



Why do we have a Code of Business Conduct and Ethics?

Arena Pharmaceuticals, Inc. (“Arena Inc.”) and its subsidiaries (collectively, “Arena”) are committed to conducting all company business with integrity and according to the highest ethical standards.

In addition to fully complying with all applicable laws, we should avoid doing anything that could even suggest impropriety in any of our dealings.

This Code of Business Conduct and Ethics (the “Code”) reflects Arena’s core principles. Please read and follow it completely. All employees are required to comply with these policies by respecting the principles and observing the conduct described.

If you ever have a question on business ethics that you feel is not covered by this Code, or you feel you need further guidance, you may contact the Compliance Officer (Arena Inc.’s General Counsel, Steven Spector). Employees of Arena Pharmaceuticals GmbH (or “Arena GmbH”) may alternatively contact Arena GmbH’s General Manager. We also have an “open door policy” and encourage you to ask questions about topics addressed in this Code, or in any of our other policies, to your supervisor, other supervisors you believe are knowledgeable about the subject of your question, any vice president, or me.

Importantly, if you become aware of any suspected or actual violations of this Code, please review Section 19, which addresses compliance and reporting.

With respect to our non-US subsidiaries, please note that by agreeing to this Code, every employee of such subsidiaries takes notice and agrees that personal data might be transferred to the United States and the operator of our third-party whistleblower hotline, Global Compliance Services, Inc., an independent firm based in the United States, and agrees with this procedure.

A handwritten signature in black ink that reads "Jack Lief".

Jack Lief
President and Chief Executive Officer
Arena Pharmaceuticals, Inc.

This policy was revised on February 19, 2015.

Integrity Excellence Teamwork Innovation Perseverance

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ARENA PHARMACEUTICALS, INC.

CODE OF BUSINESS CONDUCT AND ETHICS

Introduction

We are committed to more than simply complying with all applicable laws and regulations. Beyond complying, we strive to conduct our business by high ethical standards. This Code of Business Conduct and Ethics (this “Code”) reflects the business practices and principles of behavior that support this commitment. We expect every employee, officer and director to read and understand this Code and abide by it in performance of his or her business responsibilities. Employees are also expected to seek to have all agents and contractors conform to Code standards when working for or on behalf of Arena Pharmaceuticals, Inc. (“Arena Inc.”) or its subsidiaries (collectively, “Arena”). When we refer to our employees in this Code, we mean our directors, officers and all of our other Arena employees, unless we specify or the context implies otherwise.

This Code addresses conduct that is particularly important to proper dealings with the people and companies with whom we interact, but reflects only a part of our commitment. From time to time we may adopt additional policies and procedures with which our employees are expected to comply, if applicable to them. The Code is just one part of our overall program to ensure that all employees follow the appropriate standards and comply with all legal requirements that affect the manner in which we conduct our business, including industry guidelines and local laws, regulations, and guidance in each country in which we do business. Although this Code covers a wide range of business practices and procedures, it does not, nor is it intended to, cover every issue that may arise. If an employee is in doubt about the applicability of the Code or other guidance to particular situations, or is confronted with situations not covered by the Code or other Arena policy or guidance, the employee should seek guidance as detailed in Section 19. However, it is the responsibility of each employee to apply common sense, together with his or her own highest personal ethical standards, in making business decisions where there is no stated guideline in this Code.

Officers and supervisors are expected to develop in other employees a sense of commitment to the spirit, as well as the letter, of this Code. The compliance environment within each supervisor’s assigned area of responsibility will be a significant factor in evaluating the quality of that individual’s performance, and employees who make exemplary efforts to uphold our standards will be recognized for that effort during their performance reviews. However, nothing in this Code alters any at-will employment policy of Arena.

Action by members of your family, significant others or other persons who live in your household (referred to in this Code as “family members”) also may potentially result in ethical issues to the extent that they involve Arena business. For example, acceptance of inappropriate gifts by a family member from one of our suppliers could create a conflict of interest and result in a Code violation attributable to you. Consequently, in complying with this Code, you should

consider not only your own conduct, but also that of your family members, significant others and other persons who live in your household.

YOU SHOULD NOT HESITATE TO ASK QUESTIONS ABOUT WHETHER ANY CONDUCT MAY VIOLATE THIS CODE, VOICE CONCERNS OR SEEK TO CLARIFY ANY PERCEIVED GRAY AREAS. SECTION 19 BELOW DETAILS COMPLIANCE RESOURCES AVAILABLE TO YOU, INCLUDING ACCESS TO THE COMPLIANCE OFFICER. IN ADDITION, YOU SHOULD BE ALERT TO POSSIBLE VIOLATIONS OF THIS CODE BY OTHERS AND REPORT SUSPECTED VIOLATIONS, WITHOUT FEAR OF ANY FORM OF RETALIATION, AS FURTHER DESCRIBED IN SECTION 19.

