

LEXICON CODE OF BUSINESS CONDUCT AND ETHICS

Lexicon Pharmaceuticals, Inc. (“Lexicon” or the “Company”) is committed to conducting its business with integrity, in a compliant manner in accordance with ethical and legal standards and promoting honest and ethical conduct. The purpose of this Code of Business Conduct and Ethics (the “Code”) is to assist Lexicon employees, officers, directors and agents to act honestly, ethically and legally and to make the right choices in the conduct of the Company’s business in accordance with the Company’s policies and the laws and regulations that govern its business.

Scope

This Code applies to all employees, officers, directors and agents of Lexicon (each, a “Covered Individual”). Lexicon’s vendors and contractors are also expected to comply with Lexicon’s policies to the extent the policies relate to work conducted on Lexicon’s behalf.

This Code is not exhaustive and does not provide a complete explanation of all federal, state and local laws, rules and regulations which the Company and Covered Individuals must follow. This Code is designed to guide business behavior and provide practical guidance and examples, as well as references to further useful information. It is intended to provide general guidance with respect to the Company’s expectations and the manner in which Covered Individuals are to conduct themselves. This Code also does not refer to all Lexicon policies that govern day-to-day activities. If you have any questions about interpreting or applying this Code or the Company’s policies and procedures, you should discuss the matter with your supervisor, or a member of the Company’s Compliance, Legal or Human Resources Departments.

Our Business

Lexicon is a fully integrated biopharmaceutical company, and therefore is subject to numerous federal and state laws and regulations. All Covered Individuals must respect and obey all laws and regulations of the jurisdictions in which Lexicon operates. Compliance with the letter and spirit of the law is a fundamental component of our ethical standards.

Overview of Healthcare Laws and Regulatory Requirements

The general purposes of the healthcare laws and regulations are to:

- reduce fraud and abuse in government healthcare programs;
- manage reimbursement of healthcare expenses in both the private and public sectors;
- eliminate the improper influence of financial and other incentives in the exercise of medical judgement;
- ensure the appropriate promotion and communication of product information to patients, physicians and other healthcare professionals;
- reduce the cost of healthcare; and
- protect patients.

Covered Individuals should be familiar with all applicable laws and regulatory requirements relating to the development, manufacture, distribution and promotion of drugs and interactions with healthcare providers.

Promotional Activities

The promotion and advertising of the Company’s products is strictly regulated by the Food and Drug Administration. Lexicon is committed to complying with all laws and regulations that govern its marketing activities.

It is Lexicon's policy that all promotional materials and communications are:

- accurate and not misleading;
- fairly balanced, substantiated, and scientifically rigorous;
- consistent with the FDA-approved, full prescribing information; and
- compliant with medical, legal and regulatory standards.

Promotional activities should be guided by Lexicon's Policy on the Promotion of Lexicon Products and the Federal Food, Drug and Cosmetic Act.

Interactions with Healthcare Professionals: Fraud and Abuse and Government Health Care Programs

The Company's relationship with healthcare professionals, including physicians, nurses, pharmacists and others who administer, prescribe, purchase or recommend prescription medicines is strictly regulated by the federal and state governments. These interactions not only include promotional activities, but also include interactions with healthcare professionals by the Company's medical, regulatory and clinical development functions. The United States government has enacted laws designed to prevent improper payments to healthcare professionals and federal reimbursement of false claims for products or services covered, in whole or in part, by federal healthcare programs such as Medicare, Medicaid and CHIP.

Anti-Kick Back

In the United States, the Anti-Kick Back Law prohibits the offering of anything to a person that is intended to influence that person to recommend or purchase a healthcare product (including prescription medication) or service that may be reimbursed by Medicare or Medicaid. This is to ensure that a healthcare provider's treatment recommendation is not influenced by motives of personal gain or enrichment. The statute may be violated if one purpose of an arrangement is to induce or reward the prescribing, recommendation, or purchase of a product by a healthcare professional, even though there are other additional legitimate purposes for the arrangement.

