



HYPERION

THERAPEUTICS

A SPECIALTY PHARMACEUTICAL COMPANY

CODE OF BUSINESS CONDUCT AND ETHICS


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1. CORPORATE MISSION AND VALUES

1.1. Mission

Hyperion Therapeutics Inc. (“Hyperion” or “Company”) is dedicated to improving patient’s lives by building a global pharmaceutical company that develops, supports, and commercializes innovative specialty products for serious diseases with unmet medical needs. Focusing on patient care, we will achieve our mission through integrity, quality and excellence in all areas of our business.

1.2. Vision

To enable people to lead fuller, better and longer lives through innovative products and partnerships that address unmet medical needs.

1.3. Core Values

Collaboration: We recognize that we can achieve more by working together than on our own. We expect mutual trust and communicate openly, simply and directly, internally as well as externally. We challenge each other without threatening our relationships.

Community: We develop products that improve patient care and we reach out to support our local and professional communities.

Creativity: We use partnerships and technologies in new ways to create significant value for our patients.


Excellence: We strive for excellence and scientific rigor in our development activities.

Integrity: We act with integrity in all areas of our business.

Leadership: We take initiative and accountability; we are creative and are not afraid to make a mistake.

People: Employees are our most valued asset, and we will respect, develop and reward them for their talents, skills and hard work.

Quality: We take pride in the quality of everything we do.

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Value: We build and deliver value for our patients, providers, shareholders and employees.

2. INTRODUCTION

As a biopharmaceutical company that develops and markets and sells commercial therapeutic products, we owe it to our customers, our partners, our stakeholders and ourselves to adhere to the highest ethical standards. Our management and employees are dedicated to maintaining the highest standards of honesty and ethics, and complying with not only the letter but also the spirit of the laws, rules and regulation that govern our business and relationships with our co-workers, customers, contractors, vendors, competitors, governments, stakeholders and patients and members of the community.


This Code of Business Conduct and Ethics (Code of Conduct) policy summarizes Hyperion’s ethical standards that govern our business and commercial practices and the conduct of our employees. This policy is a summary of the broad ethical and legal principles under which Hyperion operates but does not describe all laws, rules, and regulations or policies applicable to the Company, nor does it give full details on any single law, regulation or policy. For additional information on specific topics or situations, consult the detailed policies and procedures that comprise the Hyperion Compliance Program.

This policy applies to the directors, officers and employees of Hyperion. This policy has been approved by the Board of Directors and will be monitored by the Board of Directors with the assistance of management.

3. COMPLIANCE WITH THE CODE

3.1. Adherence to the Code

As an employee of Hyperion, you are expected to adhere to the Code of Conduct. However, there may be situations where a specific provision of the Code of Conduct appears to be or is inconsistent with the local law of a country in which Hyperion is conducting business. If this occurs, the legal counsel and the Compliance Officer for Hyperion should be contacted for clarification.

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3.2. Code of Conduct Certification of Compliance

Every Hyperion employee receives a copy of the Code of Conduct and must acknowledge and agree to its obligations as a condition of employment. Once received, the Code of Conduct must be acknowledged as read and understood, and the employee must certify that he/she is not aware of any existing violations of the Code of Conduct nor any known unreported violations of the Code of Conduct. Re-certification of the Code of Conduct is required once every three years or whenever it is revised. The employee certification will be maintained in each employee's personnel file.

3.3. Disciplinary Actions for Violations

A violation of the Code of Conduct may result in disciplinary action up to and including termination of employment. In addition, violations may result in civil liability and/or criminal prosecution. No improper or illegal act can be justified by saying someone in a superior position ordered it or otherwise considered it acceptable. No one at the Company has the authority to direct or permit an employee to commit a wrongful act.


3.4. Waivers

In some instances, a waiver of compliance regarding specific provisions of the Code of Conduct may be granted for good cause following a case-by-case determination by Compliance Officer, after consultation with the Chief Executive Officer (CEO), Vice President of Finance/Controller or Hyperion legal counsel, or any combination of the foregoing as appropriate.

Only the Board of Directors or a Board committee may grant a waiver of any of the provisions of the Code of Conduct to a director or executive officer, including the CEO or Vice President of Finance/Controller. Any such waiver of this Code of Conduct for executive officers or directors, and the reasons for such waiver, will be disclosed in accordance with any applicable laws, rules and regulations.

4. THE HYPERION COMPLIANCE ORGANIZATION

Hyperion is committed to complying with all applicable laws, rules and regulations and adhering to the highest ethical and quality standards in its marketing, promotional, educational, and research and development activities. To assure continued compliance, Hyperion has structured a compliance program to support the

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principles of the Code of Conduct and compliance with the laws, rules and regulations throughout the Company. The program is comprised of the following elements: written standards of conduct (this Code of Conduct), policies, and procedures that define Hyperion’s commitment to compliance; designation of a Compliance Officer and Compliance Committee; development of training and education programs; monitoring and auditing of our progress toward achieving excellence; providing avenues for effective communication, including the anonymous reporting of non-compliance; appropriate disciplinary mechanisms for infractions; and corrective and preventive actions to help ensure ongoing improvement in our approach to compliance.

