

ACTELION POLICY ON ETHICAL CONDUCT

1. CONTENT

Actelion's Policy on Ethical Conduct establishes corporate standards of behavior for all Actelion employees and also sets out Actelion's expectations of contractors, agents, and representatives. The policy assigns employee responsibilities that enable Actelion to fulfill its commitment to the highest legal and ethical principles in business conduct. The main provisions of the policy are:

- Employees of Actelion and its worldwide affiliates are responsible and accountable for obeying the law, adhering to this Policy of Ethical Conduct, following Actelion policies and procedures, and demonstrating honesty, integrity, and respect in their work and in their interactions with others.
- Supervisors are responsible for compliance and business ethics in the group they manage.
- Senior officers are accountable for compliance and business ethics in their functional or operational area.
- Performance reviews of all employees include a general evaluation of their compliance with company policies and, specifically, this Policy on Ethical Conduct.
- Actelion is committed to a work environment that encourages honest discussion of issues and concerns about legal compliance, company policy, and ethical business conduct.
- Employees who learn of or suspect a legal, ethical, or policy violation should discuss it with their supervisor, Human Resources, the Compliance Officer in their work area, or any member of the Corporate Compliance Office.
- Actelion does not permit retaliation against anyone who in good faith raises issues, concerns, or allegations of compliance violations or unethical conduct.
- Actelion will investigate all allegations. Actelion will discipline violators, up to and including termination of employment, and take corrective measures as appropriate.

1.1 THE WORK ENVIRONMENT

1.1.1 Interaction with Others

Discrimination based on race, color, religion, national origin, sexual orientation, sex, age, or disability is prohibited. Actelion does not permit harassment.

Fellow employees, colleagues, customers, vendors, competitors, health professionals, patients, and government officials are to be treated with respect. Disruptive, abusive, or otherwise inappropriate behavior at work or while representing Actelion is not tolerated.

1.1.2 Health, Safety, and the Environment

Actelion is committed to providing a safe and healthy work environment for employees and to preserving and protecting the environment.

All employees must comply with environmental, health, and safety laws and regulations, strictly follow the company's policies and procedures, attend required training, and perform their jobs in ways that protect health, safety, and the environment.

For additional information regarding training requirements and safety issues, consult a Safety Officer, the individual responsible for safety in the workspace, Human Resources, or the Corporate Compliance Office.

1.1.3 Treatment of Animals

It is Actelion's policy to humanely treat all animal subjects used in its research. Only as many animals as required for research should be used, and alternatives sought where possible.

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1.2 CONFLICT OF INTEREST

A conflict of interest arises when personal interests or activities compromise, or appear to compromise, the ability to make an impartial business decision or when employee position at Actelion is used for personal advantage.

Employees are prohibited from engaging in activities that may result in a conflict of interest unless Actelion's Legal Counsel provides a written exception.

Some common conflict of interest situations are:

- **Financial Interests**
Holding, by an Actelion employee or by his/her immediate family, of a direct or indirect benefit, ownership, or interest (but excluding a 5% or less interest in a publicly traded stock) in a competitor, vendor, or customer.
- **Employment**
Being employed by, providing consulting services for, or serving as an officer or director of another company.
- **Business and Financial Transactions**
Conducting Actelion business transactions with a company employing an immediate family member of the respective Actelion employee unless it is clearly documented or agreed with the superior.
Entering into personal financial transactions with an employee or representative of a customer, competitor, or vendor.
- **Corporate Opportunities**
Using or disclosing non-public information acquired while as an employee of Actelion.
Taking advantage of business opportunities, such as rights to a product or process that rightfully belong to Actelion.
Selling services or products that compete with Actelion.

1.3 SCIENTIFIC INTEGRITY

Research integrity is fundamental to the scientific process and to Actelion's ability to bring novel products to market.

All Actelion research and development must be conducted according to all applicable laws and regulations and to the generally accepted ethical standards of the scientific community. Scientific misconduct, such as fabrication, falsification, or plagiarism in proposing, conducting, or reporting research, disregards the intellectual contributions and property of others, impedes the progress of research, and corrupts the scientific record. It is prohibited.

