



# **Adolor Corporation**

## **Code of Business Conduct**

All employees of Adolor Corporation should be familiar with this Code which summarizes important policies, standards and guidelines of the Company.

The Company may amend or supplement this Code at any time without prior notification.

“Adolor”, “Adolor Corporation”, and “Company”, refer to Adolor Corporation.

All employees are employed at will and this Code does not form an employment contract, nor imply that there is a contract.



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Dear Adolor Colleague:

Adolor is dedicated to providing innovative, safe and effective treatments for pain management that will significantly improve the quality of patients' lives. At the same time, we must adhere to Adolor's Core Values: Integrity, Respect and Leadership. These are not just words. These values guide all of us as we challenge ourselves to maintain our entrepreneurial path of success. We have an obligation not just to follow the laws that regulate our industry, but to follow the spirit of those laws.

We each have an obligation to understand and adhere to our Company's values, standards, policies and procedures, including the Adolor Code of Business Conduct (the Code). It is important that we each establish and maintain an environment where everyone feels safe to raise concerns and ask questions. If you have a question or concern about what is proper conduct for you or anyone else who works for Adolor, promptly raise the issue with your manager, the Compliance Department or the Human Resources Department.

Adolor will continue to thrive as long as we put patients first and conduct ourselves in a manner that exemplifies our corporate values.



Michael R. Dougherty  
President and Chief Executive Officer  
Adolor Corporation

## I. ADOLOR'S CORPORATE VALUES AND THE CODE OF CONDUCT

This Adolor Code of Business Conduct (the Code) outlines how each employee should behave when conducting business on behalf of Adolor. While we might think that simply reminding ourselves to “do the right thing” is sufficient, we work in an ever-changing industry facing new challenges every day. It is not always easy or intuitive to know what is the right thing to do.

This Code frames how we should conduct business, from the ways we treat each other in our work settings, to how we deal with external partners, vendors, healthcare professionals, investors and regulators. Not every potential issue can be addressed in a code of conduct. The most important part of the Code therefore, is to recognize that when in doubt, employees should ask for guidance.

To stay on the path to success, we have to understand our corporate values and incorporate them into our everyday business decisions. We must hold ourselves and each other accountable for the values exemplified in the Code.

### Our Values

#### *Integrity*

Adolor seeks to do what is right. We are committed to upholding the highest ethical standards, and to complying with all applicable laws and regulations.

#### *Respect*

Adolor values the interests of those with whom we have relationships – our patients, our customers, our suppliers, our shareholders, our employees, the environment and the communities where we conduct our activities.

#### *Leadership*

Adolor strives to sustain high standards of performance and challenge each employee to collaborate, think creatively, communicate openly and honestly, and continue the entrepreneurial mission of Adolor.

### **Applicability and Accountability**

The Code and all relevant corporate policies and procedures apply to all Adolor employees. All contract or temporary employees are subject to the Adolor Code of Business Conduct as well as any additional policies and requirements of his or her employer.

You must act in a lawful and ethical manner at all times. As a condition of employment with Adolor, directors, officers, and employees must comply with the law, and the Code as well as the Company's other policies and procedures. The Code is intended to support you in making good decisions and taking the right actions, and to help you comply with laws, rules, and regulations that apply to our business. Each employee has a personal responsibility to adhere to the Code to preserve the confidence and trust of all of Adolor's patients, customers, suppliers, and stockholders.

You are expected to understand how the Code applies to your own job, business decisions, and activities. When in doubt, you have the responsibility to seek clarification from your manager, the Compliance Department, or Human Resources.

Under Adolor's ethical standards, each employee is individually accountable for:

- Basing decisions and actions on honesty, fairness, integrity, and fact;
- Understanding and conducting Company business in compliance with all applicable laws and the Code;
- Treating all employees, customers, vendors, and suppliers in an honest and fair manner;
- Not participating in or tolerating fraud, deceit or concealment;
- Avoiding situations where personal interests are or appear to be, in conflict with Company interests;
- Safeguarding and properly using Company proprietary information, assets and resources;
- Maintaining confidentiality of non-public information and not acting on such information for personal gain and
- Adhering to Company standards for protecting the safety and health of our employees, our customers, our contractors, our communities and the environment.

