

IDENIX PHARMACEUTICALS, INC.
POLICY ON BUSINESS CONDUCT AND ETHICS
Effective November 16, 2006

I. PURPOSE

As a business engaged in the discovery, development and commercialization of medicines for the treatment of human viral and infectious diseases, Idenix Pharmaceuticals, Inc. (the “Company”) must always act in a way that reflects the highest standards of corporate behavior.

Since the behavior of a corporation is the sum of the behavior of its directors, officers and employees, this Policy on Business Conduct and Ethics (the “Policy”) defines what is expected of each of us as we undertake our business at Idenix. Each of us must always exercise good judgment and common sense in making the choices necessary to advance the interests of Idenix. The development and maintenance of relationships of trust between each of us and government officials, health care professionals, patients, suppliers, customers, investors and other employees is essential and expected.

Each of us is responsible for becoming familiar with and following all the laws, regulations and policies that apply to our jobs and for seeking advice and assistance in any situation in which we are unsure of what to do.

II. RESPONSIBILITIES

All directors, officers and employees of the Company are responsible for reading, becoming familiar and complying with this Policy and the other policy statements of the Company referenced in this Policy. This Policy has been developed in accordance with the Compliance Program Guidance for Pharmaceutical Manufacturers issued by the Office of the Inspector General in the U.S. Department of Health and Human Services. Any director, officer or employee who observes or otherwise becomes aware of conduct that violates, or could violate, this Policy must make a prompt report of such violation to the Company (see Section XI below). Any officer or employee who fails to immediately report a Policy violation, or perceived violation, or who violates any aspect of the Policy himself/herself may be subject to disciplinary action, up to and including termination.

In addition to accepting the responsibility to personally uphold all elements of this Policy, all officers and employees shall be responsible for the enforcement of and compliance with the Policy and are responsible for ensuring that all employees, for whom they are responsible, attend Company-sponsored training sessions on compliance with applicable laws, regulations and this Policy. Any person who initiates or approves of any conduct in violation of any law, regulation or any aspect of the Policy, or who becomes aware of such conduct and does not promptly report it, will also be subject to disciplinary action, up to and including termination.

This Policy will be distributed to each new employee, officer and director upon the commencement of their employment or service to the Company. We will each be required to annually certify our compliance with the Policy. The failure to certify such compliance or any false certification, even if directed by a supervisor, is grounds for disciplinary action by the

Company, up to and including termination of employment. Additionally, any direction or request by a supervisor to give a false certification is grounds for disciplinary action by the Company, up to and including termination of employment.

III. CONFLICT OF INTEREST

All directors, officers and employees have a duty to avoid business, financial or other direct or indirect relationships which conflict with the interests of the Company or which divide his or her loyalty to the Company. A conflict of interest occurs when your personal interest interferes or appears to interfere with the interests of the Company. A conflict of interest can arise whenever you as a director, officer or employee take action or have an interest that prevents you from undertaking your Company duties honestly, objectively and fairly. It is almost always a conflict for a Company officer or employee to work simultaneously for a competitor, customer or supplier or to work for a competitor as a consultant or board member.

Soliciting or accepting gifts (other than items of nominal value), payments, loans or any form of compensation from suppliers, customers, competitors, or others in return for or seeking to do business with the Company is not permitted.

Any activity which even appears to present a conflict must be avoided or terminated unless, after disclosure to the Company, it is determined that the activity is not harmful to the Company or otherwise improper. It is your responsibility to disclose any material transaction or relationship that could be expected to give rise to a conflict of interest to the Compliance Officer, or if you are an officer or director, to the Board of Directors, who shall be responsible for determining whether such transaction or relationship constitutes a conflict of interest.

IV. DISCRIMINATION AND HARASSMENT

The diversity of the Company's workforce is an important asset. The Company is committed to providing a positive working environment for all employees and will not tolerate any discrimination or harassment of any kind, including conduct deemed to be threatening or offensive through the inappropriate use of Company-owned or accessed communications tools, such as e-mail, the Intranet and Internet, voicemail, telephones, photocopiers and fax machines.

V. FAIR DEALING

Directors, officers and employees are expected to deal ethically, fairly and honestly with all government officials as well as with the Company's suppliers, customers, competitors and each other. Statements regarding the Company's products and services must be true, and not be incomplete, misleading, deceptive or fraudulent. It is impermissible to take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other such practice.

