

Code of Business Ethics

Compliance Hotline:
1-877-PURDUE1 (1-877-787-3831)

Purdue Pharma L.P. and
Associated U.S. Companies

Dear Colleagues,

We operate in the extremely complex and highly regulated pharmaceutical industry. Our Code of Business Ethics stands for our commitment to conducting our business in accordance with the highest ethical values and all applicable laws and regulations. We believe that our positive compliance environment promotes patient safety, contributes to employee satisfaction and is a business advantage for our Company.

We genuinely believe that all Purdue colleagues come to work with the intention of doing the right thing. While we attempt to explain a number of laws and regulations in our policies and procedures and through our educational training programs, these tools are not intended and cannot be expected to address every legal requirement or situation. Therefore, if you are not sure whether a law or Company policy applies, *or whether it exists at all*, you are required to ask questions and to raise concerns.

If you have any questions, we encourage you to go to your supervisor. If you do not feel comfortable going to your supervisor, or if you still have questions after doing so, we ask that you approach another manager, the Vice President, Corporate Compliance or another member of the Corporate Compliance Department, an HR Business Partner in the Human Resources Department, or an attorney with the Law Department. The Company will treat your inquiry in a confidential manner to the extent consistent with adequate investigation and appropriate corrective action. We also offer the Purdue Ethics and Compliance Hotline, 1-877-PURDUE1 (1-877-787-3831), which provides you with the ability to call any time to ask any question in a completely anonymous manner if you choose. You do not need to fear retaliation for raising a compliance question or concern. You may not be retaliated against for asking questions or raising good faith concerns regarding possible improper conduct.

In order to ensure our compliance with the various healthcare laws and regulations, we are continuously examining and revising our Code of Business Ethics, our policies and procedures, and our compliance program. If you have a suggestion on how to improve our controls and processes to detect violations of the law or Company policy, or if you believe that there is a need for training in a particular area, we encourage you to bring these types of suggestions to our attention through any of the mechanisms described above.

Compliance with the law and commitment to positive ethical values is a part of everyone's job here at Purdue, and we are counting on you to uphold the principles in this Code.

Thank you for your continued support and commitment to Purdue.

A handwritten signature in black ink, appearing to read "Bert Weinstein". The signature is stylized and cursive.

Bert Weinstein
Vice President, Corporate Compliance

Our Culture

We are people dedicated to serving the needs of our customers and of society. As pioneers in modern pain treatment, we shape the markets we serve through our portfolio of innovative medicines. Today we are catalyzing a new future for the company to compete, win and grow in the healthcare marketplace.

We do this through our people, for Purdue employees are our chief strength. Ambitious to succeed and achieve, we are collaborative business partners, innovative problem solvers, and accountable colleagues. Above all, we are courageous ambassadors for our mission, for we consider ours a noble cause.

Important Contact Information for Purdue's Corporate Compliance Department:

Purdue Ethics and Compliance Hotline: 1-877-PURDUE1 (1-877-787-3831)

E-mail: compliance@pharma.com

Mail: One Stamford Forum, Stamford, CT 06901

Phone: 1-203-588-8288

Secure Fax: 1-203-588-6269

Compliance Website: <http://cbs045:8889/default.aspx?url=https://purdue.sharepoint.com/sites/compliance>

These policies apply to the following Purdue associated U.S. companies ("Company") and their respective directors, as appropriate:

Pharmaceutical Research Associates, Inc.
PharmIT Inc.
PharmIT L.P.
Purdue Pharma Inc.
Purdue Pharma L.P.
Purdue Pharma Manufacturing Inc.

Purdue Pharma Manufacturing L.P.
Purdue Pharma Products L.P.
Purdue Pharma Technologies Inc.
Purdue Pharma of Puerto Rico
Purdue Pharmaceutical Products Inc.
Purdue Pharmaceutical Products L.P.

Purdue Pharmaceuticals L.P.
Purdue Products Inc.
Purdue Products L.P.
Purdue Transdermal Technologies L.P.
The P.F. Laboratories, Inc.

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OUR COMMITMENT

Purdue (the Company) is committed to lawful and ethical conduct.

Purdue is engaged in a variety of business relationships with many firms and individuals. The Company is both a seller of healthcare products and a buyer of goods and services and it sometimes collaborates with other firms in joint activity. In those relationships, Purdue is subject to extensive government regulation by the U.S. Food and Drug Administration (FDA), the U.S. Drug Enforcement Administration (DEA), the Centers for Medicare and Medicaid Services (CMS), and the Department of Health and Human Services Office of Inspector General (OIG), as well as other federal and state agencies. As such, in performing your duties for the Company, you must always follow the standards set out in this *Code of Business Ethics* (Code), Purdue's Healthcare Law Compliance Policies, the Employee Manual, and other policy documents issued from time to time.

Adherence to this Code is a condition of working at Purdue. Employees who violate this Code (including retaliating against anyone who has raised a concern under the Code) may be subject to discipline up to and including termination of employment.

OUR COMPLIANCE PROGRAM

Purdue is committed to conducting its business in compliance with the many laws and regulations that govern our operations. Our compliance program provides resources to assist every individual within the Company to act in a legal and ethical manner and to know how and where to obtain help or resources, when needed. We also expect our vendors, contractors, subcontractors, agents and other business partners to adhere to the same standards in their dealings with Purdue and with others on our behalf.

Corporate Compliance Program Structure

Vice President, Corporate Compliance. Purdue's Vice President, Corporate Compliance is responsible for overseeing Purdue's compliance program, including but not limited to training, development of compliance policies and procedures, internal auditing and monitoring programs relating to the legal and regulatory obligations of the Company, investigating potential violations of this Code and other policies and procedures, and ensuring that reports of violations are dealt with fairly and consistently. Our Vice President, Corporate Compliance reports to the Board of Directors and to the President.



Corporate Compliance Department. The Corporate Compliance Department works with our many colleagues to ensure adherence to laws, regulations, and Company policies on a daily basis. The Corporate Compliance Department has responsibility for compliance training, answering inquiries, investigating matters, auditing and monitoring, and promoting compliance with Purdue policies and procedures, as well as promoting compliance with state and federal transparency laws. The Corporate Compliance Department also publishes this Code, maintains the Corporate Compliance Department website, responds to reports from the Purdue Ethics and Compliance Hotline, and is generally available as a resource on compliance matters.

Corporate Compliance Council and Departmental Compliance Committees. The Corporate Compliance Council includes the Vice President, Corporate Compliance and other members of corporate senior management from the Law, Finance, Quality, Manufacturing, Sales and Marketing, Medical Affairs, Research and Development, and Regulatory Affairs departments. The Vice President, Corporate Compliance chairs the Corporate Compliance Council, and the Corporate Compliance Council supports the Vice President, Corporate Compliance in addressing Purdue's compliance risks.

Because we take compliance seriously throughout our Company, we focus on four key business areas, collaborating with senior level members of Sales and Marketing, Medical Affairs, Research and Development, Quality and Manufacturing, and Administration to address compliance risks in each of these areas.

Corporate Compliance Website. The central resource for compliance information and contacts is the Corporate Compliance intranet located at <http://cbs045:8889/default.aspx?url=https://purdue.sharepoint.com/sites/compliance>. The website contains helpful information, Questions & Answers, and links to training and other resources about laws, regulations, policies, and procedures governing our industry.

Corporate Compliance Training Program. On a regular basis, all employees and certain contractors will be required to complete online ethics and compliance training courses available on Purdue's Online Workplace Learning (OWL) system. If you are interested in additional content offerings on a particular topic, please e-mail your request to compliance@pharma.com.

Ethics and Compliance Hotline. The Purdue Ethics and Compliance Hotline provides a confidential way to report ethics or compliance

concerns or suspected misconduct, or to obtain information or advice regarding the application of Company policies or laws. Calls to the Ethics and Compliance Hotline are not traced or recorded, and callers may remain anonymous if they choose.