False Claims

The goal of the False Claims Act is to prevent inappropriate practices that increase government expenditures in prescription drugs or that may cause patient harm from inappropriate prescribing. The False Claims Act imposes civil liability against a person or entity who knowingly or with reckless disregard, presents a false claim for payment, or uses a false record or statement to get a claim paid or approved or causes a third party to either of the foregoing. Penalties for violation of the False Claims Act include steep fines for each false claim. The False Claims Act applies to a variety of activities and is most often applied to the pharmaceutical industry in government price reporting and off-label promotion cases. A false claim may result when a pharmaceutical company submits or causes to be submitted false, fraudulent or misleading information to the government as part of the government price reporting process, such as the submission of Best Price, or if the company fails to return an overpayment from the government. In off-label promotion cases, a false claim may result when a pharmaceutical company promotes its products for off-label uses, thereby causing a third party (generally a physician) to present a false claim for payment. The claim is false because the government is reimbursing the cost of an off-label prescriptions that it would otherwise not have chosen to pay. Using approved promotional materials and promoting in accordance with a product's approved labeling helps ensure compliance with the False Claims Act.

Transparency

Lexicon is committed to transparency with respect to its contributions to healthcare professionals and healthcare organizations and compliance with all laws, regulations and industry codes requiring disclosure (e.g., the U.S. Sunshine Act and EFPIA Disclosure code).

Interactions with healthcare professionals should be guided by Lexicon's Policy on Business Courtesies to Healthcare Professionals, the Lexicon Healthcare Professional Consultant Policy, and Lexicon's Operating Policy for Medical Affairs' Interactions with Healthcare Professionals and the Federal Anti-Kick Back Statute, the Federal False Claims Act, and the PhRMA Code on Interactions with Healthcare Professionals.

Monitoring Safety of Lexicon Products

Patient safety is of utmost importance. Therefore, understanding the safety profile of Lexicon's products is essential to providing information regarding the safety and tolerability of Lexicon's products to healthcare professionals, patients, and regulatory authorities around the world. Lexicon has a legal obligation to track and report adverse drug experiences and product quality complaints to regulatory authorities. Therefore every Covered Individual is responsible for reporting any safety, quality, or performance issues concerning a marketed Lexicon product to Lexicon's Pharmacovigilance Department. Any information about a product issue must be forwarded within 24 hours of awareness. You can email: drugsafetygeneral@LexPharma.com to report any product issues. You can also contact Lexicon's safety group.

Reporting of safety reports should be guided by Lexicon's Policy on Reporting Adverse Events.

Anti-Bribery and Corruption

The United States, as well as many other countries around the world, prohibit making, offering, or promising any payment or anything of value (directly or indirectly) to a government official when the payment is intended to influence an official act or decision to award or retain business or to grant an improper advantage. A bribe or kickback under these anti-bribery laws is any money, fee, commission, credit, gift, gratuity, travel benefit, entertainment, thing of value, or compensation of any kind that is provided, directly or indirectly, and that has as one of its purposes the improper obtaining of business or receipt of favorable treatment from a foreign government official. Many countries, including the United States, consider healthcare professionals employed by publicly owned or publicly-controlled health institutions to be "government officials" within the meaning of the anti-bribery laws. Failure to comply with these laws may result in civil and criminal liability for the individuals involved as well as the Company.

Interactions with foreign officials should be guided by Lexicon's Policy on Anti-Corruption, the Foreign Corrupt Practices Act and the anti-bribery laws of the countries where Lexicon business is conducted.

