



CODE OF ETHICS AND CONDUCT POLICY

Date: May 2015

“When you play, play hard; when you work, don't play at all.” – Theodore Roosevelt.

We live in dynamic and interesting times. There is much that affects our professional lives that we simply cannot control, however the one element that we must master, is our behaviour in regards to our greater work environment.

A good name can take a very long time to establish, and can be damaged in the blink of an eye. Our good name as a company is tied to each and every subsidiary, as well as the listed entity. It is with this in mind that the ASCENDIS CODE OF ETHICS AND CONDUCT (“Code”) is intended to guide our behaviour and shape our state of mind. It binds all Ascendis staff, and all staff of every subsidiary company (collectively referred to as “the Company”). Ethics expects a higher standard from society than that the minimum prescribed standard set by law.

We are reminded in this regard of Socrates, the ancient Greek philosopher, who famously said

“Regard your good name as the richest jewel you can possibly be possessed of – for credit is like fire; when once you have kindled it you may easily preserve it, but if you once extinguish it, you will find it an arduous task to rekindle it again. The way to gain a good reputation is to endeavour to be what you desire to appear.”

Our ethics and conduct are not merely how we behave around the office. They transcend into our every thought, they build and mould public perception about our brands, and also have an impact on shareholders’ perceptions of the company as an investment.

Because our success is so closely related to our reputation, it’s up to all of us to protect that reputation. Acting with integrity is about more than just Ascendis’ image and reputation, or avoiding legal risk. Ultimately, it’s about each of us knowing that we have done, and continue to do the right thing. This means acting honestly and treating each other and our customers, partners, suppliers and consumers fairly, and with dignity. It is important to remember that if one does not uphold the standards set out in this Code, it could lead to disciplinary procedures being implemented against offending employees. If theft or fraud is evident, criminal proceedings will be instituted against those involved.

Keep the Code accessible and refer to it often. Stay current with your ethics training. When you have questions, ask for guidance. With your help, I am confident that our Company will continue to deserve the trust that everyone has in us. Our reputation for integrity will endure. Thank you for joining me in this effort.

Sincerely,

Karsten Wellner, CEO

The ASCENDIS CODE OF ETHICS AND CONDUCT is based on the below key pillars:

1. Integrity

“Never do anything against conscience, even if the state demands it.” – Albert Einstein

- 1.1 All staff have a duty to act in the company’s best interests;
- 1.2 No staff member is permitted to sell merchandise of any Ascendis company / subsidiary, to the public or otherwise, for personal gain, whether direct or indirect;
- 1.3 No staff member may accept, offer or give a bribe of any nature whatsoever to any person, company or organ of state. If there is any doubt as to whether a gift from or to an outside party could be deemed a bribe, then you are to request permission and guidance from your line manager;
- 1.4 Any gift received or offered, that is valued at over R1000, should be reported to the relevant divisional head and / or the Company Secretary, who shall decide whether it would be appropriate to accept and / or retain such a gift;
- 1.5 All staff have a duty to disclose to the company details of employees undermining its best interests;
- 1.6 It is unacceptable, regardless of the time of day or geographical location, to conduct one’s self in such a way as to bring the company into disrepute;
- 1.7 Any conduct on social media (regardless of the platform) which has a bearing on the company and has the potential to bring it into disrepute, and all staff need to conduct themselves on such social media in a way that guards against such an outcome;
- 1.8 Confidential and / or proprietary information of the Company and /or any third party that has been entrusted to you, or that you have come across by chance must remain confidential at all times, and is acknowledged to be the proprietary property of the Company / third party, as the case may be;

2. Respect

“Education is the ability to listen to almost anything without losing your temper or your self-confidence.” – Robert Frost

2.1 Fellow Staff

- 2.1.1 Do not use any position of seniority to exert undue pressure, threat or dominance upon a colleague or member of staff;
- 2.1.2 Sexual harassment is strictly prohibited;
- 2.1.3 Racism is strictly prohibited;
- 2.1.4 In dealing with colleagues, employees are to be open, honest and courteous with one another and treat each other with respect.
- 2.1.5 Unfair discrimination is prohibited, including but not limited on the grounds of race, age, disability, nationality, ethnic or national origin, religion, creed, gender, HIV status, sexual orientation, marital status, family responsibility or political persuasion.