To reach the Ethics and Compliance Hotline, call **1-877-PURDUE1 (1-877-787-3831)**. A caller will reach a 24-hour communication response center that is staffed by operators from an outside company that specializes in taking calls from individuals with ethics or compliance questions and concerns. When you call, an operator will listen to your concerns, ask questions, and review the information you provide. The operator will then forward a written description of your concerns to Purdue's Corporate Compliance Department, which will then investigate or forward to the appropriate individuals to investigate and ensure that appropriate action is taken, if warranted.

Reporting Known or Suspected Violations

All Purdue employees are required to bring to the Company's attention information about suspected violations of law or policy by any employee, contractor, or agent of the Company. Employees are required to come forward with any such information regardless of the identity or position of the person who is suspected of engaging in improper conduct.

While we hope that employees feel comfortable discussing any matter with their supervisors, there may be times when a supervisor cannot help or when additional questions exist even after these discussions. In these cases, you should speak with others, including reaching out to:

- Another manager
- The Vice President, Corporate Compliance or another member of the Corporate Compliance Department
- The Vice President, Human Resources
- The Senior Director, Human Resources and EEO Compliance Officer
- An HR Business Partner within the Human Resources Department
- An attorney in the Law Department
- The Purdue Ethics and Compliance Hotline at **1-877-PURDUE1** or **1-877-787-3831**, toll free, 24 hours a day

To the extent possible and when appropriate under the circumstances, efforts will be made not to disclose the identity of an individual who reports a suspected violation of law or policy. Similarly, the identity of those who participate in the investigation will be protected to the greatest extent possible. However, the need to conduct an adequate investigation and to take corrective action may require disclosure of certain information.



In some circumstances, the Company also may be required by law to identify a person who makes a report or who is a witness.

Non-Retaliation Policy

Retaliation in any form against an individual who reports a violation of this Code or of law, regulation, or policy, or retaliation against an individual who assists in the investigation of a reported violation is itself a serious violation of Purdue's Code. Concerns about retaliation should be reported immediately. Any employee who retaliates against any person in violation of Purdue's Non-Retaliation Policy will be disciplined appropriately.

Consequences of Code Violations

Adherence to this Code is a condition of working for Purdue. Employees who violate this Code or any law, regulation, or policy, or who encourage others to do so, may be subject to appropriate consequences.

If, after investigation, it is determined that a compliance violation has occurred, an employee may be subject to discipline including, for example, training, referral to counseling, warning, reprimand, withholding of a promotion or pay increase, demotion, reassignment, temporary suspension without pay, or termination of employment.

Individuals are encouraged to report a violation even if they have participated in the violation that is being reported. While self-reporting will not shield someone from potential consequences, positive consideration will be given to an individual who comes forward to report his or her own compliance violation.

OUR INDUSTRY

We are committed to improving the lives of patients in meaningful and positive ways – from finding and developing safe and effective medicines, to manufacturing them at the highest levels of quality, to demonstrating their value and proper use through appropriate educational and promotional activities. We are equally committed to upholding the highest ethical standards, and to compliance with all applicable laws and regulations.

Healthcare Laws – Generally

Purdue is committed to full compliance with all federal and state laws including those laws applicable to federal healthcare program requirements and the Food, Drug, and Cosmetic Act, which seeks to:

- Ensure the truthfulness and safety of marketing, selling, promoting, researching, developing, and advertising our products
- Reduce fraud and abuse in federal and state healthcare programs (e.g., Medicare and Medicaid)

The Code is not, and is not to be construed as, a contract of employment or any other type of contract or an assurance of continued employment. Employees are hired and employed on an at-will basis. "At-will" means that employment is not guaranteed for any amount of time and that both an employee and the Company have the right to terminate the employment relationship at any time, with or without cause.

- Eliminate the improper influence of financial incentives on medical judgment (e.g., through regulation of sales and marketing)
- Protect patients and improve the quality of healthcare products, and
- Reduce the cost of healthcare generally

Likewise, Purdue is committed to full compliance with all federal and state transparency laws, including but not limited to the Sunshine Act provisions of the Patient Protection and Affordable Care Act.

As a Purdue employee, you must comply with all laws relating to the conduct of business in the pharmaceutical industry. In addition to the information set forth in this Code, further explanation of these laws and regulations can be found in Purdue's Healthcare Law Compliance Policies, which can be found on Purdue's intranet home page under Policies and Standards as well as on the Corporate Compliance Department intranet home page.

Quality Control/Manufacturing

Patient safety is of paramount importance. Quality is what customers, patients, prescribers, and other stakeholders expect from us. As a pharmaceutical manufacturer, Purdue has a special responsibility to make safe and effective products. To accomplish this, we must:

- Follow all government requirements, including good manufacturing practices, and all Company standards on product quality
- Adhere to Company business, quality, and compliance procedures
- Follow all procedures for the storage, handling, and shipping of products, and
- Follow all procedures regarding the reporting, investigation, and tracking of adverse drug events and product quality complaints so that this information can be properly reported to the appropriate regulatory authority in accordance with applicable laws and regulations. For more information on Purdue's adverse event and product complaint reporting requirements, refer to Purdue's Healthcare Law Compliance Policies

CONSEQUENCES OF NON-COMPLIANCE

Consequences of Non-Compliance for Purdue May Include

- Prosecution
- Monetary fines
- Loss of business
- Damage to Purdue's good name, trade and customer relations, and business opportunities
- Other penalties

Consequences of Non-Compliance for an Employee May Include

- Discipline
- Prosecution
- Monetary fines
- Imprisonment
- Termination of employment
- Other disciplinary action, as determined by the Company
- Other penalties



Fair and Balanced Marketing

Purdue keeps medical professionals fully informed of the approved uses, safety, indications, contraindications, side effects, and characteristics of our products. Among other mechanisms, we provide this information using:

- Package inserts
- Mailings to healthcare professionals
- Approved educational and/or promotional materials, and
- Presentations by our field-based personnel

The information provided in these materials must be consistent with the FDA-approved label and scientific knowledge pertaining to the relevant products.

Mishandling Controlled Substances

There are special rules and regulations regarding the handling, storage, and transfer of controlled substances, and all employees are required to strictly comply with all relevant policies and procedures. If you have any questions, please contact the head of the Controlled Substances Act (CSA) Compliance group or an attorney in the Law Department.

Employees are required to immediately report to the CSA Compliance group or an attorney in the Law or the Purdue Hotline any knowledge or suspicion regarding the improper handling, transfer, loss, or diversion of controlled substances. Failure to report such information in a timely manner may result in disciplinary action. Employees should be aware that failure to adhere to these rules and regulations could have serious adverse consequences for the Company and individuals.

Corruption and Bribery

Anti-Kickback Prohibitions. The federal Anti-Kickback Statute prohibits the offering of anything of value to a person that is intended to influence that person to recommend, purchase, or prescribe a healthcare product (including a prescription medication) or service that may be reimbursed by federal healthcare programs, including Medicare or Medicaid. In part, this law is designed to ensure that a healthcare provider's decision about a choice of treatment or product for his or her patient will not be influenced by motives of personal gain or enrichment. In addition to the federal law, some states have similar laws prohibiting such activities in connection with state healthcare programs and/or private insurers. For more information on the Anti-Kickback Statute, please refer to Purdue's Healthcare Law Compliance Policies.

Q. A shift supervisor has told me to “catch up later” on a quality control procedure. I think this violates Company policy, but she is the supervisor. Should I just follow orders?

A. No. If you think that the supervisor is breaking the rules and you do not feel comfortable talking with your supervisor directly, contact your supervisor's manager, an HR Business Partner, the Law Department, or the Corporate Compliance Department. You also can anonymously report your concerns via the Purdue Ethics and Compliance Hotline (1-877-PURDUE1).