4.1. Compliance Officer


The Compliance Officer is responsible for overseeing Hyperion’s compliance program, including the internal auditing and monitoring activities that enable Hyperion to self-evaluate its adherence to legal and regulatory obligations of the Company. The Compliance Officer ensures that there is broad application and consistent interpretation of our standards throughout the Company, and reports directly to the CEO and to the Chair of the Nominating, Corporate Governance and Compliance Committee, which oversees compliance matters on behalf of the Board of Directors.

4.2. Compliance Committee

The Hyperion Compliance Committee is an extension of the Compliance Officer and provides Hyperion with increased oversight of compliance across the organization. The Hyperion Compliance Committee is comprised of senior management representatives from different departmental disciplines. The members serve to advise the Compliance Officer and assist in the implementation and management of the compliance program, and are charged with keeping the Compliance Officer, Board of Directors and executive officers informed of significant compliance issues, risks and trends.

4.3. Compliance Task Force

A Compliance Task Force is an ad hoc committee of individual(s) who are selected by the Compliance Officer and/or Compliance Committee to address identified issues or concerns, and may include assisting in the investigation of reported or potential Code of Conduct violations, or reported violations of the law.

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4.4. Corporate Compliance Committee

The Nominating, Corporate Governance and Compliance Committee is responsible for oversight of compliance matters and shall operate in accordance with this Code of Conduct and the charter adopted by the Board of Directors.

5. REPORTING AND DISCLOSURE OF VIOLATIONS

All employees are essential to our efforts to maintain an effective compliance program. As part of Hyperion’s commitment to maintaining the highest level of ethical standards, employees are responsible for communicating concerns of risks to the Company, and/or violations of the Code of Conduct and other policies of the Company. By doing so, Hyperion effectively evaluates all actual and potential violations as well as implement corrective/preventative action. A failure to communicate knowledge of violations of this policy is itself a violation of this policy.


As an employee, if you believe that another employee has violated, or may violate, any law, rule or regulation, or specific Hyperion policy or procedure, you must report it to your supervisor, Human Resources representative, Hyperion legal counsel, the Compliance Officer, or the CEO. Retaliation is strictly prohibited and will not be tolerated against any employee who raises a concern or reports misconduct or potential misconduct in good faith.

As an employee, if for any reason you are uncomfortable speaking about your concerns with any of the individuals set forth above, you may communicate your concerns anonymously by calling the independently monitored hotline established for this purpose by dialing **Hyperion’s Toll-free Hotline: 1-800-601-2168**. Concerns may also be reported in a confidential matter via the internet by logging onto <http://hyperiontx.silentwhistle.com>.

Confidentiality is extremely important and a priority at Hyperion. Every effort will be made to protect your identity regarding any discussions of non-compliance. In some instances, when conducting an investigation, it may be impossible to keep your identity confidential because of the consequences of the investigation or other legal requirements.

6. COMPLIANCE WITH THE LAWS AND REGULATIONS

Hyperion conducts a wide array of activities in the healthcare marketplace, including

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research and development, medical education and other educational activities, marketing, and sales. Hyperion is committed to complying with all applicable laws, rules and regulations and adhering to the highest ethical standards in its marketing, promotional, educational, and research and development activities. Each of these activities is subject to various legal and ethical standards, many of which are unique to the healthcare industry. You are not expected to know the details of these laws, rules and regulations, but you should know when there might be a compliance issue to discuss with your supervisor or other appropriate personnel.

- If you are involved in laboratory research, you must know and comply with current Good Laboratory Practices.
- If you are involved in clinical research, you must know and comply with current Good Clinical Practices.
- If you are involved in manufacturing, testing or packaging you must know and comply with current Good Manufacturing Practices and the product process defined in the drug application supporting its commercial distribution or investigational use.
- All employees must follow procedures for reporting product safety issues such as adverse event and product quality complaints so they may be properly investigated and reported to the applicable regulatory authorities.
- If you are involved in the marketing and sales of products on behalf of Hyperion you must comply with applicable laws, rules and regulation and Hyperion policies and practices regarding promotion.
- All Hyperion employees who interact with regulatory authorities must be truthful and not misleading in the regulatory submissions and other communications made with regulatory authorities.

6.1. Antitrust and Competition Laws; Fair dealing

Antitrust and competition laws apply worldwide and are complex and may differ from country to country. They are designed to preserve a competitive market place, and prohibit agreements between Hyperion and its competitors that unlawfully affect price, terms or conditions of sale, or fair competition.

Hyperion believes in and intends to operate with fair and open competition. Hyperion employees are expected to comply with antitrust and competition laws, and should seek guidance from Hyperion legal counsel regarding any questions of these laws as

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violations could result in severe criminal and civil penalties to Hyperion and individual employees. To assure compliance with the antitrust and competition laws Hyperion prohibits:

- Discussions or agreements (formal or informal) with competitors regarding price fixing, stabilization, or discrimination;
- Discussions or other contacts with suppliers and customers that unfairly restrict trade or exclude competitors from the marketplace;
- Formal or informal agreements with competitors regarding territories or markets in which competitive products are sold or allocating markets or customers;
- Formal or informal agreements with others to boycott customers or suppliers; and
- Making false or misleading statements about our competitors or improperly inducing suppliers or customers to break contracts with our competitors.