1.4 GOVERNMENT REGULATION

Actelion's business operations are highly regulated. As a pharmaceutical company, we must commit to the highest quality standard. Health Authorities worldwide monitor Actelion activities closely. Strict compliance with all Health Authority requirements, as well as with the requirements of other regulators at all levels of government, is obligatory. Attendance at Actelion training programs on compliance requirements related to employee job responsibilities and tasks is mandatory.

Actelion is required to compile and maintain numerous records and substantial information, and to file reports and applications with various government agencies. Virtually all of these agencies operate under laws, which make it a crime – punishable by fines and/or imprisonment – to knowingly submit false or incomplete information, to fail to submit required information, or to fail to submit information within the required time period. Carelessness alone can constitute an offense in some instances and can call into question Actelion's competency and good faith.

Accordingly, Actelion requires that all employees who prepare information, records, or submissions for governmental agencies, or who otherwise deal with such agencies, do so diligently, accurately, completely, and with absolute integrity.

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1.5 RECORD KEEPING

Company records, such as laboratory notebooks, product information, financial information, and government filings, must be an accurate and verifiable record of all activities and transactions. All data must be recorded according to Actelion's scientific, manufacturing, and Quality Assurance/Quality Control Standard Operating Procedures, and in accordance with all applicable laws and regulations. Financial records must be kept according to IASP or GAAP. The manner in which information is recorded reflects on the company's scientific and business integrity, and all employees are responsible for adhering to the highest standards of their profession. Reports and interpretation of data and results (including financial results) must be done in good faith and in such a manner to prevent misleading the reader. Falsification of records or misrepresentation of facts will not be tolerated.

1.6 INFORMATION

Information about Actelion operations, performance, technology, or personnel that has not been publicly disclosed by an authorized spokesperson of the company or is not available from public sources is confidential. Protecting confidential information is critical to Actelion's competitive edge and is every employee's responsibility. Actelion employees are required to sign a confidentiality agreement and must abide by its terms.

Some examples of confidential information are:

- Research and scientific data
- Clinical study information
- Technical designs and processes
- Manufacturing designs and processes
- Financial records and data
- Marketing and business plans
- Unpublished patent applications
- Information that would enable a competitor to gain an advantage
- Information that may influence the share value for Actelion

1.6.1 Confidential Information that Belongs to Others

Passing information about other companies to Actelion employees is acceptable only when the information is obtained through the public domain or Actelion lawfully received it from the owner or an authorized party. Employees are not to use or disclose another company's confidential information unless it was properly obtained by Actelion. Such confidential information rightfully given to Actelion must be protected and not used or disclosed except according to the terms under which it was provided.

Employees who are offered or come into possession of information about another company and are unsure of its status, or believe it may be confidential, should consult with the Legal Department or Group Compliance Officer.

1.6.2 Insider Trading

Confidential information that could affect the price of a stock (Actelion's or another company's) or could be considered important by investors trading in a stock is commonly called "inside information." It is illegal to use or disclose inside information for the purpose of buying or selling stock. Doing so can result in fines and criminal prosecution for both the person who trades and the person who divulges the information.

Employees who possess material, non-public information about Actelion or any other company must not trade in those stocks, advise anyone else to do so, or communicate this information to anyone until the information has been made public.

To avoid even the appearance of trading on inside information, certain employees are restricted to specific times in which they can trade in Actelion stock. Employees who believe they may be subject to these trading periods, or have questions about a specific situation, should consult the Office of the General Counsel before trading.

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1.7 BUSINESS PRACTICES

Interactions with vendors, customers, competitors, collaborators, health professionals, patients and government officials must be legal, fair, and equitable. Offering financial inducements to purchase a product or service is inappropriate and forbidden. Business must be awarded based on the quality and value of the product or service. Actelion employees should not engage in activities of manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other practice that takes unfair advantage of a business situation.

1.7.1 Gifts and Entertainment

1.7.1.1 Business Associates

Modest gifts and entertainment as an adjunct to conducting business have become common practice. However, there is the potential that offering gifts or entertainment could, even inadvertently, result in a conflict of interest. It is always inappropriate for an Actelion employee to ask for gifts.

Hosting or accepting meals or entertainment should be reasonable and compatible with industry standards and local customs. To avoid even the appearance of inappropriate influence on business decisions, employees must exercise caution, honesty, and good judgment; and in uncertain circumstances, must present the situation to their managers, who have the ultimate responsibility and authority to approve offering or accepting a business courtesy.