Foreign Corrupt Practices Act. Under the Foreign Corrupt Practices Act, it is illegal for the Company's employees to make, promise, offer, or authorize the making of a payment or provide anything of value to a non-U.S. Government Official to improperly or corruptly induce that official to make any government act or decision to assist a company in obtaining or retaining business, or to otherwise obtain an improper advantage. No payment to any foreign official should be made without consulting an attorney in the Law Department to determine whether the payment would be prohibited.

Antitrust and Competition Laws

The federal government, most state governments, the European Economic Community, and many foreign governments have enacted antitrust or “competition” laws. The laws prohibit illegal “restraints of trade,” to ensure that markets for goods and services operate competitively and efficiently, so that (1) customers enjoy the benefits of open competition among their suppliers and (2) sellers similarly benefit from competition among their purchasers. In the United States and some other jurisdictions, violations of the antitrust laws can lead to substantial civil liability – triple the actual economic damages to the plaintiff. Moreover, violations of the antitrust laws are often treated as criminal acts that can result in felony convictions of both corporations and individuals.

Antitrust and competition laws are very complex. Employees of the Company must be alert to avoid even the appearance of anti-competitive conduct. Purdue prohibits:

- Discussions or other contacts with competitors regarding prices or other terms of doing business
- Discussions or other contacts with suppliers and customers that unfairly restrict trade or exclude competitors from the marketplace
- Agreements with competitors regarding territories or markets in which competitive products are sold, allocating markets or customers
- Agreements with others to boycott customers or suppliers, and
- Agreements to force a customer to buy a product that it does not want as a condition of a sale of a different product or as a condition of Purdue purchasing products or services from that customer

In addition, employees or representatives of the Company should never threaten to use the Company's market position (e.g., our strength in certain therapeutic categories) against a third party, boast about “dominance” or “market power,” disparage competing products, or mislead a customer or supplier about a competitor. Although these actions are not in themselves violations of antitrust laws, they may create an appearance of improper behavior.

Q. How can I recognize anti-competitive behavior?

A. Actions that might violate applicable antitrust or competition laws can take many forms. Beware of discussions or agreements with competitors that relate to prices; terms or conditions of sale; costs, profits, or profit margins; product or service offerings; production or sales capacity or volume; market share; coordination of bidding activities; dividing sales territories; or allocation of customers and/or product lines.



Participation in Trade Associations or Other Forums for Discussion with Competitors. Although participation in trade associations and other professional organizations may serve useful and legitimate purposes, such as exchanging information about government regulations, you must exercise caution as these meetings also bring together competitors who might discuss matters of mutual concern and potentially cross the line into noncompliance with antitrust and competition obligations. Employees should always clear their participation in such activities with their supervisors.

As a general rule, if employees have occasion to speak with competitors, they should avoid having business-related discussions in unstructured, casual circumstances, and should never discuss competitively sensitive subjects such as pricing, terms and conditions of doing business, customers, or markets. If a competitor begins to talk about any competitive topics (e.g., rebates), Company employees must publicly object to the discussion, leave the conversation, and immediately inform an attorney in the Law Department.

Sampling

Purdue employees may only distribute samples of, and vouchers for, prescription drugs in accordance with the Prescription Drug Marketing Act (PDMA), the Controlled Substances Act, and other applicable state and federal rules.

While it is generally permissible to distribute samples to prescribers, prescription samples cannot be given to non-prescribers or to retail pharmacies. Further, neither over-the-counter (OTC) samples nor prescription samples may be given to a prescriber with the intent to reward his or her prescribing habits or as part of a deal to switch patients from one product to another. Purdue employees must never encourage recipients of samples to charge patients for samples or submit claims for reimbursement for the samples.

Labeling

Purdue does not promote any Purdue products for uses other than those approved by the FDA and included in the product labeling. Pharmaceutical manufacturers cannot proactively promote, nor may they distribute, promotional materials that mention unapproved uses. Purdue may not promote a drug that is currently being investigated for a new use. There are limited exceptions to disseminate information concerning a drug before it has received marketing approval from the FDA. These exceptions must be approved in advance by an attorney in the Law Department. Please see Purdue's Healthcare Law Compliance policies for more information.

Q: During a family get-together, my parents' neighbor, an executive for a competitor, mentions that his company is going to raise prices on particular products. What should I do?

A: You should not discuss pricing, marketing programs, specific customers, or other prohibited topics with any competitor, regardless of your relationship with the competitor's representative. In this situation, you should inform the neighbor that it is inappropriate for you to discuss these topics and, if the conversation does not turn to acceptable topics, you should break off the discussion immediately.

Labeling includes all labels and other written, printed, or graphic matter accompanying the product. Labeling must be truthful, balanced, and accurately communicated.

In certain limited circumstances, pharmaceutical manufacturers may distribute off-label information in response to an unsolicited request from a healthcare professional. In addition, occasionally there are scientific articles or other materials that may mention information that does not exactly follow the approved labeling. Those items, if approved by the Material Review Process, may be disseminated without discussion by Purdue. Of course, the Law Department should always be consulted with regard to these types of matters.

Clinical Research

New drugs must go through several layers of evaluation and governmental review. Most drugs that undergo preclinical (animal) testing never make it to human testing and review by the FDA. The drugs that do make it to human testing must undergo FDA's rigorous evaluation process, scrutinizing everything about the drug – from the clinical trials' design to the severity of side effects and the conditions under which the drug is manufactured.

A clinical trial is a research study with human volunteers to answer specific health questions. All research and clinical studies supported by Purdue must promote legitimate research goals. The data and other information resulting from these trials must be completely accurate and truthful.

Privacy of Health Information

Generally speaking, unless your job duties require exposure to a person's medical information, you should not need or be exposed to medical information of identified individuals. If your job duties require such exposure or you inadvertently learn about such information, it is Purdue's policy that you retain this information as confidential. Employees must guard the confidentiality of all medical information in their possession. The disclosure of confidential medical information is strictly prohibited by law. Note, however, that the reporting of medical information of an individual related to an adverse event is permitted if reported to Drug Safety and Pharmacovigilance. For more information on Purdue's adverse event reporting requirements, refer to Purdue's Healthcare Law Compliance Policies.

PhRMA Code

Purdue subscribes to the Pharmaceutical Research and Manufacturers of America Code on Interactions with Healthcare Professionals (the PhRMA Code). While not law, the PhRMA Code is recognized by an agency of



the U.S. government as a good faith effort to comply with applicable federal healthcare laws. The PhRMA Code addresses various topics, including general interactions, meals and entertainment, continuing education, privacy of prescriber data, and promotional and consulting services between pharmaceutical companies (including Purdue) and healthcare professionals. You can access the PhRMA Code online and can learn more about this code on Purdue's intranet website under Corporate Compliance Department.

OUR COMPANY

Purdue seeks its competitive advantage through superior products, services, and performance, and never through unethical or illegal business practices. We compete vigorously for business, and expect that all conduct in the name of competition be consistent with the law and our commitment to integrity. Purdue expects its employees to operate in the best interests of the Company, to be forthright about our operations and performance, and to exercise care in the use of Company assets and resources.

Confidential and Proprietary Information

Much of the information you have access to at Purdue is proprietary. Proprietary information is a valuable corporate asset and must remain confidential. Proprietary information includes, but is not limited to, information relating to our products or business plans such as technical data, trade secrets and know-how, customer lists, vendor lists, future plans, sales and marketing strategies, patent applications, inventions, regulatory data or plans, manufacturing processes, formulas and formulations, finance or capitalization, and research and development. Unauthorized release of such proprietary information through, for example, discussion with individuals outside the Company or faxing or e-mailing the information to outsiders, can have adverse consequences for Purdue and potentially for you. For more information, refer to the Employee Manual.