Violations of this Code will not be tolerated. Any employee who violates this Code may be subject to disciplinary action, as described below.

1. Honest and Ethical Conduct

It is the policy of Arena to promote high standards of integrity by conducting our affairs in an honest and ethical manner. The integrity and reputation of Arena depends on the honesty, fairness and integrity brought to the job by each person associated with us. Unyielding personal integrity is the foundation of corporate integrity.

2. Legal Compliance

Obedying the law, both in letter and in spirit, is the foundation of this Code. Our success depends upon each employee operating within legal guidelines and cooperating with local, national and international authorities. We expect employees to understand the legal and regulatory requirements applicable to their groups and areas of responsibility. If you do have a question in the area of legal compliance, it is important that you not hesitate to seek answers pursuant to the procedures set forth in Section 19.

Disregard of the law will not be tolerated. Violation of domestic or foreign laws, rules or regulations may subject an individual, as well as Arena, to civil and/or criminal penalties. You should be aware that employee conduct and records, including emails, are subject to internal and external audits and to discovery by third parties in the event of a government investigation or civil litigation. It is in everyone's best interest to know and comply with our legal obligations.

Our policy is to comply with all laws applicable to our business, including, but not limited to, health care regulatory, employment and workplace, securities, environmental, and antitrust laws, and laws relating to corrupt practices, such as the United States Foreign Corrupt Practices Act. Some of these laws and our related policies are highlighted below in separate sections of this Code.

3. Health Care Laws, Regulations and Guidance

Arena operates in a heavily regulated industry and is subject to a variety of legal and ethical standards. We are committed to operating in compliance with these laws and standards, which include the laws summarized below.

Pharmaceutical Product Regulation

Arena and all of our employees must comply with all applicable laws and regulations governing the research, manufacture, testing, review and approval, shipment, storage, labeling, promotion, sales, marketing, and destruction of pharmaceutical products, including as set forth by the U.S. Food and Drug Administration (the “FDA”), the Drug Enforcement Administration, the Federal Trade Commission, state and local authorities and, where appropriate, international laws. In conducting clinical trials of pharmaceutical products, we will comply with rules governing human subject protection, animal welfare, and public disclosure of clinical trials for serious and life-threatening diseases. Arena is also subject to the Prescription Drug Marketing Act and other laws and regulations that govern pharmaceutical advertising and promotional practices. Our commitment to develop and manufacture safe and effective products and legally and ethically promote their benefits to patients and their providers requires full compliance with all laws and regulations governing research, development, manufacturing, and sale of products.

The FDA regulates the labeling of all prescription drug products marketed in the United States. The definition of “labeling” includes:

- The prescribing information (“PI”);
- All information on the package and in the label; and
- Any other written, printed or graphic materials.

All promotional materials, including visual aids, brochures, journal advertising, promotional programs and other sales aids, may include only claims that are in the FDA approved product label. The FDA requires that all promotional materials provide fair balance about the benefits of the product and the safety risks. Non-promotional communication, such as presentations at conferences and medical information letters, must comply with guidelines issued by FDA for such purposes. Employees must not solicit, encourage, or promote unapproved (off-label) uses of Arena’s products, including with regard to family members, personal physicians or other healthcare providers. In certain limited circumstances, the FDA allows us to provide truthful and non-misleading scientific information about unapproved products or unapproved uses (e.g., in response to unsolicited requests for such information from a healthcare provider). Additional requirements are specified in our policies and procedures for interactions with healthcare providers.

The Prescription Drug Marketing Act prohibits the sale, purchase or trade of drug samples. It is illegal to sell (or seek reimbursement for) a free sample. Individuals who engage in or encourage such conduct are subject to criminal prosecution. Drug samples could be considered “remuneration” under the anti-kickback laws if given to a healthcare provider for an improper reason. As such, samples should never be distributed to personally benefit a healthcare provider or induce the healthcare provider to purchase or prescribe our products. Arena also cannot direct healthcare providers to sell or bill the government for free samples.

Anti-Kickback Laws

In the United States and in many other countries, the offering of anything of value as an inducement to purchase a pharmaceutical product may be a violation of law. Such laws prohibit offering or giving anything of value to healthcare professionals or other persons, with the intent to, directly or indirectly, implicitly or explicitly, influence or encourage the recipient to purchase, prescribe, refer, sell, or arrange for the purchase or sale of any of our products. Such conduct may be a violation of the U.S. federal health care programs' Anti-Kickback Law and can lead to severe penalties, including criminal and/or civil fines for us and individual employees, imprisonment of individuals, and possible exclusion of our products from reimbursement under Medicare and Medicaid. Many states also have Anti-Kickback Laws that apply to items and services reimbursed under Medicaid and other state programs, and several states have Anti-Kickback Laws that apply to all items and services, even those not reimbursed under a government program.

