BUSINESS ETHICS AND CONFLICT OF INTEREST POLICY

INTRODUCTION

Ferring is committed to conducting business in a fair, honest and sound manner to help assure that the long-term interests of its stakeholders are being served. As part of this commitment, this Business Ethics and Conflict of Interest Policy sets out the policies and procedures for the fair and honest business practices and behavior that Ferring expects from its Employees.

This policy applies to all Ferring employees, contractors and officers, who are referred to below as “Employees”. In this policy “Ferring” refers to Ferring Holding S.A. and all of its subsidiaries and affiliates.

Ferring’s guiding principles regarding business ethics and conflict of interest are:

Business Ethics: It is Ferring’s policy to comply with both the letter and the spirit of all laws to which it is subject, wherever Ferring does business. Ferring also expects its Employees to conduct all business on behalf of Ferring in a manner consistent with the highest ethical standards and within the framework of the Ferring Philosophy.

The Ferring Philosophy sets forth the principles and tone for the Company’s approach to all aspects of its business. Respect and integrity are key elements of the Ferring Philosophy. Respect for the bodies that regulate Ferring’s activities. Respect for the laws and regulations that govern Ferring’s business. Respect for patients and physicians using our products. Respect towards one another in all our activities.

At Ferring we build performance with integrity. By integrity we mean doing what is right. Therefore, before undertaking action, we must ask ourselves a few questions:

- Is this legal?
- Would it reflect negatively on me, my colleagues or the company?
- Is the action against company policy?
- Does it feel right?
- Is there an alternative action?
- How would it look to those outside the company?

Every Ferring staff member is expected to adhere and support the Ferring Philosophy, to foster commitment in the employees who report to them, and to do the right things.

Conflict of Interest: Ferring expects undivided loyalty from its Employees. Ferring Employees may not engage in any activities which could conflict with Ferring’s business interests, which could adversely affect its reputation or which could interfere with the fulfillment of the responsibilities of the Employee’s job, which at all times must be performed in the best interest of Ferring. Ferring Employees may not use their position with Ferring, or Ferring’s information or assets, for their personal gain or for improper benefit of others.

It is not possible to list all rules regarding business ethics or conflicts of interest. In those circumstances in which no guideline is specified, individual conscience, common sense and the adherence to principles of honesty and fairness should prevail in the conduct of Ferring’s business.

Set out below are more details on these guiding principles.

1.0 BUSINESS ETHICS

1.1 Compliance with Applicable Law

An Employee must take no action on Ferring’s behalf which the Employee knows or suspects violate any applicable law or regulation. While we must compete vigorously, we must at the same time do so in strict compliance with all laws and regulations that apply to us in every country in which we do business.
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Ferring and its Employees may not assist any other Employee or a third party in violating the laws of any country. This policy applies even where Ferring's assistance would not itself violate the laws of a country.

1.2 Observance of Moral and Ethical Standards of Society
In addition to full compliance with all laws, each Ferring Employee must comply with the moral and ethical standards of local society in addition to accepted international standards in the conduct of Ferring's business.

1.3 Fraud and Corruption
Ferring prohibits fraud and corruption of all kinds. It is not possible to make a complete list because fraud and corruption can be committed in many ways. Some examples include misuse of products, service quality, misuse of intellectual property, misuse of clinical trials, embezzlements, bribery, theft, falsification, unlawful payments and "kickbacks". Unlawful payments, "kickbacks" or loan of money to or from anyone (including any company or government) that does business or wants to do business with Ferring are specifically prohibited in Section 2.2(e).

Ferring will not tolerate, and no Employee may pay, offer or authorize, any bribe or any other unlawful payment on behalf of Ferring. Bribery is the giving of money or anything else of value in an attempt to influence the act or decision of a public official or to induce the public official to influence any act or decision of the government, to assist Ferring in obtaining or keeping business. Any Employee with knowledge of a request for or payment of a bribe must immediately disclose the information to the Group General Counsel.

The following are not considered bribes or unlawful payments:

(a) Gifts of modest value, conforming to normal social customs in the official’s country, and not intended to influence an official. However, any payment or gift (or the giving of anything of value) to an official of more than €200 must receive the prior approval of the Group General Counsel. Regional Finance departments, with the approval of the Senior VP or Legal for the region, must establish guidelines for the gift or receipt of any gifts of a value below €200.

(b) Expenditures for meals and entertainment and other normal social customs provided they are of nominal value and conform to the laws and customs of the country.

(c) "Facilitating" or "expediting" payments that are lawful in the country and designed to speed or secure the performance of routine governmental action by a foreign official. Any such payments must receive prior approval of the General Counsel. The exception for "facilitating payments" does not apply to any payment to a public official who has discretionary power to award new business to Ferring or to approve the continuation of existing business.

1.4 True and Accurate Communications, Business Records and Public Reporting
Employees must be truthful in all communications with one another, our customers, internal and external auditors, government agencies, and other third parties. Employees must maintain truthful business records that accurately and fairly reflect Ferring business and financial transactions. Employees must not falsify or forge any business records.

