

Code of Conduct

Code of Conduct for all companies and locations of the MorphoSys Group

Version 4.0



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In all texts, independently of the form used, we always refer to both genders.

The regulations set forth below are applicable to

- (i) all employees and Management Board (Vorstand) Members of MORPHOSYS AG and
- (ii) all employees, Officers, Directors and Managing Directors (Geschäftsführer), of the current and any future affiliates of MORPHOSYS AG (in the following also referred to as “the Affiliates”; MORPHOSYS AG and the Affiliates are collectively referred to as “the MORPHOSYS Group”).

This Code of Conduct has been approved by the Management Board of MorphoSys AG.

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MORPHOSYS CREDO

OUR COMPANY'S PHILOSOPHY IS PEOPLE-FOCUSED.
OUR STRATEGY IS LONG-TERM ORIENTED AND MARKET-FOCUSED.
ALL OUR EMPLOYEES SUPPORT THESE PRINCIPLES.

Our goal is to apply our expertise and technologies to build one of the world's leading biotechnology companies. Our drug development activities are directed at improving patients' lives. The work of every single employee is important and contributes to increasing the Company's value. Together, we strive for economic success for our Company, our shareholders and our business partners. We use our resources in a purposeful manner to be competitive and profitable, as well as to maintain the best standards of quality and technology. Clear and simple processes enable us to work fast and efficiently and be flexible in any situation.

We deal with all our partners in a competent, respectful and honest way. We strive to surpass expectations in our work. By attending to the needs of all of our stakeholders we build long-term trusting relationships, thereby also ensuring our own success.

By encouraging a friendly and open company climate, we create a motivating and pleasant working environment. Within our teams as well as throughout the Company, we support and help each other in achieving our goals. Honesty, trust and respect are the basis of our corporate culture. Questions are addressed objectively and without bias. We judge our actions self-critically. We commit to both giving and accepting constructive criticism and suggestions, as well as to expressing genuine praise. We deal with mistakes constructively, in order to learn from them and thus permanently improve the quality of our work. Information is exchanged completely and as directly as possible. Decisions are communicated openly, at an early stage and with appropriate explanation. We support the Company's progress with commitment and a readiness to learn. We assume responsibility for our actions. Our constant further development and training is actively promoted and supported. The personal situation and social interests of each member of staff are taken into consideration. Our managerial staff provides support and backing, affords the greatest possible freedom for the execution of tasks, and acts in an exemplary manner. We commit to acting responsibly and to adopting all necessary measures in order to protect the safety of our employees and the environment. With an open communications policy, we create confidence and trust in our interaction with the public.

We observe the highest scientific and ethical principles in our conduct of preclinical studies and human clinical trials. When conducting clinical trials in man, the rights, safety and well-being of the trial subjects are of the utmost importance to us.

Our commercial activities are based on measurable objectives. They are directed towards developing competitive products and increasing our Company's value for the benefit of all our stakeholders.

We have the courage to take decisions and to address and actively deal with differences. Assumption of individual responsibility and acting on one's own initiative are allowed and encouraged.

THIS CREDO DEFINES THE SPIRIT OF MORPHOSYS. IT PROVIDES US WITH OBJECTIVES AND ORIENTATION, IS A BINDING PROVISION FOR ALL OUR ACTIONS, AND CAN BE CALLED UPON BY EVERY SINGLE MEMBER OF MORPHOSYS AT ANY TIME.

I. CONFLICTS OF INTEREST

Conflicts of interest can raise doubts about the quality of the business decisions made and the integrity of the persons making those decisions. MorphoSys expects its employees to be loyal and handle conflicts of interest in an ethically correct manner. All employees shall therefore make business decisions only in the best interest of MorphoSys and without taking into account personal interests. In the case of a potential or actual conflict of interest, every employee is obliged to notify the Compliance Officer or a member of the Compliance Committee of the conflict of interest.

OTHER COMPANIES

It is in particular forbidden to acquire shares in the companies of competitors, suppliers or customers or to enter into private business relationships when these can lead to a conflict of interest. Such a conflict is always given when the type and the scope of participation can influence actions in the pursuit of activities for MorphoSys in some way or another. This also applies when close relatives of MorphoSys employees enter into business relationships with MorphoSys or with business partners of MorphoSys upon request of the employee.

