

Public Reprimand for Daiichi-Sankyo Case AUTH/3285/12/19

Daiichi-Sankyo has been publicly reprimanded by the Code of Practice Appeal Board for its fundamental systemic failure to have adequate processes in place to correctly disclose transfers of value over a three-year period (Case AUTH/3285/12/19).

The Code of Practice Panel considered that failure to disclose the required information on Disclosure UK was extremely concerning as was the scale of the under reporting and it ruled breaches of the Code including Clause 2. The Panel decided to report Daiichi-Sankyo to the Appeal Board as its conduct raised concerns about the company's procedures which warranted consideration by the Appeal Board.

The Appeal Board considered that this case demonstrated that Daiichi-Sankyo had grossly under reported the true position of its transfers of value over a sustained period. The Appeal Board considered that the issue was broader than one individual's failing. There was a fundamental and systemic failure of the company's processes and a complete misunderstanding of the requirements and application of the Code.

In addition to the public reprimand the Appeal Board also decided to require an audit of Daiichi-Sankyo's procedures in relation to the Code.