1.5 Compliance with Foreign Tax or Currency Laws
Ferring and all Employees must obey both foreign and domestic tax laws and foreign exchange control laws.

1.6 Labor Practices
Ferring and its Employees must comply with all local human rights laws for all countries in which Ferring does business. Further, Ferring holds itself to a standard which prohibits the use of forced labor, child labor, and unsafe working conditions.
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2.0 CONFLICT OF INTEREST
A conflict of interest exists when an Employee’s duty to give undivided business loyalty to Ferring can be prejudiced by actual or potential personal benefit from another source. All circumstances of conflict of interest, including those specified below, should be avoided.

If an Employee has any doubt about whether an activity may create a conflict of interest, the Employee must report that activity to his or her direct supervisor/Senior VP / Executive VP for the business area.

2.1 Loyalty to Ferring
No Employee should be subject, or even appear to be subject, to influences, interests or relationships which conflict with the best interests of Ferring. This means avoiding any activity which might compromise or appear to compromise Ferring or the Employee, or bring embarrassment to or adversely affect the reputation of Ferring or the Employee.

2.2 Dealing with Suppliers, Customers and Others- Gifts, Meals, Entertainment and Payments
All contacts and dealings with customers, suppliers, and potential customers / suppliers must be conducted so as to avoid even the appearance of impropriety or violation of any applicable law or regulation or this Policy.

(a) General policy
Employees may not offer, ask for, provide or accept anything of value either for themselves or for others in return for favorable treatment from Ferring, customers, suppliers or potential customers / suppliers, or others.

(b) Permitted gifts
Employees may give or receive gifts of a value of less than €200 that are motivated by accepted business courtesies. Regional Finance departments, with the approval of the Senior VP or Legal for the region, must establish guidelines for the gift or receipt of any gifts of a value below €200.

(c) Permitted gifts with prior approval
Employees may give or accept gifts that are motivated by accepted business courtesies of a value of more than €200 only with the prior approval of the Employees’ VP / Senior VP.

(d) Permitted business entertainment
Employees may provide business entertainment (refreshments, entertainment, meals) only if it is of reasonable value, motivated by accepted business courtesies. Employees may accept business entertainment only if it is of reasonable value and motivated by accepted business courtesies. In addition, Employees may accept any business entertainment of a value of more than €200, per Employee, only with the approval of the Employee’s VP / Senior VP.

(e) Unlawful payments or “kickbacks”
Employees may not for their own benefit or the benefit of others offer, solicit or accept any unlawful payment, “kickback” or loan of money in any amount to or from anyone (including any company or government) that does business or wants to do business with Ferring. However, this prohibition does not extend to personal loans to Employees made in the ordinary course of business by financial institutions or consumer lenders with which Ferring does business, unless it could reasonably be viewed as being done to gain a business advantage.
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2.3 No Interests in Competitors or Certain Others

(a) No Financial Interest in Suppliers, Customers and Competitors

No Employee may have any direct or indirect interest in any organization which is seeking or doing business with Ferring or which is a competitor of Ferring. This means for example that no Employee may be an investor or own shares in a Ferring competitor, supplier or customer.

There are only two exceptions to this rule: (1) an Employee may hold up to 0.5% of the shares in a publicly-traded company that is listed on a recognized trading market, or (2) the Group General Counsel has given prior approval to the Employee.

(b) Certain Prohibited Second-Job Employment

Employees must not accept employment with, or act as consultants or agents for, a Ferring customer, supplier or competitor.

(c) Boards of Directors and Advisory Boards of Other Companies

Employees must not become an officer or member of the Board of Directors or member of an Advisory Board of other companies without the prior written approval of the Group General Counsel.

In principle, Ferring supports and will positively consider any request for approval regarding a non-paid position of officer or member of the Board of Directors or member of an Advisory Board of not-for-profit or trade-related companies (such as health-care related, accounting-related, engineering-related and the like).

In principle, Ferring will only grant approval regarding for-profit companies (excluding trade-related companies) if there is a compelling business reason. An Employee is only allowed to hold one position with regard to for-profit companies (excluding trade-related companies).

If approval is obtained for a position of officer or member of the Board of Directors or member of an Advisory Board of a for-profit or not-for-profit company (excluding trade-related companies), all work must be performed outside of the Employee’s normal working hours or using the Employees’ holidays/vacation days. If approval is obtained for a position of officer or member of the Board of Directors or member of an Advisory Board of a trade-related company, work may be performed during the Employee’s normal working hours.

(d) Personal or Family Business with Ferring

Employees must not conduct Ferring business with family members or with a business in which family members participate, without the prior approval of the Employee’s Senior VP / Executive VP.

Employees must not sell goods or services to Ferring (beyond the stated or implied scope of their employment) without the prior approval of the Employee’s Senior VP / Executive VP.

