

**CYCLACEL PHARMACEUTICALS, INC.  
CODE OF BUSINESS CONDUCT AND ETHICS**

*as Adopted on October 6, 2006*

February 2020

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# CYCLACEL PHARMACEUTICALS, INC.

## CODE OF BUSINESS CONDUCT AND ETHICS

### Introduction and Purpose of the Code

Cyclacel Pharmaceuticals, Inc. (the “Company”) commitment to integrity begins with complying with the laws, rules and regulations of where we do business and maintaining the highest standards of ethical and lawful conduct at all times. This Code of Business Conduct and Ethics (the “Code”) is intended to provide you with a clear understanding of the principles of business conduct and ethics expected of you and the key policies and procedures in place which supports this commitment. This Code is part of a larger process which includes not only compliance with corporate policies, but an open relationship between you and your supervisors that is conducive to good business conduct and, above all, your integrity and good judgment.

The Company’s Board of Directors are responsible for setting the standards of conduct contained in this Code and for updating these standards to reflect legal and regulatory developments.<sup>1</sup> **As Cyclacel is incorporated in the United States with major operations in the United Kingdom our Code derives in large part from the laws of these two countries.** It contains standards necessary to promote: honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships; full, fair, accurate, timely, and understandable disclosure in the periodic reports required to be filed by the Company and in other public communications; and compliance with applicable U.S. and international governmental laws, rules and regulations.

The Code applies to all employees, officers and Directors of the Company and as such the Company expects every employee, officer and Director to read and understand the Code and how it should be applied in the performance of his or her business responsibilities. The Company will hold each of its employees, officers and Directors accountable for adherence to this Code. Those who violate this Code, will be subject to disciplinary action, up to and including immediate termination of your employment. You must report potential or actual violations of this Code to your immediate supervisor, the Company’s Compliance Officer, the Chairman of the Board or Chairman of the Audit Committee. If your situation requires that your identity be kept a secret, the Company will undertake all reasonable efforts to protect your anonymity.

**You will not be subject to any disciplinary or retaliatory action for reporting a violation or potential violation, unless it be your own.** However, making known false or malicious reports will not be tolerated, and you will be subject to appropriate disciplinary action if you file such reports.

No representation is expressed or implied that the policies stated in this Code are all of the Company’s relevant policies, or that they are a comprehensive, full or complete explanation or the laws or standards or conduct that are applicable to you or the Company. You have a continuing obligation to familiarize yourself with applicable law and Company policy.

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<sup>1</sup> This Code is promulgated by the Board of Directors under section 406 of the U.S. Sarbanes-Oxley Act of 2002 and the related rules of the SEC and applies to all employees, officers and directors of the Company.

You must sign a certification in the attached form acknowledging receipt of this Code. This Code is posted on the Company's Intranet. This Code is also available to the public on the Company's website at [www.cyclacel.com](http://www.cyclacel.com).

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*Cyclacel Pharmaceuticals, Inc. reserves the right to modify, revise, or alter any policy, procedure, or condition related to employment at its sole discretion and at any time without notice and without revision of the Code of Business Conduct and Ethics. The contents of the Code do no constitute the terms of a contract of employment, and nothing contained herein should be construed as a guarantee of continued employment – employment at the Company is on an at-will basis. The Code is not a legal document and is intended for informational use only. The information herein supersedes previous printed Codes or policies, can be changed or revoked unilaterally by the Company at any time, and is not all-inclusive. The online version of the Code, accessible through the Company's Intranet, supersedes all printed versions, including this Code. If any information in the Code, whether in print or online, differs from the Company's established policies or procedures, the legal policy and procedure documents govern.*

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## COMPLIANCE WITH THE CODE

This Code is not intended to address every practice or principle related to honest and ethical conduct but outlines particular behaviors which are specifically important in appropriate dealings with people and entities with whom the Company interacts.

Thus, in keeping with the principles of the Code, you must:

comply with all applicable laws, rules, and regulations;

conduct all dealings with the Company's customers, suppliers and competitors fairly, with honesty and integrity;

ethically handle conflicts of interest, both real and perceived, in personal and professional relationships;

produce, or cause to be produced, full, fair, accurate, timely and understandable disclosures in reports and documents that the Company files with or submits to the U.S. Securities and Exchange Commission, or the SEC, and in other public communications;

protect information, in any form, that belongs to the Company, its customers and suppliers;

protect the Company's assets and ensure their efficient use and report any suspected incident or fraud or theft immediately; and

never use your position with the Company or Company assets or information for improper personal gain.

These principles need to be applied to your own specific responsibilities within the business. If you have any questions about the proper application of the principles or about what is required by the law in any given situation, you must consult with the Company's Compliance Officer.

You must be alert and sensitive to situations that could result in illegal, unethical, or improper action. When you are faced with a business decision that seems to have ethical overtones, here are some questions that should be helpful to determine if your actions are proper:

Do I have all the necessary facts?

Am I informed about all of the legal implications?

Who has an important stake in the outcome (e.g., employees, customers, suppliers, etc.), and what is that stake?

Does the issue raise ethical issues that go deeper than legal or institutional concerns?

What are the options for acting, and which options will produce the most good and do the least harm to the Company? Which options respect the dignity of the stakeholders?

Would I be proud to explain my actions to my family, fellow employees, customers - or on tonight's news broadcast?

If you remain uncertain about what to do, if you need advice, or if you have reason to believe that a domestic or foreign law could be violated in connection with Company business or that this Code has been violated in any way, notify your immediate supervisor, the Company's Compliance Officer, the Chairman of the Board or Chairman of the Audit Committee at once.