Each employee must safeguard all proprietary information and ensure that any access to such information given to a third party (outside of Purdue) is restricted by the use of a confidentiality agreement approved by the Law Department and limited to those with a business need to know the proprietary information, unless further disclosure is appropriate and in the best interests of Purdue. Employees must, for instance, exercise care as to how telephone, fax, copy machines, and e-mail are used, to avoid releasing proprietary information outside the Company. Employees also should not disclose proprietary information to others within the Company without first ascertaining that the employees have a need to know the information. To the extent that records may be disposed of under the Company's records retention policy, employees should be careful when disposing of materials containing proprietary information to ensure that

such information has been disposed of in a manner that protects the confidential nature of the information.

Purdue also respects the proprietary nature of information of other companies, including competitors. Employees may obtain proprietary information regarding another company from prescribers or even from a competitor, but such information must not be shared or used in any way without the consent of the other company, unless it is publicly available (e.g., from the newspaper, from the other company's website, etc.).

If you have any questions regarding proprietary information, please contact an attorney in the Law Department.

The following additional guidelines are intended to prevent the improper use and/or distribution of Purdue's or its competitor's confidential information by candidates for employment or newly hired employees:

1. Candidates interviewed for employment with Purdue are not expected to and should not discuss confidential information related to their current or former employers. If a candidate offers to discuss confidential information or to provide confidential documents from his or her current or former employer, the interviewer should instruct the candidate that such disclosure of documents is inappropriate. Similarly, employees should not share the Company's confidential information with a candidate.
2. Candidates should be instructed to review their confidentiality or non-compete obligations with their employers to determine whether they are subject to any continuing obligations and to provide Purdue's Human Resources Department with the provisions of any written documents setting forth such obligations. Prior to any offer of employment being extended, an attorney in the Law Department must review any confidentiality or non-compete obligations.
3. New hires should be told that they are expected to abide by any existing confidentiality and non-compete obligations with their former employers. New hires also should be told that no confidential information they may have retained from their former employers should be brought to Purdue or used during their employment with Purdue.
4. Similarly, existing employees should not bring to Purdue or obtain, either orally or in writing, confidential information from their former employers. To the extent that an employee has or gains knowledge or possession of confidential information, such information should not be used in the course of performing duties for the Company or distributed to Purdue employees.



Business Intelligence

In today's business environment, we have access to a great amount of public information about other companies, their products, and services. It is generally ethical and legal to have and make use of public information in conducting our business. You are free to gather intelligence about companies from public sources such as their websites, published articles, price bulletins, advertisements, brochures, public presentations, and customer conversations. You also may contract with an outside vendor to gather business information, but only if the selection and contracting process is approved by the Law Department. You should only accept business information about other companies when you believe that the receipt and use of it is lawful and ethical, and does not violate anyone's confidentiality obligations. You must never use, or ask any third party to use, unlawful or unethical means such as misrepresentation, deception, theft, spying, or bribery to gather any such information. If you need assistance in this area, contact the Law Department or the Corporate Compliance Department.

Intellectual Property – Patents, Trademarks, and Copyrights

“Intellectual property” is a term used to describe copyrights, trademarks, patents, and trade secrets. A “trade secret” is any information or plan that gives its owner a competitive advantage because it is unknown to the rest of the industry. Examples of trade secrets include product formulas, inventions, customer and vendor lists, proprietary software, sales forecasts, and pricing information.

A substantial part of the Company's business involves use and licensing of patents, trademarks, and copyrights, and use of rights licensed from others. Purdue and its business partners invest extraordinary expertise and resources to make their products, and they expect their intellectual property to be respected and protected. The confidentiality of the Company's intellectual property is critical to the success of our business, and must be strictly maintained. By the same token, Company employees should never take or accept from others information or materials known or believed to contain the trade secrets of a competitor.

The infringement of patents, use of trademarks without legal right, reproduction of copyrighted works, or use of trade secrets without permission could subject the Company to fines and even criminal punishment. No employee should use any intellectual property that does not belong to Purdue without first determining whether permission has been granted for that use. This would include, for example, the unauthorized copying of journals and publications and downloading of software, videos (e.g. YouTube), or music. If you have questions about this policy, please contact an attorney in the Law Department.

Q. My manager wants me to find out what patient recruitment exclusion criteria a competitor is using in an important clinical trial. That information is not publicly available. Can I pose as a potential patient recruit, call the competitor's clinical research site, and simply ask some questions?

A. No. Misrepresentation – in this case, not disclosing that you are a Purdue employee – is an unethical way to gain access to a competitor's confidential information. Before you attempt to gather any business intelligence, you must consult with the Law Department to confirm that your strategy is legal and ethical.

Conflicts of Interest

A “conflict of interest” arises when an employee's personal, social, financial, civic, charitable, or political activities interfere with or have the potential to interfere with his or her loyalty and duty to Purdue.

The following are several types of conflicts of interest.

1. Outside Employment/Volunteer Positions. Purdue policy requires that all employees devote their full time and attention to the affairs of the Company and not engage in any other work, employment, or business activity, including as a paid board member of a for-profit or non-profit organization, unless such employee has obtained the Company's express prior written consent. As a general rule, the Company will not permit employees to serve as paid board members.

Employees are encouraged to pursue volunteer endeavors. Company approval is required prior to accepting an appointment to serve in a leadership role or as a board member for a non-profit organization that may advocate positions related to pharmaceutical industry issues (e.g., healthcare, pain management, specific disease-related states).

Employees wishing to accept volunteer positions related to pharmaceutical industry issues or any outside employment are required to contact Human Resources or Corporate Compliance prior to accepting such positions. A review of the request will be conducted to ensure that no conflict of interest arises and the requestor will be notified of the Company's decision. In all outside employment and volunteer positions, employees are required to abide by confidentiality and other obligations to Purdue.

2. Personal Investments or Transactions. Purdue respects your right to manage your personal investments. At the same time, you are responsible for avoiding situations that present – or create the appearance of presenting – a potential conflict between your personal financial interests and the interests of the Company.

3. Personal Relationships. The Company permits the employment of relatives of employees and others with whom employees have an intimate personal relationship where such employment does not create an actual or perceived conflict of interest, subject to the certain guidelines outlined in the Employee Manual under the Section “Personal Relationships.” Employment of relatives and others with whom employees have an intimate personal relationship will be reviewed by the Human Resources Department and the Law Department to determine if it is appropriate under the circumstances.

Q. If something is trademarked, patented, or copyrighted in one country, is it protected in other countries, too?

A. No, not necessarily. The Law Department tracks the trademark, patent, and copyright status of the Company's assets, as appropriate, on a worldwide basis. To find out if something is trademarked, patented, or copyrighted, contact the Law Department to request a search to help you determine whether or not something has protected status in any country of concern to you.



4. Acceptance of Gifts, Meals, Entertainment, or Other Favors.

Purdue will treat fairly and impartially all persons and firms with which it has business relationships. These business relationships will be established solely on their merits, in Purdue's best interests, and without regard to non-business-related considerations. The acceptance or provision of gifts, meals, entertainment, favors, and similar gratuities might influence or raise doubts as to the impartiality of the recipients, damage the reputation of the Company for fair dealing and, where government contracts are involved, violate the law. However, misunderstandings usually can be avoided by conduct that makes clear that the Company and its representatives transact business on an ethical basis and will not seek or grant special consideration.

Gifts and Entertainment: Any employee who is offered or receives a gift or entertainment (e.g., sports tickets, or theatre tickets) valued at more than \$25 must refuse the gift or entertainment and/or return it to the giver in a tactful manner, advising the giver of the Company's policy prohibiting its acceptance. Further, no employee should accept multiple gifts and/or entertainment from any business contact that cumulatively exceed the value of \$100 in any 12-month period.

Please note that when we discuss "value," we mean the fair market value of the item to the general public. For example, although a company may buy items in bulk with a cost per item of less than \$25, if the value of the item when sold to the public is greater than \$25, a Purdue employee would not be permitted to accept the vendor's offer of such an item.