OUTSIDE EMPLOYMENT

Outside employment is governed by the provisions of the employment contract. If the employment contract does not contain provisions relating to outside employment, the following applies: before accepting any outside employment, each employee must notify and ask permission from Human Resources for the desired outside employment. The employee is entitled to receive permission if the desired employment is not expected to interfere with MorphoSys' legitimate business interests, such employment does not adversely influence the work performed for MorphoSys and does not contravene applicable law (for example working time regulations).

BUSINESS RELATIONS

No employee of MorphoSys shall for private purposes commission companies with which the employee at the same time maintains business at MorphoSys if this may lead to an advantage for the employee and/or damage for MorphoSys.

GIFTS AND OTHER BENEFITS

No employee may accept or offer direct or indirect gifts or other benefits, if it can be reasonably expected that the gift or benefit could influence business decisions. Gifts or other benefits must remain within the boundaries of the hospitality customary in the business. In any case, the respective superior must be informed if gifts and/or benefits are offered that do not fulfill above mentioned criteria. The giving or receiving of cash or gifts that are cash equivalent is prohibited irrespective of value.

II. CONFIDENTIALITY AND DATA PROTECTION

CONFIDENTIALITY

The trade and business secrets of MorphoSys represent an essential asset and shall therefore be held confidential. This also applies to other information whose nondisclosure is of interest to MorphoSys, its contractual partners, clients or patients. Such information must not be passed on to unauthorized parties without permission. This obligation is maintained after the termination of the employment relationship.

To determine who is entitled to receive certain information, the company's "A, B, C" classification applies. When information is passed on, the pre-determined group of recipients must be observed. Details are regulated in respective Policies.

Passwords (e.g. for computers, laptops) must be kept secret; confidential information must be stored securely.

DATA PROTECTION

Personal data may be processed exclusively within the framework of the relevant data protection regulations. Passing on personal data to third parties is subject to the prior approval of the Data Protection Officer.

Handling sensitive data (e.g. patient data) is subject to even stricter requirements. Violations involving transfer of sensitive data can also be charged as a criminal offence. Sensitive data must be protected at all times. A transfer of such data to third parties is restricted. In any case personal data may be used only for the purposes for which it was collected.

III. USE OF TELEPHONE, E-MAIL AND INTERNET

Internet, intranet, and email communication and computer systems are essential tools for MorphoSys' business. Nevertheless, their inappropriate use may have severe consequences for MorphoSys and each individual employee. Such use is therefore prohibited.

When using the Internet, in particular no content may be accessed which could violate criminal laws, basic ethical values, which has racist, sexist or pornographic contents, is offensive or can in any other way damage the reputation and the interests of MorphoSys. It is equally prohibited to access in particular any content which could endanger the security of the MorphoSys IT system.

The IT Policy regulates the details.

IV. INSIDER REGULATIONS

MorphoSys is committed to comply with all laws and regulations regarding insider trading. Insider trading is the illegal use or disclosure of insider information, i.e., non-public and price-sensitive information relating to a listed company (such as MorphoSys) or its securities.

In case of questions relating to the topic of insider regulations employees should contact the General Counsel.

The details are regulated by the MorphoSys Insider Policies.

V. BRIBERY AND CORRUPTION

It is a serious offense throughout the world to accept or grant benefits for the purpose of obtaining a material or immaterial advantage for oneself or a third party. In connection with business activities of all types, no employee may seek or provide him- or herself, business partners, their employees or other third-parties (e.g. government officials, test persons, study leaders as well as other members of clinical studies) with such impermissible advantages.

This is to be assumed in particular whenever the type and scope of said advantage are apt to unduly influence actions and decisions of the recipient. Third-parties (for example consultants, service provider, sponsors, representatives or other intermediaries) must not be used to circumvent these regulations.

So-called “cultural expectations” such as an alleged propensity in a certain country or region to accept gifts and other personal benefits in exchange for business, or otherwise to engage in bribery and kick-backs, are no excuse to violate this Code of Conduct and/or the applicable laws.

Individual violations of the anti-corruption law can possibly also jeopardize MorphoSys (through potential criminal penalties, government investigations, and large fines that could result from any such violations, as well as related business consequences, such as decreased share price, loss of trust, etc.). Any violation of this section of the Code of Conduct will therefore have labor law and, as the case may be, criminal law consequences.

The details are regulated by the global and local Anti-Bribery Policies.

VI. OBSERVANCE OF ANTI-TRUST REGULATIONS

MorphoSys AG is committed to fair and open competition on the worldwide markets. Our companies and employees must not engage in any practices which are unlawful and/ or punishable under criminal law, such as for example illegal collusive tendering, which excludes, limits or distorts competition.