## **COMPLIANCE WITH APPLICABLE LAWS, RULES AND REGULATIONS**

The foundation on which this Code is built is obeying the law and acting ethically. It is the Company's policy that you conduct business in accordance with applicable U.K. and U.S. federal, state and local laws, rules and regulations and with the laws, rules and regulations of other countries in which the Company does business

### ***SECURITIES LAWS AND INSIDER TRADING***

The rules relating to trading in the Company's securities and those of other companies with which the Company does business are covered in detail in the Company's Insider Trading Policy as more fully set forth in such policy. If you are uncertain about the legal rules involving your purchase, sale or transfer of any securities of the Company or any securities in companies familiar to you by virtue of your work for the Company, you should consult with the Company's Compliance Officer before making any such purchase or sale. See **Exhibit A** for *Insider Trading and Disclosure Policy*.

### ***HEALTH, SAFETY & ENVIRONMENTAL RESPONSIBILITIES***

The Company is committed to providing a work environment that strives to protect employee health and safety, as health and safety are important aspects of job performance. It is also the Company's policy to manage its business in a manner that is sensitive to the environment and conserves natural resources. You must learn and follow the safety procedures applicable to your job, and you must comply with all applicable environmental, health and safety laws. A comprehensive guide to the Company's health and safety policies can be found on the Company's intranet site.

#### ***Substance Abuse***

Substance abuse poses serious health and safety risks, not only to the few abusers, but also to all employees who work with them. Therefore, in furtherance of the above general policy, you may not possess any illegal drug, any legal prescription drug that is a controlled substance (unless the prescription has been issued to you and is being used in a manner consistent with the prescribed directions for use), or any alcohol on Company property, except in the case of Company-sanctioned events. You must never work or be on corporate property while impaired by drugs, alcohol or other similar substances.

## ***EQUAL OPPORTUNITY EMPLOYMENT***

The Company makes employment-related decisions without regard to a person's race, color, religious creed, age, gender, sexual preference, marital status, national or ethnic origin, citizenship status or disability. "Employment decisions" generally mean those decisions relating to hiring, recruiting, training, promotions and compensation, but the term may encompass other employment actions as well.

## ***SEXUAL HARASSMENT***

The Company is committed to maintaining a collegial work environment in which all individuals are treated with respect and dignity and which is free of sexual harassment. In keeping with this commitment, the Company will not tolerate sexual harassment of employees by anyone, including any supervisor, co-worker, vendor, client or customer, whether in the workplace, at assignments outside the workplace or at company-sponsored social functions.

You are encouraged to bring any problem, complaint or concern regarding any alleged employment discrimination or other discriminatory conduct to the attention of the Company's Director of Human Resources or the *Company's Compliance Officer*.

## **CONFLICTS OF INTEREST**

The Company knows that it can only be truly successful through the diligence and loyalty of its employees. Therefore, you must put the best interests of the Company at the forefront of any work-related activity or decision and scrupulously avoid conflicts of interest. You must use your best judgment in determining whether a conflict of interest exists and then avoid any conduct, activity, relationship or other situation that would create or cause an actual or potential conflict of interest.

While it is not possible to identify every particular activity that might give rise to a conflict of interest, a conflict of interest may exist because of a relationship of yours or of a family member that is inconsistent with the Company's best interests or could cause a conflict with your ability to perform your job responsibilities. If you or other family members are engaged in any of the activities listed below, then there may be a conflict of interest. If you are an employee or officer, you must disclose the facts concerning this activity to your immediate supervisor, the Company's Compliance Officer, the Chairman of the Board or Chairman of the Audit Committee in order to have the Company address the situation. If you are a director, you must disclose the facts concerning this activity to the Chairman of the Board or the Chairman of the Audit Committee. Examples of conflicts of interest include, but are not limited to, the following:

any ownership interest in any supplier, customer or competitor (other than nominal amounts of stock in publicly traded companies);

any consulting or employment relationship with any customer, supplier or competitor;

any outside activity that harms a relationship between the Company and any customer or potential customer, or that interferes with current or potential contract relationship;

any outside business activity that is competitive with any of the Company's businesses;

any outside activity of any type that is so substantial as to call into question your ability to devote appropriate time and attention to your duties and responsibilities to the Company;

any service on any board of directors or advisory board of any customer, supplier or competitor, unless such board service has been disclosed to the Company;

any direct supervisory, review or other influential position on the job evaluation, pay or benefits of any close relative who is employed by the Company;

any sales or purchases of anything to or from the Company (unless it is pursuant to a routine program of disposal of surplus property that is offered to all employees in general); and

any situation in which, without proper authorization, you are required or tempted to disclose, or do disclose, any trade secret, confidential or proprietary information or intellectual property of the Company.

If you have any questions regarding an activity which may create a conflict of interest, please discuss the situation immediately with your immediate supervisor or the Company's Compliance Officer, the Chairman of the Board or Chairman of the Audit Committee, if you are an employee or officer. If you are a director, you should consult your own independent counsel if you have any questions regarding activity that may create a conflict of interest. If you know of a conflict of interest that exists elsewhere in the Company, you must disclose such conflict to your immediate supervisor, the Company's Compliance Officer, the Chairman of the Board or Chairman of the Audit Committee.

The Company reserves the right to determine when actual or potential conflicts of interest exist, and then to take any action, which in the sole judgment of the Company, is needed to prevent the conflict from continuing, or in the case of a director, disclose such actual or potential conflict of interest and take such actions as are appropriate in accordance with Section 144 of the Delaware General Corporation Law. Such action may include, but is not limited to, having you divest the conflicting interest or return the benefit or gain received, realigning your duties and responsibilities, or disciplinary action, up to and including immediate termination of your employment or removal from the Board of Directors.

## **PROTECTION AND PROPER USE OF COMPANY PROPERTY OR SERVICES**

All employees and directors should protect the Company's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the Company's profitability. All Company assets should be used for legitimate business purposes. Of course, incidental personal use may be appropriate for certain Company assets, but each employee should check with a supervisor to determine what may be appropriate.

### ***COPYRIGHTS AND COMPUTER SOFTWARE***

You may sometimes need to use third-party copyrighted material to perform your job. It is the Company's policy to respect copyright laws. Therefore, before you may use such third-party



material, appropriate authorization from the copyright holder must be obtained. The need for such permission may exist whether or not the end product containing third-party material is for personal use, for Company use internally or other use.