Antitrust and Competition

The purpose of antitrust and fair competition laws is to protect free enterprise. While these laws are highly complex and vary from state to state, as well as country to country, at a minimum they prohibit agreements between Lexicon and its competitors that affect price, terms or condition of sale or fair competition. If you are responsible for business where these laws apply to your activities, you must be aware of them and how they apply to your business activities. The following guidelines will assist you in avoiding improper agreements:

- do not discuss pricing costs or terms or conditions of sale with competitors
- do not engage in discussions or enter into agreements that unfairly restrict trade or exclude competitors
- do not discuss or enter into agreements that allocate markets or suppliers
- do not discuss or enter into agreements to boycott customers or suppliers

Our Company

Accurate Books and Records and Information Management

Public Filings and Reports; Recording Keeping

Lexicon has an obligation to maintain accurate business records and provide full and timely financial and other disclosures to the public and other governmental regulators, including the Securities and Exchange Commission (the “SEC”). Lexicon is committed to promoting full, fair, accurate, timely and understandable disclosure in reports and other documents filed with or submitted to the SEC and in other public communications. In order to achieve this goal, all Covered Individuals must honestly and accurately record and report all relevant revenue, cost and other business information. All of Lexicon’s books, records and accounts must fully and accurately reflect its business transactions. If you become aware of any unrecorded funds, assets or false entries in the books and records of the Company, you must immediately report this information to the Compliance Officer.

Records Management

Proper records and information management preserves the important flow of information within Lexicon and ensures that Company records are maintained, stored and, when appropriate, destroyed in accordance with Lexicon’s business needs and in compliance with applicable legal, regulatory, environmental, tax and other requirements. Lexicon’s record retention schedules provide specific retention periods for business information.

Furthermore, it is Lexicon’s policy to preserve records beyond the retention periods specified in the schedules if relevant to any litigation or government investigation involving the Company. If you receive a “Legal or Tax Hold” or you reasonably believe that an investigation is under way, you must immediately cease from altering or discarding any relevant information. Please contact Lexicon’s Legal Department if you have any questions with respect to which records must be preserved.

Competitive Business Intelligence

While it is appropriate to monitor and gather information about Lexicon’s competitors, their products and services, the information gathered must be obtained from public sources only. These sources can be websites, published articles, price bulletins, advertisements, customer and suppliers, unless subject to a confidentiality agreement. Business information must be gathered legally and ethically and not through acceptance of trade secrets, or other proprietary or confidential information. If a vendor is used to collect competitive business information on behalf of Lexicon, we must make every effort to ensure that the vendor collects the information legally and ethically.

For additional information refer to Lexicon’s Policy on Competitive Intelligence.

Confidential and Proprietary Information

Covered Individuals have access to confidential information related to the Company’s business and products. Types of confidential information include research and development projects, business plans, financial data, sales and marketing strategies, customer and employee records, manufacturing techniques, pricing information and business development opportunities. Lexicon seeks to protect its confidential information and Covered Individuals must be very careful in handling confidential information, particularly in public places. Be careful when transmitting information via telephone, e-mail, and fax, particularly when forwarding such information to non-Lexicon e-mail accounts. Covered Individuals should only access sensitive information to the extent and for as long as needed to perform their job responsibilities. Do not discuss confidential information in public places. Be aware of requests for information from others outside the Company.

If any Covered Individual shares confidential information with a third party, a signed confidentiality agreement must be in place prior to the disclosure of the information.

For additional information refer to Lexicon's Insider Trading and Confidentiality Policy and Lexicon's Data Security Policy.

Conflicts of Interest

Covered Individuals must avoid situations where personal interests conflict or appear to conflict with the interests of Lexicon. A conflict of interest arises when a Covered Individual's personal, social, financial or political interests are placed before or otherwise interfere in any way with the interest of the Company. Even an appearance of a conflict of interest can damage your and the Company's reputation. A conflict situation can arise when a Covered Individual takes actions or has interests that may make it difficult to perform his or her work objectively and effectively or which place the Covered Individual in competition, directly or indirectly, with the Company. Covered Individuals should not use their positions at Lexicon for personal benefit or to benefit relatives or close associates. Examples of conflicts of interest include, without limitation: (a) a substantial financial interest in a supplier, competitor or customer, (b) an interest in a transaction in which it is known that Lexicon is or may be interested, and (c) the receipt of fees, commissions or other compensation from a supplier, competitor or customer of Lexicon.