If you become aware of or suspect misconduct, illegal activities, fraud, abuse of Adolor assets or violations of the standards in the Code, then you are responsible for reporting such matters to your manager or the Company's Compliance Department. See "How to Report Known or Suspected Violations" below (p.16).

### **Compliance Department**

Our integrity is everyone's responsibility. Compliance with applicable laws, rules, and regulations is a critical element of Adolor's ethical standards. To promote compliance with applicable laws, rules and regulations, Adolor has established a Compliance Department. This Department works to ensure that the Company has the necessary practices in place to assure that employees are conducting business in an ethical and compliant manner. Taken as a whole, these practices are known as Adolor's Compliance Program. The Program includes company policies, training for employees regarding these policies, compliance mechanisms to foster open communications throughout the Company, periodic audits to monitor compliance, investigations of alleged non-compliance and responses to detected offenses. The Chief Compliance Officer reports directly to the Chief Executive Officer, the Audit Committee and the Board of Directors. The Compliance Department supports many functions within Adolor to ensure compliance with the Code including, but not limited to:

- Corporate Compliance Committee – the Corporate Compliance Committee consists of the Chief Compliance Officer and members of Adolor senior management including but not limited to: General Counsel, Chief Medical Officer, Chief Financial Officer, Regulatory, Medical Affairs, Manufacturing, Clinical Research, Human Resources and Quality Assurance. Together, these representatives address areas of risk (in, among others, Sales and Marketing, Research and Development, Quality and Manufacturing, and Administration).
- Compliance Training Program. On a regular basis, employees will be required to complete online ethics and compliance training courses. These courses are available through Compliance Wire on the Adolor intranet. This online training supplements live training which is provided throughout the year.
- Corporate Compliance Website. The central resource for compliance information is the Corporate Compliance Website. The website contains helpful information, Questions and Answers, and other resources regarding laws, regulations, policies and procedures governing our industry.
- **Ethics and Compliance Hotline: call 1-866-832-1239**. A caller will reach a 24-hour response center staffed by personnel who are trained to take ethics and compliance questions or concerns.

Waivers of the Company policies that are summarized in the Code are exceptions and will only be granted in special circumstances. In no event will a waiver be granted if it would permit illegal or unethical conduct. Waivers for employees will be made only upon the advice of the Compliance Department. Waivers for corporate officers may be made only by the Board of Directors, upon a recommendation by the General Counsel or Chief Compliance Officer. All waivers will be promptly disclosed as required by law, regulation and local stock exchange rules.

### **Our Compliance with Industry Laws and Regulations**

We are committed to developing safe, effective and innovative treatments for pain management and mitigating the debilitating GI side effects associated with acute or chronic use of opioids in order to improve the quality of patients' lives. Adolor will compete lawfully and ethically in the marketplace. We will act responsibly in our relationships with healthcare professionals, patients, hospitals, pharmacies, regulatory entities, partners, suppliers and vendors. We will not offer illegal payments, gifts or entertainment, as a reward or inducement to any business partner.

## II. THE MARKETPLACE

### Applicable Health Care Laws

As a pharmaceutical company, Adolor is subject to significant health care laws and regulations. The following paragraphs describe some of the most important of these laws.

**The Anti-Kickback Statute.** This statute prohibits the offering of any inducement to a person intended to influence that person to recommend or purchase a health care product (including prescription medication) or service that may be reimbursed by federal health care programs, including but not limited to Medicare or Medicaid. In addition to the federal law, some states also have similar laws that prohibit such activities related to state health care programs.

**The Foreign Corrupt Practices Act (FCPA).** The FCPA was enacted to regulate U.S. companies doing business abroad. The FCPA makes it illegal to give anything of value, directly or indirectly, to a foreign official or a foreign political party in order to gain an improper business advantage. No payment should ever be made to a foreign official without prior consultation with the General Counsel to determine whether the payment may be prohibited.

