



Code of Ethics

Honest and Ethical Conduct.

DURECT Corporation (the “Company”) is committed to promoting high standards of integrity by conducting its affairs honestly and ethically. Public confidence in and the reputation of the Company are valuable business assets. As part of this commitment, the Company has adopted this Code of Ethics (this “Code”). The Company’s officers, directors and employees must comply with this Code and Company policies and must conduct themselves in such a manner to avoid even the appearance of improper behavior. Officers, directors and employees should consider not only their own conduct, but also that of their family members. Throughout this Code, the term “family member” refers to an officer’s, director’s, or employee’s spouse, parents, children and siblings, whether by blood, marriage or adoption, or anyone residing in such employee’s home (other than a tenant or employee).

Each director, officer and employee must act with integrity and observe the highest ethical standards of business conduct in his or her dealings with the Company’s customers, suppliers, partners, service providers, competitors, employees and anyone else with whom he or she has contact in the course of performing his or her job. The Company expects such personnel to ensure that the third parties acting on the Company’s behalf, such as contractors, business partners, distributors, contract research organizations, intermediaries or consultants (collectively, “Company Third Parties”), conform to the standards of this Code when working on the Company’s behalf. See Sections 1 and 8 below (Compliance With Applicable Laws and Reporting Any Violation of Code or Other Illegal Or Unethical Behavior) for a description of whom to contact with questions or how to report suspected violations of this Code.

Anyone who violates the standards in this Code will be subject to appropriate action, which, in certain circumstances, may include (a) for directors, removal from the Board of Directors of the Company (the “Board”), legal action or referral for criminal prosecution and (b) for executive officers, employees or Company Third Parties, termination of employment or service provider relationship for cause, legal action or referral for criminal prosecution.

1. Compliance With Applicable Laws

All employees, officers and directors of the Company must comply with all of the laws, rules and regulations of the U.S. and other countries, and the states, counties, cities and other jurisdictions, applicable to the Company or its business. It is essential that all employees know and understand the legal and regulatory requirements and other standards that apply

to the Company's business and to their specific area of responsibility.

This Code does not and is not intended to summarize all laws, rules and regulations applicable to the Company and its employees, officers and directors. Please consult with the Compliance Officer and Company guidelines on specific laws, rules and regulations applicable to the Company.

The Company has designated Timothy M. Papp as Compliance Officer to administer this Code.

2. Conflicts Of Interest

A "conflict of interest" may exist whenever the private interests of an employee, officer or director (or the interest of his or her family member) conflict (or even appear or could reasonably be expected to conflict) in any way with the interests of the Company. A conflict situation can arise when an employee, officer or director (or his or her family member) takes actions or has interests that may make it difficult to perform his or her Company work objectively. Conflicts of interest may also arise when an employee, officer or director, or his or her family member, receives improper personal benefits as a result of his or her position at the Company, whether received from the Company or a third party. Loans by the Company to, or guarantees by the Company of obligations of, employees, officers and directors and their respective family members may create conflicts of interest. Federal law prohibits loans by the Company to, or guarantees by the Company of, directors and executive officers. In addition, it is almost always a conflict of interest for a Company employee, officer or director to work simultaneously for a competitor, customer or supplier.

Officers, directors and employees are expected to avoid actual or apparent conflicts of interest between their personal and professional relationships. For directors, this may include recusal from discussions of the Board when their participation could be perceived as creating such a conflict. Conflicts of interest may not always be clear-cut, so if you have a question, you should consult with a member of management or the Compliance Officer or, in the case of directors, the Audit Committee of the Board (the "Audit Committee"). Senior financial employees may, in addition to speaking with the Compliance Officer, discuss potential conflicts with the chair of the Audit Committee. Any employee, officer or director who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor, corporate officer or the Compliance Officer.

3. Corporate Opportunity

Except as may be approved by the Board or a committee of independent directors, employees, officers and directors are prohibited from (a) taking for themselves personally (or for the benefit of friends or family members) opportunities that belong to the Company

or are discovered through the use of corporate property, information or position; (b) using corporate property, information or position for personal gain (including for the personal gain of friends or family members); and (c) competing with the Company. Even opportunities that are acquired through independent sources may be questionable if they are related to the Company's existing or proposed lines of business.

Employees (other than employees who also serve as directors) should consult with their manager or the Compliance Officer to determine an appropriate course of action if interested in pursuing an opportunity that they discovered through their Company position or use of Company property or information. Directors should consult with the chair of the Audit Committee or the Compliance Officer if interested in pursuing such opportunities.

4. Confidentiality

All employees and officers, under the Confidential Information and Invention Assignment Agreement signed when they joined the Company, Company Third Parties when instructed by the Company to not use or disclose their confidential information except as authorized, and all directors, must maintain the confidentiality of confidential information entrusted to them by the Company or its suppliers, customers or partners, except when disclosure is authorized by the Company or required by laws, regulations or legal proceedings. As more fully described in the Confidential Information and Invention Assignment Agreement, "confidential information" includes, but is not limited to, non-public information that might be of use to competitors of the Company, or harmful to the Company or its customers, suppliers or partners if disclosed. This prohibition applies, both while working for the Company and after employment ends or, in the case of directors, while serving as director and after such director ceases to be a director.

Whenever feasible, employees, officers and directors should consult the Compliance Officer or outside counsel if they believe they have a legal obligation to disclose confidential information.

5. Fair Dealing

Each employee, officer and director must deal fairly with the Company's customers, suppliers, partners, service providers, competitors, officers, employees and anyone else with whom he or she has contact in the course of performing his or her job. No one should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practice. Stealing proprietary information, misusing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited.

