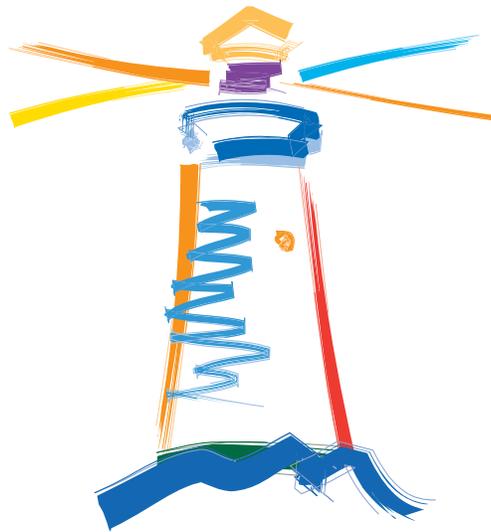


CODE OF CONDUCT



Business Ethics & Compliance

CHIRON

Code of Conduct

The Chiron Corporation Board of Directors joins me in confirming our personal and professional commitment to the highest level of ethical business conduct and global compliance with all applicable law, regulation and corporate policy. These fundamentals are critical to our operations, integral to achieving our objectives, and the cornerstone of the Company's success.

Chiron recognizes the urgent need to identify, prevent and treat human disease. We endeavor to meet that need through excellence in innovative research, quality products, a driving commitment to quality, and robust commercial operations. By leveraging state-of-the-art science and sound business practices, we are building value for the Company and its stockholders.

We seek a shared understanding with our investors of the emerging challenges of the global pharmaceutical industry, and we are accountable to them for full, fair, accurate, timely and understandable disclosures in all public communications.

We adopted this *Code of Conduct* in order to describe the standards which govern our business decisions and actions. The *Code* supports and reinforces corporate policies, country-specific policies and procedures.

The integrity, reputation, and profitability of Chiron ultimately depend upon the individual actions of the members of the Board of Directors, the Company's officers, employees, agents and consultants. Each of us is personally responsible and accountable for compliance with this *Code*. Together we will secure Chiron's future as we continue to impact human health worldwide.



Howard Pien
President, Chief Executive Officer and Chairman

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The Chiron Policy on Compliance with Law and Ethical Business Conduct

This *Code of Conduct* provides a guide to Chiron's basic approach to legal and ethical practices. It is to be used in conjunction with Chiron policies, handbooks, and laws and regulations applicable to your job.

Chiron's *Policy on Compliance with Law and Ethical Business Conduct* establishes corporate standards of behavior for all Chiron employees and sets out our expectations of contractors, agents, and representatives. The Policy assigns the responsibilities that enable us to fulfill our commitment to the highest legal and ethical principles in the conduct of our business. The main provisions of the policy are:

- Employees of Chiron and its worldwide affiliates are responsible and accountable for obeying the law, adhering to this *Code of Conduct*, following Chiron policies and procedures, and demonstrating honesty, integrity, and respect in their work and in their interactions with others.
- Supervisors are responsible for compliance and business ethics in the group they manage.
- Officers and senior managers are accountable for compliance and business ethics in their functional or operational area.
- Performance reviews of employees include an evaluation of their compliance with Company policies and this *Code of Conduct*.
- Chiron is committed to a work environment that encourages honest discussion of issues and concerns about legal compliance, company policy, and ethical business conduct.
- Employees who learn of, or suspect, a legal, ethical, or policy violation should discuss it with their supervisor, Human Resources, or the Office of Business Ethics and Compliance.
- Chiron does not permit retaliation against anyone who in good faith raises issues, concerns, or allegations of compliance violations or unethical conduct.
- Chiron will look into all allegations. Chiron will discipline violators, up to and including termination of employment, and take corrective measures as appropriate.

The Work Environment

Interactions with Others

Discrimination based on race, color, religion, national origin, sexual orientation, sex, age, or disability, as well as certain forms of harassment, is illegal in the United States and many other countries. Chiron does not permit harassment or discrimination prohibited by law.

Fellow employees, colleagues, customers, vendors, competitors, and government officials are all to be treated with respect. Disruptive, abusive, or otherwise inappropriate behavior at work or while representing Chiron is not tolerated.

Alcohol and Drugs in the Workplace

Chiron does not permit the possession, manufacture, distribution, sale, or use of alcohol or illegal drugs on Company premises, except moderate use of alcohol by adults at Company-sponsored or Company-sanctioned events. All Company facilities and property are subject to search as permitted by applicable local law.

Health, Safety and the Environment

Chiron is committed to providing a safe and healthful work environment for employees and to preserving and protecting the environment.

All employees must comply with environmental, health, and safety laws and regulations, strictly follow the Company's policies and procedures, attend required training, and perform their jobs in ways that protect health, safety, and the environment. For additional information regarding training requirements and safety issues, consult your Environmental Health and Safety Officer.

