

Lonza

Lonza Code of Conduct



Lonza Group Ltd, Corporate Communications, CH-4002 Basel, Switzerland

This document is also available in French, German, Spanish and Czech.

You will find this version on the Internet under <http://www.lonza.com/group/en/company/about/governance/policies.html>

©2007, Lonza Group Ltd, Basel, Printed in Switzerland

Contents

Vision	4
Code of Conduct	
Corporate Social Responsibility	6
Law	7
Trade Controls	8
Safety, Health and Environment	
Discrimination	9
Conflicts of Interest	
Insider Trading	10
Fair Competition	12
Use and Protection of Business Assets and Confidential Information	
Business Partnership	13
Implementation	

Vision

Our commitment is to be the preeminent supplier to the life sciences industry through chemical and biotechnology platforms driven by an unrelenting passion:

- to unambiguously deliver value to our customers
- to enable our employees to be successful
- to continuously improve performance
- to make Lonza a recognized contributor to its communities

Our activities are guided by our vision. It is the cornerstone of our continuing commitment to improve performance and to deliver top services to our customers.

Code of Conduct

The aim of this Code of Conduct is to define the professional standards we aspire to in all our activities and the standards we expect of our employees.

In keeping with Lonza's commitment to ethical, social and environmental responsibility, we consider fairness in our dealings with employees to be of paramount importance. This Code of Conduct provides the basis for creating and maintaining the relationship of mutual trust which is essential to business success.

Lonza sees this Code of Conduct as a key element of our relations with employees and third parties. It will therefore be issued as part of the terms of employment of all Lonza companies. The Board of Directors insists on full compliance with this Code of Conduct.

Rolf Soiron

Chairman of the Board of Directors
of Lonza Group Ltd

Corporate Social Responsibility

All employees are duty bound to obey the law and maintain the highest ethical standards.

Employees are expected to act at all times with social and environmental responsibility, according to the highest professional standards, and in keeping with the fundamental Lonza values of openness, loyalty and honesty. Employees should familiarize themselves with best business practices in their area of responsibility and implement them conscientiously.

In situations where the law and established practice do not provide clear guidance, employees shall exercise judgment and common sense. They may seek support and guidance from their management or the legal department, as appropriate.

This Code of Conduct sets the standards our employees must meet in terms of:

- Ethical conduct and compliance with the law
- Professionalism and good business practice
- Lonza's commitment to Responsible Care®
- Respect for human rights and employment rights
- Fairness, courtesy and respect in dealings with fellow employees
- Fair and appropriate treatment of the rights and interests of other stakeholders (business partners, customers, authorities and the public) and respect for the environment
- Loyalty to Lonza.

This Code of Conduct shall apply to all actions and activities of Lonza in the pursuit of a high level of social responsibility. The spirit of this Code governs the interpretation of any policy process or work instructions adopted by Lonza, and describes Lonza's position in the following key areas:

- Law
- Trade Controls
- Safety, health and environmental protection
- Discrimination
- Conflicts of interest
- Insider trading
- Fair competition
- Use and protection of business assets and information
- Business partnership.

Law

All employees are expected to know the law as it applies to their sphere of responsibility; management is expected to provide appropriate training and guidance.

Lonza is firmly committed to employment based on fairness and equality, to safeguarding the health and safety of employees and environmental protection. Lonza expects its employees to comply with all relevant legislation, to obtain the necessary permits and operate its facilities in strict accordance with the law.

Given the complex regulatory framework with-

in which Lonza operates, issues of legal compliance may arise. Disagreement as to whether or not Lonza's actions are fully compliant with statutory requirements may result in legal proceedings. Lonza will always take full responsibility for its actions and abide by judicial decisions.

It is important that Lonza's management be informed of any issues of compliance with official requirements at the earliest opportunity.

Trade Controls

Lonza supports international efforts to prevent trade in chemicals which can be misused for warfare or warlike activities or for the manufacture of illicit drugs. In its export activities, Lonza is under a binding commitment to uphold all national and international regulations relating to trade controls.

Safety, Health and Environment

Lonza is committed to operations and practices which prevent harm to people and damage to the environment or property. Its policy on safety, health and environment (SHE), resulting from the company's ethical conviction, applies throughout the Group.

