

# Vertex Pharmaceuticals Incorporated

## Reputational Due Diligence Level I

Subject Name	ODEBRECHT S/A
Date	2018 1539259386317

*Privileged and  
Confidential*

*Confidential  
Information for the  
sole benefit and  
use of Vertex  
Pharmaceuticals  
Incorporated*

{{ClientContactName}}  
{{Clientname}}  
{{ClientAddressline1}}  
{{ClientAddressline2}}

Dear {{ClientContactName}}:

Our Services were performed and this Draft Report was developed in accordance with our engagement letter dated August 15, 2017 and are subject to the terms and conditions included therein.

Our Services were performed in accordance with Standards for Consulting Services established by the American Institute of Certified Public Accountants ("AICPA"). Accordingly, we are providing no opinion, attestation or other form of assurance with respect to our work and we did not verify or audit any information provided to us.

Our work was limited to the specific procedures and analysis described herein and was based only on the information made available through June 28, 2018. This information has been prepared solely for the use and benefit of, and pursuant to a client relationship exclusively with Vertex Pharmaceuticals Incorporated ("Client"). PricewaterhouseCoopers Advisory Services LLC ("PwC") disclaims any contractual or other responsibility to others based on its use and, accordingly, this

information may not be relied upon by anyone other than the Client. Neither this deliverable nor its contents may be distributed to, discussed with, or otherwise disclosed to any Third Party without the prior written consent of PwC. PwC accepts no liability or responsibility to any Third Party who gains access to this deliverable.

PwC assumes no responsibility and makes no representations with respect to the accuracy or completeness of information provided to us. The Services were carried out on the basis that such information is accurate and complete. Such information was not subject to validation or verification procedures.

Our services do not include the provision of legal advice, and PwC makes no representations regarding questions of legal interpretation. Nothing contained herein should be taken to imply, infer, or, in any other way, represent legal conclusions.

Our services do not include the provision of certified translations, and no member of our team is a language expert. PwC makes no representations regarding the accuracy of translations performed and does not accept any responsibility for errors contained therein.

Our Draft Report contains a high level synopsis of the most significant issues we were able to identify within the limited timeframe and based on our syndicated and open source research and analysis which included:

- **Baseline corporate information:**

Research online corporate registry portals in relevant jurisdictions to attempt to locate details regarding the entity's registration information, status and the identities of the entity's directors, shareholders and key executives, as available in corporate records and other official sources

- **Sanctions and watchlists screening:**

Identify whether the entity and up to four affiliated parties (e.g., shareholders, executives or subsidiaries) appear in any of three syndicated global risk and compliance databases containing government prohibited-, debarred- and sanctioned entities/individuals, Specially Designated Nationals ("SDNs"), Political Exposed Persons ("PEPs"), and more than 1,000 global enforcement, embargo and denied parties lists.

We also await the advice and instruction, if any, from you to perform additional, more detailed due diligence procedures on any issues identified herein.

We look forward to discussing the Draft Report with you further.

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## Reputational Risk Summary

See Appendix 1 for further explanation of risk categories considered in this Reputational Risk Summary.

Risk Category	Risk Identified (Yes/None identified)
TI Corruption Perception Index	
Proof of Existence	Status:{{status}} Entity Type:{{entityType}} Registration Date:{{registrationDate}} Place of Registration:RIO DE JANEIRO Brazil
Controlling Party	<ul style="list-style-type: none"><li>MR NORBERTO ODEBRECHT</li><li>MR FRANCISCO PELTIER QUEIROZ</li><li>MR EMILIO ALVES ODEBRECHT</li><li>MR EDUARDO ODEBRECHT</li><li>MR NORBERTO ODEBRECHT JUNIOR</li></ul>
Allegations/Evidence of Corruption or Bribery	{{Poe_Redflag}}