We are committed to complying with these laws. Many elements of your interactions with healthcare providers or other customers and the programs Arena offers need to be reviewed to ensure compliance with these complex laws. If you are involved in the marketing or sale of our products in the United States, you should become familiar with the rules and policies in this area. Sales of our products and services, and purchases of products and services of suppliers, may only be made on the basis of quality, price and service, and never on the basis of giving or receiving payments, gifts, entertainment or favors. No payment shall be approved or made with the agreement or understanding that any part of such payment is to be used for any purpose other than that described by documents supporting the payment. For example, activities such as the following are prohibited in the United States:

- Providing a gift to a healthcare provider to influence his or her prescribing or recommending of pharmaceutical products;
- Providing an educational or research grant to a managed care organization to influence the formulary position of a product; and
- Paying for the services (e.g., consulting services) of a healthcare provider at a fee above the fair market value for such services, or paying for “sham services.”

Anti-Kickback Safe Harbors

The anti-kickback laws are so broad that, if read literally, they could restrict many otherwise acceptable marketing activities and even some non-promotional activities. Recognizing this, the Inspector General of the Department of Health and Human Services has defined certain “safe harbors.” Where activities fall within a “safe harbor” the activity is immune from prosecution under the federal anti-kickback statute. However, a safe harbor protection requires strict compliance with all of the conditions set out in the relevant safe harbor.

A number of anti-kickback safe harbors are relevant to our business activities, three of which are as follows:

- Personal Services safe harbor. Permits legitimate service arrangements with healthcare providers, such as consulting or speaking agreements. Compliance with this safe harbor requires, among other things, a written agreement and compensation determined in advance and on a fair market value basis.
- Discount safe harbor. Allows companies to discount the price of their products to make them competitive with other products, provided that the discount is properly reported to the government and complies with other safe harbor requirements.
- Managed care safe harbor. Permits companies to provide a wide array of discounted items or services to certain eligible managed care organizations under specified circumstances.

Our healthcare law-based policies are designed to ensure that our business arrangements fall within these or other safe harbors or are otherwise permissible.

False Claims

Numerous federal and state laws prohibit anyone from knowingly and willfully making or causing to be made any false statement or representation for the purpose of obtaining benefits or payments by government programs, commercial insurers, and other health care plans. A document can be false if it omits material information. These laws typically require that the person has actual knowledge that the information is false or is provided in deliberate ignorance or reckless disregard as to the truth or falsity of the information and no proof of specific intent to defraud is required. These laws also prohibit anyone from conspiring with another person to submit false claims. Thus, companies can be liable even if the false claims actually are submitted by another person. Violations of these laws can lead to fines, imprisonment, or exclusion from health care programs.

Other Applicable Laws

An increasing list of jurisdictions also have enacted laws that prohibit pharmaceutical manufacturers from providing certain economic benefits to health care practitioners, require pharmaceutical manufacturers to report certain marketing expenditures or product pricing information to state regulatory bodies, and/or require pharmaceutical manufacturers to adopt compliance programs consistent with industry guidance. We are committed to conducting business in compliance with these requirements.

PhRMA Code

In addition to the laws and regulations discussed above, a number of trade groups have issued standards governing pharmaceutical promotional and educational practices. The Pharmaceutical Research and Manufacturers of America (“PhRMA”) has issued the PhRMA Code on Interactions with Healthcare Professionals (the “PhRMA Code”), with which the

member companies of PhRMA have voluntarily agreed to comply. We have committed to following the guidelines set forth in the PhRMA Code, and all of our employees must be aware of and follow the requirements set forth in the PhRMA Code.

4. International Business Laws

In conducting our business, our employees and others associated with us are expected to adhere to high ethical standards and comply with the applicable laws in all countries to which they operate, travel or otherwise do business, including laws prohibiting corruption (such as bribery) or the conduct of business with certain specified individuals, companies or countries. The fact that, in some countries, certain laws are not enforced or that violation of those laws is not subject to public criticism will not be accepted as an excuse for noncompliance. In addition, we expect employees to comply with any applicable laws, rules and regulations of their home country governing the conduct of business by citizens of such country and corporations while outside of such country.