VI. CONFIDENTIALITY

Directors, officers and employees must maintain the confidentiality of information entrusted to them by the Company, except when disclosure is authorized under the Company's Disclosure Policy or as otherwise legally mandated. Confidential information includes all non-public

information that might be of use to competitors, or harmful to the Company, its suppliers or its customers, if disclosed. It also includes information that suppliers and customers and individuals or institutions involved in clinical trials or other product development activities have provided to the Company. Employees should take appropriate steps to limit distribution of such confidential information to only those employees of the Company who have a need to know such information in order to carry out their job responsibilities. It is the policy of the Company that each of us must respect the proprietary information of other individuals or organizations with which the Company does business. Information obtained from public sources can legitimately be used in the Company's business activities, but proprietary information obtained through improper means can never be used by any director, officer or employee in carrying out his or her job responsibilities.

The obligation to preserve confidential information continues even after employment or service with the Company ends. Any unauthorized disclosure of confidential information by a current or former director, officer or employee may result in legal action being taken by the Company as a theft of a protected trade secret or as destruction of the value of a previously protected trade secret. Directors, officers and employees must also abide by any similar, lawful obligations that they have to other persons, including restrictions on the use and disclosure of confidential information, solicitation of persons to work at the Company and non-competition obligations.

The Company's policies with respect to public disclosure of internal matters are described more fully in the Company's Disclosure Policy, copies of which are available by calling the Company's Legal Department.

VII. PROTECTION AND PROPER USE OF CORPORATE ASSETS

Directors, officers and employees should seek to protect the Company's assets and ensure their proper use. Theft, carelessness and waste have a direct impact on the Company's profitability. Any suspected incident of fraud or theft must be reported promptly to your supervisor or a member of the Legal Department for investigation. Company equipment should only be used for Company business, although incidental personal use may be permitted with the permission of your supervisor.

No Company funds or other assets shall be used for any unlawful purpose. No director, officer or employee shall purchase privileges or special benefits through payment of bribes or other illegal payments.

Employees, officers and directors must advance the Company's legitimate interests when the opportunity to do so arises. You are prohibited from exploiting for your personal advantage opportunities that are discovered through your position with the Company or the use of Company property or information.

VIII. COMPLIANCE WITH LAWS AND REGULATIONS

The Company requires that all directors, officers and employees comply with all applicable laws, rules and regulations of each country in which the Company does business. You are expected to

use good judgment and common sense and to always first seek advice if you are unsure how to properly comply with such laws, rules and regulations.

If you observe or otherwise become aware of the violation of any law or regulation by the Company, whether such violation is committed by a director, officer, or employee of the Company, or by a third party doing business with or otherwise representing the Company, you have the obligation to promptly report such violation to the Company (see Section XI below). While the Company would prefer to first investigate the matter internally, nothing in this Policy should be interpreted as discouraging you from reporting any illegal activity to the appropriate governmental authority. Directors, officers and employees shall not take any retaliatory or discriminatory action against an employee because he or she reports such violation, unless it is determined that the report was made with the knowledge that it was false or intentionally misleading. Nothing in this Policy should be interpreted as preventing or discouraging you from testifying, participating or otherwise assisting in any governmental, administrative, judicial or legislative proceeding or investigation.

If a law, rule or regulation conflicts with any aspect of this Policy, you must always comply with the law or regulation. If a local custom conflicts with this Policy, you must always comply with this Policy.

Each of us has the responsibility to be familiar with the laws and regulations that apply to the work that we do. If you manage other employees of the Company, it is also your responsibility to understand the laws and regulations that apply to the work being done by the area(s)/department(s) that you manage and to ensure that all employees in such area(s)/department(s) have the necessary understanding of such laws and regulations. You should obtain the necessary training and ensure that the employees that you manage obtain the necessary training to fulfill this obligation.

The Legal Department is always available for consultation on the laws and regulations that relate to the Company and its business. If you have any question as to whether or not a transaction or course of action complies with applicable laws and regulations, it is your responsibility to obtain advice from the Legal Department and act in accordance with that advice.