**The False Claims Act (FCA).** The FCA prohibits the submission of false or fraudulent claims, such as prescription drug pricing information, to the federal government. The FCA also includes provisions under which individual citizens with evidence of fraud against the federal government may sue on behalf of the federal government to recover the lost funds.

Adolor voluntarily follows the **Pharmaceutical Research and Manufacturers of America (PhRMA)** “Code on Interactions with Healthcare Professionals” (PhRMA Code). The PhRMA Code addresses various topics including general interactions with healthcare professionals, meals, continuing education, privacy of prescriber data and promotional and consulting services between pharmaceutical companies and healthcare professionals. All Adolor employees are expected to adhere to the PhRMA Code. A copy of the PhRMA Code is available on the Adolor intranet.

### Antitrust and Competition Laws

Complex bodies of laws (both federal and state) exist that prohibit agreements between two or more competitors, affecting price, terms or conditions of sale or fair competition. Violations also include agreements between Adolor and its competitors to boycott specified suppliers or customers; to allocate products, territories or markets; or to limit the sale or production of products. It is essential that all employees follow both the written laws and the intent of all antitrust laws and regulations. In general, Adolor employees engaged in conversations with competitors should never discuss pricing, terms or conditions of doing business, customers or markets.

## **Drug Laws**

All Adolor employees must:

- Follow all regulatory requirements that relate to development, manufacture, marketing and distribution of Adolor products.
- Cooperate with all government inspectors, including the U.S. Food and Drug Administration and the U.S. Drug Enforcement Administration, and provide them with the information they request during an inspection to which they are entitled under applicable law. The Legal Department should be contacted in all instances to determine the appropriate scope of an information request.

## **Product Marketing Guidelines and Regulations**

All Adolor employees should be familiar with the basic laws and regulations Adolor follows to ensure Adolor's compliance regarding promotional activities and interactions with healthcare professionals.

Adolor's policy is that all promotional material and activity must:

- Adhere to FDA-approved labeling;
- Promote products within the scope of FDA-approved indications;
- Promote to an appropriate audience and convey balanced information addressing product benefits and risks.

## **Labeling**

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.

## **Unsolicited Requests for Off-label Information**

Any discussion of materials that may mention information that does not conform to approved labeling is restricted to representatives of Medical Affairs (e.g., Medical Science Liaisons, Medical and Drug Information) and only in response to an unsolicited question by a healthcare professional.

## **Reprints**

In addition, occasionally there are scientific articles or other materials that may mention information that does not conform to the approved labeling. Those items, if approved by the Joint Copy Approval Team (JCAT), may be disseminated without discussion by Adolor.

## **Safety**

Adolor is committed to following the Risk Evaluation and Mitigation Strategy (REMS) for Entereg® agreed upon with the FDA, and to utilizing it as a guide in our promotional activities. Adolor regularly reports on the effectiveness of the REMS to the FDA. We are also committed to timely reporting if adverse events and changes to our risk benefit profile to regulatory agencies.

## **Quality Control/Manufacturing**

At Adolor, patient safety is our top priority. To ensure that we continue to make safe and effective products, we must:

- Follow all government requirements, including current good manufacturing practices, and all Company standards on product quality;
- Adhere to Company business, quality and compliance procedures; and

Follow all Company policies and procedures regarding adverse event reporting and product quality complaints. All such reports which are received will be tracked and investigated and reported to the appropriate regulatory authority in accordance with applicable laws and regulations.

## **Prescription Drug Marketing Act of 1987 (PDMA)**

PDMA was enacted to address marketing practices (samples, coupons, vouchers) which could result in expired, adulterated or counterfeit drugs entering the nation's drug distribution system. It is vital that every employee adhere to PDMA. It is important to note that we do not provide samples, or provide coupons or vouchers, for ENTEREG®.

## **Privacy**

Generally, you should not need or be exposed to medical information of identified individuals. If your job duties involve the review of patient medical records or the collection of personally identifiable medical information, this patient information must be kept strictly confidential. The disclosure of personally identifiable medical information is strictly prohibited by law (except as consented to by the patient and as it relates to adverse event reporting to Pharmacovigilance and Drug Safety).