With respect to U.S. employees, the U.S. laws, rules and regulations, which extend to all of Arena Inc.'s and its employees' activities outside the U.S., include:

- The Foreign Corrupt Practices Act, which prohibits directly or indirectly giving anything of value to a government official to obtain or retain business or favorable treatment and requires the maintenance of accurate books of account, with all company transactions being properly recorded;
- U.S. Embargoes, which restrict or, in some cases, prohibit companies, their subsidiaries and their employees from doing business with certain other countries identified on a list that changes periodically or specific companies or individuals;
- Export Controls, which restrict travel to designated countries or prohibit or restrict the export of goods, services and technology to designated countries, denied persons or denied entities from the U.S. or the re-export of U.S. origin goods from the country of original destination to such designated countries, denied companies or denied entities; and
- Antiboycott Compliance, which prohibits U.S. companies from taking any action that has the effect of furthering or supporting a restrictive trade practice or boycott that is fostered or imposed by a foreign country against a country friendly to the U.S. or against any U.S. person.

All employees are expected to read and understand Arena's Anti-Corruption Policy. If you have a question as to whether an activity is restricted or prohibited, seek assistance pursuant to the procedures set forth in Section 19 before taking any action, including giving any verbal assurances that might be regulated by international laws.

5. Work Place Environment

All employees are expected to read and understand all applicable policies governing our work place environment.

Equal Employment Opportunity

Arena is an Equal Opportunity Employer as a matter of law, ethics, and good business practice. No employee may unlawfully discriminate against another employee or prospective employee, or make disparaging comments or criticisms on the basis of race, color, national origin or ancestry, sex, age, religion, physical or mental disability, medical condition, genetic information, pregnancy, marital status, sexual orientation, gender identity, gender expression, military or veteran status or any other classification protected by applicable local, state or federal laws.

Any harassment, including sexual harassment, will not be tolerated. These principles apply to all aspects of the employment relationship, including application and initial employment, promotion and transfer, employee benefit plan policies, retirement and termination.

Safety of the Workplace

You have an obligation to work in a safe manner so that you do not cause harm to yourself or to others. Similarly, you must see that work conducted under your supervision is performed safely. We require full compliance with applicable workplace safety laws and regulations. Every employee is responsible for maintaining a safe and healthy working environment by following safety and health rules, policies and practices and promptly reporting accidents, injuries, and unsafe equipment, practices or conditions.

Drugs and Narcotic Substances

Any personal use or possession of illegal drugs and narcotic substances by an employee is strictly prohibited at the workplace or while conducting company business. Drug abuse threatens the welfare of other employees and is detrimental to the work environment and work ethic. Of course, employees must never work impaired by illegal drugs or alcohol.

6. Insider Trading

Employees who have access to confidential (or “inside”) information are not permitted to use or share that information for stock trading purposes or for any other purpose except to conduct our business. All non-public information about Arena or about companies with which we do business is considered confidential information. To use material, non-public information in connection with buying or selling securities, including “tipping” others who might make an investment decision on the basis of this information, is not only unethical, it is illegal in the United States and in other countries. Employees must exercise the utmost care when handling material inside information. All employees are expected to read and understand Arena’s Policy and Procedures Manual Concerning Protection of Material, Non-public and Other Confidential Information and Prevention of Insider Trading and Tipping.

7. Conflicts of Interest

All employees must avoid business or financial interests and personal activities that may give rise to a conflict of interest. A “conflict of interest” occurs when an individual’s private interest interferes with, or gives the appearance of interfering with, the individual’s ability to act in the best interests of Arena.

We respect the rights of our employees to manage their personal affairs and investments and do not wish to unnecessarily impinge on their personal lives. At the same time, employees should avoid conflicts of interest that occur when their outside associations or personal, business, financial and other relationships interfere in any way with the performance of their duties or the best interests of Arena. Employees should avoid putting themselves in situations where their private, financial or business interests may be in conflict with those of Arena or their responsibilities to Arena or might otherwise affect an employee’s job performance or independent judgment. It is impractical to conceive of and set forth rules that cover all situations in which a conflict of interest may arise. The basic factor in all conflicts of interest situations is, however, the division of loyalty, or the perceived division of loyalty, between Arena’s best interest and your interests. Even the appearance of a conflict of interest where none actually exists can be damaging and should be avoided. Whether or not a conflict of interest exists or will exist can be unclear.

All actual, potential or apparent conflicts of interests must be disclosed to the Compliance Officer or the Audit Committee. If you become aware of (or have any questions about) an actual, potential or apparent conflict of interest, you must follow the reporting procedures set forth in Section 19.

Conflicts of interest are prohibited unless specifically and properly authorized. No employee may authorize a matter that causes a conflict of interest or make determinations as to whether a problematic conflict of interest exists without first seeking the approval of the Compliance Officer or the Audit Committee and providing the Compliance Officer or Audit Committee with a written description of the activity.