Areas that require particular attention to ensure proper compliance include:

A. Antitrust and Competition Laws

It is the policy of the Company to comply with the antitrust and competition laws of each country in which the Company does business. No director, officer or employee of the Company shall engage in anti-competitive conduct in violation of any antitrust or competition law.

B. Intellectual Property Laws

The Company requires that all scientific and technical information generated, utilized and maintained by its employees are in strict compliance and conformity with applicable intellectual property laws.

C. Environmental Laws and Regulations

The Company is committed to conducting its business in ways that are environmentally sound. Employees are required to be familiar with environmental laws and regulations, which relate to their job responsibilities and to comply with such laws and regulations. This includes making sure that reports on environmental matters that, by law, must be published or filed with governmental agencies are complete and accurate.

D. Health Care Fraud and Abuse Laws

In the United States and many other countries, the offering of anything of value as an inducement to purchase or prescribe a pharmaceutical or biological product may be a violation of law. Such laws prohibit offering or giving kickbacks or other improper inducements to anyone who may be in a position to purchase or prescribe (or to arrange for or recommend the purchase or prescription of) the Company's products. Any arrangements with current or potential customers (including gifts, grants or the offer to perform services on behalf of a customer) must be consistent with this prohibition (see Section IX below). The Federal False Claims Act and other laws prohibit filing false claims for payment or reimbursement for a pharmaceutical or drug product to government programs. These fraud and abuse laws apply to many different situations and require careful consideration. It is the policy of the Company to fully comply with all such laws. You should refer any questions to the Legal Department to ensure compliance with applicable laws, regulations and Company policies.

E. Workplace Safety Laws and Regulations

The Company requires full compliance with applicable workplace safety and industrial hygiene standards required by law. Each of us has a responsibility for maintaining a safe and healthy working environment for all persons at the Company, following safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions.

The Company will not tolerate violence or threatening behavior. Every officer and employee should report to work in condition to fully carry out their job responsibilities, free from the influence of illegal drugs or alcohol. The Company will not tolerate the use of illegal drugs at any Company location or at any function/activity organized by or sponsored by the Company at any outside location.

F. Insider Trading Laws

No director, officer or employee is allowed to purchase, sell, pledge or donate securities of the Company while he or she is in possession of any material nonpublic information concerning the Company. Directors, officers and employees may not provide such information to any other person for any purpose except for lawful disclosures necessary for legitimate business reasons.

Directors, officers and employees may not buy or sell securities of any other company using material non-public information obtained in the course of his or her service to the Company and directors, officers and employees are prohibited from providing information obtained in this manner to any other person for any other purpose except for lawful disclosures necessary for legitimate business reasons (see the Company's Insider Trading Policy for full details copies of which are available by calling the Company's Legal Department).

G. Laws relating to Political Contributions

The Company encourages directors, officers and employees to be involved personally in political affairs. However, no director, officer or employee shall directly or indirectly use or contribute any Company funds or other assets in connection with political campaigns, unless (1) such use or contribution is an accepted practice and lawful in the country involved; (2) if proposed by an officer or employee such use or contribution has been approved by the Chairman of the Board and Chief Executive Officer; and (3) such use or contribution is included in the annual report from the General Counsel, to the Company's Board of Directors of all such uses or contributions of Company funds or other assets for political purposes. Company facilities are not to be used by any director, officer or employee individually running for office.

H. Laws relating to Payments to Government Officials

No illegal payments of any kind are to be made to any local, state or Federal government official of the United States or to government officials of any other nation at any time or under any circumstances. It is against Company policy for Company funds or other assets to be paid directly or indirectly to government officials / employees or anyone acting on their behalf, or to representatives of other companies or organizations, for the purpose of influencing decisions or actions for securing unfair advantage with respect to the Company's business. In addition, there are often special rules regarding when government employees legitimately may be offered gifts, consulting opportunities or other potential benefits. The Company's interaction with government agencies and their employees must be consistent with these rules. Any director, officer or employee who has a question as to whether or not a proposed action or payment is legal and within Company policy must obtain advice from the Legal Department before any action is taken and then act in accordance with that advice.

I. Customs, Anti-boycott, Embargo and Trade Control Laws

While importing or exporting products, services, information or technology, the Company will comply with all applicable customs, anti-boycott, embargo and trade control laws, rules and regulations.

