

Convenience Translation

(The text decisive for the Statement on corporate governance of Heidelberg Pharma AG is the one written in the German language.)

Statement on corporate governance pursuant to section 289a of the HGB

Declaration of Conformity by the Executive Management Board and the Supervisory Board of Heidelberg Pharma AG pursuant to Section 161 of the German Stock Corporation Act

The Executive Management Board and the Supervisory Board declare that Heidelberg Pharma AG has been in conformity with all recommendations (provisions containing terms such as "shall") of the Government Commission on the German Corporate Governance Code (GCGC) as published by the Federal Ministry of Justice in the official section of the Federal Gazette from 3 February 2017, the date of its most recent declaration of conformity, to 2 February 2018, the date of adopting the resolution regarding the declaration of conformity (Code as amended on 7 February 2017), and that the Company is and will be in conformity with said recommendations from 2 February 2018 (Code as amended on 7 February 2017), in each case with the exception of the below-mentioned deviations.

"Heidelberg Pharma" will be used as a synonym for the Group hereinafter. Each entity's full corporate name is stated whenever facts specific to Heidelberg Pharma AG as the parent company or Heidelberg Pharma Research GmbH as the subsidiary are reported.

D&O insurance for the Executive Management Board and the Supervisory Board – Section 3.8 (2) and (3) GCGC

Heidelberg Pharma AG's D&O insurance for the members of its Supervisory Board does not require a deductible. The statutory obligation effective 1 July 2010 to amend the given contracts pursuant to Section 93 (2) sentence 3 German Stock Corporation Act, in conjunction with Section 23 (1) sentence 1 Introductory Act to the German Stock Corporation Act (Einführungsgesetz zum Aktiengesetz), applies solely to insurance policies purchased for members of the Executive Management Board. Section 116 sentence 1 of the German Stock Corporation Act does not require a deductible for the Supervisory Board to be agreed. Instead, the law expressly exempts the Supervisory Board from the requirement to agree a deductible. It seems appropriate to distinguish between the Executive Management Board and the Supervisory Board, given the nature of service of the Supervisory Board, which is also evident in the different structure of remuneration. Both the Executive Management Board and the Supervisory Board also believe that a deductible would not impact the sense of responsibility and the loyalty with which the members of corporate bodies carry out the tasks and duties assigned to them. In addition, a significant deductible, which – for reasons

of equality – would have to be the same for each member, would affect the members of the Supervisory Board very differently, depending on their private income and financial circumstances.

Compliance Management System - Section 4.1.3 GCGC

The applicable recommendation in Section 4.1.3 of the Code, whereby employees should be given the opportunity to report, in a protected manner, suspected breaches of the law within the Company, is not being followed. The Executive Management Board and Supervisory Board are of the opinion that even without establishing such a system, the Company has an effective compliance management system.

Composition of the Executive Management Board and the Supervisory Board – Section 4.1.5 GCGC, Section 5.1.2 (1) Sentence 2 GCGC, Section 5.4.1 (2) and (3) GCGC

When appointing individuals to executive positions within Heidelberg Pharma AG, the Executive Management Board is guided solely by the professional and personal qualifications of the given candidate, male or female. The same applies to the Supervisory Board when it appoints individuals to the Executive Management Board and suggests candidates for elections to the Supervisory Board. The percentage of women for the Supervisory Board, the Executive Management Board and for the upper management level was defined and published in the Statement on corporate governance.

The two-member Executive Management Board of Heidelberg Pharma AG currently does not include a woman. One member of Heidelberg Pharma AG's five-member Supervisory Board is a woman. The professional and personal qualifications of the given candidate, whether male or female, are at the forefront of the concerns of the Executive Management Board and the Supervisory Board when selecting candidates.

Neither the Executive Management Board nor the Supervisory Board consider it effective not to fill, or fill, a vacant position with a woman solely in order to ensure adequate representation of women in leadership positions. In the view of the Executive Management Board and the Supervisory Board, such an approach would not be in the Company's interest.