Lonza provides a safe working environment and takes appropriate steps to ensure that its employees maintain the high standards necessary to minimize the impact of its activities on the environment.

Discrimination

Lonza is committed to non-discriminatory working practices. Independent of their position, all employees are duty bound to treat their colleagues with fairness, courtesy and respect.

Lonza does not tolerate any discrimination, harassment or bullying on the basis of ethnicity, national origin, color, religion, creed, age, sex, disability or any similar characteristic. Nor will Lonza engage in or support, directly or indirectly, child labor, or bonded or forced labor of any kind.

Conflicts of Interest

Lonza's best interests are the paramount consideration in all business transactions.

No employee may benefit, directly or indirectly, from improper use of a relationship with individuals or entities outside the Group.

Employees should do everything in their power to avoid situations which may give rise to conflict between their responsibilities towards the Company and their personal interests. If, in spite of the best efforts of those concerned, a conflict of interest, or potential conflict of interest, does arise, communication between the employee or employees concerned and management is essential. Every effort should be made to bring the matter

into the open and resolve it in good faith and in the spirit of this Code of Conduct.

In keeping with the OECD Convention on Combating Bribery of Foreign Public Officials, no Lonza employee shall offer any payment or improper financial advantage to a government official or employee of a government-controlled agency for the purpose of obtaining commercial advantage of any kind. Any national legislation implementing this Convention in the country concerned must be strictly observed.

Where permitted under local rules and regulations, any provision of corporate hospitality, perks and gifts to a government official or employee of a government-controlled agency must also comply with Lonza's general policy on business expenses.

In no circumstances may third parties be used to undermine any of the rules of conduct set out above.

Insider Trading

Employees privy to sensitive information on the basis of their position within the company are duty bound to refrain from disclosing it to anyone, including friends and family.

Such information may comprise advance knowledge of transactions involving a company that Lonza, or one of its affiliates, has targeted for strategic alliance

or acquisition, divestment or merger. Employees possessing such information are prohibited from trading in stock, securities or derivative financial instruments emanating from Lonza or the other company or companies involved, nor may they disclose such inside information to another person.

By definition, inside information is intelligence not yet in the public domain which would substantially influence an investor's decision to buy or sell stock, securities or derivatives. Examples are: confidential information about a planned takeover bid or strategic alliance; significant agreements with another company, such as a joint venture; advance knowledge of changes in capital structure, financial results or similar key data; discoveries on the research front or new products in the development pipeline.

Such information is to be held in strict confidence until the planned transactions or sensitive data have become public knowledge.

Breaches of confidentiality, including insider trading, may lead to civil or criminal prosecution.

Fair Competition

Lonza is committed to the principles of fair competition and respects the national and international laws restricting the operation of cartels and other monopolistic practices.

Compliance with antitrust legislation applies to all forms of business arrangement and practice, though it does not apply to arrangements between companies of the same group, i.e. within Lonza.

The Lonza guidelines for compliance with US Antitrust and EU competition laws are part of this Code of Conduct.

Use and Protection of Business Assets and Confidential Information

In accordance with good business practice, Lonza has a duty to protect and make careful use of its business assets.

Confidentiality should be maintained with regard to sensitive information and commercial secrets. Additional protection may be necessary in the form of intellectual property rights. Lonza employees privy to confidential business information or commercial secrets, belonging to Lonza or others, may not disclose such information to third parties, including friends and family, or use it in any way other than for legitimate business purposes.

Employees should take all reasonable precautions to safeguard and protect sensitive business information and trade secrets to prevent misuse of any kind.

All information circulated and stored within the company shall be handled by a professional information management system. Employees shall maintain confidentiality even if there is no formal secrecy obligation.

Business Partnership

Lonza prefers to transact business with organizations which demonstrate a comparable level of responsibility.

Suppliers are carefully selected and integrated into the comprehensive qualification and continuous improvement process.

Implementation

Breaches of this Code of Conduct may result in disciplinary action or even dismissal.

Each employee shall receive a copy of this Code of Conduct. Management will ensure that it is included in employee training programs and monitor compliance.

It is the duty of employees to report infringements of this Code of Conduct to their line management or the legal department, whichever is deemed most appropriate.

When implementing this Code of Conduct, Lonza companies shall take account of local laws and regulations. The Boards of Directors of Lonza companies shall pass appropriate resolutions enabling the implementation.