Conflicts of Interest

Chiron recognizes that while those who participate in the operation of the Company may take part in financial, business, and other activities outside of Chiron, these activities must be free of conflicts with their Chiron responsibilities, and they must not jeopardize Chiron's business operations or reputation.

A conflict of interest arises when an individual's private activity or financial interest outside Chiron significantly conflicts or competes with the Company's interests, and compromises one's ability to make an impartial business decision. The existence of a conflict depends on many factors, including the nature and relative importance of the business interests and personal circumstances of the situation.

All reports of any actual or potential conflict of interest must be disclosed promptly and fully, as set forth in Chiron's *Conflict of Interest Policy*.

Scientific Integrity

Research integrity is fundamental to the scientific process and to Chiron's ability to bring novel products to market.

All Chiron research and development must be conducted according to all applicable laws and regulations, authorship rules, and to the generally accepted ethical standards of the scientific community. Scientific misconduct, such as fabrication, falsification, or plagiarism in proposing, conducting, or reporting research, disregards the intellectual contributions and property of others, impedes the progress of research, and corrupts the scientific record. It is prohibited.

Government Regulation

Chiron's business operations are highly regulated. As a pharmaceutical company, our commitment to quality must be absolute. The Food and Drug Administration in the United States and its counterparts in other countries monitor our activities closely. We must fully and strictly comply with their requirements, as well as with the requirements of other regulators at all levels of government. Attendance at Chiron training programs on compliance requirements related to your work is mandatory.

Chiron is required to compile and maintain numerous records and substantial information, and to file reports and applications with various government agencies. Virtually all of these agencies operate under statutes which make it a crime – punishable by fines and/or imprisonment – to knowingly submit false or incomplete information, to fail to submit required information, or to fail to submit information within the required time period. Carelessness alone can constitute an offense in some instances and can call into question Chiron's competency and good faith.

Accordingly, Chiron requires that all employees who prepare information, records, or submissions for governmental agencies, or who otherwise deal with such agencies, do so diligently, accurately, completely, and with absolute integrity.

Record Keeping

Company records, such as laboratory notebooks, product information, financial information, and government filings, must be an accurate and verifiable record of all activities and transactions. All data must be recorded according to Chiron's scientific, manufacturing, and Quality Assurance/Quality Control Standard Operating Procedures and in accordance with all applicable laws and regulations. Financial records must be kept according to GAAP. The manner in which you record information reflects on the Company's scientific and business integrity, and you are responsible for adhering to the highest standards of your profession. Falsification of records or misrepresentation of facts will not be tolerated.

Information

Information about Chiron operations, performance, technology, or personnel that has not been publicly disclosed by an authorized spokesperson of the Company or is not available from public sources is confidential. Protecting confidential information is critical to Chiron's competitive edge and is every employee's responsibility. Chiron employees are required to abide by the terms of the confidentiality agreement signed with the Company.

Some examples of confidential information are:

- Research and scientific data
- Clinical study information
- Technical designs and processes
- Manufacturing designs and processes
- Financial records and data
- Marketing and business plans
- Unpublished patent applications

Employees may use Internet resources to conduct Company business subject to law, corporate policies, and appropriate approvals. Employees can protect confidential information by avoiding:

- Discussing confidential information in Internet chat rooms or public places (restaurants, hotel lobbies, public transit, social events, etc.);
- Reading confidential documents in public places or discard them where others may retrieve them; or
- Providing confidential information to any third party without appropriate approval.

Information

Confidential Information that Belongs to Others

Passing information about other companies to Chiron employees is acceptable only when the information is obtained through the public domain or Chiron lawfully received it from the owner or an authorized party. You are not to use or disclose another company's confidential information unless it was properly obtained by Chiron. Such confidential information rightfully given to Chiron must be protected and not used or disclosed except according to the terms under which it was provided.

If you are offered or come into possession of information about another company and you are unsure of its status or you believe it may be confidential, you should consult with the Law Department or Business Ethics and Compliance promptly.

Communication/Media

The Corporate Communications Office oversees communication with the public and the news media, with appropriate local delegation. Inquiries from the public or from the press should be promptly directed to the local manager or Media Relations.

Corporate Investor Relations oversees communication with the investment community, including analysts and shareholders. Any inquiries from investors should be promptly directed to Investor Relations.

Trading on Inside Information

Confidential information that could affect the price of a stock (Chiron's or another company's) or could be considered important by investors trading in a stock is commonly called "inside information." It is illegal to use or disclose inside information for the purpose of buying or selling stock. Doing so can result in fines and criminal prosecution for both the person who trades and the person who divulges the information.

Employees who possess material, non-public information about Chiron or any other company must not trade in those stocks, advise anyone else to do so, or communicate that information until the information has been made public.

To avoid even the appearance of trading on inside information, certain employees are restricted to specific times in which they can trade in Chiron stock. If you think you may be subject to these trading periods, or have questions about a specific situation, you should consult the Office of the General Counsel before trading.