(e) Business Opportunities

Employees must not take advantage of an opportunity for personal gain that rightfully belongs to Ferring. If a Ferring Employee becomes aware of a business opportunity that might fall within Ferring’s business purpose and practice, the Employee must inform his or her VP / Senior VP of the business opportunity. Employees must not sell their own services or products, or those of another person or firm, if Ferring offers similar services or products.

2.4 No Personal Appropriation of Ferring Property

No Employee may without proper authorization use or permit others to use Ferring property or services for personal purposes or their own personal benefit. The unauthorized removal of Ferring material, equipment or supplies, or unauthorized use of Ferring property, is treated as theft.
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The submission of a fraudulent expense report and the misuse of Ferring-issued credit and telephone cards are treated as theft. Each Employee is expected to use the same care for Ferring’s property as he or she would if it were the Employee’s own property.

Employees who are authorized to charge amounts directly to Ferring, using Ferring credit cards, fuel credit cards or Ferring provided phone access cards may use such accounts for Ferring business purposes only and must also take appropriate precautionary measures to protect such cards against loss or abuse.

2.5 No Misappropriation of Ferring Information

Sensitive or confidential Ferring information is the property of Ferring and must not be used by Employees for personal gain. No Employee may give or make available any sensitive or confidential Ferring information (including but not limited to financial data, trade secrets, know-how, future plans, etc.) to any third party. Similarly, no Employee may solicit or use another party’s confidential information for personal profit or for any other improper reason. Any exception must be approved in writing by the Employee’s Senior VP / Executive VP.

3.0 GENERAL PROVISIONS

3.1 Employees are Prohibited from Acting Indirectly through Friends or Family

An Employee who tries to or does take actions prohibited by this Policy indirectly through a friend or family member will be subject to disciplinary action up to and including termination as if the Employee had tried to or had taken the action directly.

3.2 Violation of Policy

Ferring will take immediate disciplinary action, up to and including termination, of any Employee who violates this Policy or whose relative violates this Policy. In addition, Ferring reserves the right to take all appropriate legal actions in connection with violations of this Policy, including, but not limited to, the initiation of criminal prosecution.

3.3 Procedure for Enforcement

Except as otherwise stated in this Policy, the Senior VP / Executive VP shall be responsible for enforcing the Policy within his or her organization.

3.4 How to Raise Questions or Seek an Exception to the Policy; Waivers

An Employee who has questions regarding the interpretation of the Policy or who would like to request an exception to the Policy should submit the question or request to his or her Senior VP / Executive VP, or to a member of the Legal Department. That person will make a decision in writing and communicate it to the Employee.

Any approval required in this Policy or any change to or waiver of this Policy for any Ferring executive vice president may only be made or granted by the Board of Directors of Ferring Holding S.A. Any transaction that is a related party transaction must be approved by the Audit or Finance Committee of the Board of Directors.

3.5 Reporting Potential Violations

Employees must notify Ferring as soon as possible if they become aware of any potential violations of this Policy, the law or if they believe that they have been requested to engage in conduct which violates this Policy, the law or to engage in any unethical act.

To raise a concern, Employees may contact their direct supervisor, their VP / Senior VP, the Ethics Officer or the Group General Counsel. An Employee may contact the Ethics Officer in Ferring by e-mail to Susanne.korsgaard@ferring.com or use the Alertline reporting service. Information and instructions for using the Alertline phone service are available on the Ferring Intranet under the Ethics Office menu. Concerns can be reported online by accessing https://www.compliance-helpline.com/welcomePageFerring.jsp. Although you are
encouraged to identify yourself, you may remain anonymous when using the Alertline service. In certain countries, privacy laws limit reporting using the Alertline to concerns related to finance, auditing, accounting, banking, anti-bribery and related matters. If you wish to contact the Group General Counsel you may send an e-mail to jean.duvall@ferring.com or send a letter marked "Personal & Confidential" to the attention of the Group General Counsel in St. Prex, Switzerland. If the concern relates to a payment to a public official you must contact the Group General Counsel.

3.6 Ferring’s Response to Reports of Potential Violations
Ferring will promptly and thoroughly investigate all reported potential violations with the highest degree of confidentiality possible under the circumstances. If Ferring determines, after investigation, that a violation has occurred, then it will take the action that it believes is appropriate or that is required by law. This could include disciplinary action against or prosecution of the individuals involved. It could also result in revising policies or procedures to prevent the occurrence of future misconduct, and increasing auditing and monitoring procedures to detect any future violation. Disciplinary action will vary depending on the circumstances, but may range from counseling to termination of employment of the individuals involved.

3.7 No Retaliation
Ferring will not engage in or tolerate retaliation against an Employee who has reported a potential violation under this Policy or cooperated with an investigation into reported misconduct. However, filing a report which the Employee knows to be false is prohibited and subjects that Employee to appropriate discipline which could include termination.

Adopted as of 26th of September, 2007
St. Prex, SWITZERLAND

Chairman of the Board

Secretary