Limited Exception for Certain Business Meals and Entertainment: Employees may occasionally be hosted by, or host, a vendor or business partner for a meal, sporting event, or other entertainment activity at which the host is present, for building relationships or other business purpose. In all cases the meal, event, or entertainment must: (1) not be in violation of federal or state laws, vendor or business partner policies, or other Purdue policy and (2) be reasonable and appropriate. The most senior Purdue employee must receive prior approval at the level of Vice President (or above) in the employee's department, and the Vice President giving such approval should consider whether such request is consistent with Purdue's policy – which notes that business relationships be conducted in the Company's best interests, free from the appearance of personal bias or conflicts of interest. For greater clarification, it is considered inappropriate for any hosting to be actively solicited by a Purdue employee, and for this limited exception to be applied more than infrequently with any single vendor or business partner.

Sample Language for

Return of Gift:

Dear [Vendor]:

Thank you very much for your kind gift of [a telephone headset]. Purdue's Code of Business Ethics prohibits Purdue colleagues from accepting gifts that are valued at more than \$25. While I appreciate your kind gesture, as the value of this gift exceeds Purdue's limits, I am returning it to you with my sincere thanks. I value you as a colleague and trust that we will continue to have an excellent working relationship.

Sincerely,

[Purdue Colleague]

Q: You just returned from an extended holiday vacation and find that a supplier sent you a gift box of chocolate truffles. Can you keep the chocolates?

A: In this case, there was no opportunity to refuse the gift prior to its arrival. Nevertheless, you may keep the gift only if the gift's value is less than \$25.

From time to time, employees will be asked to disclose any actual or potential conflicts of interest on a Conflict of Interest Questionnaire. You will be advised of what, if any, actions you must take to address any actual or potential conflicts you disclose. If your personal situation changes, prompting a need to update your Conflict of Interest Questionnaire, please send an e-mail to compliance@pharma.com.

In considering gifts, meals, and entertainment, remember the following: Business gifts, meals, or entertainment should be infrequent and should never be conditioned upon, or be a reward for, purchasing, prescribing, or promoting Purdue's products and services.

Honoraria and Reimbursement of Expenses

Occasionally employees may be asked to speak at or participate in conferences, seminars, online or telephone surveys, or similar events. Before accepting such engagements, employees must seek approval from their supervisors. In connection with speaking engagements or appearances, employees may *not* accept honoraria and must receive approval from their supervisors before accepting other things of value such as travel expenses, meals, or waiver of registration fees. The provisions of this section do not apply to events that are unrelated to the Company's business, do not have impact on the Company, and are attended on the employees' own time. However, in these instances, other Company policies, including but not limited to those regarding confidentiality, full-time employment, Material Review, Employees as Speakers, and misconduct, may apply.

Potential Conflicts of Interests – Questions to Ask Yourself

There is a potential for a conflict of interest if your outside financial or other interests or obligations affect your work at Purdue. Here are some questions to ask yourself to determine if you have a potential conflict of interest:

- Do I have a significant financial interest in any company that does business with Purdue?
- Do I spend significant time on outside work or hobbies during my workday at Purdue?
- Do I accept valuable and/or frequent gifts from suppliers, customers, or competitors?
- Am I in a position to hire or directly supervise a spouse, relative, or close friend?
- Do I have a business relationship with someone with whom I also have a personal relationship?

If you answered "yes" to any of these questions, you may have a potential conflict of interest, which must be disclosed to the Law Department or the Vice President, Corporate Compliance who will advise you on the proper action to take to minimize the actual or potential conflict

Q: A vendor provides me with a gift with a fair market value of \$75. Am I allowed to keep the gift if I pay him \$50?

A: No. You must return the gift. If in doubt as to whether you can accept a gift, meal, or entertainment, please discuss the situation with your supervisor and/or contact the Corporate Compliance Department.

Q: I am at a conference and drop my business card into a raffle to win a prize worth about \$100. My name is randomly selected from all participants who entered their names into the raffle. Am I allowed to keep this prize?

A: Yes. Because your name was randomly selected as the winner of the prize, you are permitted to keep it. You should inform the Corporate Compliance Department of your receipt of this prize.

Meals may be accepted from a vendor or business partner as long as they are modest and infrequent. *Gifts* from a vendor or business partner may be provided or accepted in the normal course of business as long as they:

- are reasonable and consistent with applicable laws and with accepted ethical standards and local business practices
- are of a value of no more than \$25 individually and \$100 in the aggregate over a 12-month period, and
- are not in violation of the rules of the recipient's organization



Using Confidential Information for Personal Gain – “Insider Trading”

While Purdue is a privately held company, many companies with which Purdue does business issue securities (e.g., stocks, bonds, options, and other forms of investment instruments) that are publicly traded. These securities are subject to complex laws and regulations designed to prevent unlawful insider trading.

Both “insider trading” and “tipping” are illegal and violate this policy, and no employee may engage in either activity, either personally or on behalf of others, by trading on or communicating material non-public information. Insider trading may subject individuals and the Company to civil and criminal penalties and result in serious employment consequences whether or not the conduct rises to the level of illegal conduct.

“Insider trading” is the purchase or sale of a publicly traded security while in possession of important, non-public information about the issuer of the security. “Tipping” is communicating important, non-public information to anyone who might use it to make decisions about purchasing or selling securities.

“Material non-public information” is information concerning a Company in which there is substantial likelihood a reasonable investor would consider it important in arriving at a decision to buy, sell, or hold securities and it is not widely known or disseminated. Information is likely to be “material” if it relates to significant changes affecting, for example, proposals, terms sheets, or agreements involving joint venture, licensing, merger, acquisition, or divestiture; new products or services or product development; sales; exploratory, discovery, or research developments; status of FDA approvals or other FDA decision making; or litigation of the Company or a business partner.

“Non-public information” is information which has not been made available to investors generally. Information received in circumstances indicating that it is not yet in general circulation or where the recipient knows or should know that the information only could have been provided by an “insider” also is deemed non-public information. In order to be deemed “public information,” information not only must be publicly disclosed, there must also be adequate time for the market to absorb and evaluate the information. Although circumstances may vary, a general rule of thumb is that information remains non-public two full trading days after public disclosure.

Q. I have been asked to serve on the Board of my local hospital. Am I allowed to do so?

A. Any appointment to serve as a director or officer of a public corporation must be approved by the Vice President, Corporate Compliance (or his/her designee) and Human Resources.

Q: As part of my employment with Purdue, I participate as a member of PhRMA, the Pharmaceutical Researchers and Manufacturers of America. Is this permissible?

A: Yes. Purdue encourages its employees to participate in certain non-profit industry organizations. If you have a question about participating in a particular organization, please discuss it with your manager or Corporate Compliance.

Q. I am a researcher and have learned that Purdue is about to receive approval from the Food and Drug Administration to market a new product, but that this information will not be made public for another few weeks. In order to manufacture this new product, I know that Purdue will need to purchase large quantities of raw materials from one particular supplier that is a publicly traded company. Based upon this information, can I, or my spouse, purchase stock in this publicly traded company?

Answer on next page

Non-public information that is learned, ascertained, or otherwise acquired by way of employment or due to employment may not be used by a Purdue colleague, or on behalf of others, in decisions to buy, sell, or hold securities, stocks, hedge funds, or other traded commodities. In addition, a Purdue colleague is prohibited from using such information for personal gain, or for the gain of others.

For example, if you know about a pending license deal between Purdue and a public company, you have inside information as to that stock and should not buy or sell any shares of that company or discuss it with others who do not have a need to know such information. If you are interested in purchasing stock in such Company, you must discuss your plans with Corporate Compliance or an attorney in the Law Department and receive approval to engage in such trading. Employees directly involved in such transactions, such as in Licensing & Business Development, Law Department, Finance, Sales and Marketing, and Public Affairs are prohibited from making such investments unless such investments are maintained in non-discretionary accounts.