6.2. False Claims Act and Comparable State Laws

Various laws around the world make it a crime to make a false statement to a government agency. In the United States, numerous federal and state laws prohibit the submission of “false” or “fraudulent” claims or any other documents in support of a claim for payment by government programs, commercial insurers, and other health care plans. Further, it is illegal to knowingly make or use a false record or statement to get a false or fraudulent claim paid or approved by the government. A document can be false if it omits information material to a decision relating to reimbursement. Violations of these laws can lead to fines, imprisonment, criminal charges or exclusion from health care programs.

It is Hyperion’s policy to make all required disclosures to government agencies and to ensure that such information is timely, truthful, and complete.

6.3. Bribery

Offering, promising, or giving anything of value to any public official, for the purpose of influencing that official in the performance of an official act is bribery. In addition, the solicitation by a public official of anything of value for the performance or non-performance of an official act is bribery. Thus, both the giving and the taking of a bribe are crimes. This law applies to public officials and elected officials. Neither the ability to perform, nor the actual performance of an official act is required for a violation. The relevant inquiry is whether a reasonable person would think

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performance of the act was possible. The mere offer of a thing of value may support a violation even if an actual transfer did not occur.

Commercial bribery occurs when a person pays someone else’s agent or employee something of value in order to get them to do something that is not in the best interest of their employer. The law prohibits any person engaged in commerce from paying or receiving anything of value like a commission, or any allowance or discount, except for services rendered in connection with the sale or purchase of goods, either to the other party in the transaction or to an agent of that party.

In the pharmaceutical industry business, it is important to be knowledgeable and sensitive to bribery and corruption laws because a country’s government is not only a regulator of our products but also a customer. In addition, many healthcare professionals and scientists that we retain the services of are also employees of public institutions and are therefore considered government employees. The term “public official” is used broadly in laws addressing improper payment, and can mean doctors or other employees at state-owned hospitals and healthcare companies.

For this reason Hyperion prohibits the offering of gifts, entertainment, meals, hospitality, services, travel, discounts, payments or anything else of value to a public official, except where permitted by a legal “safe harbor” or otherwise permitted by law. As an employee of Hyperion you are to follow these principles. Specifically, you:

- Do not provide any gift or other item of value to a public official unless you have been authorized to do so after appropriate review;
- Do not otherwise improperly influence or attempt to influence decisions about our products or services;
- Accurately record all transactions. State the persons involved and the nature of the transaction. Nothing about the transaction may be falsely recorded or hidden on any document, including invoices and expense reports. Side letters and agreements should not be entered into until after appropriate review.
- Third parties working on behalf of Hyperion (such as consultants, agents, sales representatives, distributors and contractors) must comply with the anti-kick/bribery laws and Hyperion standards. Any improper payment made through these parties may be attributed to Hyperion.

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6.4. Money Laundering and Prevention


Money laundering occurs when criminals try to “clean” the proceeds of their crimes to hide them or to make those proceeds appear legitimate. Anti-money laundering laws prohibit transactions that involve funds derived from illegal activities, including transactions designed to conceal or promote illegal activity. Hyperion is committed to complying with all anti-money laundering laws throughout the world and will not accept or make any payments to funds known to be derived from illegal activities. Hyperion will conduct business with only reputable parties that are involved in legitimate business and whose funds are from legitimate activity.

Money laundering activities are often complex, intricate and difficult to discover. Some signs that may possibly indicate money laundering can include cash payments, multiple small payments for one larger invoice, payments from parties unrelated to a transaction, payments from countries unrelated to a transaction, payments by money order or travelers checks, or payments from countries that are recognized as tax havens, a customer who is reluctant to provide complete information or who requests a payment only in cash. If an employee is aware of any of these signals or suspects money laundering activity, immediately contact legal counsel, the Chief Financial Officer (CFO) or the Compliance Officer.

6.5. Anti-kickback Laws

The Federal Anti-Kickback Statute prohibits any person or entity from the knowing and willful solicitation or receipt of anything of value in return for referring an individual, or for recommending or arranging for the purchase, lease, or ordering of any item or service for which payment may be made under a federal healthcare program (including the Medicare and Medicaid programs. In addition the statute prohibits any person or entity from knowingly offering or paying anything of value “to induce” a person to refer an individual, or to recommend or arrange for the purchase, lease, or ordering of any item or service for which payment may be made under federal healthcare programs, including Medicare, state Medicaid programs, and others.

The Federal Anti-Kickback Statute applies to arrangements between pharmaceutical companies and the persons to whom they market, promote, sell and distribute their products. The transfer of anything of value for less than fair market value for the items or services provided may expose individuals to liability if the conduct is viewed by enforcement authorities as intended to influence a customer’s ordering or prescribing behavior. The statute and implementing regulations contain express exceptions or safe harbors for certain discounts, relationships with group purchasing

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organizations, personal services and employment relationships, and other practices. In order for a practice to receive safe harbor protection, every element of the applicable safe harbor must be met. The safe harbors set forth certain provisions which, if fully met, will assure the parties to an arrangement that they will not be prosecuted under the statute. Although full compliance with these provisions ensures against prosecution, the failure to meet or fit within a safe harbor does not necessarily mean that a practice is illegal.