Any outside association, interest, relationship or participation in a transaction that is fully disclosed to, and is approved by, the Compliance Officer or the Audit Committee shall not be a prohibited conflict of interest.

We acknowledge that non-employee members of the board of directors of any of the Arena companies may have various business, financial, scientific or other relationships with existing or potential collaborators, license partners, suppliers or competitors which may be appropriate. However, disclosure of such relationships should be made to the Compliance Officer and, if appropriate, to the other members of the respective board of directors. Any of these relationships that have been disclosed to the respective board of directors shall not be considered violations of this Code and shall not otherwise require a waiver of any provision of this Code. Notwithstanding this, if the respective board of directors affirmatively determines that any such relationship is inconsistent with the director’s responsibilities, it shall so advise the director and the director shall terminate the relationship as promptly as possible.

Examples of Potential Conflicts

Although no list can include every possible situation in which a conflict of interest could arise, the following are examples of situations that may, depending on the facts and circumstances, involve problematic conflicts of interests:

- **Employment by (including consulting for) or service on the board of a competitor, collaborator or supplier or other service provider to Arena.**
- **Owning a significant financial interest in any entity that does business, seeks to do business or competes with us.**
- **Soliciting or accepting gifts, favors, loans or preferential treatment from any person or entity that does business or seeks to do business with us.** See Section 11 for further discussion of the issues involved in this type of conflict.
- **Taking personal advantage of corporate opportunities.** See Section 8 for further discussion of the issues involved in this type of conflict.
- **Engaging in outside employment, consulting or other activity which would conflict with Arena’s interest or which would reduce your efficiency in performing your Arena duties.**
- **Conducting our business transactions with your family member or a business in which you have a significant financial interest when you have not disclosed such relationship or financial interest.**
- **Exercising supervisory or other authority on behalf of Arena over a co-worker who is also a family member, unless such relationship has been disclosed to and approved by the Compliance Officer or the Audit Committee.**

8. Corporate Opportunities

You may not take personal advantage of corporate opportunities for Arena that are presented to you or discovered by you as a result of your position with us or through your use of corporate property or information, unless authorized by the Compliance Officer and/or the Audit Committee, as described in Section 7. A “corporate opportunity” is a business opportunity that Arena might reasonably be interested in pursuing. Even opportunities that are acquired privately by you may be questionable if they are related to our existing or proposed areas of research or development. Significant participation in an investment or outside business opportunity that is directly related to our areas of research or development must be pre-approved by the Compliance Officer and/or Audit Committee. You may not use your position with us or corporate property or information for improper personal gain, nor should you compete with us in any way.

9. Maintenance of Corporate Books, Records, Documents and Accounts; Financial Integrity; Public Reporting

The integrity of our records and public disclosure depends upon the validity, accuracy and completeness of the information supporting the entries to our books of account. Therefore, our corporate and business records should be completed accurately and honestly. The making of false or misleading entries, whether they relate to financial results or test results or otherwise, is strictly prohibited. Our records serve as a basis for managing our business and are important in meeting our obligations to collaborators, suppliers, creditors, employees and others with whom we do business. As a result, it is important that our books, records and accounts accurately and fairly reflect, in reasonable detail, our assets, liabilities, revenues, costs and expenses, as well as all transactions and changes in assets and liabilities. We require that:

- no entry be made in our books and records that intentionally hides or disguises the nature of any transaction or of any of our liabilities or misclassifies any transactions as to accounts or accounting periods;
- transactions be supported by appropriate documentation;
- the terms of commercial transactions be reflected accurately in the documentation for those transactions and all such documentation be reflected accurately in our books and records;
- employees comply with our system of internal controls; and
- no cash or other assets be maintained for any purpose in any unrecorded or “off-the-books” fund.

Our accounting records are also relied upon to produce reports for our management and stockholders, as well as for governmental agencies. In particular, we rely upon our accounting and other business and corporate records in preparing the periodic and current reports that we file with the Securities and Exchange Commission (the “SEC”). U.S. securities laws require that these reports provide full, fair, accurate, timely and understandable disclosure and fairly present our financial condition and results of operations. Employees who collect, provide or analyze information for or otherwise contribute in any way in preparing or verifying these reports should strive to ensure that our financial disclosure is accurate and transparent. They must be certain that our reports contain all of the information about Arena that would be important to enable stockholders and potential investors to assess the soundness and risks of our business and finances. The quality and integrity of our accounting and disclosures is of paramount importance. In addition:

- no employee may take or authorize any action that would intentionally cause our financial records or financial disclosure to fail to comply with generally accepted accounting principles, the rules and regulations of the SEC, the FDA or other applicable laws, rules and regulations;

- all employees must cooperate fully with our Accounting and Legal Departments, as well as our independent public accountants, respond to their questions with candor and provide them with complete and accurate information to help ensure that our books and records, as well as our reports filed with any authority, such as the SEC or the FDA, are accurate and complete; and
- no employee should knowingly make (or cause or encourage any other person to make) any false or misleading statement in any of our reports filed with the SEC, FDA or another authority or knowingly omit (or cause or encourage any other person to omit) any information necessary to make the disclosure in any of our reports accurate in all material respects.