If refusal of a gift would offend the giver, the gift should be accepted and then forwarded to the local Human Resources department for disposition.

1.7.1.2 Government Officials

Actelion policy prohibits giving or promising anything of value to any government official or candidate for public office in order to obtain or retain business. This policy also applies when an intermediary is used to facilitate a transaction between a company and a public official. To comply with this policy, employees must be diligent and vigilant in selecting and managing individuals retained to assist in obtaining or maintaining government contracts or other business opportunities in any country.

Laws regarding reimbursement of expenses for government personnel vary by the agency and country with whom the other party is affiliated. Before making any such payment, employees must consult with their local legal counsel.

Making or facilitating the making of false claims for reimbursement or other benefits is illegal and prohibited.

1.7.2 Antitrust

Violation of laws and regulations designed to promote competition and free enterprise has serious consequences for the company and for individuals. Below are some examples of activities with important antitrust implications:

- Agreeing with competitors to fix prices or other terms of sale
- Boycotting or otherwise refusing to deal with certain suppliers or customers
- Dividing sales opportunities with competitors by territory or product line
- Agreeing with distributors on resale pricing
- Price discrimination
- Pricing to drive a competitor out of business
- Disparaging, misrepresenting, or harassing a competitor

Antitrust issues and their required fact-specific legal analyses are complex. Any questions regarding the propriety of possible actions should be directed to the Office of the General Counsel or local legal counsel.

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1.7.3 International Trade

Employees whose job functions involve international trade must be knowledgeable of and compliant with the applicable restrictions and company policies on embargoes, boycotts, import/export, customs, and other trade laws.

For questions relating to matters of international trade, employees must consult with local legal counsel.

1.8 POLITICAL CONTRIBUTIONS AND ACTIVITY

It is recognized that as a highly regulated and publicly visible industry certain political initiatives may affect Actelion business. Actelion's political activities will occur only through participation in, and membership of industry associations (e.g. InterPharma, PhRMA). Direct support (financial or otherwise) of political parties or individual candidates for public office is prohibited. The Chief Executive Officer must approve consultation and hiring of political lobbyists.

1.9 ACTELION PROPERTY AND RESOURCES

All Actelion facilities and equipment are Actelion property. Employees are responsible for the appropriate use of Actelion facilities, equipment, and services.

Employees are not permitted to access another employee's office or computer, except as necessary in the proper conduct of company business.

1.9.1 Travel

Business travel is generally a significant source of expense and employee-time for a company. Business travel should have a legitimate business rationale and be conducted in such a manner to optimize the employee's time while using company resources efficiently. For this reason, travel times and methods should be made according to business needs foremost and not to coincide with personal business, vacation, or to maximize frequent flyer/mileage reward programs. These principles also apply to car rental and hotel choice.

Supervisors must ascertain and approve the reason for travel, the appropriate method and the need for multiple employees to travel to attend meetings.

1.10 THE CORPORATE COMPLIANCE OFFICE

The Corporate Compliance Office coordinates the business ethics and compliance programs and is a resource to assist employees with questions or interpretations of the Actelion Policy on Ethical Conduct and related issues. It is also a resource for supervisors in managing compliance issues. The Group Compliance Officer (GCO) is the head of the Corporate Compliance Office and reports directly to Actelion's Board of Directors. Reporting to the GCO, are individuals charged with assuring compliance with this policy in different countries and technical areas.

The Corporate Compliance Office may be contacted for assistance. Employees should contact the Corporate Compliance Office to ask questions, raise issues or concerns, or report suspected violations; anonymously if necessary.

Alleged compliance violations will be investigated. All employees are required to cooperate in any investigation. Failure to fully cooperate may result in disciplinary action, up to and including termination.

Corporate policies referred to in this policy and other generally applicable policies will be accessible via the Actelion intranet, or can be obtained by calling the Corporate Compliance Office.

Actelion recognizes the hard work and constant attention needed to maintain high ethical standards and compliance priorities in the workplace. Individual employee commitment to this Policy on Ethical Conduct will demonstrate Actelion's dedication to integrity, professionalism, quality, respect, and honesty.