The United States anti-boycott law prohibits the Company and its subsidiaries from participating in any international economic boycott in which the United States does not participate. It prohibits the refusal to do business with the target of any such boycott, or any blacklisted company, and it prohibits the Company from furnishing boycott-related information. The Company must report boycott-related requests to the United States Government.

The United States Government embargo and trade control laws prohibit, restrict, or regulate transactions in goods, funds, services or technology with certain persons, companies, and countries based upon national security and policy interests.

Employees who have any responsibility for the importation or export of products, services or funds or the transfer or disclosure of technology must work with representatives of the Legal Department to ensure thorough familiarity with these laws, rules and regulations.

J. Privacy and Data Protection Laws

The Company is committed to the protection of the individual privacy of employees, persons who participate in the clinical trials of the Company's drug candidates and products and

individual third parties who perform services on behalf of the Company. The Company must comply with applicable privacy laws and regulations wherever the Company does business, including activities performed on behalf of the Company by third parties. Such laws and regulations are complex and differ from country to country. Any employee who handles or oversees the handling of individually-identifiable data and who has a concern or question about the proper handling of such data should first contact the Legal Department and then act in accordance the guidance of the Legal Department.

K. Laws and Regulations relating to Records Retention

The Company must comply with all laws and regulations mandating specified time periods for retaining various records of Company activity, including laboratory, clinical trial and manufacturing data. In addition, the Company may periodically specify that other records, not required by law, be retained for specified periods of time to facilitate the effective management of the Company. It is the responsibility of each direct report of the Chairman and Chief Executive Officer working with his/her staff and the Legal Department, to establish and maintain a system for the retention and safekeeping of all records that are required by law or Company policy. Such system must include a process of annual review to ensure the review and proper destruction of any materials whose retention is no longer required by either law or Company policy.

L. Laws Governing Pharmaceutical Products

The Company must comply with all laws and regulations governing the manufacture, testing, review and approval, sales, marketing, shipment, storage, and destruction of pharmaceutical products set forth by the Food and Drug Administration, the Drug Enforcement Administration, state and local authorities, and, where appropriate, the European Union or its member states. In conducting clinical trials of pharmaceutical products, the Company will comply with rules governing human subject protection, animal welfare, and public disclosure of clinical trials for serious and life threatening diseases. The distribution of pharmaceutical samples must comply with the Prescription Drug Marketing Act. These laws and regulations are complex, technical, and comprehensive. Therefore, all employees shall take steps to become familiar with those areas directly relevant to their responsibilities and shall consult with the Legal Department to obtain guidance on issues or areas of law or regulation that might arise during the normal course of business.

IX. INTERACTING WITH HEALTHCARE PROFESSIONALS

All employees, officers, and directors must comply with all applicable laws, regulations and professional ethical rules in their dealing with healthcare professionals, including the Code on Interactions with Healthcare Professionals developed by the Pharmaceutical Research and Manufacturers of America (“PhRMA”). The purpose of every interaction between the Company and a healthcare professional must be to benefit patients or enhance the practice of medicine. You may inform health care professionals about Company products, provide scientific and medical information and promote medical research. However, these interactions with healthcare professionals must comply with Company policies that limit consulting arrangements, support for medical education, and other financial arrangements as well as the Company’s restrictions on meals and gifts to healthcare professionals. If you have any questions as to whether conduct is consistent with these policies, it is your responsibility to obtain advice from the Legal Department and act in accordance with that advice. In addition, if you become aware of any

conduct that may violate these policies, you must promptly report such conduct to the Compliance Officer (see Section XI below).

X. COMPLETE AND ACCURATE BOOKS AND RECORDS

All business, financial, scientific or technical information related to the activities of the Company must be completely and accurately reflected in the books and records of the Company. You are responsible for the accuracy of your records and reports. Accurate information is essential to the Company's ability to meet legal and regulatory obligations.