A criminal violation of this statute is punishable by up to five years' imprisonment and/or fines of up to \$25,000. A civil violation of this provision is subject to a civil monetary penalty of \$50,000 and damages of not more than three times the amount of the remuneration involved in the prohibited activity.

Most states have adopted laws similar to the federal Anti-Kickback Law, and some of these state prohibitions apply to the referral of health care items or services reimbursed by any source, not only federal health care programs.


Hyperion's policies and procedures are designed to attempt to ensure that all personnel who interact with persons who may order, prescribe, or recommend, or influence the ordering, prescribing, or recommending of, Hyperion's products do so in a manner not intended to violate the federal or state Anti-Kickback Statutes.

6.6. Scientific Integrity

The Company is committed to maintaining the integrity of its scientific investigations and will properly document and monitor all scientific relationships by:

- Following and maintaining good clinical and laboratory practices;
- Communicating honest and accurate information about studies, drugs and data;
- Defining roles, responsibilities and deliverables for physicians participating in studies and trials, and make sure expectations are met; and
- Asking physicians to disclose their affiliations with the Company when dealing with the public.

In no circumstance will Hyperion let time constraints compromise study design, or give gifts or other items of value in excess of the reasonable agreed and documented value of clinical trial services to induce business or influence outcomes.

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6.7. Food, Drug, and Cosmetic Act and FDA Regulations

The Food, Drug, and Cosmetic Act (“FD&C Act”) and FDA regulations are designed to ensure that companies such as Hyperion develop, manufacture, market, and sell safe and effective prescription and over-the-counter drugs within the United States. Hyperion not only adheres to the minimum standards set by the FD&C Act and FDA regulations, but also strives to exceed those standards.

6.8. Prohibitions on Off-Label Promotion

The FD&C Act contains many requirements regarding the production, sale, and distribution of prescription drugs. The FD&C Act prohibits the adulteration or misbranding of drugs. The FD&C Act also prohibits manufacturers from marketing a drug for a use that the FDA has not approved, that is, off-label promotion. The Company’s policies and procedures set forth operating guidelines to prohibit and prevent off-label promotion, including guidance on how to respond to unsolicited inquiries relating to off-label uses of the Company’s products.


6.9. Advertising and Promotional Standards

Hyperion is committed to the truthful and accurate communication of scientific information about its products and services to healthcare professionals, patients, and the general public. Promotional materials supporting Hyperion products will be clear and factual, be consistent with approved product labeling, not be false or misleading, include fair balance of information on the benefits and risks, and be approved through Hyperion’s promotional review system.

6.10. Industry Standards on Relationships with Healthcare Professionals

As part of its commitment to comply with the laws and regulations of the pharmaceutical industry, Hyperion is also committed to compliance with the standards established by industry and professional organizations regarding the pharmaceutical industry relationships with medical professionals and the sponsorship of continuing medical education and scientific symposia. In addition interactions with medical professionals occurring outside the US are to comply with all local applicable laws and regulations. Some of these standards include:

- The American Medical Association Guidelines on Gifts to Physicians from Industry;
- The Pharmaceutical Research and Manufacturers of America (PhRMA) Code of Pharmaceutical Marketing Practices (the PhRMA Code); and

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- The Accreditation Council for Continuing Medical Education (ACCME) Guidelines for Commercial Support of Continuing Medical Education.

6.11. Patient Privacy


Hyperion strives to comply with global privacy laws that require companies to provide individuals with notice about information collection practices, on how personal information will be used or disclosed, how personal information may be accessed, and the companies’ security measures for keeping personal information confidential. Hyperion employees must guard the confidentiality of all medical information in the Company’s possession, and follow these principles:

- Obtain appropriate authorization to gain access to, collect and use personal information.
- Use personal information for authorized purposes only.
- When possible, avoid collecting information that identifies an individual.
- Do not share personal information with an unauthorized individual.
- Respect privacy preferences of individuals.
- Ensure personal information is appropriately secured.

7. GOVERNMENT AND PUBLIC OFFICIALS

The use of Company funds or other Company assets for any unlawful purpose is strictly prohibited. This includes making payments, giving gifts or providing anything else of value to government officials, public officials, political parties, political party officials, candidates for public office or employees of public international organizations, in each case whether foreign or domestic, for the purposes of improperly influencing any of their actions or decisions, or securing any improper advantage with respect to the Company’s business. This also includes making payments, giving gifts or providing anything else of value to third persons while knowing that they will make payments, give gifts or provide anything else of value for such purposes to any of those described above.

Where facilitating or expediting payments to any of the above are necessary in order to secure routine foreign governmental action as that term is defined in the Foreign

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Corrupt Practices Act, advance approval in writing must be obtained from the CFO. Any payment, gift or the provision of anything else of value, such as reimbursement for travel or lodging, to any of those described above for purposes of promoting, demonstrating or explaining the Company’s products or services or executing or performing a contract must also be approved in advance in writing by the CFO except to the extent he/she issues exemptions in writing for items not exceeding certain minimal amounts.