You must observe the terms and conditions of any license agreements to which the Company is a party. In most cases, you do not have the right to make copies of software, except for backup purposes. This includes not only the substantial software programs the Company may license, but also the smaller so-called “shrink-wrap” programs typically used for word processing, spreadsheets and data management.

You may not copy copyrighted intellectual property licensed to the Company or otherwise make use of such property, other than on your Company computer in furtherance of Company business, and such use must be as permitted under the copyright laws. It is against Company policy and it may be unlawful for you to copy, reproduce, scan, digitize, broadcast or modify third-party copyrighted material when preparing Company products or promotional materials, unless written permission from the copyright holder has been obtained prior to the proposed use. Improper use could subject both the Company and you to possible civil and criminal actions for copyright infringement. It is also against Company policy for you to use the Company’s facilities for the purpose of making or distributing unauthorized copies of third-party copyrighted materials for personal use or for use by others.

### ***CONFIDENTIAL INFORMATION***

Confidential Company information is an important corporate asset that merits the same protection as the Company’s physical assets. It is very important for you to safeguard the Company’s confidential information and to refuse any improper access to such information entrusted to you or any employee for whatever purpose. You have entered into a non-disclosure or confidentiality agreement (as set forth in the Standard Terms and Conditions of Employment Agreement) detailing your obligations regarding the Company’s confidential information, and you must adhere to that agreement. You also have an obligation to protect the confidential information provided to the Company by its customers and suppliers and your fellow workers during the course of the Company’s business. They expect your confidentiality - just as the Company expects theirs. Issues with respect to confidential information may also arise in securities transactions as further discussed in the “Securities Laws and Insider Trading” section below.

### **REPORTING AND RECORD KEEPING**

#### ***ACCURATE BOOKS AND RECORDS***

The Company requires full, fair, accurate, timely and understandable recording and reporting of all Company information. You must act in a manner that ensures that all of the Company’s books, records, accounts and financial statements are maintained in reasonable detail, appropriately reflect the Company’s transactions and conform both to applicable legal requirements and to the Company’s system of internal controls. To do so, you must execute and record transactions in accordance with all internal control procedures implemented by Company management. Furthermore, all of your expense reimbursements must accurately reflect the true nature and amount of the expenses. In addition, if you are in any way involved in preparing the

Company's disclosure documents (such as SEC filings or press releases), you must produce full, fair, accurate, timely and understandable disclosures in such documents.

*It is imperative that you do not create, or participate in the creation, or perpetuation of, any records that are intended to mislead anyone or conceal any improper act or conduct.*

### ***DOCUMENT RETENTION***

Numerous federal and state statutes require the proper retention of many categories of records and documents that are commonly maintained by companies. In consideration of those legal requirements and the Company's business needs, all of us must maintain records in accordance with Document Retention Policy, as more fully set forth in such policy. You are expected to be familiar with the specific requirements of your business and location, as well as with all applicable corporate procedures.

### **FAIR COMPETITION**

The Company intends to succeed in the marketplace through superior performance, not by unethical or manipulative practices. You must treat customers and suppliers honestly and fairly. Do not make false or misleading remarks to customers or suppliers about other customers/suppliers or about competitors of the Company, their products or their services. You must avoid deprecation and criticism of competitors, their products or services, but you may state truthful descriptions of specifications and shortcomings of such products or services.

### ***ANTITRUST AND COMPETITION LAWS***

The economies of most countries in which the Company does business are based on the principle that competition and profit will produce high-quality goods at fair prices. Most countries have laws prohibiting certain business practices that could inhibit effective competition. Whether termed antitrust, competition, or free trade laws, the rules are designed to keep the marketplace thriving and competitive. These antitrust laws are broad and far-reaching, and touch upon and affect virtually all aspects of the Company's operations.

The antitrust laws generally prohibit agreements that restrict competition and include agreements between competitors as to pricing, bidding, marketing, production, supply and customers. These laws also apply to various forms of unfair conduct that may tend to create a monopoly. These laws may also apply to trade association activities, as exclusivity, pricing and other restrictions between the Company and its suppliers or customers.

For example, while trade association meetings and other industry gatherings usually serve legitimate and worthwhile purposes, you should be careful because these meetings also bring together competitors who might discuss matters of mutual concern and potentially cross the line of noncompliance with antitrust and competition obligations. Even joking about inappropriate topics, such as dividing up sales territories, could be misinterpreted and misreported. If conversation turns to any kind of anti-competitive discussion, you should refuse to discuss the matter and leave the conversation immediately.

The Company supports these laws not only because they are the law, but also because it believes in the free market and the idea that healthy competition is essential to its long-term success. As such, you should avoid conduct that violates or appears to violate these laws. In all cases where there is question or doubt about a particular activity or practice, you should contact the Company's Compliance Officer before taking any action that may fall within the scope of these laws.

### ***GIFTS AND ENTERTAINMENT***

Generally, you and members of your immediate family may not accept gifts, services, discounts or favors from those with whom the Company does business or considers doing business. Gifts, entertainment, favors or gratuities are subject to the following guidelines:

- You may accept gifts of nominal value ordinarily used for sales promotions (for example, calendars, appointment books, pens, etc.)
- Ordinary "business lunches" or reasonable entertainment consistent with local social and business customs may also be permissible if these actions can be reciprocated by you and are reasonable in cost and frequency.

If you receive a gift that does not fall within these guidelines, you must report it to your supervisor and return the gift. If return of the gift is not practical, you should give it to the Company for charitable disposition or such other disposition as the Company deems appropriate.

### ***CORPORATE OPPORTUNITIES***

You may not use corporate property, information, or position for improper personal gain. You owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises. You are prohibited from competing with the Company or taking advantage for personal gain of any opportunity that is discovered through the use of Company property, information or position. You should report any corporate opportunity to your immediate supervisor or other appropriate individual within the Company to determine whether the Company desires to take advantage of the opportunity.

