in our policies, practices, training or internal controls, and take action to prevent future violations.

#### **CONTACT INFORMATION**

For a copy of this Comprehensive Compliance Program Policy, please call 206-838-0500 or email [complianceofficer@apvo.com](mailto:complianceofficer@apvo.com).