## **Business Intelligence**

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 may also contract with an outside vendor to gather business information, but only through the selection and contracting process approved by the Legal Department. You should only accept business information about other companies when it 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.

### III. OUR COMPANY AND STOCKHOLDERS

#### **Our Commitment**

Adolor will continue on its path of entrepreneurial success through sound growth and innovation. We will strive to maintain our high ethical standards and business practices. We will operate in the best interests of our stockholders, be forthright about our operations and performance and exercise care in the use of Adolor's assets and resources.

In addition, as required by U.S. Securities and Exchange Commission rules, the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) and management employees in our Finance Department certify by signing this document, that:

- they have acted with honesty and integrity;
- the documents Adolor files or releases to the public contain full, fair, accurate, timely and understandable information;
- they will comply with all applicable laws, rules, and regulations that apply to their jobs; and,
- That they will promptly report violations of these laws, rules, and regulations to Adolor's Chief Compliance Officer.

#### **Accurate Record Keeping**

Accurate records are essential to ensure the proper conduct of business and to ensure compliance with the law. All of Adolor's transactions must be recorded accurately, completely and in a timely fashion. These transactions include, but are not limited to: time sheets, vouchers, bills, invoices, expense reports, payroll and benefits records, and performance evaluations. Pursuant to the Code, you should never:

- make false or inaccurate entries in any of the Company's records; or
- understate or overstate reports of sales or expenses, or alter any documents used to support any corporate reports.

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, or in the alternative, to the Compliance Department or Legal Department.

#### **Company Computers, E-mail, Internet Usage and Phone Usage**

Adolor supports a wide range of valuable property, such as electronic devices and networks. The use of Company funds, property and time directly affects profitability, and therefore, these assets should be used appropriately and protected. For example;

- Employees are expected to behave responsibly and exercise good judgment when using Company property.
- Adolor systems should never be used to display, procure or transmit inappropriate material.
- Company assets should be protected from misuse, theft or diversion.

- Adolor has established specific policies related to the use of Company computers, networks and software, electronic mail, Internet use, company cell phones, etc., because they are subject to review at any time, as are all Company premises and systems. Although you may use Adolor electronic equipment for incidental personal matters, you are not guaranteed personal privacy on the Company's communications systems or information sent to or from, or stored in Company communications. A more detailed discussion on this subject can be found in the Adolor Use of Company Property policy.

### **Confidential and Proprietary Information**

All Adolor employees must safeguard the Company's confidential and proprietary information. Examples of confidential or proprietary information include marketing plans and strategies, sales and marketing data, customer lists and employee records, research and technical data, manufacturing techniques, pricing information and information pertaining to business development opportunities and new products, as well as third party confidential and proprietary information that has been provided to Adolor (collectively, "Confidential Information").

Company employees cannot discuss Confidential Information with any unauthorized recipients. Unauthorized recipients within the Company are those employees who do not have a business need to know the Confidential Information. Unauthorized recipients outside the Company are those third parties seeking Confidential Information in the absence of a signed confidentiality agreement and a business justification for obtaining the information. Keep in mind the following guidelines in order to protect Confidential Information:

- Do not discuss confidential information in public places;
- Do not forward confidential or proprietary information to non-Adolor e-mail accounts; and
- Beware of informal telephone or e-mail requests from outsiders requesting information (including but not limited to requests for comments on expected financial performance, information about current or former employees or requests from the media).

### **Intellectual Property**

Intellectual property is a term used to describe copyrights, trademarks, patents and trade secrets (e.g., product formulas, inventions, customer lists). In order to protect Adolor's competitive advantage, it is essential that we protect our intellectual property. In addition, unauthorized use of the intellectual property rights of third parties can expose the Company to civil lawsuits and damages as well as fines and criminal penalties for individual employees and Adolor.

## Conflicts of Interest

A “conflict of interest” arises when an employee’s personal, social, financial, civic or political activities interfere with (or has the appearance of, or the potential to, interfere with) his or her loyalty and duty to Adolor.