If you are an officer, you have an additional obligation not to take advantage for personal gain of any opportunity that the Company may have an interest in pursuing, notwithstanding that your knowledge of such opportunity is obtained independently of your relationship with the Company.

## **GOVERNMENT RELATIONS**

### ***PAYMENT TO OFFICIALS***

Special supra-national (EU), international and national requirements often apply when contracting with any government body (including national, state, provincial, municipal, or other similar government divisions in local jurisdictions).

Because government officials are obligated to follow specific codes of conduct and laws, you must take special care in government procurement. Certain key requirements for you to follow in doing business with a government include, but are not limited to:

Accurately representing which Company products are covered by government contracts:

Not offering or accepting kickbacks, bribes, gifts, gratuities or anything else of value with the intent of obtaining favorable treatment from the recipient (a gift that is customary in the business sector may be perceived as a bribe by a government official or law);

Not improperly soliciting or obtaining confidential information, such as sealed competitors' bids, from government officials prior to the award of a contract; and

Hiring present and former government personnel may only occur in compliance with applicable laws and regulations (as well as consulting the Company's Compliance Officer).

### ***POLITICAL ACTIVITY***

The Company respects the rights of individuals to participate in political activities. However, these personal activities should not be conducted on company time or involve the use of company property. Company funds, property or services may not be contributed to any political party or committee, or to any candidate for or holder of any offices of any government, unless permitted by law and reviewed and approved in advance by the Audit Committee which may request an opinion of counsel with respect thereto. This policy does not preclude the formation and operation of a political action committee in accordance with applicable law. Political activities of the Company's directors, officers and employees should be kept separate from the Company's business and the Company will not reimburse or subsidize employees for their personal political participation.

### **CONDUCTING INTERNATIONAL BUSINESS**

The Company observes the highest ethical standards in all of its business transactions in all of the countries in which it operates or conducts business. You may not take any action in connection with any international transaction or any action in any foreign country that would be illegal or improper. Furthermore, you are required to observe all applicable foreign laws to which you or the Company may be subject, including foreign tax laws, customs duties and regulations, drug testing, licensing, manufacturing and marketing laws, rules and regulations and currency restrictions. You should not take any actions that are intended to improperly circumvent the application of such laws. Certain concerns raised by international business include, but are not limited to, the following:

#### ***U.S. FOREIGN CORRUPT PRACTICES ACT***

As we are a US incorporated company, with limited exceptions, the U.S. Foreign Corrupt Practices Act prohibits the Company and you from, among other things, making an offer, payment, promise to pay or authorization of the payment of any money, or offer, gift, promise to give, or authorization of the giving of anything of value to any foreign official, any foreign political party

or official thereof or any candidate for foreign political office, or any other person, such as a foreign agent or consultant, knowing that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to any foreign official, any foreign political party or official thereof, or any candidate for foreign political office, for the purpose of (i) influencing any act or decision of such foreign official in his or her official capacity, (ii) inducing such foreign official to do or omit to do any act in violation of the lawful duty of such official, or (iii) securing any improper advantage, or inducing such foreign official to use his or her influence with a foreign government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality, in order to assist the Company in obtaining or retaining business for or with, or directing business to, any person.

If you are asked to make any such payment, you should consult with your immediate supervisor, the Company's Compliance Officer, the Chairman of the Board or Chairman of the Audit Committee before taking any action.

### ***ANTI-MONEY LAUNDERING LAWS***

Money laundering occurs when criminals try to "clean" the proceeds of their crimes to hide them or to make those proceeds appear legitimate. The Company is committed to complying fully with all anti-money laundering laws throughout the world. Employees must protect the Company's integrity and reputation by helping to detect possible money laundering activities. These activities are often intricate and difficult to discover. You should watch for warning signs of money laundering, which may include a customer who is reluctant to provide complete information or who requests to make payments in cash. If you believe you have encountered a warning sign, notify your supervisor and contact the Company's Compliance Officer, the Chairman of the Board or Chairman of the Audit Committee immediately.

### ***U.S. ANTIBOYCOTT LAWS***

As we are a US incorporated company, U.S. antiboycott laws prohibit or severely restrict the Company from participating in boycotts against countries friendly to the U.S., and require the Company to report both legal and illegal boycott requests to the U.S. government. If you are involved in selling the Company's products from the U.S. internationally, you must become familiar with the U.S. antiboycott laws and observe all of their requirements. Further information and guidance can be obtained from the Company's Compliance Officer.

### ***NEW FOREIGN COUNTRIES***

The decision to expand the Company's distribution or to establish an operation in any other country, besides those in which it is already qualified to do business, may carry many important legal and tax implications. You must not undertake to expand the Company's operations into any country outside the U.S. without prior consultation with the Company's Compliance Officer.

### **AUDITS**

In some cases, the Company will monitor compliance with its policies audits. These may be done by the Company's legal counsel or at any direction of the Company's Compliance Officer.

You are required to cooperate fully with any such audits and to provide truthful and accurate responses to any request.

## **WHISTLEBLOWER POLICY**

Section 301 of the U.S. Sarbanes-Oxley Act of 2002 requires the Company's Audit Committee to establish procedures for: (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls and auditing matters; and (b) confidential, anonymous employee submissions of concerns regarding questionable accounting or auditing matters. In consideration of those legal requirements and in the spirit of this Code, the Company has established a Whistleblower Policy, with which policy we encourage you to familiarize yourself. See **Exhibit B** for *Whistleblower Policy*.

## **WAIVERS**

If you are a senior executive officer (chief executive officer, chief financial officer, principal financial officer or controller), other executive officer or director, any request by you for a waiver of any provision of this Code must be in writing and addressed to the Chairman of the Audit Committee. If you are not an executive officer or director, any request by you for a waiver of any provision of this Code must be in writing and addressed to the Company's Compliance Officer.

With regard to senior financial officers, other executive officers and directors, the Board of Directors will have the sole and absolute discretionary authority, acting upon such recommendation as may be made by the Audit Committee, to approve any waiver from this Code. Any waiver for senior financial officers, other executive officers or directors from this Code will be disclosed promptly on a Current Report on Form 8-K or any other means that complies with the SEC rules or applicable Nasdaq listing standards.