Terrorism, Money Laundering, Drug Trafficking, Organized Crime	{{Poe_Redflag}}
Foreign Officials/PEPs	{{Poe_Redflag}}
Government-Prohibited Persons and Entities	{{Poe_Redflag}}
Government Touchpoints/SOEs	{{Poe_Redflag}}
High Risk/Offshore Jurisdictions	{{Poe_Redflag}}

## Global Risk Intelligence Results

Research of global risk and compliance databases covering government prohibited and barred persons and entities, politically exposed persons ("PEPs"), terrorism, corruption and money laundering subjects, among others, was performed on Beeineditus - ODEBRECHT S/A as well as affiliated entities and individuals, as of 2018 1539259386317. Relevant results were presented by entity and/or associated individual in the reputational risk summary above and report below. The full results of these searches are presented in the following table:

Search Term	Subject Relevance	Result
ODEBRECHT S/A	Primary subject	{{results}}
Mr Paulo Luciano Nitrini Guidolin	ODEBRECHT S/A President	{{results}}
Mr Daniel Bezerra Villar	ODEBRECHT S/A Director	{{results}}
Mr Andre Amaro Da Silveira	ODEBRECHT S/A Director	{{results}}
Mr Mauricio Roberto de Carvalho Ferro	ODEBRECHT S/A Director	{{results}}
Mr Jose De Freitas Mascarenhas	ODEBRECHT S/A Director	{{results}}
Ms Marcela Aparecida Drehmer Andrade	ODEBRECHT S/A Director	{{results}}
Mr Marcelo Lyra Gurgel Do Amaral	ODEBRECHT S/A Director	{{results}}
Ms Monica Bahia Odebrecht	ODEBRECHT S/A Director	{{results}}
MR NORBERTO ODEBRECHT	ODEBRECHT S/A owner	{{results}}
MR FRANCISCO PELTIER QUEIROZ	ODEBRECHT S/A owner	{{results}}
MR EMILIO ALVES ODEBRECHT	ODEBRECHT S/A owner	{{results}}
MR EDUARDO ODEBRECHT	ODEBRECHT S/A owner	{{results}}
MR NORBERTO ODEBRECHT JUNIOR	ODEBRECHT S/A owner	{{results}}

ODEBRECHT S/A

Type of information identified	Detailed findings								
Company name, number and date of incorporation	Status:{{status}} Entity Type:{{entityType}} Registration Date:{{registrationDate}} Place of Registration:RIO DE JANEIRO Brazil Entity registration number: {{registrationNumber}}								
Address and contact details	<b>Registered address</b> <ul style="list-style-type: none"><li>Address: AV CIDADE DE LIMA 86 ANDAR 6 SALA 201 - PARTE SANTO CRISTO RIO DE JANEIRO 20220-710 Brazil</li><li>Telephone:</li><li>Email:</li></ul>								
Principal activities	{{businessPurpose}}								
	GRC information								
		owner name	Jurisdiction	Date of Birth	Position	Category	Sub-category	Remarks	Source/Date
					Fined MX N 1 and disqualified by the SecretarÃa de				



Owners	Alves Odebrecht, Emilio	{{jurisdiction}}	January 25, 1945	acted for money laundering - August 01, 2017	Enforcement	Money Laundering	laundry when Judge Sérgio Moro accepted a new complaint filed by the Federal Public Ministry (MPF). In the context of Operation Lava Jato,	Compliance Database accessed on October 11, 2018
	Quiróz,	{{jurisdiction}}		Sentenced to seven years in prison	Enforcement		According to the U.S. Florida Attorney General; April 29, 2015 : 14 gang members were convicted and sentenced for racketeering and	WorldCompliance Database

		Francisco	jurisdiction}}	1995	on for racketeering - April 29, 2015	men t	RICO	conspiracy to racketeer. According to a 10-month investigation by the Attorney General â€™s Office of Stat ewide Prosecution, the	accessed on October 11, 2018
	Director s and/or Key Management								
		Officer name	Jurisdiction	Date of Birth	Position	Category	Sub-category	Remarks	Source/Date
					Sentenced to			According to Mini stÃ©rio PÃºblico Federal; March 11, 2015 : Daniel Vale Beze rra was sentenced to	