6. Protection And Proper Use Of Company Assets

All employees, officers 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 only for legitimate business purposes. Any suspected incident of fraud or theft should be reported for investigation immediately to the Compliance Officer or through **Convercent** as described in Section 8. The obligation to protect Company assets includes the Company's proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks, and copyrights, as well as business and marketing plans, engineering and manufacturing ideas, designs, databases, records and any non-public financial data or reports. Unauthorized use or distribution of this information is prohibited and could also be illegal and result in civil or criminal penalties.

7. Accounting Complaints

The Company's policy is to comply with all applicable financial reporting and accounting regulations applicable to the Company. Employees, officers or directors who have concerns or complaints regarding questionable accounting or auditing practices are encouraged to promptly submit those concerns or complaints to the Audit Committee under the procedures set forth in the Company's "Whistleblower Policy," including on an anonymous and confidential basis if so desired. Nothing in this Code prohibits or restricts an employee (or employee's attorney) from initiating communications directly with, responding to an inquiry from, or providing testimony before the Securities and Exchange Commission ("SEC"), the Financial Industry Regulatory Authority, any other self-regulatory organization, or any other federal or state regulatory authority regarding a possible securities law violation.

8. Reporting Any Violation of Code or Other Illegal Or Unethical Behavior

Employees are encouraged to talk to supervisors, managers or other appropriate personnel about observed illegal or unethical behavior including regulatory compliance and clinical safety and, when in doubt, about the best course of action in a particular situation. Any employee, officer or director who believes that a violation of this Code by any employee, officer, Company Third Party or director has occurred or may occur should promptly contact the Compliance Officer directly or report such violation through **Convercent**, the third party service provider retained by the Company, via telephone by calling the following 24-hour hotline (**Telephone Number: 1-800-461-9330**) or via the internet using the following web address(**www.convercent.com/report**), in which case the report will be forwarded automatically to the Compliance Officer and, if relevant, other Company employees or Directors. If the employee desires, the employee can make such report on an anonymous and confidential basis. The Compliance Officer will refer complaints submitted, as

appropriate, to the Board or an appropriate committee of the Board.

9. No Retaliation

The Company does not retaliate and does not tolerate acts of retaliation against any director, officer or employee who makes a good faith report of known or suspected acts of misconduct or other violations of this Code.

10. Public Company Reporting

As a public company, it is of critical importance that the Company's filings with the SEC be complete, fair, accurate and timely. Depending on their respective positions with the Company, employees, officers or directors may be called upon to provide information necessary to assure that the Company's public reports are complete, fair and understandable. The Company expects employees, officers and directors to take this responsibility very seriously and to provide prompt and accurate answers to inquiries related to the Company's public disclosure requirements. The Company has formed a Disclosure Committee consisting of James Brown, Timothy M. Papp, Jian Li and other employees as appropriate to oversee the preparation and review of public disclosure documents. If an employee believes that the Company's public disclosures are not complete, fair and accurate, or if an employee becomes aware of a transaction or development that the employee believes may require disclosure, the employee should report the matter immediately to the Disclosure Committee.

11. Amendment, Modification And Waiver

This Code may be amended, modified or waived by the Board, subject to the disclosure and other provisions of the Securities Exchange Act of 1934, and applicable Nasdaq rules. Any waiver of this Code with respect to the Company's principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions being promptly publicly disclosed by a method selected by the Board in conformity with applicable SEC rules.

12. Doing Business Internationally

While no one can anticipate all the situations that may present the challenges of doing business in the worldwide marketplace, the following guidelines always apply.

All employees, directors and officers must:

- (a) Observe all laws and regulations, both U.S. and non-U.S., that apply to the Company's business abroad, including without limitation the United States Foreign Corrupt Practices Act and the UK Bribery Act.

- (b) Observe all licensing requirements and the requirements of applicable import and export control laws.
- (c) Observe all privacy and data protection laws and regulations of other countries (such as China, Hong Kong, Japan and Australia) and authorities (such as the European Union).
- (d) Observe all import and export laws and regulations, including the regulations promulgated by the Office of Foreign Asset Control (“OFAC”) of the U.S. Department of the Treasury, the Export Administration Act and the International Traffic in Arms Regulations, as well as the import and export laws and regulations of all countries applicable to our global business. Information regarding countries subject to OFAC sanctions can be found at (<https://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/consolidated.aspx>).

All employees, directors and officers may not:

- (a) Directly or indirectly offer, accept or provide anything of value, including but not limited to a bribe, kickback, special commission or fee, in order to improperly influence a government official or private party or to obtain an improper advantage. This prohibition includes, but is not limited to, obtaining business for the Company from private businesses or government bodies, anywhere in the world.
- (b) This prohibition also includes, but is not limited to, giving, promising or authorizing any other person to give or promise any payments or anything of value to a private party, a foreign official, a foreign political party or official thereof, or any candidate for foreign political office for the purpose of (i) improperly influencing any act or decision, (ii) inducing such official, party or candidate to do or omit to do any act in violation of the lawful duty of such official, party or candidate, or (iii) inducing such official, party or candidate to use his or her influence with a foreign government or agency to improperly affect or influence any act or decision of such foreign government or agency.

The guidelines set forth apply to Company Third Parties. Directors, officers and employees are prohibited from engaging any third party if the circumstances indicate that the third party will likely violate any of the guidelines set forth above.

When in doubt concerning the propriety of a proposed payment or gift, contact the Compliance Officer for guidance.