Hospitality towards public officials should be of such a scale and nature so as to avoid compromising the integrity and reputation of the public official or the Company. All such hospitality should occur with the expectation that it will become a matter of public knowledge. The Company expects the use of good judgment and moderation when giving or receiving entertainment or gifts. No hospitality should ever be conditioned upon, or be a reward for, purchasing, prescribing, or promoting the Company’s products and services.


8. CONFLICTS OF INTEREST

8.1. General Rules on Conflict of Interest

Each Hyperion employee is expected to deal with all matters related to the Company and persons doing business with the Company in an honest and ethical manner and in the best interest of the company with out conflict with, or preference based on, personal considerations. A key concept in understanding the Code of Conduct, is knowing when a situation results in a conflict of interest. A “conflict of interest” exists when a Hyperion employee’s, and/or employee’s immediate family member, private interests interfere or conflict in any way with the interests of Hyperion. For the purposes of this Code of Conduct, your immediate family includes your spouse, or domestic partner, parents, children, siblings, mother-in-law, father-in-law, daughters-in-law, sons-in-law, sisters-in-law, and brothers-in-law.

Hyperion expects all employees to cooperate to avoid any situation that does or may involve an actual or apparent conflict of interest between personal interest and the Company’s interest. Most conflicts can be resolved in a mutually agreeable manner. Specifically, no employee, or immediate family member of an employee, will:

- serve as director, officer, employee advisor or consultant for a direct competitor of, or entity that does substantial business with, Hyperion;
- own a significant financial interest in any supplier, competitor, or customer of

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Hyperion. Securities of publicly traded entities may be owned if they are not purchased as a result of confidential information obtained as a result of being an employee of the Company, and ownership is less than 1% of any publicly owned company;


- compete with Hyperion, directly or indirectly, in the purchase or sale of property, property rights (including tangible or intangible, and intellectual property), products, services or other interests;
- take actions or have interests that may make it difficult to perform his or her work objectively and effectively;
- use the Company’s property, or information for personal gain;
- conduct Hyperion business with a relative, or with a business with which a relative is associated in any significant role; or
- accept any personal loan or guarantee of obligations from Hyperion (except to the extent such arrangements are legally permissible).

8.2. Board Memberships

Subject to the General Rules on Conflicts of Interest set forth above, employees are not prohibited from serving as a corporate, civic or charitable institution director or trustee. However, because it is possible that such a board membership may create a conflict of interest, prior approval of Hyperion is required.

Non- Executive Directors: non-executive members of the Board of Directors of Hyperion do not need the approval of Hyperion to serve on the board of directors of another corporate, civic or charitable organization. However, upon request, the Chairman of the Board of Directors of Hyperion will be provided a list of any such service.

Directors and Members of Executive Management: Members of Hyperion’s Board of Directors or executive officers of Hyperion must disclose any potential conflicts of interest to and receive the prior approval of the Hyperion Board of Directors in order to serve on an outside corporate, civic or charitable institution board of directors or trustees. An “Approval to Serve as a Corporate, Civic or Charitable Director or Trustee Form” must be completed and submitted to the CEO. The CEO will review the request with the [Nominating, Corporate Governance and Compliance Committee of the] Board who, together with advice from legal counsel, will determine whether

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there is an actual conflict of interest. The [Nominating, Corporate Governance and Compliance Committee] will determine in its good faith and reasonable judgment to approve or deny such requests.


In addition, the Company recognizes that Directors may serve on various Boards or have ownership interests in other companies that may be competitive with the Company. For the purposes hereof with respect to non-employee Directors, “competitive” shall be deemed to mean a company that is pursuing the same drug target or the same label as that of the Company. Directors are expected to disclose any perceived or potential conflicts and the Company shall review any potential conflicts with the Board, the CEO, legal counsel and Compliance Officer to determine, in the aforementioned manner, that the potential conflict does not impair the independence of the Director. In the event that an actual conflict is identified, the Board shall further review and approve appropriate measures to ensure the independence of the remaining members of the Board with respect to any actual conflict situations.

Existing Board and Trustee Relationships: If an executive Director or executive officer currently serves on any corporate, civic or charitable board of directors or trustees, an “Approval to Serve as a Corporate, Civic or Charitable Director or Trustee Form” must be completed and submitted to the Compliance Officer for review by the Executive Committee.

All requests for approval, whether by officers or other employees, must include an acknowledgement from the employee that:

- such employee would serve as a director or trustee of the other entity in an individual capacity and not as a representative or agent of Hyperion; and
- any liability incurred by such employee in his or her capacity as a director or trustee of such entity
- will be the individual responsibility of such employee; and
- will not be covered under any director and officer insurance policy that Hyperion may maintain on behalf of its officers and directors.

An employee may not serve on the board of directors or trustees of a competitor of Hyperion or any entity that has an adverse relationship to Hyperion. If an employee serves on a board of directors or trustees of an entity that becomes a competitor or otherwise adverse to Hyperion, you must resign immediately from such board of

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directors or trustees. If Hyperion’s CEO or the Board of Directors determines, in their sole discretion, that your service as a director or trustee adversely affects the performance of your duties as an employee for Hyperion, you must resign immediately from such board of directors or trustees.