## **AGREEMENT TO COMPLY.**

I have read the Cyclacel Pharmaceuticals, Inc, Code of Business Conduct and Ethics ( the 'Code' ) and I have obtained an interpretation of any provision about which I had a question. I agree to abide by the provisions of this Code.

Based on my review, I acknowledge that;

----- To the best of my knowledge, I am not in violation of, or aware of any violation by others of, any provision contained in this Code;

OR

----- I have made a full disclosure on the reverse side of this acknowledgement of the facts regarding any possible violation of the provisions set forth in this Code.

In addition, I understand that I have a moral obligation, and in certain circumstances, a legal obligation to report any suspected or actual violation of this Code. I understand that my full cooperation in connection with the investigation of any suspected or actual violation is desired and preferred. I understand that my failure to comply with this Code or its procedures may result in disciplinary action, up to and including termination.

By

Date

( Name, please print and sign )

NYC 373048v.1

## **Exhibit A. Insider Trading and Disclosure Policy**

### **CYCLACEL PHARMACEUTICALS, INC.**

#### **INSIDER TRADING AND DISCLOSURE POLICY**

This document sets forth the policy regarding trading in the stock and other securities (the “Policy”) of Cyclacel Pharmaceuticals, Inc. (the “Company”) and, where applicable, the disclosure of such transactions. All references to the “Company” in the document include any subsidiaries of Cyclacel Pharmaceuticals, Inc.

#### **Applicability**

This Policy applies to all officers and employees of the Company, all members of the Company’s Board of Directors, and any consultants, advisors and contractors to the Company that the Company designates, as well as members of the immediate families and households of these persons. The Policy also applies to family trusts (or similar entities) controlled by or benefiting individuals subject to the Policy.

#### **General Statement**

Nonpublic information relating to the Company or its business is the property of the Company. The Company prohibits the unauthorized disclosure of any such non-public information acquired in the work-place or otherwise as a result of an individual’s employment or other relationship with the Company, as well as the misuse of any material non-public information about the Company or its business in securities trading.

#### **Insider Trading Compliance Officer**

The Company has designated Mr Joel Papernik of Mintz Levin as its current Insider Trading Compliance Officer. Please direct your questions as to any of the matters discussed in this Policy to Mr Papernik who can be reached at :

Mintz, Levin, Cohen, Ferris, Glovsky and Popeo, P.C.

Chrysler Center

666, Third Avenue

New York

NY 10017

Tel: 001 (212) 692 6774

#### **General Policies**



The following are the general rules of the Policy that apply to all Company officers, employees, directors and consultants. It is very important that you understand and follow these rules. If you violate them, you may be subject to disciplinary action by the Company (including termination of your employment for cause). You could also be in violation of applicable securities laws (and subject to civil and criminal penalties, including fines and imprisonment). Note that it is your individual responsibility to comply with the laws against insider trading. This Policy is intended to assist you in complying with these laws, but you must always exercise appropriate judgement in connection with any trade in the Company's stock.

The terms "immediate family," "material information" and "non-public information" are defined below.

Officers, directors, employees and consultants, advisors and contractors designated by the Company from time to time are subject to certain additional policies and restrictions. See "Additional Policies and Restrictions Applicable to Officers, Directors and Others Specified by the Company" on pages 6 to 9. The terms "black-out period" and "trading window" are defined in the same section.

- **Don't trade while in possession of material nonpublic information.** From time to time you may come into possession of material nonpublic information as a result of your relationship with the Company. You may not buy, sell or trade in any stock of the Company or other securities involving the Company's stock at any time while you possess material nonpublic information concerning the Company (whether during a "black-out period", if applicable, or at any other time). You must wait to trade until newly released material information has been made public for at least two full trading days (a trading day is a day on which the stock market is open).
- **Pre-clear trades involving Company stock.** If you are unsure about whether information you possess would qualify as material nonpublic information and whether you therefore should refrain from trading in the Company's stock, you should pre-clear any transactions involving Company stock that you intend to engage in with the Compliance Officer.
- **Don't give nonpublic information to others.** Don't give nonpublic information concerning the Company (commonly referred to as "tipping") to any other person, including family members, and don't make recommendations or express opinions about trading in the Company's stock under any circumstances.
- **Don't discuss Company information with the press, analysts or other persons outside of the Company.** Announcements of Company information are regulated by Company policy (separate from this Policy) and may only be made following approval by the Company's Disclosure Committee. Laws and regulations govern the nature and timing of such announcements to outsiders or the public and unauthorized disclosure

could result in substantial liability for you, the Company and its management. If you receive enquiries by any third party about Company information, you should notify the Compliance Officer immediately.

- **Don't participate in Internet "chat rooms" in which the Company is discussed.** You may not participate in on-line dialogues (or similar activities) involving the Company, its business or its stock.
- **Don't use nonpublic information to trade in other companies' stock.** Don't trade in the stock of the Company's customers, vendors, suppliers or other business partners when you have nonpublic information concerning the Company or these business partners that you obtained in the course of your relationship with the Company and that would give you an advantage in trading.
- **Don't engage in speculative transactions involving the Company's stock.** Don't engage in any transactions that suggest you are speculating in the Company's stock (that is, that you are trying to profit from short-term movements, either increases or decreases, in the stock price). You may not engage in any short sale, "sale against the box" or any equivalent transaction involving the Company's stock (or the stock of any of the Company's business partners in any of the situations described above). A short sale involves selling shares that you do not own at a specified price with the expectation that the price will go down so you can buy the shares at a lower price before you have to deliver them.

