

CODE OF CONDUCT OF THE GALENICA GROUP

Berne, 1st April 2017

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Page 2

1. Purpose and scope	3
2. Compliance with laws, personal obligations	4
3. Protection of the environment, health and safety	4
4. Discrimination and harassment	5
5. Bribery and corruption, gifts and invitations	5
6. Usage and protection of company property and information, confidentiality	6
7. Protection of data and privacy	6
8. Conflicts of interest	6
9. Insider dealing	7
10. Antitrust law	7
11. Compliance	8
12. Effective Date	8

Purpose and scope

Galenica and its affiliated companies (hereinafter "the Galenica Group") strive to meet their responsibilities with regard to economic as well as environmental, social and ethical aspects. Supplementary to the applicable laws, the Galenica Code of Conduct (hereinafter "the Code") defines internal ethical rules and standards that are applied by the Galenica Group both nationally and internationally.

The Code is applied by all business sectors of the Galenica Group, and represents the basis of all more detailed regulations, directives and rules regarding the areas mentioned below. However, the Code does not take precedence over applicable laws and ordinances that go further than the rules and standards contained in the Code.

The Code is based on various aspects of conduct towards internal and external stakeholders and the public as a whole, as well as on the personal responsibility borne by anyone employed by the Galenica Group. It comprises the following areas:

- Compliance with laws, personal obligations
- Protection of the environment, health and safety
- Discrimination and harassment
- Bribery and corruption, gifts and invitations
- Use and protection of company property and information, confidentiality
- Protection of data and privacy
- Conflicts of interest
- Insider dealing
- Antitrust law
- Compliance

The Code applies to all employees of the Galenica Group. Deliberate or negligent violations of the Code shall result in the appropriate disciplinary measures.

If questions or doubts arise as to the interpretation of the Code, employees are obliged to contact the Head of Group Legal Affairs.

Compliance with laws, personal obligations

In their work, the Galenica Group and its employees must comply with the law and with the ethical standards defined by Galenica. National and international sector-related customs, which form part of applicable legislation, must be observed.

All employees must be familiar with the legal provisions relevant to their area of professional activity.

Situations may arise in which legal provisions and regulations are not clear. In these cases, employees are expected to use their common sense and judgement and, if necessary, consult the Head of Group Legal Affairs and/or their line manager for advice and support.

Protection of the environment, health and safety

The Galenica Group attaches great importance to the protection of the environment and the health and safety of its employees as well as other individuals who could be affected by its activities.

The Galenica Group recognises the fact that long-term commercial success can only be achieved in harmony with society and the environment, and respects the principles of sustainability.

The Galenica Group expects its employees to comply with environmental regulations and all legal regulations concerning the protection of health and safety, and to practise production and research processes in accordance with the applicable laws.

The Galenica Group is committed to fair working conditions. The Group does not use child or forced labour, nor does it tolerate working conditions or forms of treatment that violate national and/or international laws and customs.

Discrimination and harassment

All employees of the Galenica Group are entitled to fair, courteous and respectful treatment from line managers, subordinates, colleagues, customer representatives and business partners.

The Galenica Group does not tolerate anyone being harassed, discriminated against or disadvantaged without material justification on the basis of their race, skin colour, religion, ideology, political views, nationality, ethnic origin, gender, handicap, age or any other relevant criterion.

All groups referred to are obliged to conduct themselves accordingly and to respect the privacy of others.

Bribery and corruption, gifts and invitations

Pursuant to legal provisions and the Penal Law Convention of the Council of Europe concerning corruption, employees must not make any forbidden payments or offer kick-backs or any other financial benefits with a view to conducting transactions or receiving services.

Employees presented with an offer or demand of this kind must report it immediately to their line manager and the Committee set up by the Board of Directors. This Committee is made up of members with experience of the market and the Head of Group Legal Affairs, and defines rules of conduct, serves as a point of contact in the event of questions and doubts and is authorised to make case-based decisions.

Modest gifts and invitations can be exchanged between business partners as a customary courtesy, within the framework of local norms. The value of a gift or invitation must not, however, oblige the recipient in any way. Any gift or invitation that does not meet these requirements must be declined.

In cases of doubt as to whether an unrequested gift or invitation can be accepted, the employees concerned must contact the Head of Group Legal Affairs and/or their line manager.

Use and protection of company property and information, confidentiality

All employees are obliged to protect the property of the Galenica Group and to ensure the efficient use of the resources available.

Employees are required to maintain the confidentiality of business information provided to them in connection with their work at or for Galenica. This applies not only vis-à-vis external parties but, in the case of confidential projects and sensitive information, can also apply to other employees. The obligation to maintain the confidentiality of information continues to apply even after the employment relationship with the Galenica Group ends.

Protection of data and privacy

The Galenica Group respects and protects personal data and the privacy of the individual.

Employees who process personal data are required to comply with specific regulations.

All personal data in the possession of the Galenica Group are treated fairly and carefully and in a way that both complies with the law and respects the privacy of the individual.

Conflicts of interest

The Galenica Group does not allow its employees to abuse their position or the property of the Galenica Group for their own personal benefit or enrichment.

Business must always be done in a way that best serves the interests of the Galenica Group, and decisions must not be influenced by personal or family-related aspects.

Potential conflicts of interest must be communicated immediately to the Head of Group Legal Affairs and/or the line manager.

Insider dealing

The Galenica Group does not allow insider dealing. It is illegal and unethical.

Information and situations that are not yet public knowledge and could influence the share price must not be passed on or exploited for securities transactions. Employees may not pass on insider information to anyone, including friends or family members.

These restrictions apply until the relevant plans, events or transactions have been made public. Announcements are made in accordance with the principles of ad hoc publicity and the requirements of the Swiss stock exchange (SWX).

Antitrust law

The Galenica Group and its employees are obliged to comply with the principles and rules of fair competition, and to respect antitrust laws in particular.

The rules of fair competition apply not only to formal agreements – they also apply to loose, informal agreements and so-called 'gentlemen's agreements'.

Agreements or arrangements between competitors aimed at coordinating market behaviour are forbidden.

In view of the complexity of antitrust legislation, all agreements with competitors or other third parties that may negatively affect competition must be reviewed by the Legal department. Clauses that may restrict competition include:

- Exclusivity clauses
- Pricing clauses
- Tying clauses
- Territorial restrictions
- Price discrimination

For further details and provisions, please refer to the applicable internal and external guidelines.

Compliance

All employees receive a copy of this Code. Management is obliged to include the values and standards of the Code in its leadership activities and to monitor compliance.

Any violations of this Code must be communicated to the employee's line manager and/or the Head of Group Legal Affairs. Cases of corruption and bribery must also be communicated to the Committee set up by the Board of Directors. The Galenica Group welcomes all information of this kind passed on in good faith.

The Galenica Group strives to ensure that employees who communicate violations are in no way disadvantaged at their workplace as a result.

Effective Date

The Code has been approved by the Corporate Executive Committee and the Audit and Risks Committee of the Board of Directors and is effective as from 1st April 2017.