

CODE OF BUSINESS CONDUCT AND ETHICS

Introduction

Nektar Therapeutics (“Nektar”) is committed to maintaining the highest standards of business conduct and ethics. The integrity and reputation of Nektar 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.

This Code of Business Conduct and Ethics (“Code”) reflects the business practices and principles of behavior that support the commitment to these high standards. This Code applies to all Nektar employees, officers and directors. Therefore, every employee, officer and director is expected to read and understand the Code and its application to the performance of his or her business responsibilities. Actions by members of your immediate family, significant other(s) or persons who live in your household may also potentially result in ethical issues to the extent they involve Nektar or its business.

The Code cannot possibly describe every practice or principle related to honest and ethical conduct; therefore, we expect good judgment and common sense to be applied where there is no specific reference to a particular practice or principle. Moreover, employees, officers and directors are expected to be aware of, understand and comply with Nektar’s various other policies and procedures that relate to their conduct.

Anyone who violates the standards in the Code may be subject to disciplinary action, up to and including termination of employment and, in appropriate cases, civil legal action or referral for criminal prosecution.

We are aware of and comply with the laws in all countries in which we operate, as well as U.S. laws applicable to activities in foreign countries.

We strive to comply not only with the letter but also with the spirit of the law. Our success depends upon everyone operating within legal guidelines and cooperating with local, national and international authorities. It is therefore essential that you understand the legal and regulatory requirements applicable to your business unit and area of responsibility. If you have a question in the area of legal compliance, you should seek answers from your supervisor or the Corporate Ethics Officer.

Our employees, officers and directors are expected to comply with the applicable laws in all countries where they travel, in which they operate and where we otherwise do business, including laws prohibiting bribery, corruption or the conduct of business with specified individuals, companies or countries. The fact that in some countries certain laws are not enforced, or that violation is not subject to public criticism, will not excuse noncompliance.

We also expect our employees, officers and directors to comply with U.S. laws, rules and regulations governing the conduct of business by its citizens and corporations outside the U.S. Examples of those laws applicable to activities outside the U.S. include anti-boycott laws and prohibitions on business with, or restrictions on exports to, certain countries.

We avoid activities involving personal interests that create, or have the appearance of creating, a conflict with the interests of Nektar.

A “conflict of interest” occurs when an individual’s personal interest may interfere in any way with the performance of his or her duties or the best interests of Nektar. A conflicting personal interest could result from an expectation of personal gain now or in the future or from a need to satisfy a personal obligation. You may not take personal advantage of opportunities for Nektar 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 expressly authorized by your supervisor or the Corporate Ethics Officer. We expect everyone to be free from influences that conflict with the best interests of Nektar. Even the appearance of a conflict of interest where none actually exists can be damaging and should be avoided.

If you have any questions about a potential conflict or if you become aware of an actual or potential conflict, and you are not an officer or director of Nektar, you should discuss the matter with your supervisor or the Corporate Ethics Officer. If your supervisor is involved in the potential or actual conflict, you should discuss the matter directly with the Corporate Ethics Officer.

The following are examples of situations where conflicts of interest could arise:

- **Employment by (including consulting for) or service on the board of directors or other advisory board of a competitor, customer, supplier or other service provider.**
- **Owning, directly or indirectly, a significant financial interest in any entity that does business, seeks to do business or competes with us.**
- **Soliciting or accepting substantial gifts, favors, loans or preferential treatment from any person or entity that does business or seeks to do business with us.**
- **Soliciting contributions to any charity or for any political candidate from any person or entity that does business or seeks to do business with us.**
- **Moonlighting (i.e., holding another job) without permission.**
- **Conducting business transactions on behalf of Nektar with a family member, significant other or person who shares your household or a business in which you have a significant financial interest.** Material related-party transactions involving an executive officer or director that are approved by the Audit Committee will be publicly disclosed as required by applicable laws and regulations.
- **Exercising supervisory or other authority on behalf of Nektar over a co-worker with whom you have a family or personal relationship.** Supervisory authority means the supervising employee exercises direct or indirect control over the coworker’s assignments, evaluations and/or compensation. Reassignment may be appropriate where the relationship causes an actual or potential conflict of interest, or

where it could adversely affect supervision, safety, security or morale. Nektar expects the supervising employee involved in a relationship, to proactively inform his or her supervisor or the Corporate Ethics Officer about the relationship so that the matter may be addressed. Moreover, engaging in any practice that could be considered sexual harassment is a violation of the Code.