2.2 Customers, Suppliers, and Distributors

- 2.2.1 In dealing with Customers, Suppliers, and Distributors, employees are to conduct themselves in a friendly, helpful, and courteous manner, and to provide professional levels service at all times;

- 2.2.2 Pay creditors timeously;
- 2.2.3 Check whether you are authorised to represent the Company in the relevant dealings with Customers, Suppliers, and / or Distributors;
- 2.2.4 Always use business acumen to negotiate the best possible balance between the needs of the company, and the commercial viability of the customer, supplier and / or distributor;
- 2.2.5 Staff are expected to dress professionally and appropriately when dealing with Customers, Suppliers, and Distributors

2.3 Rule of Law

- 2.3.1 Always obey the law. Even unconstitutional law is ignored at one's own peril. If in doubt as to the validity, import or consequences / permutations of any relevant law, it is your duty to seek clarity and advice from the Ascendis Legal Department;
- 2.3.2 Remain cognisant and up to date with the relevant laws governing the industry that your business unit operates / trades in;
- 2.3.3 The Company is committed to a substance-free workplace. The misuse of illegal drugs and alcohol, including the use, possession, distribution or sale thereof, while on Company premises, in its vehicles or while conducting Company business, is prohibited. An acceptable exception to this ruling is where a senior manager is responsible for overseeing a company related event. No employee may conduct Company business while under the influence of drugs or alcohol.
- 2.3.4 No employee or connected person may use confidential Company information for the purpose of trading, or advising others to trade in Company shares. Any person unsure of the ramifications of this provision is to enquire from the Company Secretary.

3. Excellence

***"We are what we repeatedly do. Excellence then, is not an act, but a habit."* - Aristotle.**

3.1 Aim to exceed expectations

- 3.1.1 Meet or exceed KPI's given to you from time to time;
- 3.1.2 Communicate clearly and effectively in general, but specifically as regards your workload / capacity, and the expectations on your colleagues;

3.2 Professional growth

- 3.2.1 Develop and communicate a plan how you would want to grow within the company structures, and seek feedback regarding the prospects of such plan and mechanisms available to help you achieve the goal at hand.

3.3 Academic growth

- 3.3.1 Academic growth will be encouraged and facilitated wherever possible;
- 3.3.2 Identify selected avenues within which you can further your studies, and submit proposals to line management with motivation as to how the company will benefit from supporting your intended line of studies.

3.4 Personal growth

- 3.4.1 Ensure that your work life and your home life are balanced, and that neither aspect is neglected;
- 3.4.2 Continuously ask yourself: “Have I grown, overall as a person, compared to this time last year?” If not, what are you going to do about it?
- 3.4.3 Ensure that your physical and mental health is treated as priorities, and receive sufficient attention.

4. Accountability

“A lot of people mistake a short memory for a clear conscience.” – Doug Larson.

- 4.1 take ownership of actions, be they good, bad or indifferent;
- 4.2 disclose any business interests, regardless of perceived conflict;
- 4.3 If one is asked to disclose any information about the Company to the Media that may have a bearing on the share price, as listed on the Johannesburg Stock Exchange, or be of a sensitive and / or non-public nature, then such enquiry must be forwarded to the Chief Executive Officer of the Company for a decision. A disclosure made in the absence of a decision from the Chief Executive Officer is strictly prohibited;
- 4.4 If one is unsure as to whether relevant information will have a bearing on the share price, is sensitive and or not in the public domain, then one is to enquire of either Company Secretary or the Chief Executive Officer.