Professional engagements outside of Lexicon, including a second job or third-party board memberships, can also potentially result in conflicts of interest. It is almost always a conflict of interest for a Covered Individual to work simultaneously for a supplier, competitor or customer of Lexicon. Therefore, employees may accept employment, board membership or consultancy in a third-party company, commercial entity or scientific advisory board only upon obtaining the prior approval of the relevant Lexicon executive. No prior approval is required with respect to charitable, not-for-profit and non-commercial organizations.

The giving or receiving of gifts, services, perks, entertainment or other items of more than token or nominal monetary value to or from Lexicon's suppliers, customers, or other third parties is prohibited.

For additional information refer to Lexicon's Policy on Conflicts of Interest.

Insider Information

Insider trading is illegal and involves the purchase or sale of a company's common stock or other securities while in possession of material, non-public information about that company or the market in which it conducts business. Lexicon's policy prohibits you from using any such material, non-public information for personal financial benefit or "tipping" others who might make an investment decision on the basis of such information. "Material, non-public information" means all non-public information that a reasonable investor would consider important in deciding whether to buy, sell, or hold a company's securities. Information (whether positive or negative) that is likely to affect the price of a company's securities is almost always considered material.

Covered Individuals who have access to confidential information are not permitted to use or share that information for stock trading purposes or for any other purpose except the conduct of our business. All non-public information about the company should be considered confidential information.

For additional information refer to Lexicon's Insider Trading and Confidentiality Policy.

Patents, Trademarks and Copyrights

Lexicon's intellectual property, patents, trademarks and copyrights are essential to its business. The Company expects Covered Individuals to take all necessary steps to protect and maintain Lexicon's rights in its intellectual property. Furthermore, Lexicon expects Covered Individuals to respect the intellectual property rights of others since unauthorized use may expose the Company to civil liability and damages.

Privacy of Personal Information

Preservation of the privacy of personal individual information is very important. Lexicon may obtain personal information from job applicants, research study subjects, colleagues, patients, healthcare professionals, vendors,

investigators, and others. Many state, federal and international privacy laws apply to pharmaceutical companies and require that they keep this information confidential and secure. The purpose of these laws is to protect individuals' personal information. The premise of these laws is that individuals should know when companies are using their personal information, why the personal information is being used and how the personal information is protected.

The most important privacy law that affects the healthcare and life sciences industries is the Health Insurance Portability and Accountability Act of 1996 (HIPAA). HIPAA protects the privacy of individually identifiable health information of patients and research subjects. In order to help protect personal information, the following principles should be followed:

- Give notice and/or obtain consent when collecting, processing, transferring, and storing an individual's personal information when appropriate and in accordance with the law.
- Collect, use and process personal information for legitimate business purposes only
- Maintain personal information only as long as necessary for the purpose collected and to comply with our legal obligations; take adequate precautions to safeguard personal information restrict access to personal information to those who are authorized and have a legitimate need for it
- Allow employees whose personal information is held by Lexicon to review and correct it
- properly destroy records containing personal information according to Lexicon's document retention guidelines

For additional information refer to Lexicon's Privacy Policy.

Use of Company Property – Electronic Devices

Lexicon supports and provides to its employees a variety of electronic devices and networks to assist them with their work for the Company. Employees should protect the Company's information and communication systems from accidental or intentional misuse, disclosure alteration or destruction by using the security controls and measures established by Lexicon. Incidental personal use of these devices is permissible to the extent it is infrequent and for work unrelated to the business of Lexicon. Employees should have no expectation of privacy with respect to their use of the Company's devices. All communications and data are subject to review at any time. The use of the Company's computers and other devices may not include inappropriate language or information that is illegal, defamatory or involves any unauthorized purpose.