- **Loans to, or guarantees of obligations of, employees or their family members by Nektar.** All loans and guarantees by Nektar to its employees or their family members must be approved in advance by the Audit Committee of the Board of Directors.

Our internal documents and records and external certifications and reports to governmental or other agencies are accurate, complete and understandable.

The integrity of our records and public disclosure depends on 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, is strictly prohibited. All records and reports should be made in a timely manner, and, when applicable, should be properly authorized and maintained. Financial and other activities are to be recorded in compliance with all applicable laws and accounting practices.

Our accounting records are also relied upon to produce reports for our management, stockholders and creditors, as well as for governmental agencies. In particular, we rely upon our accounting and other business and corporate records in preparing the reports we file with the Securities and Exchange Commission (“SEC”). These reports must provide full, fair, accurate, timely and understandable disclosure and fairly present our financial condition and results of operations. In connection with these obligations:

- no one may knowingly take or authorize any action that would cause our financial records or financial disclosure to fail to comply with generally accepted accounting principles, the rules and regulations of the SEC or other applicable laws, rules and regulations;
- everyone must cooperate fully with our Finance Department and Legal Department, as well as our independent public accountants and legal counsel, 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 the SEC, are accurate and complete; and
- no one 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 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.

Anyone who becomes aware of any departure from these standards has a responsibility to report his or her knowledge promptly to a supervisor or the Corporate Ethics Officer.

Our business practices are fair and accurate and comply with our guidelines and all legal restrictions.

Advantages over our competitors are not to be obtained through unethical or illegal business 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. You are expected to deal ethically and appropriately with our customers, suppliers, employees and anyone else with whom you have contact in the course of performing your job. All Nektar purchases are made strictly on the basis of merit and without favoritism. The terms of any commercial relationship should be fully and accurately reflected in all invoices, agreements and internal records.

We do not participate in any way in the unlawful or unethical receipt or payment of funds or other benefits, including bribes, kickbacks or other payments.

Business entertainment and gifts are meant to create goodwill and sound working relationships and not to gain improper advantage with customers or facilitate approvals from government officials. Therefore, no one should request, accept or give any gifts in connection with Nektar business beyond that of a nominal value that could reasonably affect the recipient's judgment or actions in the performance of his or her duties. This principle applies to our transactions everywhere in the world, even where the practice is widely considered "a way of doing business" and it applies to relationships with government officials, customers, service providers and others. Discuss in advance with your supervisor or the Corporate Ethics Officer the giving or receipt of any gift.

We use our resources in a secure and appropriate manner.

Everyone is 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 office or laboratory supplies, equipment, email or internet access, buildings, materials and products, are to be used only for legitimate business purposes, although incidental personal use may be permitted. We retain the right to access, review, monitor and disclose any information transmitted, received or stored using our electronic equipment, with or without the user's knowledge or consent. Any misuse or suspected misuse of our assets must be immediately reported to your supervisor or the Corporate Ethics Officer.

We do not disclose, or use for any reason other than for the benefit of Nektar, proprietary or confidential information we learn at Nektar.

One of our most important assets is our confidential information. Individuals who receive or have access to confidential information should take care to keep this information confidential. All documents, emails and other information should be presumed confidential and should not be disseminated outside of Nektar, except where required for Nektar-related business reasons. No information relating to Nektar or its business may be disseminated or discussed in an Internet chat room, even anonymously. Most agreements under which Nektar is provided access to third parties' confidential information require us to use at least the same care in protecting the

confidentiality of such information as we use in protecting Nektar's own confidential information.