8.3. Outside Consulting and Employment

A second job or affiliation with a Company competitor is not allowed. However, if an employee desires to pursue the possibility of limited services, as a part-time second job, consulting, or advising, to another entity, it may be allowed with appropriate executive management review and approval to ensure that such activity does not create a conflict with the interests of Hyperion, or adversely affect the employee motivation and/or performance. Employees may not solicit business on Hyperion premises or while working on Hyperion time. The use of Hyperion facilities, equipment, telephones, materials, resources or proprietary information for any outside work is prohibited. In select instances where outside consulting or employment is approved, employees are still bound by their existing Employee Proprietary Information and Inventions Agreement with Hyperion.

Executive Directors and Members of Executive Management: If you are an Executive Director or Executive officer of Hyperion, you must have the prior written approval of the Board of Directors in order to enter into any consulting or similar arrangement with a third party. Requests for approval must be made to the Chairman of the Nominating, Corporate Governance and Compliance Committee of the Hyperion Board of Directors. The Nominating, Corporate Governance and Compliance Committee will consider requests and make recommendations to the Board as to whether to approve or deny such requests.

Non-Executive Employee: If you are a Non-Executive employee of Hyperion, you must have the prior written approval from immediate supervisor, and the executive officer representative from your department in order to enter into any consulting or similar arrangement with a third party. Your executive officer member will consult with the Compliance Officer, legal counsel, and the Hyperion Compliance Committee, if applicable, who will determine whether there is a conflict of interest.

Existing Consulting or Employment Relationships: If you are currently serving as a consultant or employee to an entity other than Hyperion, please inform your supervisor and officer representative who will consult with the Compliance Officer, legal counsel, and the Hyperion Compliance Committee, if applicable, to determine whether the relationships creates a conflict of interest.

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Although your activities as a consultant or as a corporate, civic or charitable director or trustee may not be in conflict with the interests of Hyperion, it is possible that your activities may present the appearance of a conflict to a reasonable person who is experienced in our business. If you are granted permission to serve as a consultant or as a corporate, civic or charitable director or trustee, you have the duty and obligation to take any and all reasonable steps to avoid creating the appearance of a conflict, as would be judged by a reasonable person who is experienced in our business.

If Hyperion’s CEO determines, in his or her sole discretion, that your outside work creates an undesirable environment at Hyperion, you will be given a period of time to correct the environment. If the unproductive or distracting environment is not corrected after that period of time, you must immediately discontinue your outside work.

8.4. Employing Multiple Family Members


It is not against Hyperion policy for more than one family member to work for the Company. However, no family member should be employed in a position that reports to another family member or works with another family member’s line of authority. Additionally, an employee should never make or be involved in the promotion decision or any other significant decision or action involving the employment of an immediate family member. Any potential conflict of interest should be disclosed to your manager and at any time you are asked to certify your understanding of this Code of Conduct.

9. PUBLIC DISCLOSURES AND COMMUNICATIONS

Hyperion is committed to ensuring that its public statements maintain the Company’s credibility and reputation in the community, to maintain the confidentiality of competitive and proprietary information, and to prevent selective disclosure of market-sensitive information and data. Hyperion maintains special policies and procedures to govern all Company publications and disclosure matters.

10. BUSINESS RECORDS AND INTERNAL CONTROL

Accurate records and information are essential to the management of Hyperion operations, meeting legal and regulatory obligations, and ensuring that Hyperion provides accurate information to its stakeholders. It is the responsibility of each

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employee to ensure that our books and records are prepared accurately, truthfully, and in a timely manner. Some examples of Hyperion’s records include, but are not limited to, time sheets, vouchers, bills, invoices, expense reports, payroll and benefits records, performance evaluations, laboratory and research notebooks and records, and clinical trial records.


Each employee must comply with and be appropriately knowledgeable about Hyperion’s accounting policies, procedures and internal controls, and cooperate fully with the Finance Department, and independent public accountants. The Company’s accounting records, budget and business proposals must accurately and fairly reflect the underlying transactions. Each employee must ensure that the reporting of business information within our control is accurate, honest, timely and representative of the facts. It is our responsibility to ensure that all transactions are properly recorded, and are authorized by the appropriate individual(s) within the Company. It is particularly important that charges relating to services provided, or goods received, and for which invoices may not have been received by the end of a calendar quarter, as well as transactions for which up front payments may have been made, but for which services may not have been rendered or goods received by the end of the calendar quarter, be properly recorded. All assets of the Company shall be recorded in the regular accounts of the Company.

If any employee believes that another employee has violated, or may violate, any law, rule or regulation, accounting standards or unlawful payment obligation, or specific Hyperion policy or procedure, you must report it to your supervisor, Human Resources representative, Hyperion legal counsel, the Compliance Officer, or the CEO. Retaliation is strictly prohibited and will not be tolerated against any employee who raises a concern or reports misconduct or potential misconduct in good faith.

As an employee, if for any reason you are uncomfortable speaking about your concerns with any of the individuals set forth above, you may communicate your concerns anonymously by calling the independently monitored hotline established for this purpose by dialing **Hyperion’s Toll-free Hotline: 1-800-601-2168**. Concerns may also be reporting in a confidential matter via the internet by logging onto <http://hyperiontx.silentwhistle.com>.