The Supervisory Board has not yet specified a competence profile for the Supervisory Board as a whole and concrete objectives regarding its composition that – taking into account the company-specific situation – consider the international activities of the company, potential conflicts of interest, the number of independent members of the Supervisory Board, a specified age restriction for members of the Supervisory Board and a specified limit for the term of office as member of the Supervisory Board as well as diversity. Establishing general objectives to compose the Supervisory Board would constitute an inappropriate limitation of the selection of suitable individual candidates for the Supervisory Board. General objectives would interfere with the right of the shareholders to elect the members of the Supervisory Board.

The Company intends to prepare a competence profile for the Supervisory Board as a whole in the course of the Board's efficiency review, which is scheduled for February 2018.

Remuneration of the Executive Management Board – Section 4.2.2 (2) Sentence 3 GCGC

Until now, the Supervisory Board has applied the criteria for determining appropriate remuneration of the Executive Management Board based on the tasks of the individual member of the Management Board, his/her personal performance, the economic situation, the performance and outlook of the enterprise as well as the common level of the remuneration taking into account the peer companies and the remuneration structure in place in other areas of the Company. No specific and concrete comparison parameters with regard to the senior management and the staff overall, particularly in terms of their development over time, are considered above and beyond this. The Supervisory Board believes that it serves no purpose to base the determination of appropriate remuneration of the Executive Management Board on specific comparison parameters.

Comparison parameters – Section 4.2.3 (2) Sentence 7 GCGC

The stock option plan launched back in 2005 prior to the stock exchange listing of Heidelberg Pharma AG does not relate to comparison parameters, such as a share index. However, both of the stock option plans launched in 2011 and 2017, respectively, refer to the TecDAX as a comparison parameter.

Age limit for Executive Management Board members – Section 5.1.2 (2) Sentence 3 GCGC

No age restriction has been or will be specified for members of the Executive Management Board. Heidelberg Pharma AG believes that such a regulation would not be in the best interest of its shareholders, as rigid regulations on the retirement age may result in the Company having to forgo the expertise of key staff.

Age limit for Supervisory Board members – Section 5.4.1 (2) Sentence 1 GCGC

No age restriction and no limit for the term of office as member to the Supervisory Board have been or will be specified for members of the Supervisory Board. Heidelberg Pharma AG believes that such a regulation would not be in the best interest of its shareholders, as rigid regulations on the retirement age or the term of office as member may result in the Company having to forgo the expertise of key staff. In addition, such limits for Supervisory Board members would also restrict the rights of the Company's shareholders to elect their representatives to the Supervisory Board.

Candidate proposals for the Supervisory Board chair – Section 5.4.3 Sentence 3 GCGC

The proposed candidates for the Supervisory Board chair are not announced to the shareholders during the Annual General Meeting at which the members of the Supervisory Board are elected. Since it is the task of the Supervisory Board to elect a chairman from among its members at its inaugural meeting, earlier announcement of possible candidates does not seem appropriate and would preempt the decision-making process.

Publication of the consolidated financial statements and the group management report – Section 7.1.2 Sentence 3 GCGC

The annual report and thus the consolidated financial statements for the 2016 fiscal year were not made publicly available within 90 days of the end of the fiscal year on 30 November 2016. Due to the course of business in 2016, considerable discussions were held, above all, regarding the business forecast, which in turn is material for the forecast in terms of continuing as a going concern. Therefore, the consolidated financial statements could not be published within the period specified by the GCGC.

Heidelberg Pharma AG furthermore complies with the majority of the suggestions contained in the German Corporate Governance Code (provisions containing terms such as "should").

The next Declaration of Conformity of Heidelberg Pharma AG is scheduled to be published at the beginning of 2019.

Ladenburg, 2 February 2018
Executive Management Board and Supervisory Board

All of Heidelberg Pharma AG's declarations of conformity are published on the Company's website for at least five years.