Here are some examples of conflicts of interest:

- 1) Outside employment. Adolor policy is that all employees shall devote their full time and attention to the affairs of the Company and shall not engage in any other work, employment or business activity during business hours. All members of management (vice president or above) must disclose all outside employment, including board membership, to the Compliance Department. Any other employee who engages in outside employment related to our industry, must disclose this information to the Compliance Department. Employees must also abide by confidentiality and other obligations to Adolor if engaged in outside employment not conflicting with their Adolor employment.
- 2) Personal Investments or Transactions. Adolor employees are responsible for avoiding situations that present or create the appearance of a potential conflict between his or her personal financial interests and the interests of the Company. Investments involving less than one percent of the outstanding stock of a company whose shares are traded on a stock exchange are not considered conflicts of interest.
- 3) Personal Relationships. The Company permits the employment of relatives of employees where such employment does not create an actual or perceived conflict of interest, subject to review and approval by the Human Resources Department and the Legal Department.
- 4) Acceptance of Gifts, Meals, Entertainment. Adolor’s business relationships are established solely on their merits, and should always be based on what considerations are in Adolor’s best interests. Gifts, entertainment, and meals may be provided or accepted in the normal course of business as long as they:
  - a. Are reasonable and consistent with applicable laws, accepted ethical standards and local business practices;
  - b. Are of a value no more than \$100 individually and neither frequent nor lavish; and
  - c. Are not in violation of the rules of the provider’s or recipient’s organization.
- 5) Honoraria. Adolor employees may be asked to speak or participate in conferences or panel discussions. Before accepting such engagements and before receiving reimbursement for travel expenses, meals, or waiver of registration fees, employees must seek approval from their supervisor. This provision applies only to those functions that are related to the Company’s business, impact the Company and are held during business hours. All honoraria are to be remitted to the Company.

The following are some questions you should ask to determine if a conflict of interest exists:

- a. Do I have a significant financial interest in or derive any income or benefit from any company that does business with Adolor?
- b. Do I spend a significant time on outside work during my workday?
- c. Do I accept frequent gifts from suppliers, customers or competitors?

### **Privacy of Personal Information**

Many people provide personal information to Adolor for legitimate business purposes. Personal information could include information concerning colleagues, job applicants, research study subjects, research investigators, patients, consultants, healthcare professionals, vendors, suppliers and many others. It is vital to Adolor's business relationships that this information is kept confidential and secure. Consider the following when collecting such information:

- Collect personal information only for legitimate business purposes and keep it only as long as necessary;
- Take necessary precautions when collecting, processing, storing and transferring information; and
- Only share personal information with individuals who have a legitimate need for it and who will protect it properly.

### **Insider Trading**

Material Information is any information that a reasonable investor would consider important to buy, sell or hold securities. In addition, no employee who, in the course of working for the Company, learns of material non-public information about a company with which we do business, may trade in that company's securities (e.g. stock) until the information becomes public or is no longer material. For further guidance see Policy on Securities Trading by Adolor Personnel.

### **Honesty and Fairness in All of Your Dealings on Behalf of Adolor**

- 1) Never make misrepresentations, dishonest statements, or statements intended to mislead or misinform. If it appears that anything you have communicated has been misunderstood, correct it promptly.
- 2) In conducting personal matters, you should never use your title or position with the Company or hold yourself out as representing the Company or ask any other employee to do so.
- 3) If you are involved, even indirectly, in selling Adolor's products, you should discuss their efficacy, safety, cost and effectiveness in a fair and accurate manner. Promotion of our products must comply with applicable FDA regulations, using only approved materials and information. For further information see the Adolor Sales and Marketing policy.

## **IV. OUR EMPLOYEES**

### **Equal Opportunity**

It is Adolor's policy to provide equal employment opportunities and to treat applicants and employees fairly, without regard to ethnicity, color, religion, gender, sexual orientation, age, gender identity, national origin, disability or any other characteristics protected by applicable law.