11. GIFTS AND ENTERTAINMENT

Conflicts of interest are not always obvious, and many arise despite best intentions. While business courtesies are encouraged, Hyperion prohibits employees, or someone in your immediate family, from giving or receiving gifts, services, perks,

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entertainment, or other items of more than token or nominal monetary value to or from suppliers or customers (some examples of nominal gifts include: pens, mugs, notepads, books, etc.). By doing so an employee may create a conflict of interest, and put their judgment at risk, or give the appearance of impropriety. Never offer, make, solicit or receive a bribe, kickback, illegal political contribution or other improper payment; it is not only a violation of the Code of Conduct, it may also be an illegal activity subject to criminal and civil penalties. As a general rule:


- Do not accept or give a gift that is greater than nominal value. Such a gift should be returned to the giver with an explanation of Hyperion’s policy.
- Do not accept or give a cash gift or the equivalent, such as a check, gift check, traveler’s check, gift certificate, discount coupon or the like.
- Do not accept or provide entertainment, including meals with a value of more than \$100, from or for an individual or entity with whom Hyperion does business with or is a prospective business partner. The entertainment must not create an appearance of inappropriate influence.
- Do not accept, give, solicit or request any gift that would affect or influence, or give appearance of affecting or influencing the business relationship or your judgment in carrying out your duties and responsibilities for Hyperion, or the customer’s judgment in using Hyperion’s products and services.

If you are not certain whether a gift is appropriate, discuss it with Hyperion’s CFO, legal counsel or Compliance Officer.

12. INTELLECTUAL PROPERTY AND CONFIDENTIALTY

Hyperion will make every effort to protect the Company’s assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on the Company’s profitability. Any suspected fraud or theft should be reported immediately, to your area management, the Compliance Officer, or the CFO.

Company patents, trademarks and copyrights are also assets to be protected. It is important that we identify and disclose through the appropriate Company channels any new ideas, works of authorship, technological or medical advances, or unique solutions so we can properly obtain protection for this intellectual property. This will enable the Company to protect these new ideas and works from infringement. Unauthorized use or distribution of this information would violate this Policy and

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could result in civil or even criminal penalties. Employees should contact legal counsel if a Company patent or trademark infringement is suspected.


The protection of confidential business information and trade secrets is vital to the interest and success of Hyperion. In the course of your work, you may have access to confidential information or sensitive, private information regarding Hyperion, its products, suppliers, customers, patients or employees. It is one of your most serious responsibilities that you in no way reveal or divulge any such information, unless it is necessary for you to do so in the performance of your job at Hyperion and such information is protected by a confidentiality agreement that has been approved by an authorized person at Hyperion. Access to confidential information should be on a valid business “need-to-know” basis and must be authorized by your supervisor. All employees are required to sign and are bound by an “Employee Proprietary Information and Inventions Agreement” promising they will not divulge Hyperion’s proprietary material outside of Hyperion; and that the ideas, inventions, products and processes developed while working for Hyperion are the property of Hyperion. In addition, take the following steps to avoid inadvertent disclosure of Hyperion confidential information:

- Do not discuss confidential or sensitive business in public areas, or in places where you may be overheard.
- Do not share your computer password.
- Maintain sensitive information in locked files and cabinets.
- Exercise caution when using speaker phones and cell phones.

12.1. Confidential Information of Third Parties

Hyperion respects the confidential, proprietary, and legally protected information of third parties, including competitors of the Company. Hyperion does not solicit, seek, or desire confidential information of third parties and does not tolerate the use of third party confidential information by its employees.

As part of their previous employment, some Hyperion employees may have received confidential and proprietary information regarding their previous employer's business and products (Former Employer Confidential Information). Confidential information is information that has not been disclosed publicly by the owner of the information. Examples of Former Employer Confidential Information include: analyses of competitor products; applications for product approvals; manufacturing and


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distribution details; clinical trial results; inventions; marketing plans and strategies; business operations; private business alliances; economic information; pricing information; undisclosed vendor relationships; etc. Former Employer Confidential Information is propriety to the former employer and may be considered legally protected trade secrets. The use or misappropriation of Former Employer Confidential Information may be a crime and may create legal liability for the employee and the Company.

In addition to Former Employer Confidential Information obtained in the course of previous employment, Hyperion employees may not engage in activities to solicit or receive confidential and proprietary information of competitors or other third parties, including suppliers (Third Party Confidential Information). Hyperion employees may not misrepresent their identity to obtain access to Third Party Confidential Information, such as logging on to a competitor website as a healthcare provider. Hyperion employees also may not request that other parties engage in this behavior on their behalf. If a third party volunteers Third Party Confidential Information to a Hyperion employee, you must decline it. If you inadvertently receive Third Party Confidential Information orally, do not write it down, do not disclose it to anyone else, and do not use it in performing your job. If you inadvertently receive Third Party Confidential Information in writing, do not copy it or show it to anyone else. Contact Legal or Compliance to discuss the appropriate destruction of Third Party Confidential Information.

There may be legitimate business circumstances where it is appropriate to receive Third Party Confidential Information from competitors, customers, suppliers or other third parties. Before doing so, however, you must first contact Hyperion Legal who will evaluate the appropriateness of receiving Third Party Confidential Information, and who shall ensure that Hyperion enters into an appropriate Confidentiality Agreement with the third party prior to receiving Third Party Confidential Information. Hyperion employees must comply at all times with the terms of Confidentiality Agreements Hyperion enters into with third parties.