Any employee who becomes aware of any departure from these standards has a responsibility to report his or her knowledge promptly to authorized persons pursuant to the procedures set forth in Section 19.

10. Fair Dealing

We pride ourselves in competing aggressively. We strive to outperform our competition fairly and honestly. Advantages over our competitors are to be obtained through our superior performance and capabilities, not through unethical or illegal practices. Acquiring proprietary information from others through improper means, possessing trade secret information that was improperly obtained, or inducing improper disclosure of confidential information from past or present employees of other companies is prohibited, even if motivated by an intention to advance our interests. These actions will hurt Arena's reputation. If information is obtained by mistake that may constitute a trade secret or other confidential information of another business, or if you have any questions about the legality of proposed information gathering, you must consult the Compliance Officer.

You are expected to deal fairly with our collaborators, suppliers, employees and anyone else with whom you have contact in the course of performing your job.

Employees involved in procurement have a special responsibility to adhere to principles of fair competition in the purchase of products and services by selecting suppliers based exclusively on normal commercial considerations, such as quality, cost, availability, service and reputation, and not on the receipt of personal favors.

11. Gifts and Entertainment

The receipt and provision, as a normal business courtesy, of gifts or entertainment (including meals), while a common and acceptable practice in some industries, is subject to additional regulations and restrictions in the health care industry, particularly with respect to interactions between pharmaceutical companies and health care professionals. In addition, many governmental agencies have policies which prohibit the receipt of even small gifts, and under some laws and regulations, such as the U.S. Foreign Corrupt Practices Act, giving anything of value to a government official to obtain or retain business or favorable treatment is a criminal act subject to prosecution and conviction.

Gifts and entertainment may not be offered, provided or accepted in violation of any applicable law, regulation or governmental policy. Unless express permission is received from the Compliance Officer or the Audit Committee, gifts and entertainment also may not be offered, provided or accepted by any employee unless consistent with customary and lawful business practices and Arena policies and not (a) of more than nominal monetary value, (b) in cash or a cash equivalent (e.g., a gift card), (c) made or received on a frequent basis, or (d) affecting, or likely to be perceived by others to affect, the employee's judgment or actions in the performance of his or her duties.

Our collaborators, suppliers, others with which we do business and the public at large should know that our employees' judgment is not for sale. Discuss (in advance when possible) with the Compliance Officer the offer, receipt or provision of any gifts or entertainment if you are uncertain about their appropriateness.

12. Protection and Proper Use of Company Assets

All employees are expected to protect our assets and ensure their efficient use. Theft, carelessness and waste have a direct impact on our profitability. Our property, such as laboratory, computer and other electronic equipment, is expected to be used only for Arena business purposes, although incidental personal use may be permitted. You may not, however, use any of our corporate or company names, any trademark owned or associated with Arena or any letterhead stationery for any personal purpose without approval by Arena Inc.'s Chief Executive Officer or the Compliance Officer.

All data residing on or transmitted through our computing and communications facilities, including email and word processing documents, is the property of Arena and, subject to applicable law, subject to inspection, retention and review by Arena, with or without an employee's or third party's knowledge, prior consent or approval, in accordance with applicable law. The employee is aware of the fact that Arena conducts such inspections and reviews. Any misuse or suspected misuse of our assets must be immediately reported to authorized persons pursuant to the procedures set forth in Section 19.

13. Confidentiality

One of our most important assets is our confidential information. As an employee of Arena, you will learn of, or have access to, information about Arena that is confidential and proprietary. You also may learn of information before that information is released to the general public. Employees who have received or have access to confidential information should take care to protect the confidentiality of this information. Confidential information includes non-public information that might be of use to competitors or harmful to Arena if disclosed, such as our databases, other scientific information, business plans and financial information. This information may be protected by patent, trade secret laws or confidentiality agreements.

In addition, because we interact with other companies and organizations, there may be times when you learn confidential information about other companies before that information has been made available to the public. You must treat this information in the same manner as you are

required to treat our confidential and proprietary information. There may even be times when you must treat as confidential the fact that we have an interest in, or are involved with, another company.