For additional information refer to Lexicon's Electronic Communications Policy.

Our Work Place

Equal Employment Opportunity

It is the policy of Lexicon to afford equal opportunity for employment to all individuals regardless of race, color, religion, sex, age, national origin, citizenship status, veteran status, genetic information or disability or any protected category designated by federal or applicable state law.

Preventing Harassment and Discrimination

Lexicon is committed to maintaining a work environment in which its employees are treated with respect and dignity and free of harassment and discrimination. This includes any unwelcome comments or actions regarding race, color religion, gender, sexual orientation, disability, veteran status, genetic information or other characteristics protected by applicable federal or state laws. Additional behaviors that may be considered harassing or discriminating include verbal, non-verbal, sexual or physical abuse.

Harassment may also come in the form of unwelcome sexual advances, and other verbal or physical conduct of a sexual nature when submission or rejection of this conduct explicitly or implicitly affects an individual's

employment unreasonably interferes with an individual's work performance or creates an intimidating, hostile or offensive work environment.

Reporting Discrimination or Harassment

If you experience or are aware of any discriminating or harassing behaviors, alert your supervisor, Human Resources, the Compliance Officer or contact the Compliance Hotline.

For additional information refer to Lexicon's Policies on Equal Employment and Anti -Harassment.

Drugs and Alcohol Use

It is Lexicon's policy to create and maintain a drug-free work environment. While substance abuse is a private matter, it can present serious health and safety hazards in the workplace. The use of illegal drugs and misuse of alcohol and prescription or over the counter drugs in the workplace is prohibited.

Workplace Safety

Lexicon is committed to protecting the environment and the health and safety of its employees. All employees are responsible for following established EHS regulations and procedures and should immediately report any suspected hazards and occupational injuries or illnesses to supervisors.

For additional information refer to Lexicon's Environmental Health and Safety Policy.

Our Community

Media and Public Inquiries

Lexicon is committed to providing accurate and reliable information to its customers, investors, analysts, as well as other members of the public. Accordingly it is important that the Company speaks with one voice. Only designated employees may speak on behalf of the Company. All media and investor related inquiries should be referred to Lexicon's Corporate Communications Department.

For additional information refer to Lexicon's External Communications Policy.

Upholding Lexicon's Code of Business Conduct and Ethics

Lexicon's compliance program is built upon open communication, accessibility and feedback. The Company encourages Covered Individuals to raise concerns and ask questions about any legal or ethical issues and requires that Covered Individuals promptly report violations or suspected violations of possible misconduct or wrongful behavior. Covered Individuals are also expected to cooperate fully in internal investigations of misconduct or wrongful behavior. Lexicon does not permit retaliation for reports of misconduct by others made in good faith. All Covered Individuals are responsible for complying with this Code. Covered Individuals can discuss any questions, issues or concerns with their supervisors, the next level of supervision, the Human Resources Department or the Corporate Compliance Officer. Reports of suspected violations or possible misconduct may be reported openly or may be submitted anonymously through Lexicon's Compliance Hotline:

English:	(877) 472-2110
Spanish:	(800) 216-1288
Fax:	(215) 689-3885
Email:	reports@lighthouse-services.com
Website:	www.lighthouse-services.com/lexpharma

When a complaint is alleged regarding a violation of a law, regulation, Lexicon Policy or Lexicon Code of Business Conduct and Ethics, or which raises allegations of other wrongful behavior, a fair and thorough evaluation of the matter will be conducted and, if warranted, an investigation. All complaints will be handled in a fair and thorough manner and as expeditiously as possible.

Lexicon expects compliance with this Code by all Covered Individuals. Failure to follow the letter and spirit of the guidelines and principles contained in this Code may be a basis for termination of employment.