Note that many hedging transactions, such as "cashless collars", forward sales, equity swaps and other similar or related arrangements may indirectly involve a short sale. The Company discourages you from engaging in such transactions and requires that any such transaction be carefully reviewed by the Compliance Officer prior to the time you enter into it. The Compliance Officer will assess the proposed transaction and, in light of the facts and circumstances, make a determination as to whether the proposed transaction may be completed or would violate this Policy. In addition, if you are trading in Company stock pursuant to a "blind trust" or a Rule 10b5-1( c ) trading program (see "Exceptions for Blind Trusts and Pre-Arranged Trading Programs" below), there may be additional restrictions on your ability to engage in a hedging transaction.

In addition, the Company recommends that you do not margin or pledge your Company stock to secure a loan to you and that you do not purchase Company stock "on margin" (that is, borrow funds to purchase stock, including in connection with exercising any Company stock options).

- **Make sure your family members and persons controlling family trusts (and similar entities) do not violate this Policy.** For the purposes of this Policy, any transactions involving Company stock in which members of

your immediate family engage, or by family trusts, partnerships, foundations and similar entities over which you or members of your immediate family have control, or whose assets are held for the benefit of you or your immediate family, are the same as transactions by you. You are responsible for making sure that such persons and entities do not engage in any transaction that would violate this Policy if you are engaged in the transaction directly.

(Certain family trusts and other entities of this type having an independent, professional trustee who makes investment decisions on behalf of the entity, and with whom you do not share Company information, may be eligible for an exemption from this rule. Please contact the Compliance Officer if you have questions regarding this exception. You should assume that this exception is not available unless you have first obtained the approval of the Compliance Officer.)

### **Exceptions to the General Policies**

The following exceptions to the general insider trading policies apply:

1. **Exceptions for Purchases Under Employee Stock Option and Stock Purchase Plans.**

The exercise (without a sale) of stock options under the Company's stock option plans and the purchase of shares under the Company's employee stock purchase plan are exempt from this Policy, since the other party to the transaction is the Company itself and the price does not vary with the market but is fixed by the terms of the option agreement or the plan.

But, any subsequent sale of shares acquired under a Company stock plan is subject to this Policy.

• **Exceptions for Blind Trusts and Pre-Arranged Trading Programs.**

Rule 10b5-1(c) of the Securities Exchange Act of 1934 provides an affirmative defence against insider trading liability under federal securities laws for a transaction done pursuant to "blind trusts" (generally, trusts or other arrangements in which investment control has been completely delegated to a third party, such as an institutional or professional trustee) or pursuant to a written plan, or a binding contract or instruction, entered into in good faith at a time when the insider was not aware of material nonpublic information, even though the transaction in question may occur at a time when the person is aware of material nonpublic information. The Company may, in appropriate circumstances, permit transactions pursuant to a blind trust or a pre-arranged trading program that complies with Rule 10b6-1 to take place during periods in which the individual entering into the transaction may have material nonpublic information or during black-

out periods.

If you wish to enter into a blind trust arrangement or a pre-arranged trading program, you must notify the Compliance Officer. The Compliance Officer will review proposed arrangements to determine whether they will or may result in transactions taking place during periods in which you may be in possession of material nonpublic information. The Company reserves the right to bar any transactions in Company stock, even those pursuant to arrangements previously approved, if the Company determines that such a bar is in the best interests of the Company.

### **Application of Policy After Employment Terminates**

If your employment terminates at a time when you have or think you may have material nonpublic information about the Company or its business partners, the prohibition on trading on such information continues until such information is absorbed by the market following public announcement of it by the Company or another authorized party, or until such time as the information is no longer material. If you have any questions as to whether you possess material nonpublic information after you have left the employ of the Company, you should direct questions to the Compliance Officer.

### **Potential Criminal and Civil Liability and/or Disciplinary Action**

The penalties for “insider trading” include civil fines of up to three times the profit gained or loss avoided, and criminal fines of up to \$1,000,000 and up to ten years in jail for each violation. You can also be liable for improper transactions by any person to whom you have disclosed nonpublic information or made recommendations on the basis of such information as to trading in the Company’s securities (tippee liability). The SEC has imposed large penalties even when the disclosing person did not profit from the trading. The SEC, the stock exchanges and the National Association of Securities Dealers (“NASD”) use sophisticated electronic surveillance techniques to uncover insider trading. Employees of the Company who violate this Policy shall also be subject to disciplinary action by the Company, which may include ineligibility for further participation in the Company’s equity incentive plans or termination of employment for cause.

### **Definitions used in this Policy**

#### **1. Immediate Family**

The following persons are considered members of your “immediate family”; your spouse, parents, grandparents, children, grandchildren and siblings, including any such relationship that arises through marriage or by

adoption. It also includes members of your household, whether or not they are related to you.

- **Material Information**

It is not possible to define all categories of “material” information, but information should be regarded as material if it is likely that it would be considered important to an investor in making an investment decision regarding purchase or sale of the Company’s stock.

While it may be difficult to determine whether particular information is material or not, there are some categories of information that are particularly sensitive and that should almost always be considered material. Examples include, but are not limited to,; financial results and projections (especially to the extent the Company’s own expectations regarding its future financial results differ from analysts’ expectations), news of a merger or acquisition, gain or loss of a major customer or supplier, major product announcements, changes in senior management, a change in the Company’s accountants or accounting policies, or any major problems or successes of the business. Either positive or negative information may be material. If you have any questions regarding whether information you possess is material or not, you should contact the Compliance officer.

- **Nonpublic Information**

Information about the Company is considered to be “nonpublic” if it is known within the Company but not yet disclosed to the general public. The Company generally discloses information to the public either via press releases or in the regular quarterly and annual reports that the Company is required to file with the SEC. Information is considered “public” only after it has been publicly available, through press release or otherwise, for at least forty-eight hours. If you have any questions regarding whether any information you possess is nonpublic or has been publicly disclosed, you should contact the Compliance Officer.

### **Changes to the Policy**

From time to time, this policy may need to be amended due to changes in the Law, the Company’s operations or NASDAQ requirements, but , as a minimum, it will be subject to annual review by the Board of Directors.

### **Questions**

Please direct questions you have regarding this Policy and any transactions in Company securities to the Company’s Insider Trading Compliance Officer.