Procedures of the Executive Management Board and the Supervisory Board

The management of Heidelberg Pharma AG is structured as a dual system in accordance with the provisions of the German Stock Corporation Act. The corporate bodies of the Company comprise the Annual General Meeting that represents the will of the shareholders, and the two corporate boards, the Executive Management Board and the Supervisory Board.

The Executive Management Board is responsible for managing the Company and represents it vis-à-vis third parties. The Supervisory Board's tasks include appointing, dismissing and monitoring the members of the Executive Management Board. Whilst it must not make any management decisions under German corporate law, both of these corporate bodies work together in the Company's interest, jointly pursuing the goal of maximizing the enterprise value for the Company's shareholders in the long term. This also includes coordinating the Company's strategic alignment and making joint decisions regarding material transactions.

The Company's current Articles of Association have been posted at www.heidelberg-pharma.com under the tab "Press & Investors> Corporate Governance".

Executive Management Board

The Executive Management Board of Heidelberg Pharma AG manages the Group on its own and runs its business with the assistance of a management team. Both the actions and the decisions of the Executive Management Board are strictly aligned with the Company's interest in order to maximize the enterprise value in the long term, taking into account

primarily the interests of shareholders. The Executive Management Board is responsible for corporate policies; the Group's strategic alignment; its investment, finance and human resource planning; the allocation of resources as well as the Group's operating business. It is tasked with preparing interim financial reports and the annual financial statements of the Group and Heidelberg Pharma AG. The Executive Management Board is also responsible for an effective risk management system; it ensures compliance with statutory requirements and corporate standards ("Compliance").

The Executive Management Board currently comprises two members:

Members of the Executive Management Board	Responsibility	End of term
Dr. Jan Schmidt-Brand	Chief Executive Officer & Chief Financial Officer	31 August 2018
Professor Andreas Pahl	Chief Scientific Officer	31 December 2020

Professor Pahl's director's contract, which ran until 1 June 2018, was extended prematurely until 31 December 2020 on 5 October 2017.

The minimum share of women on the Executive Management Board was set at 0% until 31 May 2022 by the Supervisory Board.

Currently, Heidelberg Pharma AG has only one management level below the Executive Management Board; there are no plans to make a structural change with regard to or within the management levels. The Executive Management Board has therefore decided to define that the minimum percentage of women at the management level below the Executive Management Board will be 0% until 31 May 2022.

Under the Company's Articles of Association, decisions regarding the number of members of the Executive Management Board are reserved to the Supervisory Board. Pursuant to the German Stock Corporation Act, the Executive Management Board must have at least one member. The term of a member of the Executive Management Board is limited to a maximum of five years by law. However, it is Heidelberg Pharma's current practice to limit it to a maximum of three years. Executive Management Board members may be re-elected; they may also be dismissed for cause prior to the expiry of their term of office. None of the directors' contracts of the Executive Management Board members provides for the payment of termination benefits in case the employment is terminated.

Both members of the Executive Management Board are also members of the executive management of Heidelberg Pharma's subsidiary Heidelberg Pharma Research GmbH. Dr. Jan Schmidt-Brand is also a member of the Board of Directors of the BIO Deutschland e.V. industry association. The Chief Scientific Officer, Professor Andreas Pahl, also teaches at the University of Erlangen-Nuremberg.