Business Practices

Our interactions with vendors, customers, competitors, collaborators, and government officials must be legal, fair, and equitable. Offering financial inducements to purchase a product or service is improper and, in many countries, illegal. Business must be awarded or won based on the quality and value of the product or service.

Chiron operates its international business activities in compliance with local laws, customs and social standards that may differ from U.S. practice. It is Chiron policy to abide by the national and local laws of the countries in which we operate unless the activity is prohibited by U.S. law. In the event that national or local law may conflict with U.S. law, employees must seek guidance from their Chiron business unit lawyer or the Office of the General Counsel.

Interactions with Healthcare Professionals, Customers and Vendors

Chiron competes in the global marketplace on the basis of the merits of our products and services. Our advertising, sales and promotional literature must be accurate and free from false claims.

Chiron's standards of compliance are based on laws and regulations applicable in the countries in which we operate. The detailed rules governing promotion of medical products vary among countries but have a number of common themes, including the following principles:

- Accuracy, fairness, and objectivity in all communications
- Supportability of all claims by up-to-date scientific evidence
- Communication of precautions and safety data as well as benefits claims
- Except in countries where permitted under strict controls, no promotion before a product license has been granted
- Appropriate clearance of promotional communications, grants, educational programs, advisors and consultants
- No promotion of prescription medicines directly to patients, except in circumstances permitted by the applicable law
- Only appropriate hospitality for customers, healthcare professionals, and vendors
- Strict limitations placed on promotional gifts

Business Practices

Business Associates

To avoid even the appearance of inappropriate influence on business decisions, employees must exercise caution, honesty, and good judgment; and in uncertain circumstances, present the situation to their managers, who have the ultimate responsibility and authority to approve offering or accepting a business courtesy.

Hosting or accepting meals or entertainment should be reasonable and compatible with industry standards and local customs. If refusal of a gift would offend the giver, the gift should be accepted and then passed to the local Human Resources office for disposition.

Government Officials

The Foreign Corrupt Practices Act (FCPA), which applies to all U.S. citizens and employees and agents of U.S. corporations regardless of their nationality, prohibits giving or promising anything of value to any foreign government official or candidate for public office in order to obtain or retain business. The FCPA also applies when an intermediary is used to facilitate a transaction between a company and a public official. To comply with the FCPA, you must be diligent and vigilant in selecting and in managing anyone retained to assist in obtaining or maintaining government contracts or other business opportunities in countries outside the United States.

Laws regarding reimbursement of expenses for government personnel vary by the agency and country with which the other party is affiliated. Before making any such payment, you must consult with the Law Department.

Making or facilitating making false claims for reimbursement or other benefits under government programs is illegal and prohibited.

Antitrust

Violation of laws and regulations designed to promote competition and free enterprise has serious consequences for the Company and for individuals. Below are some examples of activities with important antitrust implications:

- Agreeing with competitors to fix prices or other terms of sale.
- Boycotting or otherwise refusing to deal with certain suppliers or customers.
- Dividing sales opportunities with competitors by territory or product line.
- Agreeing with distributors on resale pricing.
- Price discrimination.
- Pricing to drive a competitor out of business.
- Disparaging, misrepresenting, or harassing a competitor.

Antitrust issues and their required fact-specific legal analyses are complex.

If you have any questions regarding the propriety of actions you are contemplating, consult with the Law Department.

International Trade

Employees whose job functions involve international trade must be knowledgeable of and compliant with the applicable restrictions and company policies on embargoes, boycotts, import/export, customs, and other trade laws. If you have questions about these matters, you should consult with the Law Department.

Chiron Property and Resources

You are responsible for appropriately using Chiron facilities, equipment, and services. All Chiron facilities and equipment are Chiron property. Chiron reserves the right to access all of its property as permitted by applicable local law.

Personal use of company time, equipment, or other resources must be reasonable and not interfere with business operations or job responsibilities. You should use good judgment and obtain approval from your supervisor in uncertain circumstances.

Any use of Chiron facilities, equipment, or services not specifically described here must be in accordance with applicable Chiron policies.

The Office of Business Ethics and Compliance

The Office of Business Ethics and Compliance (“BE&C”) coordinates the business ethics and compliance program, and is a resource to assist employees with questions or interpretations of the *Code of Conduct* and related issues. It is also a resource for supervisors in managing compliance issues. You should use the Business Ethics and Compliance Helpline to ask questions, raise issues or concerns, or report suspected violations. Calls to the Helpline can be left anonymously.

Alleged compliance violations will be investigated. All employees are required to cooperate in any investigation. Failure to cooperate may result in disciplinary action, up to and including termination.

Corporate policies referred to in the *Code* and other generally applicable policies will be posted on the Chiron Intranet or can be obtained by calling the Business Ethics and Compliance Helpline.

We recognize that it takes hard work and constant attention to keep ethics and compliance priorities on the job. Your commitment to Chiron’s *Code of Conduct* will enable us to demonstrate our commitment to integrity, professionalism, quality, and honesty.