You are expected to keep confidential and proprietary information confidential unless and until that information is released to the public through approved channels (usually through a press release, an SEC filing or a formal communication from a member of senior management, as further described in Section 14, or through a scientific publication or presentation approved by Arena Inc.'s Publications Committee) or otherwise approved for disclosure (for example, to a potential collaborator under a confidentiality agreement approved by Arena Inc.'s Legal Department). Every employee has a duty to refrain from disclosing to any person confidential or proprietary information about us or any other company learned in the course of employment here, until that information is disclosed to the public or otherwise authorized for disclosure, in each case through approved channels. This policy may require you to refrain from discussing confidential or proprietary information with outsiders and even with other Arena employees, unless those fellow employees have a legitimate need to know the information to perform their job duties. Unauthorized use or distribution of this information could also be illegal and result in civil liability and/or criminal penalties.

Nothing in this Code, in any other policy of Arena or in any agreement you may have with Arena to keep Arena information confidential is intended to prohibit you from discussing wages, hours, and other terms and conditions of your employment with fellow employees or with third parties who are not Arena's competitors.

You should also take care not to inadvertently disclose confidential information. Materials that contain confidential information, such as memos, lab or other notebooks, computer disks, laptop computers, computer tablets and cell phones, should be stored securely. Unauthorized posting or discussion of any information concerning our business, information or prospects on the Internet is prohibited. You may not discuss our business, information or prospects on any Internet forum or other on-line public discussions or postings (e.g., message boards, networking sites, blogs, etc.) regardless of whether you use your own name or a pseudonym. Be cautious when discussing sensitive information in public places like elevators, airports, restaurants and "quasi-public" areas within Arena, such as the lobby.

If you have any doubt as to whether information is confidential, you should consult with Arena Inc.'s Legal Department before disclosing it.

14. Media/Public Discussions

It is our policy to disclose material information concerning Arena to the public only through specific limited channels to avoid inappropriate publicity and to ensure that all those with an interest in Arena will have equal access to information. All inquiries regarding Arena from the investment community or media should be referred to the individuals we have explicitly authorized as our spokespersons. These spokespersons make up our communications team. A current list of such spokespersons can be obtained from our Investor Relations and Corporate Communications Department or Legal Department.

Our personnel that are not authorized spokespersons should not respond to such inquiries from the investment community or media (including by providing any information about us off the record, for background, confidentially, secretly or otherwise) other than forwarding them to a member of our communications team or, if the matter is urgent and no member is reasonably available, the Legal Department, unless specifically designated or authorized to respond otherwise by the Arena Inc.'s Chief Executive Officer or the Compliance Officer. You can also refer interested persons to Arena Inc.'s website for additional information about Arena, including our press releases and documents filed with the SEC.

15. Environmental Compliance

Federal, state, local and other laws may impose criminal liability on any person or company that contaminates the environment with any hazardous substance that may cause injury to the community or environment. Violation of environmental laws can involve monetary fines and imprisonment. We require all employees to comply with all applicable environmental laws.

16. Loans

Loans to, or guarantees of obligations of, executive officers and directors by Arena are expressly prohibited by law in the U.S. and shall not be permitted.

17. Political Contributions

Arena encourages individual participation in the political process. It is up to each employee to abide by all applicable laws relating to political contributions. Employees cannot contribute any company funds, property, time or services to any political candidate or political party, unless making such a contribution is permitted by law, approved by the Compliance Officer and is accurately recorded in our books. No direct or indirect pressure in any form is to be directed toward employees to make any political contribution or participate in support of a political party or the political candidacy of any individual.

18. Waivers

Any waiver of this Code for Arena Inc.'s executive officers (including, where required by applicable laws, our principal executive officer, principal financial officer, principal accounting officer or controller (or persons performing similar functions)) or directors may be authorized only by Arena Inc.'s Board of Directors or, to the extent permitted by the rules of NASDAQ, a committee of Arena Inc.'s Board of Directors, and will be disclosed to stockholders as required by applicable laws, rules and regulations.

19. Compliance Standards and Procedures, Including Reporting Responsibilities for Suspected or Actual Violations

Compliance Resources

To facilitate compliance with this Code, we will periodically conduct a program of Code awareness, training and review. We have established the position of Compliance Officer to

oversee this program. The Compliance Officer (Arena Inc.'s General Counsel, Steven Spector) is a person to whom you can address any questions or concerns. In addition to fielding questions or concerns with respect to potential violations of this Code, the Compliance Officer or any other person designated by the Compliance Officer in writing is responsible for the following:

- investigating possible violations of this Code;
- overseeing the training of new employees in Code policies;
- conducting annual training sessions to refresh employees' familiarity with this Code;
- distributing copies of this Code annually (via email, the intranet or otherwise) to each employee with a reminder that each employee is responsible for reading, understanding and complying with this Code;
- updating this Code as needed and alerting employees to any updates, with appropriate approval of the Audit Committee of Arena Inc.'s Board of Directors, to reflect changes in the law, Arena's operations and in recognized best practices, and to reflect Arena's experience; and
- otherwise promoting an atmosphere of responsible and ethical conduct.