The work of the Executive Management Board is subject to Internal Rules of Procedure that govern, in particular, the cooperation among the members of the Executive Management Board; its resolutions, matters reserved to the full Executive Management Board, as well as

transactions requiring the Supervisory Board's approval. The business areas assigned to the members of the Executive Management Board follow from the schedule of responsibilities. Executive Management Board meetings take place at regular intervals. Any member of the Executive Management Board may request that an extraordinary meeting of the Executive Management Board be convened outside of its regular meetings. Persons who do not belong to the Executive Management Board may be invited to attend its meetings in an advisory capacity, to the extent necessary for a given agenda item. Minutes must be prepared of every Executive Management Board meeting and specify the place and date of the meeting, its participants, the agenda and the content of the Executive Management Board's resolutions. Whilst the resolutions of the Executive Management Board shall generally be adopted at its meetings, they may also be adopted outside of meetings in writing, by telegram, by fax, by e-mail or by telephone. The Executive Management Board constitutes a quorum if all of its members participate in the given resolution. Unless required otherwise, the Executive Management Board shall make its decisions unanimously.

The Executive Management Board regularly furnishes detailed written and oral reports concerning the Company's position to the Supervisory Board. It is also responsible for submitting the budget for the coming fiscal year to the Supervisory Board for approval. In addition, the Executive Management Board must notify the Supervisory Board of all transactions that might have a significant impact on the Company such that the Supervisory Board may state its views on the given transaction before it is carried out. The Chairman of the Supervisory Board and the Chief Executive Officer as well as other members of the Company's corporate bodies discuss current and ongoing issues in numerous conference calls as necessary above and beyond the regular exchanges of information and discussions between the Executive Management Board and the Supervisory Board.

The Executive Management Board has not established any committees.

For short CVs of the members of the Executive Management Board, please see the tab "Company > Management" at www.heidelberg-pharma.com.

Supervisory Board

Pursuant to the Company's Articles of Association, the Supervisory Board currently has five members. As recommended by the German Corporate Governance Code (GCGC), they are selected based on their professional experience and capabilities, as well as their independence and diversity. The members of the Supervisory Board are elected for a term of office not to exceed five years but may be appointed for shorter terms. Supervisory Board members may be re-elected, even repeatedly. The Supervisory Board appoints a Chairman from among its midst as well as one or more deputy chairmen. No members of the Supervisory Board are former members of the Company's Executive Management Board. Please see the notes to the consolidated financial statements for more details on the Supervisory Board.

The current members of the Supervisory Board were elected by the simple majority of all votes cast at the Annual General Meeting on 30 July 2015. The terms of office will expire at the close of the 2020 Annual General Meeting.

The Supervisory Board advises and monitors the Executive Management Board with regard to its management of the Company. Based on regular exchange with the Executive Management Board, the Supervisory Board is involved in strategy and planning and in all issues of fundamental significance to the Company. The Internal Rules of Procedure governing the work of the Executive Management Board provide for the Supervisory Board's right to approve material business transactions – such as for instance the Company's alignment in strategic and operational terms, fixing the annual budget, major acquisitions, investments or license agreements, contracts closed outside of the regular course of business that substantially exceed the customary risk structure, as well as the founding or material restructuring of existing business operations.

The Chairman of the Supervisory Board coordinates the work of the Supervisory Board, convenes and chairs its meetings (which must take place at least twice every six calendar months) and represents its interests vis-à-vis external parties. According to the Company's Articles of Association, the Supervisory Board shall adopt its resolutions at meetings. However, if ordered by the chairman of the Supervisory Board, resolutions may also be adopted in writing, by telegram, by fax, by e-mail or by telephone if no member immediately objects to this procedure. The Articles of Association also establish that the Supervisory Board constitutes a quorum if at least four of its members participate in the resolution by means of any legal form of voting. Absent members may cast their vote on the resolution using written procedures. Resolutions of the Supervisory Board shall be adopted by a simple majority of all votes cast unless stipulated otherwise by law. Abstentions are not considered votes cast. In case of a tie, the Chairman's vote shall decide the matter.

The Supervisory Board has issued Internal Rules of Procedure for its work which establish not only the aforementioned procedures regarding its resolutions but also the Supervisory Board's general duties and tasks; its composition; the responsibilities of its Chairman and Deputy Chairman; the participation of third parties in meetings; convening the Supervisory Board; as well as the composition, responsibilities and procedures of the Supervisory Board's committees.