Except when disclosure is expressly authorized, you must not share our or our suppliers' or customers' confidential information with third parties, or others within Nektar who have no legitimate business purpose for receiving that information, nor may you use such confidential information other than in performing your legitimate duties on behalf of Nektar. Doing so would constitute a violation of the employee agreement you signed upon joining us. Except for authorized spokespersons for Nektar, no one may communicate with the press or in public forums regarding Nektar.

Individuals who are aware of suspected misconduct, illegal activities, fraud, or violations of the Code should report such matters.

To facilitate compliance with this Code, we have implemented a program of Code awareness, training and review. We have established Corporate Ethics Officers to oversee this program. The Corporate Ethics Officers are someone to whom you can address any questions or concerns. The Corporate Ethics Officers currently are Frank Curtis (Vice President, Legal—Commercial and Regulatory) who can be reached at (415) 482-5300, and Dorian Hirth (Senior Vice President of Human Resources and Facilities Operations) who can be reached (415) 482-5561. In addition to fielding questions or concerns with respect to potential violations of this Code, the Corporate Ethics Officers are responsible for:

- investigating possible violations of the Code, corporate fraud or possible violations of federal or state law or regulations;
- training new employees, directors and officers in Code policies;
- conducting annual training sessions to refresh employees', directors' and officers' familiarity with the Code;
- distributing copies of the Code annually to each employee, director and officer with a reminder that everyone is responsible for reading, understanding and complying with the Code;
- obtaining the written acknowledgements by employees, directors and officers that they have read and understand the Code and have complied with and will continue to comply with the Code;
- updating the Code as needed and alerting employees, directors and officers to any updates, as approved by the Nominating and Corporate Governance Committee of the Board of Directors, to reflect changes in the law, Nektar operations and in recognized best practices, and to reflect Nektar experience; and
- otherwise promoting an atmosphere of responsible and ethical conduct.

Your most immediate resource for any matter related to the Code is your supervisor. He or she may have the information you need, or may be able to refer the question to another appropriate source. There may, however, be times when you prefer not to go to your supervisor. In these instances, you should discuss your concern with the Corporate Ethics Officer.

If you are aware of a suspected or actual violation of the Code by others or a violation or possible violation of federal or state law or regulation, including violations relating to accounting, internal accounting controls or auditing matters (“Compliance Concerns”), you have a responsibility to report it. You are expected to promptly provide your supervisor or one of the Corporate Ethics Officers with a specific description of the violation that you believe has occurred, including any information you have about the persons involved and the time of the violation. You may submit reports of Compliance Concerns confidentially and anonymously by calling the Nektar Help Line at **1-800-481-7045** US & Canada or via a web submission at www.nektar.ethicspoint.com (International toll-free dialing instructions are also available on the Nektar Help Line web page). Each report will be investigated as described in the Policy on Investigating Allegations of Suspected Improper Activities attached as Appendix A.

To the extent possible, within the limitations of law and policy and the need to conduct a thorough investigation, the identity of reporting individuals will be kept confidential. Reports will be taken seriously and will be subject to internal investigation and appropriate corrective actions, including, without limitation, appropriate warnings, reprimands, suspensions, terminations or restitution.

Any waiver of the Code must be approved in advance.

Any waiver of this Code for executive officers (including, where required by applicable laws, our principal executive officer, principal financial officer, principal accounting officer or controller, and persons performing similar functions) or directors may be authorized only by our Board of Directors, or, to the extent permitted under applicable rules of the SEC or the Nasdaq Stock Market, a duly authorized committee of the Board of Directors. Any such waiver will be promptly disclosed to our stockholders, along with the reasons for such waiver, as required by applicable laws, rules and regulations and in a Current Report on Form 8-K filed with the SEC within five (5) days of such waiver.