Clarifying Questions and Concerns

If you wish to ask questions about this Code, seek guidance on a specific situation, or encounter a situation or are considering a course of action and its appropriateness is unclear, you should discuss the matter promptly with the Compliance Officer. Even the appearance of impropriety can be very damaging and should be avoided. You are also encouraged to ask questions about topics addressed in this Code to your supervisor, other supervisors that you believe are knowledgeable about the subject of your question, any vice president and Arena Inc.'s president and chief executive officer. If you are not completely satisfied with the answer you receive, or if you suspect or believe that this Code or any other Arena policy may have been violated, then you must report the possible violations in accordance with the procedures set out immediately below.

Responsibility to Report Possible Violations; Certain Procedures

If you are aware of a suspected or actual violation of Code standards by anyone, including as a result of being contacted by another employee about his or her concern that there may have been a violation, you have a responsibility to promptly report it by (i) contacting the Compliance Officer or the Chair of the Audit Committee (the "Audit Chair") of Arena Inc.'s Board of Directors or (ii) calling the third-party hotline. You are expected to provide a specific description of the violation that you believe or suspect has occurred, including any information you have about persons involved and the time of the violation. Whether you choose to speak with the Compliance Officer or the Audit Chair or use the third-party hotline, you should do so without fear of any form of retaliation. We will investigate and discipline any employee who

retaliates against you for making a good faith report of any suspected or actual violation of this Code.

The Compliance Officer or such other person directed by the Audit Chair will investigate all reported possible Code violations promptly and with the highest degree of confidentiality that is reasonable under the specific circumstances. You cannot conduct any preliminary investigation, unless authorized to do so by the Compliance Officer or Audit Chair. Your cooperation in the investigation will be expected. As needed, the Compliance Officer will consult with others at Arena and/or the Audit Committee of Arena Inc.'s Board of Directors. It is our policy to employ a fair process by which to determine violations of this Code.

If any investigation indicates that a violation of this Code has probably occurred, we will take such action as we believe to be appropriate under the circumstances. If we determine that an employee is responsible for a Code violation, he or she will be subject to disciplinary action up to, and including, termination of employment and, in appropriate cases, civil action or referral for criminal prosecution. Appropriate action may also be taken to deter any future Code violations.

Contact Information for Reports of Possible Violations

Compliance Officer

Steven W. Spector
c/o Arena Pharmaceuticals, Inc.
6154 Nancy Ridge Drive
San Diego, CA 92121
1.858.453.7200, ext. 229
sspector@arenapharm.com

Audit Chair

Phillip M. Schneider
c/o Arena Pharmaceuticals, Inc.
6154 Nancy Ridge Drive
San Diego, CA 92121
pschn5@cox.net

*****Complaints forwarded by mail should be marked as confidential.*****

Third-Party Hotline

The third-party hotline number is 1.800.826.6762

To dial from Switzerland dial 0800.890.011 to access AT&T's worldwide toll free service. After hearing a prompt, dial the hotline number without the "1" (i.e., "800.826.6762") to reach the call center.

The hotline is operated on our behalf by Global Compliance Services, Inc., an independent firm based in the United States. You need not identify yourself by name when you phone the hotline. If you choose to give your name, they will keep that information confidential unless, as in the case of certain crimes, a law requires that any name you supply be provided to enforcement officials or a court.

Every employee hereby takes notice and agrees that personal data might be transferred to Global Compliance Services, Inc., and the United States and agrees with this procedure.

Additional Compliance Resources at Arena Pharmaceuticals GmbH

The General Manager of Arena Pharmaceuticals GmbH (or “Arena GmbH”) serves as an alternate Compliance Officer under this Code for employees of Arena GmbH. Accordingly, in addition to the other compliance resources discussed in this Code, employees of Arena GmbH may alternatively seek clarification relating to this Code or seek approval when required under this Code from Arena GmbH’s General Manager. The General Manager will promptly report to the Compliance Officer any such inquiry or approval request.

General Manager of Arena GmbH

Dr. Daniel A. Müller
Untere Brühlstrasse 4
CH-4800 Zofingen
Switzerland
+ 41 62 746 75 19
dmueller@arenapharm.ch

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