In addition, Purdue colleagues are required to complete a Conflict of Interest Certification form listing any ownership interest (including stock ownership) in companies with which Purdue does or seeks to do business to alert the Corporate Compliance Department to any potential conflicts of interest with respect to such ownership interests. You are required to contact Corporate Compliance if circumstances change which may require the updating of a prior Conflict of Interest Certification so that the form may be updated and to fully cooperate with any inquiries Corporate Compliance may make with respect to such disclosure.

When in doubt, information obtained in your role as a Purdue colleague should be presumed to be important and not public. To reduce the risk of wrongful use of “insider” information, non-public information should not be discussed with unauthorized persons (i.e., with persons either in the office or outside the office who do not have a “need to know” such information for purposes of Purdue’s business).

Unauthorized persons include family, friends, business associates, and fellow employees without a need to know such information. If you have any doubt whether a particular situation requires you to refrain from making an investment (or making a recommendation to someone else that he/she make an investment), you should refrain from making any investment or recommendation and confer with the Corporate Compliance Department or an attorney in the Law Department.

A. Absolutely not. Neither you nor your spouse can purchase this stock until the information you have is known to the public. If you use this information or convey it to others, you will be violating Company policy and securities laws and exposing yourself, your spouse, and possibly others to civil and criminal penalties.

Q: What is a document?

A: “Document” is a very expansive term that includes, but is not limited to, all forms of recorded communication, such as internal memoranda, handwritten notes, Post-it Notes™, audio and video tapes, and all electronic or e-mail messages. In addition, the obligation to retain documents applies to all drafts and final versions of memoranda, hard-copy correspondence, e-mail messages, invoices, computer files, slides, data, and any other form of information, whether stored in hard copy or electronically and to any document now in existence or that may be created in the future. As the Company’s computer systems are backed up on a routine basis, employees are not required to take specific measures to maintain unaltered documents that are saved on the Company’s system. However, it would be best practice to not delete e-mail from your deleted items mailbox.



Accurate Record Keeping

Accurate records are essential to ensure the proper conduct of business and compliance with the law. All of Purdue's transactions must be recorded accurately, completely, and in a timely fashion.

- Never make false or inaccurate entries in any of the Company's records
- Never understate or overstate reports of sales or expenses, or alter any documents used to support any corporate reports

All assets and liabilities of the Company must be recorded in Purdue's regular books of account using generally accepted accounting principles. If any other employee, including a manager or an outside party, requests that you falsely or inaccurately record information of any kind, you are required to report that to a manager, the Vice President, Corporate Compliance, any attorney in the Law Department, or an HR Business Partner.

Records Management

Purdue has established a records retention policy along with instructions for disposal of records. In many instances, there are legal requirements that certain records be retained for specific periods of time and disposed of once the period of time has elapsed. Whenever it becomes apparent that documents of any type will be required in connection with a lawsuit or governmental investigation, all possibly relevant documents must be preserved. A litigation hold will then be issued by the Law Department. **Please note that the litigation holds supersede the current records retention policy and records retention schedules. The holds remain in effect until you receive a communication from the Law Department informing you otherwise.**

All employees are required to be knowledgeable about and to comply with the records retention guidelines, including applicable litigation holds, and all updates thereto, which shall govern in the event of any apparent conflict with this Code. If you are unsure whether documents under your control or the control of employees who report to you should be preserved, you should always err on the side of retention. If you have any questions about the scope of this obligation or with respect to whether a document should be preserved, you should consult with an attorney in the Law Department. Updates to the records management requirements can be found on the Law Department and/or the Records Management Department intranet sites.

Company Funds, Property, and Time

Our use of Company funds, property, and time directly impacts our

profitability, so we must use these valuable assets with care, protecting them against misuse or theft. This means:

- Employees are expected to behave responsibly and exercise good judgment when using Company property
- Incidental personal use of Company assets (e.g., telephone, computer, photocopier) is permissible where such use is of reasonable duration and frequency and does not consume a significant amount of resources
- Company assets should be protected from misuse, theft, or diversion. Any suspected product tampering, theft, or lack of internal control over products or other assets should be reported to Corporate Security
- When working on Company time, do not allow outside interests to interfere with job responsibilities
- If work hours must be reported, do so truthfully and accurately

Company Computers, E-mail, and the Internet

Internet access and other electronic communication systems, such as e-mail and voice mail, greatly aid our day-to-day business. However, there are a number of precautions we must take to maintain the integrity of our technology and information.

Purdue has established specific policies related to the use of Company computers, networks, and software. Purdue also has established specific policies related to information security, electronic mail and related systems, Internet use, electronic records and signatures, personal calls, and mail and voice mail use. Because all documents, including electronic communications, are the Company's property, they are subject to review at any time, as are all Company premises and systems. Although you may use Purdue electronic equipment for incidental personal matters, you are not guaranteed personal privacy on the Company's communication systems or with regard to information sent to, from, or stored in Company systems. All employees are expected to abide by these policies. A complete version of these policies can be found in the Employee Manual, which is also available on the Policies and Standards page on Purdue's intranet website.

Valuing Honesty and Fairness

1. Never make misrepresentations, dishonest statements, or statements intended to mislead or misinform. If it appears that anything you have said has been misunderstood, correct it promptly.

2. In conducting your personal business, or helping a friend or family member with any matter, never use the Company's letterhead. In personal matters, you must not use your title or position with the Company or

Q. Is it okay for me to browse the Web from my office or e-mail a family member to make personal plans, such as who will pick up the kids after work?

A. Yes, occasional and limited personal use of Company systems is acceptable if it does not interfere with your job responsibilities. However, recreational "surfing" of the internet is much like browsing through a magazine. Just as you would not sit at your desk reading magazines instead of working or bring magazines to work that are potentially offensive or threatening to other employees (for example, violent or sexually oriented materials), you should not use Purdue time or equipment to browse the internet nor should you ever "surf" the Web for potentially threatening or offensive topics.

Q. My family and friends e-mail me at work, keeping me up-to-date on events and funny stories. These are personal messages. Can I expect them to remain private on my Purdue laptop, or does the Company have access to these messages?

Answer on next page



hold yourself out as representing the Company or get any other Company employee to do so.

3. If you are involved, even indirectly, in selling Purdue's products, you should discuss their efficacy, safety, cost, or effectiveness in a fair and accurate manner. Promotion of our products must comply with the applicable FDA regulations or, for OTC products, the FTC requirements, and you must use only approved materials and information. Do not make incorrect or exaggerated statements about a competitor's goods or services. Statements about the performance of a competitor's products or services must be reviewed and approved. All employees who discuss Purdue products also must understand and comply with the specific requirements of Purdue's Healthcare Law Compliance Policies.

OUR EMPLOYEES

Purdue is committed to treating all employees and applicants with honesty, fairness, and respect. In order to create a work environment where people are treated respectfully and fairly, we will provide fair and equitable treatment for all employees, promote a positive and business-like work environment, and protect the health and safety of all employees. Likewise, we will not engage in any form of discrimination, harassment, or retaliation.

Equal Opportunity

Providing equal employment opportunity to employees and applicants is an important practice at Purdue. It is Purdue's policy to comply with all relevant federal, state, and local laws with respect to equal employment opportunity for employees and applicants in all aspects of employment, including hire, terms and conditions of employment, benefits, discipline, and termination.

Hiring Current or Former Government Employees

Purdue's ability to hire current and former government employees is subject to numerous complex restrictions that limit not only the Company's ability to enter into employment discussions but also limit the scope of the work the former government employee can perform after joining the Company. Before even discussing the topic of potential employment with a current or former government employee, Company employees must consult with the Law Department to understand the applicable restrictions that apply to the employment discussions and, if hired, would apply to the former government employee after joining the Company.

