

Sandoz Resolves Legacy Federal Government Civil Investigation in the U.S. Regarding Generic Drugs " >

Oct 01, 2021

- Company previously disclosed settlement agreement in principle and fully provisioned for this resolution

Basel, October 1, 2021 – Sandoz Inc., the U.S. subsidiary of Sandoz, has entered a settlement agreement with the Civil Division of the U.S. Department of Justice (DOJ) concerning the Department's years-long pricing investigation into the U.S. generic drug industry. This settlement is an expected outcome of the resolution the company reached in March 2020 with the DOJ Antitrust Division regarding the same investigation and underlying conduct. Today's settlement contains no new factual allegations against Sandoz, and the company fully provisioned for this settlement and disclosed the agreement in principle as part of the March 2020 resolution.

As recognized by the DOJ, Sandoz cooperated with the government's investigation. The conduct at issue here occurred at Sandoz from March 2013 through December 2015 in direct contravention of the company's values, policies and trainings in place at the time. The individuals implicated in the underlying conduct are no longer employed by the company.

As part of the agreement, Sandoz will pay USD 185 million, plus interest from the date of the agreement in principle to settle, and has agreed to corporate integrity obligations with the Office of Inspector General of the U.S. Department of Health and Human Services through 2026.

Keren Haruvi, President of Sandoz Inc., said: "Today's settlement bookends the March 2020 resolution and resolves all outstanding federal government matters concerning the DOJ's investigation into our historical conduct. The agreement is consistent with our commitment to resolve legacy compliance matters and continuously improve our compliance and training programs and evolve our controls. We're moving forward and remain focused on pioneering new ways to help people around the world access high-quality medicines."

Since the time of the referenced conduct, Sandoz has further evolved its compliance program in the spirit of continuous improvement. Given that this resolution includes a Corporate Integrity Agreement, Sandoz will be implementing controls designed to ensure compliance with the terms of this settlement. Sandoz strives to operate at the highest levels of sound governance as it reinforces its global leadership in generic pharmaceuticals and biosimilars covering all major therapeutic areas.

About Sandoz

Sandoz, a Novartis division, is a global leader in generic pharmaceuticals and biosimilars. Our purpose is to pioneer access for patients by developing and commercializing novel, affordable approaches that address unmet medical needs. Our ambition is to be the world's leading and most valued generics company. Our broad portfolio of high-quality medicines, covering all major therapeutic areas, accounted for 2020 sales of USD 9.6 billion.

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