### **Discrimination or Harassment**

Adolor strives to promote an atmosphere free from verbal or physical harassment or discrimination. This includes any unwelcome comment regarding race, color, religion, sexual orientation or other characteristics protected by applicable law. For more information on Adolor's policy, please refer to the Adolor Prohibition Against Harassment Policy.

Adolor supports open communication throughout the Company to resolve questions, concerns, problems or complaints involving discrimination or harassment. If you experience or are aware of any discrimination or harassment you should contact your manager. In addition, you may contact Human Resources, or the Compliance Department. Managers are also responsible for maintaining business units that are free of harassment and discrimination.

### **Reporting of Criminal Conduct or Exclusion, Debarment or Suspension 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” to any violations of federal, state, or local law 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, must report this information to the Human Resources Department or Legal Department as soon as possible.

### **Environmental Health and Safety**

Adolor is committed to providing a work environment that protects employees’ health and safety. There are local, state and federal laws to which Adolor strives to adhere to that are designed to promote a safe working environment. In turn, Adolor employees have a responsibility to learn the safety procedures applicable to their job and to be aware of risks specific to their job and how to minimize them.

### **Background Checks**

All candidates for employment must undergo a comprehensive background screening process that includes a review of federal healthcare program exclusion status. Initial and continued employment or other affiliation with the Company will be contingent upon a satisfactory outcome of the background screening.

### **Workplace Violence**

Violent acts or threats of violence made by an Adolor employee, against any other person’s life, health, well-being, family or property are prohibited and will not be tolerated.

### **Abuse of Drugs and Alcohol**

The use of illegal drugs and the abuse of alcohol and/or over-the-counter or prescription drugs are prohibited in the workplace, regardless of location. In addition to pre-employment drug testing, employees may be tested when they display unusual or erratic behavior such that there is a reasonable suspicion of drug or alcohol abuse. All employees are prohibited from working in the Company facilities, operating a Company vehicle or a vehicle subsidized by the Company, or conducting Adolor business offsite if under the influence of or impaired by alcohol or drugs. On rare occasion, alcohol may be served in connection with an Adolor sponsored function or event and if served must be consumed responsibly.

## V. OUR COMMUNITY AND THE PUBLIC

### Supporting the Community

Adolor is committed to helping people live healthier and more productive lives. There are three types of financial support that Adolor provides to the Community to support these goals:

- Adolor charitable contributions - charitable contributions made to non-profit organizations or charities [e.g., 501(c)3] that are not related to our commercially aligned therapeutic areas
- Corporate sponsorship – charitable contributions made to an organization for a promotional activity related to the therapeutic area that pertains to our products.
- Continuing Medical Education/ Independent Medical Education (CME/IME) grant requests – financial support given to a medical education provider in order to support CME/IME in the therapeutic area that pertains to our products. Adolor will have no influence or input into the content, design or faculty selection of the CME/IME program.

Adolor corporate contributions, sponsorships or CME/IME grants can never be given to an individual health care provider. No financial support from Adolor will ever be tied to prescribing habits or as a reward/inducement for such. For more information see the Adolor Corporate Contributions Policy.

### Reporting All Safety Related Issues

As part of our ongoing commitment to public and patient safety, all Adolor employees are responsible for informing the Adolor Pharmacovigilance Department hotline of any reports of adverse events, product complaints, counterfeiting, or product tampering that they receive. All adverse events must be reported to the Adolor Pharmacovigilance Drug Safety hotline (1-877-857-7018) within 24 hours of receipt. All product complaints, suspected counterfeiting, and suspected tampering must be reported within one business day.

- Adverse Event: any undesirable medical occurrence in a patient administered an Adolor product including, but not limited to, side effects already listed in the package insert.
- Product Complaints – a customer’s written, oral or electronic communication that alleges deficiencies related to the identity, quality, safety, effectiveness, performance, purity or durability of a distributed drug product.
- Suspected Counterfeiting – a counterfeit medicine is one that is deliberately or fraudulently mislabeled with respect to identity and or source.
- Tampering – manipulating or tainting any distributed consumer product or rendering materially false or misleading the label or container of a distributed consumer product with the intent to cause injury.