Discrimination/Harassment-Free Work Environment

Purdue is committed to a work environment in which all individuals are treated with respect and dignity. Each individual will be permitted to work in

Question on previous page

A. Although you may use your Purdue computer for incidental personal reasons, computers and all information stored on the Company computer systems, including any e-mails or documents sent and received through Company equipment using personal, password-protected Web-based accounts, are Company property and may be subject to monitoring. Purdue owns both your computer and all information stored on it. Purdue may review any of those materials or systems at any time. Remember also that e-mail creates a permanent electronic record, so be careful when using e-mail and avoid risky behaviors like using strong language, passing rumors, or commenting on someone else's area of expertise in personal or business-related e-mails.

Q. My co-worker keeps telling racially charged jokes. He thinks they are funny, but the jokes make me feel uncomfortable. What should I do?

A. Your co-worker should be made aware that his jokes are creating a negative work environment. You are encouraged to speak with the co-worker yourself or to report this to your supervisor. You also can report such conduct to your Department Head, Corporate Compliance, the Vice President, Human Resources, a Human Resources Business Partner, or an attorney in the Law Department.

a business-like atmosphere that promotes equal employment opportunities and prohibits discriminatory practices, including harassment. Therefore, Purdue expects that all relationships among persons in the workplace will be business-like and free of bias, prejudice, and harassment. It is Purdue's policy to ensure equal employment opportunity without discrimination or harassment on the basis of race, color, national origin, religion, sex, age, disability, genetic information, marital status, sexual orientation, gender identity or expression, or any other status protected by law. Purdue prohibits and will not tolerate any such discrimination or harassment. Retaliation in any form against an individual who reports a violation of law, regulation, or Purdue policy, or against an individual who assists in the investigation of a reported violation, is prohibited. Purdue's Anti-Harassment and Non-Discrimination Policy is contained in the Employee Manual, which is also available on the Policies and Standards page on Purdue's intranet Website.

Examples of Prohibited Behavior Under Purdue Policy

- Jokes, slurs, and other remarks that are about race, religion, or ethnic origin, or are of a sexual nature
- Unwelcome sexual advances or requests for sexual favors
- Verbal remarks or physical conduct that interfere with another person's work performance or that create an intimidating, hostile, or offensive working environment
- Retaliation against individuals who have made a complaint or participated in an investigation or lawsuit

If you observe or experience any form of harassment, report it to your immediate supervisor, Department Head, the Senior Director, Human Resources and EEO Compliance Officer, the Vice President, Human Resources or a Human Resources Business Partner, the Vice President, Corporate Compliance, or an attorney in the Law Department.

Workplace Violence

It is Purdue's policy to promote a safe and healthy working environment that is free of violence and the threat of violence. Violent acts or threats of violence made by any individual associated with the Company, against any other person's life, health, well-being, family, or property are prohibited and will not be tolerated. The complete statement of the Company's policy is contained in the Employee Manual, which also is available on the Policies and Standards page on Purdue's intranet Website.



Reporting of Criminal Conduct or Exclusion, Debarment, or Suspension or Notice Thereof

Individuals who are (i) debarred under the Federal Food, Drug and Cosmetic Act; (ii) excluded, debarred, suspended, or deemed otherwise ineligible to participate in any federal or state healthcare program (e.g., Medicare or Medicaid) or in federal or state procurement or non-procurement programs; (iii) cited for, arrested for, convicted of, plead guilty, or “nolo contendere” (an agreement not to contest criminal charges) to any violations of federal, state, or local law (with the exception of minor traffic infractions); or (iv) on notice of circumstances that may lead to the individual’s being excluded, debarred, suspended, or otherwise ineligible to participate in any federal or state healthcare program (e.g., Medicare or Medicaid) or in federal or state procurement or non-procurement programs must report this information to the Human Resources Department or any attorney in the Law Department as soon as possible, but in no circumstance later than two days after such event, unless otherwise provided by law.

Wage and Hour Laws

Purdue is committed to compliance with applicable federal and state wage and hour laws. The Employee Manual sets forth the Company’s guidelines and requirements regarding accurate reporting of hours worked and deductions that may be taken from pay.

Occupational Health and Safety

Purdue is committed to providing a safe workplace for all employees. In addition, several laws and regulations impose responsibility on the Company to prevent safety and health hazards. For that reason, and to protect the safety of themselves and others, employees and other persons who are present at Company facilities are required to follow carefully all safety instructions and procedures that the Company adopts.

Questions about the possible health or safety hazards at any Company facility should be directed immediately to your supervisor, the local Environment, Health, and Safety Department staff, the head of Environment, Health, and Safety, the Vice President, Corporate Compliance, or any attorney in the Law Department.

Environment, Health, and Safety Responsibility

Purdue is committed to conducting its operations and managing its products in a manner that is protective of environment, health, and safety (EHS) concerns of our employees, customers, and the public. In the course of Purdue’s operations, the Company handles and utilizes many chemical substances that are regulated at the national, state, and local levels as hazardous substances or hazardous wastes. As such, the Company is required to comply with a wide range of EHS requirements. Under many of these EHS

standards, the Company is financially and legally responsible for the proper handling and disposal of these materials. The Company provides training and information pertaining to chemical substances, hazardous substances, and hazardous waste to facilitate a safe and healthy work environment and minimize any EHS risks associated with Company operations.

The Company is committed to complying with all applicable EHS standards. No one at Purdue may participate in conduct that may result in the violation of an applicable EHS standard or requirement. Before carrying out any instruction or action regarding EHS compliance about which an employee is unsure, he or she is expected to discuss the question with an EHS representative, the Vice President, Corporate Compliance, or a responsible manager, corporate officer, or any attorney in the Law Department. The consequences of EHS violations may be very serious for the Company, our employees, and the public.

Immigration Status

The Company is committed to complying with the immigration laws of the United States and any other countries in which we do business. In compliance with United States immigration laws and regulations, the Company will verify each employee’s identity and authorization to work in the United States when he or she begins employment. Employees are expected to provide full and timely cooperation in the verification process at the time employment commences. In addition, employees are required to provide the Company with information about any changes to their work authorization as soon as the change occurs. You should never assist a prospective employee in misrepresenting his or her immigration status or evade the verification process. Failure to verify a prospective employee’s employment status or properly complete the required documentation in a timely manner may subject the Company to civil or criminal penalties.

Background Checks

All candidates for employment must undergo a comprehensive background screening process that includes review of federal healthcare program exclusion status. Further, annual screening of the federal exclusion databases is conducted on all current employees.

Initial and continued employment or other affiliation shall be contingent upon obtaining a signed authorization for the procurement of, and satisfactory outcome of, background screening.

Abuse of Drugs and Alcohol

As an organization covered under the Drug-Free Workplace Act, every location at which Company business is conducted is declared to be a drug-free workplace.



The complete statement of the Company's policy is contained in the Employee Manual, which is available on the Policies and Standards page on Purdue's Human Resources intranet Website. Any employee violating this policy may be appropriately disciplined up to and including termination of employment.

Q. My co-worker has recently been coming into work with alcohol on her breath. While she doesn't seem impaired, I worry that she may be drunk on the job. I'm afraid to confront her. What should I do?

A. If you suspect a co-worker has been reporting to work under the influence of drugs or alcohol, she could be compromising her own and other employees' safety as well as her ability to perform on the job. Therefore, you should speak immediately to your manager and contact the Human Resources Department.