APPENDIX A

NEKTAR THERAPEUTICS

POLICY ON INVESTIGATING ALLEGATIONS OF SUSPECTED IMPROPER ACTIVITIES

INTRODUCTION

NEKTAR THERAPEUTICS is committed to providing a workplace conducive to open discussion of its business practices. It is our policy to comply with all applicable laws that protect our employees, including the employees of our subsidiaries, against unlawful retaliation as a result of an employee's lawful, good-faith reporting of, or participation in investigations involving, corporate fraud or other violations of federal and state law. While our internal controls and procedures are intended to detect and prevent unlawful activities, violations of federal or state laws or regulations, or of our Code of Business Conduct and Ethics ("*Code*"), may nevertheless occur.

As part of our Code, we inform our employees of their responsibility to report, in good faith, if they have a reasonable belief that he or she has information which discloses a violation or possible violation of federal or state law or regulation, including violations relating to accounting, internal accounting controls or auditing matters or of our Code (a "*Compliance Concern*"). This Policy on Investigating Allegations of Suspected Improper Activities (the "*Policy*") sets forth:

- the procedures the Corporate Ethics Officer (as defined in the Code), other responsible officers of the Company and appropriate committees of the Board of Directors will follow with respect to the treatment and handling of Compliance Concerns; and
- our policy against unlawful retaliation if employees in good-faith report a Compliance Concern.

REPORTING PROCEDURES

The Code establishes a procedure by which Compliance Concerns may be raised by employees, including procedures for raising Compliance Concerns confidentially and anonymously. Under those procedures, Compliance Concerns are reported either directly or indirectly to the Corporate Ethics Officer.

RESPONSIBILITIES OF THE CORPORATE ETHICS OFFICER

The Corporate Ethics Officer's responsibilities under the Policy include:

- Administering, implementing and overseeing ongoing compliance under the Policy and the Code.
- Establishing and administering procedures to assure that employee complaints will be collected, reviewed promptly, resolved in an appropriate manner, and retained.

- Making himself or herself available to discuss with employees any complaints raised or reports filed (except anonymously filed complaints).

- With respect to complaints from employees or non-employees received by us relating to our accounting, internal accounting controls and auditing matters (“**Accounting Compliance Concerns**”), administering procedures to assure that such complaints will be collected, reviewed promptly, treated or resolved in an appropriate manner, and retained in accordance with this Policy and applicable laws and regulations. The Corporate Ethics Officer will present any and all Accounting Compliance Concerns to the Nominating and Corporate Governance Committee and the Audit Committee of the Board of Directors on a periodic or as-needed basis, including such Accounting Compliance Concerns as have been resolved by the Corporate Ethics Officer. With respect to Accounting Compliance Concerns that the Corporate Ethics Officer determines require the immediate attention of the Audit Committee, the Corporate Ethics Officers will immediately notify the Chairman of the Audit Committee, or if the Chairman is not available, any other member of the Audit Committee to commence any necessary investigative or remedial activities.

- With respect to complaints from employees or non-employees received by us relating to legal and regulatory compliance (except for Accounting Compliance Concerns) (“**Legal Compliance Concerns**”), administering procedures to assure that such complaints will be collected, reviewed promptly, treated or resolved in an appropriate manner, and retained in accordance with this Policy and applicable laws and regulations. The Corporate Ethics Officer will present any and all Legal Compliance Concerns to the Nominating and Corporate Governance Committee of the Board of Directors on a periodic or as-needed basis including such Legal Compliance Concerns as have been resolved by the Corporate Ethics Officer. With respect to Legal Compliance Concerns that the Corporate Ethics Officer determines require the immediate attention of the Nominating and Corporate Governance Committee, the Corporate Ethics Officers will immediately notify the Chairman of the Nominating and Corporate Governance Committee, or if the Chairman is not available, any other member of the Nominating and Corporate Governance Committee to commence any necessary investigative or remedial activities.

- Administering procedures, including the Code, that enable employees to submit Compliance Concerns in a confidential and anonymous manner.

- Administering and overseeing our training and educational programs designed to ensure that our employees with supervisory authority with respect to other employees, or who are otherwise involved in the administration of our policies, are aware of the reporting procedures set forth in the Code, know to involve the Corporate Ethics Officer in any matters of which they are aware involving Compliance Concerns that arise (including informing the Corporate Ethics Officer of every complaint that arises of which they are aware), and are trained in the proper handling of employee complaints covered by this Policy.