VII. CONCLUSION OF CONTRACTS AND DOCUMENTATION OF BUSINESS TRANSACTIONS

All business transactions must be documented in a timely manner, completely and correctly in accordance with the legal regulations and additionally according to the internal MorphoSys Policies. Every employee is committed to this goal. In this respect, in particular the following applies:

- Employees are entitled only within the internal framework of the Representation, Signature and Approval Policy to make binding statements on behalf of MorphoSys or to sign contracts, respectively.
- Correct accounting is an essential pre-condition for controlling company decisions, for correct financial statements and for the required information of the public about the financial situation of stock corporations. To the extent that MorphoSys’ employees are responsible for accounting tasks, they are expected to be familiar with all current financial and accounting policies and comply with them.

VIII. DONATIONS AND SPONSORING

MorphoSys does not make any direct or indirect donations to political organizations, parties or individual politicians. Each exception from this rule must be approved by the Management Board (Vorstand) first. Sponsoring and donations for the benefit of other, non-political recipients must not be used to circumvent the regulations of this Code of Conduct.

IX. HANDLING INTERNAL KNOWLEDGE

All employees are obliged to ensure a rapid and smooth exchange of information within the company. Information must be passed on correctly and completely to the relevant departments, unless there are valid reasons not to do so (for example confidentiality).

From time to time MorphoSys may also be obliged to make internal information public (e.g. pursuant to the applicable provisions of the Securities Trading Act). Subject to other legal requirements, the decision about which information is made public is taken by the Management Board. Details are regulated by the Policies related to external information.

X. SAFETY, HEALTH AND PROTECTION OF THE ENVIRONMENT

The operations of MorphoSys are conducted in compliance with applicable health, safety and environmental laws and regulations, company standards and best practices. MorphoSys takes all reasonable and practical steps to ensure that a safe, healthy and clean working environment is provided.

It is also the employees who must ensure that the working environment is safe and healthy. Therefore it is absolutely necessary that all regulations regarding the protection of employees, all safety and environmental regulations and practices are strictly followed.

XI. INTELLECTUAL PROPERTY

MorphoSys provides a substantial contribution to cure serious and life-threatening diseases. With our business model, we are dependent on intellectual property rights and their efficient protection.

Intellectual property laws protect valuable assets of MorphoSys – patents, trademarks, regulatory data, copyrights, trade secrets, domain names, and other related rights.

MorphoSys respects the intellectual property rights of third parties and aims to generate an awareness for intellectual property matters among its employees.

XII. RESPECTFUL CONDUCT

It is one of the principles of MorphoSys that all employees of the company, applicants, trainees/ dissertation students, external consultants, external service providers, collaboration partners, clients or the like are treated in a respectful and dignified manner without any exception. Therefore MorphoSys and the employees of MorphoSys do not discriminate based on a person's gender and/or sexual identity, race and/ or ethnic origin, nationality, age, color of skin, religion or philosophy of life or due to a (physical and/ or mental) disability.

Any treatment which intends to systematically belittle, exclude or impose unfair pressure on employees either conducted by colleagues or by superiors will not be tolerated by MorphoSys, and MorphoSys will determine appropriate consequences. .

XIII. PRINCIPLES OF MEDICAL RESEARCH

Ethical principles as well as all applicable laws shall be observed in any research activities of MorphoSys taking place either internally or commissioned by third parties. This includes the following in particular:

- The observance of ethical principles that have their origin in the "Declaration of Helsinki" when conducting clinical studies with humans;
- The compliance with applicable regulatory requirements for conducting clinical studies;
- The observance of ethical principles and regulations for carrying out animal testing;
- The observance of scientific rules and industry standards for obtaining research results and data;
- The correct handling of the publication of scientific studies and of the protection of the data contained in it.

XIV. IMPLEMENTATION AND MONITORING OF THE CODE OF CONDUCT

The rules contained in this Code of Conduct form a core part of our corporate culture. The company-wide and uniform observance of these principles is essential – every employee is responsible for this. This, however, is not intended to limit employees' scope for responsible behavior within the admissible boundaries.

MorphoSys has established the Global Compliance Committee and the Compliance function to be responsible for the implementation and monitoring of the Code of Conduct and other elements of the Compliance Management Program.

The details on the composition, roles and responsibilities of the Global Compliance Committee are provided in the Global Compliance Committee Charter. Contact details of the Global Compliance Committee members are available on the MorphoSys Intranet.

Any non-compliance with this Code of Conduct should be brought to the attention of the Global Compliance Committee immediately.