The Supervisory Board regularly performs an efficiency review every other year in accordance with Section 5.6 of the German Corporate Governance Code. The most recent review was carried out in February 2016. The previous reviews demonstrated that the Supervisory Board is efficiently organized and that the collaboration between the Executive Management Board and the Supervisory Board works fine. The next review is planned for February 2018. As part of this efficiency review, the Supervisory Board will address the skills, expertise and experience available on the Board and create a competence profile for the Board as a whole.

The Report of the Supervisory Board, which will be posted on the Company's website (www.heidelberg-pharma.com under the tab "Press & Investors > Financial reports" as part of the annual reports, provides an overview of its work.

The appointments of the Supervisory Board members to other boards, as well as their business relationships to related parties, are set forth in the notes to the consolidated financial statements. For short CVs of the members of the Supervisory Board, please see the Company's website under the tab "Company > Supervisory Board".

Supervisory Board's work in committees

Working in committees is an integral part of the work of the Supervisory Board. The Supervisory Board of Heidelberg Pharma AG has established three committees: the Audit Committee, the joint Compensation and Nomination Committee, which covers both areas separately in its meetings, and the Research & Development Committee (R&D Committee). All committees fulfill preparatory functions.

The following table shows the composition of the Supervisory Board and the membership in the three committees:

Supervisory Board member	Function	Audit Committee	Compensation and Nomination Committee	R&D Committee
Professor Christof Hettich	Chairman		X (Chairman)	
Dr. Georg F. Baur	Deputy Chairman	X (Chairman)	X	
Dr. Birgit Kudlek	Member	X		X
Dr. Friedrich von Bohlen und Halbach	Member			X (Chairman)
Dr. Mathias Hothum	Member	X		

The Audit Committee supports the Supervisory Board in carrying out its duty to independently monitor the Company's financial reporting and, in particular, reviews the financial statements and the risk management. This also includes discussing the half-yearly reports and the interim management statements with the Executive Management Board prior to publication. Furthermore, the Audit Committee discusses individual aspects of the audit with the independent auditors as part of the audit engagement issued by the Supervisory Board and proposes to the Supervisory Board that it approve the Company's annual and consolidated financial statements. Besides this supervisory responsibility, the Audit Committee also reviews the Company's control systems that have been established as part of its risk management, the Company's key risk potentials and the Executive Management Board's countermeasures. The committee is chaired by Dr. Georg F. Baur, who possesses specialist knowledge and professional experience in accounting and in auditing financial statements, as required under Section 107 (4) and Section 100 (5) German Stock Corporation Act as well as the German Corporate Governance Code. In that connection, it is in principle ensured that neither the Chairman of the Supervisory Board nor a former member of the Executive Management Board chair the Audit Committee.

In its function as a personnel committee, the joint Compensation and Nomination Committee prepares personnel matters related to the Executive Management Board. In particular, it is responsible for the preparation, amendment and termination of their directors' contracts; preparing pension or other commitments; as well as preparing grants, withdrawals or modifications of stock options, convertible bonds or similar rights related to the members of the Executive Management Board. In its function as a nominating committee, the joint Compensation and Nomination Committee proposes suitable candidates to the Supervisory Board for recommendation to the Annual General Meeting and prepares the appointment of new Executive Management Board members. Resolutions regarding the aforementioned

matters are adopted in the Supervisory Board in accordance with Section 107 (3) German Stock Corporation Act and with the recommendations of the German Corporate Governance Code. Professor Christof Hettich is the Chairman of the joint Compensation and Nomination Committee.

The Research & Development Committee is tasked with issues related to research and development, and carries out related preparatory work for the Supervisory Board. In particular, this includes Heidelberg Pharma Research GmbH's ADC technology and its strategic development. Dr. Friedrich von Bohlen und Halbach chairs the Research & Development Committee.