The Corporate Ethics Officer will report directly to the Audit Committee or the Nominating and Corporate Governance Committee, as applicable, of our Board of Directors on matters arising under this Policy. To ensure that the Company’s Disclosure Committee is made

aware of Compliance Concerns made by employees or by others, the Corporate Ethics Officer will serve as a member of the Disclosure Committee.

PROCEDURES FOR RETENTION AND TREATMENT OF SUSPECTED COMPLIANCE CONCERNS

All Compliance Concerns reported to the Corporate Ethics Officer will be recorded in a log (the “*Compliance Log*”) maintained by the Corporate Ethics Officer. The Compliance Log will include:

- the responsible reviewing person or Board committee;
- the date of the report; and
- the disposition of the matter.

The Compliance Log will be retained for five (5) years from the date of the disposition of the matter.

PROCEDURES FOR INVESTIGATING SUSPECTED COMPLIANCE CONCERNS

Accounting Compliance Concerns

The Audit Committee will receive from the Corporate Ethics Officer or other supervisors reports of all Accounting Compliance Concerns. The Audit Committee will assess the planned course of action, including determining that an adequate basis exists for commencing an investigation.

Legal Compliance Concerns

The Nominating and Corporate Governance Committee will receive from the Corporate Ethics Officer or other supervisors reports of all Legal Compliance Concerns. The Nominating and Corporate Governance Committee will assess the planned course of action, including determining that an adequate basis exists for commencing an investigation.

Responsibilities of Corporate Ethics Officer and Board of Directors Committees

The responsibilities of the Corporate Ethics Officer and the Audit Committee or the Nominating and Corporate Governance Committee, as applicable, with respect to such investigations include:

- assuring that the proper investigative channels are utilized according to appropriate expertise and that the plan to address the reported violations is appropriate to the circumstances.
- assuring that all appropriate executive officers and the Board of Directors are apprised of the allegations, as necessary.

- ensuring that appropriate resources and expertise are brought to bear to cause the timely and thorough review of reports of allegations.
- ensuring that there are no conflicts of interest on the part of any party involved in specific investigations.
- coordinating and facilitating communications across investigative channels as necessary to ensure attention to all facets of the matter.
- monitoring significant elements and progress of investigations to ensure that allegations are timely and thoroughly addressed.

STATEMENT OF NON-RETALIATION

We will not permit any form of intimidation or retaliation against a reporting employee because of any lawful act done by the employee to:

- Provide information, cause information to be provided, or otherwise assist in an investigation regarding any Compliance Concern; or
- File, cause to be filed, testify, participate in, or otherwise assist in a proceeding filed or about to be filed relating to a violation of any policy, law or regulation.

The prohibited forms of intimidation or retaliation include, but are not limited to, discharge, demotion, suspension, threats, harassment or any other manner of discrimination with respect to an employee's terms or conditions of employment.

However, employees who file reports or provide evidence which they know to be false or without a reasonable belief in the truth and accuracy of such information will not be protected by this Policy and may be subject to disciplinary action, including termination of employment. In addition, except to the extent required by law, this Policy is not intended to protect employees who violate the confidentiality of any applicable attorney-client privilege to which we or our agents may be entitled under statute or common law principles, or to protect employees who violate their confidentiality obligations with regard to our trade secret information.

STATEMENT OF CONFIDENTIALITY

In cases in which a Compliance Concern is reported in good faith and the employee is not engaged or involved in the questionable conduct, we will attempt to keep our discussions and actions confidential to the extent possible. In the course of our investigation, we may find it necessary to share information with others on a "need to know" basis. To the extent possible, within the limitations of law and policy and the need to conduct a thorough investigation, the identity of reporting employees will be kept confidential.

The Corporate Ethics Officer will maintain all reports and the Compliance Log in confidence and will not permit the disclosure of the reports in the Compliance Log except as provided by applicable laws or regulations or as authorized by this Policy.