**Additional Policies and Restrictions Applicable to Officers,  
Directors and Others Specified by the Company**

The following additional policies and restrictions (the “Additional Policies”) apply to executive officers, directors and certain other officers, employees and consultants of the Company, as designated from time to time by the Compliance Officer. If you violate these rules, you may be subject to disciplinary action by the Company (including termination of your employment for cause). In addition, you could be in violation of applicable securities laws (and subject to civil and criminal penalties, including fines and imprisonment). Note that it is your individual responsibility to comply with the laws against insider trading. This Policy is intended to assist you in complying with these laws, but you must always exercise appropriate judgement in connection with any trade in the Company’s stock.

Persons subject to these Additional Policies are also subject to the general policies described in the preceding section (with the more restrictive policy applying in any case where there is a conflict).

The terms “immediate family”, “material information” and “nonpublic information” were defined above. The terms “black-out period” and “trading window” are defined at the end of this Additional Policies section.

**1. Don’t trade during black -out periods.**

The Company **prohibits** all executive officers, member of the Board of Directors, and certain other officers, employees and consultants designated by the Company **from trading during black-out periods** (whether regularly scheduled black-out periods, or special black-out periods implemented from time to time). It is your responsibility to know when the Company’s regular quarterly black-out periods begin (you will be notified when they end). If you are informed that the Company has implemented a special black-out period, you **may not** disclose the fact that trading has been suspended to anyone, including the Company employees (who may themselves not be subject to the black-out), family members (other than those subject to this Policy who would be prohibited from trading because you are), friends or brokers. You should treat the imposition of a special black-out period as material nonpublic information.

Remember to cancel any “limit” orders or other pending trading orders you have in place during a black-out period (unless the orders were made pursuant to an approved Rule 10b5-1( c ) trading program).

**You are subject to the black-out periods if you are listed on Attachment A to this Policy.** This list may be changed from time to time to add or remove persons as appropriate. If you are added to the list of persons subject to the Company’s black-out periods, you will be notified by the Compliance Officer.

- **You must pre-clear all trades involving the Company’s stock.** All executive officers, members of the Board of Directors, and certain other officers, employees and consultants designated by the Company, **must refrain from trading** in the Company’s stock, **even during an open trading window, unless** they first comply with the Company’s pre-clearance procedures. To pre-clear a transaction, you must get the approval of the Compliance Officer before you enter into the transaction. In pre-clearing a trade, and in addition to reviewing the substance of the proposed trade, the Compliance Officer may consider whether it will be possible for both the individual and the Company to comply with any applicable public reporting requirements. You should contact the Compliance officer **at least 3 days** before you intend to engage in any transaction to allow enough time for pre-clearance procedures.

You are required to pre-clear all transactions involving Company stock if you are listed on Attachment A to this Policy. If you are added to the list of persons subject to the Company’s mandatory pre-clearance policy, you will be notified by the Compliance Officer.

- **You must pre-clear any margin transactions involving Company stock.** If you are listed on Attachment A or Attachment B, you may not enter into any margin transaction involving Company stock unless you have first pre-cleared it with the Compliance Officer. The Compliance Officer will review proposed margin transactions in light of guidelines (including public reporting guidelines) that he or she from time to time establishes with input from the Board of Directors, if appropriate.
- **You must pre-clear hedging or derivatives transactions involving Company stock.** The Company discourages persons listed on Attachment A or Attachment B from engaging in hedging or derivative transactions, such as “cashless collars”, forward contracts, equity swaps or other similar or related transactions. If you wish to engage in such a transaction, you must pre-clear it with the Compliance Officer, who will review the proposed transaction in light of guidelines (including public reporting guidelines) that he or she from time to time establishes, with input as appropriate from the Board of Directors and outside legal counsel.
- **Observe the Section 16 liability rules applicable to officers and Board members and 10% stockholders.** Certain officers of the Company, members of the Company’s Board of Directors and 10% stockholders must also conduct their transactions in Company stock in a manner designed to comply with the “short-swing” trading rules of Section 16(b) of the Securities Exchange Act of 1934. The practical effect of these provisions is that officers and directors who purchase and sell, or sell and purchase, Company securities within a six-month period must disgorge all profits to the Company whether or not they had any nonpublic information at the time of the transactions.

If you are subject to Section 16, you are listed on Attachment B to this Policy.

- **Comply with public securities law reporting requirements.** Federal securities laws require that officers, directors, large stockholders and affiliates of the Company publicly report transactions in Company stock (on Forms 3, 4 and 5 under Section 16, Form 144 with respect to restricted and control securities, and, in certain cases, Schedules 13D and 13G). The Company takes these reporting requirements very seriously and requires that all persons subject to public reporting of Company stock transactions adhere to the rules applicable to these forms. Where issues arise as to whether reporting is technically required (particularly issues that turn on facts specific to the transaction and the individuals involved, or on unsettled issues of law), the Company encourages its insiders to choose to comply with the spirit and not the letter of the law – in other words, to err on the side of fully and promptly reporting the transaction even if not technically required to do so.
- **Comply with trading restrictions imposed in connection with pension plan blackout periods.** Federal securities laws prohibit Section 16 officers and directors of public companies from trading in company securities during a “pension plan blackout period”. The Company is required to provide you with advance notice of a pension plan blackout period. If you receive such a notice, you must refrain from engaging in most transactions involving Company securities (**including exercising stock options**, notwithstanding the provisions contained in “Exemptions for Purchases Under Employee Stock Option and Stock Purchase Plans” above) until the pension plan blackout period has terminated. If you engage in a prohibited transaction during a pension plan blackout period, you will be required to turn over profits on the transaction (which may include amounts in excess of actual economic profits you realize on the transaction) to the Company.

In addition, where the Company is required to report transactions by individuals, the Company expects full and timely cooperation by the individual.

### **Exceptions for Emergency, Hardship or Other Special Circumstances.**

In order to respond to emergency, hardship or other special circumstances, exceptions to the prohibition against trading during black-out periods will require the approval of the Compliance Officer.



