

## **Genzyme Corporation Corporate Compliance Program**

The Board of Directors (“Board”) of Genzyme Corporation (“Genzyme” or “Company”) voted in December, 1999, to establish Genzyme’s Corporate Compliance Program (“Program”) and to elect a Chief Compliance Officer (“CCO”) as an Officer of the Company. The CCO was instructed to develop the Program in conformity with existing guidance issued by the Office of Inspector General for the Department of Health and Human Services (“OIG”). The Program has evolved over time and has specifically taken into account the Compliance Program Guidance for Pharmaceutical Manufacturers issued by the OIG in April, 2003 (“OIG Guidance”). The Program contains the seven elements which are the hallmark of OIG compliance program guidelines. They are as follows:

1. Implementing written policies and procedures.
  - Genzyme has adopted a Corporate Code of Conduct that sets forth ethical and compliance principles applicable to all employees across the organization. All employees are expected to read and acknowledge that they will comply with the Code of Conduct.
  - The Company’s policies, guidelines, and practices are in accordance with the OIG Guidance. They address the three areas of significant concern for pharmaceutical manufacturers identified in the OIG Guidance: Genzyme has policies, guidelines, and practices that (i) assure the integrity of Company-generated data used by state and federal governments to establish payment amounts; (ii) prohibit kickbacks and other illegal remuneration between the Company and persons or entities in a position to generate federal health care business for the Company; and (iii) require compliance with laws regulating drug samples.
  - The Company has adopted policies, guidelines, and practices consistent with the Code on Interactions with Healthcare Professionals of the Pharmaceutical Research and Manufacturers of America (“PhRMA”), as revised by PhRMA for January 2009 and thereafter. In particular, these policies, guidelines, and practices are consistent with the Code’s guidance regarding meals, third-party educational meetings, consulting arrangements, speaker training meetings, scholarships to educational conferences, and gifts.
  - Genzyme has adopted a dollar limit of \$1500 on gifts, promotional materials, or items or activities that it may give or provide to a California medical or health care professional in a given year (defined as July 1 to June 30). The dollar limit does not apply to drug samples, financial support for continuing medical education and health educational scholarships, or payments for professional services. As of January 1, 2009, Genzyme adopted the revised PhRMA Code which prohibits giving items of nominal value, such as practice-related items as well as meals outside of physician office or hospital practice setting.

2. Designating a Chief Compliance Officer and a Compliance Committee.
  - The CCO is an Officer of the Company who reports to Genzyme's Chief Legal Officer and who has direct access to Genzyme's CEO, the Board, and other members of senior management.
  - The CCO leads Genzyme's Corporate Compliance Committee, which oversees the Program. The Committee consists of senior individuals from business units and functional areas across the Company, with substantial representation from the various sales and marketing organizations that sell Genzyme products and services.
3. Conducting effective training and education
  - Genzyme has adopted a web-based approach for training.
  - Genzyme also arranges frequent live training activities, for example, for new sales and marketing employees in the individual business units.
  - The CCO and the Human Resources Department track completion of training by employees.
4. Developing effective lines of communication
  - Genzyme has a corporate Business Compliance Help Line which affords employees an opportunity to submit anonymous concerns and questions 24 hours a day, seven days a week. In an effort to further assure the anonymity, the Help Line is staffed by an independent third party that is responsible to the CCO.
  - Questions and issues raised by employees in connection with the Program are confidential. Genzyme will not tolerate harassment, threats or other retaliatory acts made to employees who report violations or suspected violations of the Program.
5. Conducting internal monitoring and auditing of practices
  - Each year the CCO, on behalf of the Corporate Compliance Committee, submits a Report to the Board of Directors. The Report briefs the Board on the implementation of the Program and assists the Board in fulfilling its responsibility to monitor Genzyme's compliance efforts.
  - Each year Genzyme engages expert outside legal counsel to evaluate its Program. A copy of the expert's report is included in the CCO's Annual Report to the Board.
  - Monitoring and auditing of compliance with Corporate Compliance Program parameters and practices are undertaken.
6. Enforcing standards through well-publicized disciplinary guidelines
  - Genzyme's Corporate Code of Conduct states that anyone who violates the guidelines, policies, or procedures in the Code or violates related corporate policies or procedures, anyone who knowingly fails to report violations promptly, or any supervisor who fails to oversee compliance by those he or she supervises is subject to disciplinary action.

Discipline ranges from warning, to suspension or discharge, at the recommendation of management, in consultation with Human Resources, the Legal Department, and the CCO.

7. Responding promptly to detected problems and undertaking corrective action
  - The CCO, with other management officials as appropriate, will immediately investigate allegations of violations of the Program and will respond promptly to correct any problems. Responses may include appropriate corrective measures and reports to relevant governmental authorities.

July 6, 2009

To the best of its knowledge, Genzyme Corporation conducts its business in compliance with the Program and with sections 119400 and 119402 of the California Health & Safety Code as it understands those provisions.

A copy of this document may be obtained by calling Genzyme at 1-877-GENZYME, extension 18080.