It is generally not unethical or illegal to possess or use public information about competitors, customers, suppliers or other third parties (Public Third Party Information) in conducting Hyperion business. Public Third Party Information is readily available through the Internet, published articles, price bulletins, advertisements, brochures, and public presentations. You may gather and use Public Third Party Information in furtherance of Hyperion business so long as it is gathered and used in an ethical and legal manner. If you have any questions regarding what constitutes Public Third Party Information or how to gather and use it in an ethical and legal manner, contact Hyperion Legal.

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13. EMPLOYEE AND THE COMMUNITY

The diversity of Hyperion’s employees is a tremendous asset. Hyperion is firmly committed to treating all employees and applicants with honesty, fairness and respect. The Company is also committed to participating in community activities to build our relationship with the community and the public. Hyperion will respect the welfare of animals, protect the environment and conduct political activities responsibility. Hyperion will not provide facilities or funds to support any political activities that are not directly connected to the Company’s business.

13.1. Equal Opportunity

Hyperion is an equal opportunity employer. It treats all applicants and employees in all interactions with Company without regard to personal characteristics such as race, color, religion, gender, sexual orientation, age, national origin, marital status, pregnancy, disability, or veteran status.

13.2. Discrimination or Harassment


Hyperion values its employees and strives to provide a work environment that is free of verbal or physical harassment regarding racial, ethnic, religious, physical or sexual characteristics, sexual orientation, and will not tolerate any illegal discrimination or harassment of any kind. Examples of such behavior include unwelcome sexual advances and derogatory comments, innuendoes or jokes based on characteristics such as race, color, ethnicity, religion, sex (including pregnancy), national origin, age, physical or mental disability, veteran or marital status, gender or sexual orientation.

13.3. Health and Safety

Hyperion strives to provide its employees with a safe and healthy work environment. Safety is a team effort. Under the Code of Conduct, each employee is responsible for helping to maintain a safe and healthy workplace for all employees by following safety and health rules and reporting accidents, injuries and unsafe equipment, practices or conditions.

Violence and threatening behavior in the workplace are not permitted.

Hyperion does not permit any individual to have weapons of any kind on Company property or in Company vehicles, while on the job or off-site while on Company business. This is true even if an employee has obtained legal permits to carry weapons. The only exception to this policy applies to security personnel who are

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specifically authorized by Company management to carry weapons.

Employees should report to work in condition to perform their duties, free from the influence of illegal drugs or alcohol. The abuse of alcohol or illegal drugs in the workplace will not be tolerated.


13.4. Political Contributions

Hyperion encourages its employees and directors to participate in the political process as individuals and on their own time. However, federal and state contribution and lobbying laws severely limit the contributions Hyperion can make to political parties or candidates. It is Hyperion policy that Company funds or assets not be used to make a political contribution to any political party or candidate, unless prior approval has been given by our CEO and legal counsel.

The following guidelines are intended to ensure that any political activity pursued by Hyperion personnel complies with this policy:

- Contribution of Funds: Employees may contribute their personal funds to political parties or candidates. Hyperion will not reimburse employees for personal political contributions.
- Volunteer Activities: Employees may participate in volunteer political activities during non-work time. They may not participate in political activities during working hours.
- Use of Company Facilities: Hyperion’s facilities generally may not be used for political activities (including fundraisers or other activities related to running for office). However, Hyperion may make its facilities available for limited political functions, including speeches by government officials and political candidates, with the approval of our CEO and Legal Director.
- Use of Company Name: When employees participate in political affairs, they should be careful to make it clear that their views and actions are their own, and not made on behalf of Hyperion. For instance, Hyperion letterhead should not be used to send out personal letters in connection with political activities.

These guidelines are intended to ensure that any political activity employees pursue is done voluntarily and on their own resources and time. Please contact the Compliance Officer with any questions about this policy.

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14. CERTIFICATION OF COMPLIANCE AND UNDERSTANDING

I have received, read and understand that compliance with Hyperion’s Code of Business Conduct and Ethics is a condition of continued employment with Hyperion. I have asked and obtained clarification of any questions or misunderstanding that I had when reading the Code of Conduct.

By signing this Code of Conduct Certificate of Compliance and Understanding, I am certifying my reading and understanding of the Code of Conduct, and that, to the best of my knowledge, I am not violating any of the policies set for in Hyperion’s Code of Conduct, I will not do so in the future and I am not aware of any unreported violations of the policies. I have appropriately made known any conflicts of interest, and hereby certify that I have not been debarred by the Food and Drug Administration, nor excluded from participation in federal or state health programs. I understand that I am bound by confidentiality, and will safeguard Hyperion’s proprietary and confidential information.

Employee’s Printed Name: _____

Employee’s Signature: _____

Employees Title: _____

Work Location: _____

Date: _____

Contact Information:

You may contact Hyperion’s Compliance Officer by email at klara.dickinson@hyperiontx.com or by first class mail at Hyperion Therapeutics, 601 Gateway Boulevard, Suite 200, South San Francisco, CA 94080.