Objectives for the composition

In accordance with section 5.4.1. of the German Corporate Governance Code, the Supervisory Board has set the following objective: the percentage of women in the Supervisory Board shall amount to at least 20% until 31 May 2022.

Disclosures on corporate governance practices

Since its founding, Heidelberg Pharma AG has attached the greatest importance to responsible corporate management in the pursuit of shareholder value. Given its listing on Deutsche Börse's Prime Standard segment of the Frankfurt/Main Stock Exchange, the Company is committed with a few exceptions to the national rules and regulations of the German Corporate Governance Code and also fulfills most of its non-mandatory recommendations. The Executive Management Board and the Supervisory Board of Heidelberg Pharma AG are convinced that compliance with high standards in corporate governance is central to the Company's success.

Heidelberg Pharma AG and its subsidiary Heidelberg Pharma Research GmbH are conducting business in a highly regulated field and strive to act credibly, respectably and reliably, and to project these values. To this end, the Company reviews and refines its corporate governance policies on a regular basis. There are clear goals, and the extent to which they have been accomplished is reviewed on a regular basis. These performance targets are a material element of the Company's management philosophy and an integral part of its remuneration system.

Transparency

Heidelberg Pharma AG provides shareholders and analysts, the media and the interested public with information simultaneously and regularly. It does so in compliance with all requirements of the German Corporate Governance Code in terms of transparency, timeliness, openness and equal treatment. All Company publications are provided in the form of a media package and published on the www.heidelberg-pharma.com website under Press & Investors. This section includes information such as press releases, ad-hoc announcements, financial reports, the financial and conference calendars as well as reportable events such as voting rights announcements and directors' dealings. Corporate governance documents such as the Articles of Association, Declarations of Conformity and declarations of the shareholdings of corporate bodies are also published here.

Due to its listing on the Prime Standard, all Heidelberg Pharma AG publications are available in German and English.

Heidelberg Pharma attaches considerable importance to statutory regulations banning insider trading. Employees and advisors involved in insider projects are informed of their rights and obligations in advance. This information is also provided to the corporate bodies, who are also informed of their rights and obligations with regard to directors' dealings.

Compliance

Heidelberg Pharma has issued corporate guidelines and Standard Operating Procedures in many areas of the Company that must be observed by its employees; compliance is monitored by the relevant compliance officers. The Company's internal requirements comply with statutory provisions. Employees should report violations of these requirements to their supervisor or the responsible member of the Executive Management Board.

Sustainable corporate governance

Sustainability is particularly important at Heidelberg Pharma. The Company is keen to exercise its economic, ecological and social responsibility in a conscientious manner.

The business model is oriented towards sustainable growth in a forward-looking industry. Heidelberg Pharma's aim is to provide cancer patients with targeted, tailor-made treatment that is both highly effective and as well-tolerated as possible. The Company thereby creates value that benefits patients, employees and shareholders alike.

Heidelberg Pharma meets all legal requirements relating to environmental protection and animal welfare as well as occupational safety.

The Company also fulfills its responsibility to employees by attaching importance to a pleasant working atmosphere and mutual respect and offering future prospects to employees at all levels.

Code of Conduct of Heidelberg Pharma AG and its subsidiary Heidelberg Pharma Research GmbH

The attitudes and actions of the Company's employees and how other parties perceive them contribute substantially to the reputation of Heidelberg Pharma AG and its subsidiary.

It is for this reason that the Group has adopted a Code of Conduct that sets out stringent requirements for correct business conduct. This Code of Conduct shall guide the conduct of Heidelberg Pharma as a company towards external parties and customers (referred to as "business partners" below) as well as that of its employees towards colleagues; it must be accepted and signed by every employee at the start of employment. Every employee of the Company must be aware of these rules and regulations and act accordingly in their daily dealings with business partners and colleagues alike.

Heidelberg Pharma AG and its subsidiary Heidelberg Pharma Research GmbH (Group) desire under all circumstances to adhere to letter and spirit of the law.