Shareholders									
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Dire ctor s/Of ficer s	Vale Beze rra, Dani el	{{jurisdiction}}	Mar ch 31, 1976	six year s and 27 days of semi ope n regi me and fine d BRL 39,1 00.0 0 for emb ezzl eme nt	Enfo rce men t	Emb ezzl eme nt	six year s and 27 seve n days of semi open regi me and fine d BRL 39, 100. 00 for emb ezzle men t. Vale Beze rra was sent ence d as a resu lt of the oper atio n Peca do Capi tal	Worl dCo mpli ance Data base acce ssed on Octo ber 11, 2018
	Nitr ini Guid	{{jurisdiction}}	null	Dire ctor of Poly olefi ns, Com perj and Ren ewa	PEP	Mg mt Govt	Care er: Dire ctor of Poly olefi ns, Com perj and Ren ewa ble Unit of Bras kem SA (201 2 - 2017 )	Worl dCo mpli ance Data base acce

	olin, Luciano	ction}}		ble Unit of Braskem SA (2012 - 2017)		Corp	Traj etÃ³ria: Diretor da Unidade Poliolefinas, Comperje RenovÃveis da Braskem SA (2012 - 2017)	ssed on October 11, 2018
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Sanctions and PEP lists	name:ODEB RECHT S/A {{remarks}} source: {{source}}	
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## Appendix 1: Risk categories defined

**Additional information regarding PwC's characterizations of relevant risk factors, introduced previously in the Reputational Risk Summary section, is provided below.**

Risk Category	Explanation
	Transparency

	TI Corruption Perception Index	International's 2017 CPI score is derived from an annual global survey that measures local perceptions regarding the prevalence of public sector corruption in 180 countries. The CPI is widely considered to be the leading indicator of the likelihood that business conducted in certain jurisdictions will involve corruption and/or bribery. A score of 0 indicates the country is perceived as highly corrupt, while a score of 100 indicates transparency.
	Allegations/Evidence of Corruption or Bribery	Targeted research of global risk intelligence databases and public records to identify publicly reported allegations, indictments or other legal action naming the subjects in connection with corrupt activity, including but not limited to offering/receiving bribes.
	Terrorism, Money Laundering, Drug Trafficking, Organized Crime	Research of global risk intelligence databases and public records to identify publicly reported allegations, indictments or other legal action naming the subjects in connection with terrorism, money laundering, drug trafficking or organized crime.
	Foreign Officials/PEPs	Searches to identify whether Subjects are, or are known to be associated with persons designated as Politically Exposed Persons.
	Government-Prohibited Persons and Entities	to identify the Subjects - or their associates/affiliates - on one or more of Searches over 400 lists compiling banned, sanctioned or debarred persons and entities.
		Targeted research to identify: possible state-ownership (partial or full) of Subject entities; persons holding current or former

	Government Touchpoints/SOEs	government positions serving in key leadership positions at the Subject entity; significant government contracts won/participated in by the Subject; other material association with the government or government officials.
	Proof of Existence	Research to verify that the Subject (entity or individual) exists as an active, legal entity in the relevant jurisdiction, and has a background of being engaged in the relevant business sector.
	Controlling Party	Research to identify the persons/entities that ultimately control/own shares of the Subject entity.
	High Risk/Offshore Jurisdictions	Targeted research to identify that the Subject entity or its affiliated persons conduct business in, or otherwise have ties to, jurisdictions considered by the Financial Action Task Force ("FATF") to be offshore financial centers (a/k/a tax havens) and/or Non-Cooperative Countries/Territories ("NCCTs"), i.e. countries which the FATF perceives to be non-cooperative in the global fight against money laundering and terrorist financing.