Policy Against Trafficking in Persons

The Federal government has adopted a "zero tolerance policy" regarding trafficking in persons. As a government contractor, Purdue and certain employees are prohibited from: (1) procuring sex acts on account of which anything of value is given to or received by any person; (2) engaging in sex trafficking in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such an act is younger than 18 years old; (3) engaging in the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services through force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery; (4) using forced labor in the performance of the contract; (5) destroying, concealing, confiscating, or otherwise denying access by an employee to the employee's identity or immigration documents, such as a passport or driver's license; (6) using misleading or fraudulent practices during the recruitment of employees or offering of employment; (7) using recruiters that do not comply with local labor laws of the country in which the recruiting is taking place; (8) charging employees recruitment fees; (9) failing to provide return transportation or pay for the cost of return transportation at the end of employment for specified employees; (10) providing or arranging housing that fails to meet the host country housing and safety standards; and (11) if required by law or contract, failing to provide an employment contract or other work document in writing. Employees who engage in conduct which violates this policy may be subject to disciplinary action up to and including termination of employment. Conduct prohibited by this policy includes, but is not limited to, conduct in any work-related setting outside the workplace, such as during business trips, business meetings and business-related social events, and during non-working time.

OUR COMMUNITY AND THE PUBLIC

Purdue is dedicated to enhancing quality of life through a wide array of programs across the United States, including the communities where we live and work. We, therefore,

- Work to protect our environment and the health and safety of employees, customers, and the public
- Respond to public, media, and government inquiries appropriately
- Conduct political activity lawfully and responsibly, and
- Support medical, educational, cultural, and civic initiatives that are aligned with our mission

Supporting the Community

Purdue is dedicated to helping people live healthier and more productive lives. This dedication is reflected in our philanthropic efforts, which include donations of technical skills and expertise, medicine, time, money, and resources to a wide variety of charitable programs.

Charitable Contributions. Purdue supports a select number of charitable organizations and provides its employees opportunities to make contributions in the form of funds or goods to charitable organizations. However, charitable donations may not be made by Purdue or by Purdue's employees in order to influence the prescription or purchase of Purdue products. Thus, charitable contributions must not be tied to past, present, or future purchases, or to prescriptions or recommendations of Purdue products, and Purdue personnel should *never* imply in any way that the purpose of a contribution is to motivate increased use of Purdue's products.

It is Purdue's policy that sales representatives and other employees decline opportunities to make charitable donations when participation is solicited by a customer. If a physician or pharmacist – or related staff member – asks you to make a donation to his or her favorite charity, you should consult the Corporate Compliance Department or the Law Department before providing the donation because it could be considered an inducement to prescribe or purchase a Purdue product.

Grants. Purdue provides grants for certain specific purposes that are aligned with our mission as a pharmaceutical company. Grants are tangible value given for a specific purpose without the expectation or receipt of substantial tangible value in return. Upon review and evaluation by a multidisciplinary Grant Review Committee, Purdue provides grants for a wide variety of educational, cultural, and civic initiatives. Grants may not be used to influence a customer's choice of healthcare products or services. It is essential that all grants comply with Purdue's Healthcare Law Compliance Policies on grants.

Political Activity

Purdue encourages participation in the political process, where appropriate. The Company authorizes only specified individuals to act in the political process on behalf of the Company, in the course of their job duties. Any other political participation must occur strictly in an individual and private capacity and not on behalf of the Company. An employee may voluntarily choose to contribute (without Company supplies or reimbursement) to a political candidate, party, or political action committee.

Q: An employee receives a call from a local hospital. The hospital acknowledges that the employee works for a company that makes pain management medications. The hospital then asks the employee to make a charitable contribution to support the hospital. In requesting this donation, the hospital indicates that it is a "big consumer" of Purdue products and "hopes that will continue to be the case in the future," and that they are calling all Purdue employees for a donation. What should the employee do?

A: Under both the Anti-Kickback Statute and Purdue's Healthcare Law Compliance Policies, the Purdue employee may not contribute to the hospital. Solicited donations of this sort are not allowed under Purdue's policies, regardless of whether they are paid for with Company funds or personal funds. The employee should report the call to Corporate Compliance or the Law Department.



Lobbying Activity

As a federal government contractor, Purdue's lobbying activities are restricted as it relates to contracting with the government. Purdue may not pay for lobbying activities with money derived from federal contracts. Contracts with U.S. Government personnel for the purpose of influencing legislation, regulations, or decision making may constitute lobbying that triggers registration and disclosure requirements. If a Company employee or retained consultant communicates with any public official or the official's staff, the Company may be obligated to register as a lobbyist or comply with other regulations. All Company personnel, including others working on Purdue's behalf, are responsible for understanding the applicable rules, timely reporting of required information, and working with the State Government and Public Affairs Department and Law Department to ensure compliance in this area.

Media and Public Inquiries

Purdue is committed to delivering accurate and reliable information to the media and members of the public. Employees should not communicate with the media regarding Company-related business unless authorized by the Public Affairs Department or the Law Department. Any inquiries from the media should be directed to the Public Affairs Department.

Social Media Policy

Purdue recognizes the emergence of social media as a business tool in appropriate circumstances and has implemented a policy outlining the guidelines in the use of social media. Business and personal use of social media relating to the company, its business or its employees, whether on or off working time or Company equipment, must comply with this policy. The complete statement of the Company's policy is located under the Policies and Standards tab on the Purdue home page and in the Employee Manual. If you have additional questions, please contact Human Resources, the Corporate Compliance Department, or the Law Department.

Interactions with Private Attorneys

From time to time, the Company may be involved in litigation. Although there are ethical rules that should prevent any plaintiff's lawyer in a lawsuit from trying to contact you, it is possible that a private attorney or an investigator may attempt to contact you with regard to a Company matter. Should such a contact occur, you should refuse to engage in discussion and immediately notify the Law Department.

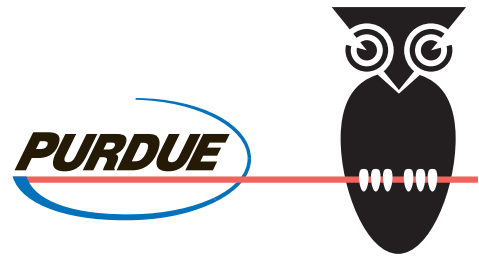
Interaction with Government Entities and Employees

The Company encourages employees to participate in government in their capacities as private citizens. Only certain Purdue employees, however, are authorized to communicate with government entities on behalf of the Company.

- *Bribery and Gifts.* Company personnel must never offer or give, either directly or indirectly, bribes or illegal gratuities that are intended to improperly influence, or even appear to improperly influence, a government employee. Additionally, Company personnel are prohibited in offering or giving anything of value to a government employee with limited exceptions. Purdue employees should consult the Law Department or Corporate Compliance before providing anything of value to a government employee
- *Selling to the Government.* The Company strictly complies with the specifications and terms and conditions of all government contracts. Purdue makes every effort to keep complete and accurate records to ensure that its federal price reports and offered pricing are calculated correctly. Purdue observes all statutory and contractual price caps applicable to government customers. Consistent with federal guidelines, Purdue only delivers products that meet the government's country of origin restrictions
- *Procurement Integrity.* The government enacts rules to protect the use of information obtained in the course of contracting. These rules make sure that competitors do not obtain an unfair advantage through access to protected government information or protected information of another competitor in connection with government contracting. Seeking or obtaining such information is illegal. For more information, contact Corporate Compliance or the Law Department
- *Relationships with Subcontractors and Suppliers.* Purdue understands that when doing business with the U.S. Government, additional diligence is necessary in making sure that purchasing practices are fair and free of even the taint of impropriety. When Purdue serves as a prime contractor, subcontractors are selected that offer fair and reasonable prices. Purdue promotes open and fair competition for all subcontractors and suppliers. Additionally, the Company strives to create opportunities for small businesses, including those owned by women and veterans. It is against Purdue policy to solicit or accept kickbacks from subcontractors and suppliers

Government Requests for Information or Government Facility Visits

As a pharmaceutical manufacturer, the Company is subject to many requests for information from government regulatory agencies. Purdue cooperates with all government requests for information and personnel are expected to respond promptly, accurately, and completely to all such requests. If you are contacted by any government entity, notify appropriate site management, responsible department heads, and the Law Department.



Compliance Hotline:
1-877-PURDUE1 (1-877-787-3831)