To report any of the above call: (866) 4-ADOLOR [(866) 423-6567]

### **Human Subject Protection and Clinical Research**

Adolor is committed to the safety of the patients and volunteers who take part in our clinical trials and to upholding the highest ethical, scientific and clinical standards in all of our research initiatives. We have adopted detailed internal procedures to ensure high quality research design, protocol development, conduct and follow up.

### **Animal Welfare**

Although we do not directly conduct research involving animals, Adolor's policy is to contract for the conduct of animal research in a humane and ethical manner. The Company understands that all proposed use of animals in research should be thoroughly evaluated, and all animal experiments conducted in such a way as to minimize pain, distress or discomfort. We expect our vendors and third party research organizations to adhere to the same high standards and to comply with all applicable laws and regulations. We expect that the health and well being of all animals under the care of such third parties are attended to meticulously.

### **Political Activity**

Only specified individuals have been authorized by the Company, as part of their job duties, to act in the political process on behalf of the Company. Any other political participation by employees must occur strictly in an individual capacity and not on behalf of the Company.

### **Media and Public Inquiries**

Adolor is committed to delivering accurate and reliable information to the media, financial analysts, investors, and other members of the public. All public disclosures, including forecasts, press releases, speeches and other communications will be honest, accurate, timely and representative of the facts. Unless specifically authorized by the Company, Adolor employees should not speak on behalf of the Company to the media or the public. If you receive an inquiry from the media or similar entity, refer the inquiry to Adolor Investor Relations.

## **VI. INVESTIGATIONS AND COMPLIANCE WITH THE CODE**

### **How to Report Known or Suspected Violations of Laws and Policies:**

#### **Important Contact Information for Adolor's Compliance Department**

Adolor Ethics and Compliance Hotline: 1-866-832-1239

Compliance Website: <http://www.adolor.alertline.com/>

Mail – Adolor Corporation

Attn: Compliance Department

700 Pennsylvania Drive

Exton, PA 19341

Secure Fax: (484) 595-7382

All Adolor employees must bring forward any 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. These concerns should be raised to your manager and the Compliance Department. It is the responsibility of every manager employed by Adolor to promptly and accurately report any information he/she receives regarding a suspected violation to the Adolor Compliance Department.

#### **Non-Retaliation Policy**

Retaliation in any form against an individual: (1) who reports a violation of the Code or of law, regulation or policy or against an individual or (2) who assists in the investigation of a reported violation, is itself a serious violation of the Code. Concerns about retaliation should be reported immediately. Any employee who retaliates against any person in violation of Adolor's Non-Retaliation Policy will be disciplined appropriately. In addition, it is important to note that if an individual has intentionally made a false report, the Company will respond accordingly. Any allegations of retaliation should be directed to the Compliance Department or the Human Resource Department.

#### **Internal Investigations of Reports**

Adolor is committed to investigating all reported concerns promptly and confidentially to the extent possible. The Compliance Department will coordinate all findings from the investigation to the Investigation Team. The Investigation Team will generally consist of a representative from Compliance, Legal, Human Resources and senior management of the business unit where the claim arises. Together, the Compliance Officer and the Investigation Team will determine the outcome of the investigation and any remedial action.

### **Government Investigations: Requests for Information or Facility Visits**

As a pharmaceutical manufacturer, the Company is subject to many requests for information from government regulatory agencies. Adolor will cooperate 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 a government entity, notify appropriate site management, department heads and the Legal Department.

### **Continued Compliance with the Code**

Once a year, all Adolor employees will sign/affirm that they have received and reviewed a copy of the Code and they will also agree to abide by it. Every new Adolor employee will receive a copy of the Code during orientation and will be asked to read it and affirm that he or she will abide by it.

### **Consequences of Code Violations**

Adherence to the Code is a condition of working for Adolor. Employees who violate the Code or any applicable 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. Certain legal/ethical violations also could include legal prosecution, fines or imprisonment.

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

Adopted: December 15, 2009