## Application of Policy After Employment Terminates

If you are subject to the black-out periods imposed by this Policy and your employment terminates during a black-out period (or if you otherwise leave while in possession of material nonpublic information), you will continue to be subject to the Policy, and specifically to the ongoing prohibition against trading, until the black-out period ends (or otherwise until the **close of the second full trading day** following public announcement of the material nonpublic information).

## Definitions

1. **Black-Out Period.** During the end of each fiscal quarter and until public disclosure of the financial results for that quarter, persons subject to this Policy may possess material nonpublic information about the expected financial results for the quarter. Even if you don't actually possess any such information, any trades by you during that period may give the appearance that you are trading on inside information. Accordingly, the Company has designated a regularly scheduled quarterly "black-out period" on trading beginning **on the twenty fourth day of the last month of each quarter and ending at the close of the second full trading day** (day on which the stock market is open) after disclosure of the quarter's financial results.

In addition to the regularly-scheduled black-out periods, the Company may from time to time designate other periods of time as a special black-out period (for example, if there is some development with the Company's business that merits a suspension of trading by Company personnel). The Company may not widely announce the commencement of a special black-out period, as that information can itself be sensitive information. For this reason, it is extremely important that you adhere to the pre-clearance procedures outlined in this Policy to ensure that you do not trade during any special black-out period.

- **Trading Window.** The period outside a black-out period is referred to as the "trading window". Trading windows that occur between the regularly-scheduled quarterly black-out periods can be "closed" by the imposition of a special black-out period if there are developments meriting a suspension of trading by Company personnel.

**INSIDER TRADING POLICY  
ACKNOWLEDGMENT**

I certify that I have read, understand and agree to comply with the Cyclacel Pharmaceuticals, Inc. Insider Trading and Disclosure Policy. I agree that I will be subject to sanctions imposed by the Company, in its discretion, for violation of the Policy, and that the Company may give stop-transfer and other instructions to the Company's transfer agent against the transfer of Company securities as necessary to ensure compliance with the Policy. I acknowledge that one of the sanctions to which I may be subject as a result of violating the Company's policy is termination of my employment including termination for cause.

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

**ATTACHMENT A**

**CYCLACEL PHARMACEUTICALS, INC.  
PERSONS SUBJECT TO BLACK-OUT PERIODS  
OF INSIDER TRADING POLICY**

<b>Name</b>	<b>Title (if any)</b>
ALL EMPLOYEES	
NON-EXECUTIVE DIRECTORS	

**ATTACHMENT B**

**CYCLACEL PHARMACEUTICALS, INC.  
PERSONS SUBJECT TO SECTION 16**

<b>Name</b>	<b>Title (if any)</b>
Spiro Rombotis	President and Chief Executive
Paul McBarron	Chief Operating Officer and Executive Vice President, Finance
Judy Chiao	Vice President, Clinical Development and Regulatory Affairs.

**Exhibit B. Whistleblower Policy**

**CYCLACEL PHARMACEUTICALS, INC.**

**WHISTLEBLOWER POLICY**

**1. Purpose**

The purpose of the Cyclacel Pharmaceuticals, Inc. (the “Company”) whistleblower policy is to establish procedures for the submission of complaints or concerns regarding financial statement disclosures, accounting, internal accounting controls, auditing matters or violations of the Company’s Code of Business Conduct and Ethics.

All references to the ‘Company’ in this document include any subsidiaries of Cyclacel Pharmaceuticals, Inc.

**2. Sarbanes-Oxley Requirements**

Section 301 of the Sarbanes-Oxley Act requires the Audit Committee to establish procedures for; (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and (b) confidential, anonymous employee submissions of concerns regarding questionable accounting or auditing matters.

**3. Procedures**

In order to comply with Section 301, the Audit Committee has adopted the following procedures:

1. The Company will promptly forward to the Audit Committee any complaints that it has received regarding financial statement disclosures, accounting, internal accounting controls or auditing matters.
2. Any employee of the Company may submit, on a confidential and anonymous basis if the employee so desires, any concerns regarding financial statement disclosures, accounting, internal accounting controls, auditing matters or violations of the Company’s Code of Business Conduct and Ethics.  
Employees who have concerns or complaints regarding such matters are encouraged to promptly submit these concerns or complaints in writing directly to the Chairman of the Audit Committee.

Complaints or concerns may also be made anonymously, if so desired, via the Company’s reporting ‘hotline’. This can be accessed either by,

Telephone - Calling from within the U.K. 00800 1777 9999  
Calling from within the U.S. 1-800-461-9330

Or E-mail - [www.MySafeWorkplace.com](http://www.MySafeWorkplace.com)

If an employee would like to discuss any matter with the Audit Committee, the employee should state this in their communication and provide a telephone number at which he or she can be reached, should the Audit Committee deem such communication appropriate.

3. Following the receipt of any complaints submitted hereunder, the Audit Committee will investigate each matter so reported and take corrective and disciplinary actions, if appropriate, which may include, alone or in combination: a warning or letter of reprimand; demotion, loss of a merit increase, bonus or stock options; suspension without pay; or termination of employment.
4. The Audit Committee may enlist employees of the Company and/or outside legal, accounting or other advisors, as appropriate, to conduct any investigation of complaints regarding financial statement disclosures, accounting, internal accounting controls, auditing matters or violations of the Code of Business Conduct and Ethics. In conducting any investigation, the Audit Committee shall use reasonable efforts to protect the confidentiality and anonymity of the complainant.
5. The Company does not permit retaliation of any kind against employees for complaints submitted hereunder that are made in good faith.
6. The Audit Committee will retain as a part of its records any such complaints or concerns for a period of at least 7 years.

### **Changes in the Policy.**

From time to time, this policy may need to be amended due to changes in the law, the Company's operations or NASDAQ requirements, but as a minimum, it will be subject to annual review by the Audit Committee.

All changes to this policy must be approved by the Audit Committee.

All employees will receive notice when this policy is changed.