- 1. Drug development:** Heidelberg Pharma's activities in the field of drug development are subject to extensive governmental regulations, installed to protect patients and enhance the standards in healthcare. Heidelberg Pharma's policy is to adhere to the letter and the spirit of the laws and guidelines in this area. Any employee who notes a deviation from this policy in this area is obliged to alert his supervisor and the responsible member of the Executive Management Board immediately.
- 2. Protection of employee safety and welfare:** In view of safety and a healthy work environment the law and any internal rules of Heidelberg Pharma regarding safety and hygiene must be complied with.
- 3. Environment:** All rules and regulations regarding the handling of chemicals, organisms and waste products have to be observed. In general the Company expects its employees to act responsibly towards the environment, also where no mandatory rules apply.
- 4. Political and religious activities:** Although Heidelberg Pharma respects the political or religious opinions of its employees, promotion of political or religious views is not allowed, by any means, on the Company's premises. Nor is the support of political parties or religious denominations with financial means from the Company allowed.
- 5. Unsuitable social activities:** The distribution, promotion or duplication of racist, sexual or discriminatory opinions and materials of any kind is not allowed within Heidelberg Pharma or through the use of the Company's infrastructure like email or copiers.
- 6. Behavior of employees within Heidelberg Pharma:** Employees of Group shall at all times treat their colleagues with appropriate respect and shall not discriminate any of their colleagues in writing, verbally or any other form with regard to sex, race, handicap, political or religious opinions. The requirements of the German General Equal Treatment Act (Allgemeines Gleichbehandlungsgesetz) dated 14 August 2006 must be observed.
- 7. Protection of confidentiality:** The Group respects any confidential information received from third parties in the conduct of its business. Such information will be protected as Heidelberg Pharma's own confidential information will be. The employees of Heidelberg Pharma are only allowed to use information rightfully obtained and are not allowed to use confidential information received in other ways than for the intended purpose.
- 8. Information policy:** Any information regarding financial conditions, progress in clinical or product development, patent situations etc., provided by the Company's management or employees to third parties must be consistent with the actual situation. Heidelberg Pharma AG's management is responsible for providing updates on a regular basis to entitled parties within the Group.
- 9. Conflict of interest:** The employees of Heidelberg Pharma at all times must avoid situations of conflict between company and personal interests. Where such situations exist or may occur the employee is responsible for immediately disclosing such conflicts of interest to a member of the Executive Management Board. Examples of situations to be avoided are: acceptance of presents, payments, loans or services of any kind by suppliers, customers, organizations, service providers or competitors in excess of what is customary in such cases,

e.g. a normal business meal or a small present at the end of the year (less than €25). Employees should also avoid doing business with former colleagues except when only Heidelberg Pharma business reasons are involved. In no case are the Company's employees allowed to use information obtained at Heidelberg Pharma for personal financial gain or for the benefit of family relations and friends.

10. Doing business: Interactions between Heidelberg Pharma and third parties will take place only according to legal and lawful practice. In case of major transactions multiple quotations will be compared to obtain the best possible deal for the Company. In no case will Heidelberg Pharma accept payments that have been made to illegally avoid taxation. The Company will not make any payments that are not legally due or that contradict existing law or the intention of the law. Equally, no payments will be made for a purpose that is different from that stated on the invoice.

Adhering to the rules and guidelines above will help Heidelberg Pharma to be a reliable, responsible and respectful partner for those who do business with the Company as well as for its employees.

Furthermore, there is an information memo on insider law and lockout periods for share transactions, which every employee receives and must observe.

Ladenburg, 2 February 2018

For the Executive Management Board:



Dr. Jan Schmidt-Brand
Chief Executive Officer & Chief Financial Officer



Professor Andreas Pahl
Chief Scientific Officer

For the Supervisory Board:



Professor Christof Hettich
Chairman of the Supervisory Board