A. Financial Records

1. All transactions shall be accurately reflected in the Company's books and records to permit their reporting and auditing. All employees, officers, and directors are responsible for the completeness and timeliness of the documentation supporting each transaction. All employees, officers, and directors are to strictly comply with the Company's accounting policies and procedures and the Company's system of internal controls.
2. The Company's financial statements shall conform to generally accepted accounting rules and the Company's accounting policies. It is the policy of the Company to provide full, fair, accurate, timely and understandable disclosure in reports and documents filed with, or submitted to, the Securities and Exchange Commission (the "SEC") and in other public communications.
3. There shall be no undisclosed or unrecorded fund or asset of the Company or any of its subsidiaries.
4. No false or artificial entries shall be made in the books and records of the Company for any reason, and no employee, officer or director shall engage in any activity that results in such false or artificial entries, even if so directed by a supervisor.
5. No payment shall be approved or made with the understanding that any part, or all of, such payment is for any purpose other than described in the documentation submitted in support of the payment.
6. All employees, officers, and directors are to extend full cooperation to the Company's auditors. No employee, officer or director shall, directly or indirectly, make or cause to be made a materially false or misleading statement to an auditor in connection with (or omit to state, or cause another person to omit to state, any material fact necessary in order to make statements made, in light of the circumstances under which such statements were made, not misleading to, an auditor in connection with) any audit, review or examination of the Company's financial statements or the preparation or filing of any document or report with the SEC. No employee, officer or director shall take any action or assist in any action to coerce, manipulate, mislead or fraudulently influence the Company's auditors engaged in an audit or review of the Company's financial statements.
7. Employees with concerns regarding questionable accounting or auditing matters or complaints regarding accounting, internal accounting controls or auditing matters may confidentially, and

anonymously if they wish, submit to the Company such concerns or complaints. See Section XI “Reporting and Compliance Procedures.” All such concerns and complaints will be forwarded to the Audit Committee of the Board of Directors, unless they are determined to be without merit by the General Counsel. In any event, a record of all complaints and concerns received will be provided to the Audit Committee each fiscal quarter.

The Audit Committee will evaluate the merits of any concerns or complaints received by it and authorize such follow-up actions, if any, as it deems necessary or appropriate to address the substance of the concern or complaint.

B. Reporting Information to the Government

The Company must always be truthful and cooperative in dealing with government officials. To ensure that the information we share with the government is complete and accurate, all documents submitted to the government must be reviewed by the appropriate supervisor prior to submission. Management must be kept apprised of all discussions with government officials. You should talk to your supervisor in advance if you have questions or concerns about a topic a government official asks you to discuss.

Many federal and state health care programs use data provided by the Company, including prices and sales, to develop their reimbursement rates for our pharmaceutical products. These data are also used to calculate our liabilities, including payments under the state Medicaid Drug Rebate Program. Submission of false or inaccurate information may result in significant penalties for you and the Company. You must not sign any document to be submitted to the government or used to develop data to submit to the government unless you are confident in the accuracy of the information.

If you have concerns about whether information the Company reports to the government is accurate or complete or complaints regarding calculation or documentation matters you should promptly report such concerns or complaints (see Section XI below).

XI. REPORTING AND COMPLIANCE PROCEDURES

A. Responsibility of Company Personnel

Every director, officer or employee has the responsibility to report a violation or suspected violation of this Policy as instructed below. The Company promptly responds to all reports of suspected violations. In addition, the Company uses audits and other techniques to monitor compliance and identify and address areas of concern.

Directors, officers and employees are expected to cooperate fully with any audit or investigation by the Company into any compliance-related matter or a suspected violation of this Policy. Failure to cooperate with any such audit or investigation may result in disciplinary action, up to and including termination. The Company will ensure that there is no retaliation against an employee who reports a suspected violation of this Policy (unless it is documented that the report was made with the knowledge that it was false or intentionally misleading) and disciplinary action will be taken against any director, officer or employee who is found to have taken retaliatory or discriminatory action against an employee who has reported a suspected violation of this Policy.

B. Reporting Procedure

Any director, officer or employee who knows or believes that any other director, officer or employee of the Company, or anyone else representing the Company, is violating or is suspected of violating this Policy should contact:

1. The Compliance Officer or a member of the Company's Legal Department (if a member of the Legal Department is believed to be involved in the violation, the matter should be reported on a confidential basis to the Chief Executive Officer).
2. The Company's Integrity Hotline at 800-597-0684, where you may leave an anonymous recorded message about any violation or suspected violation.
3. In the case of suspected violations regarding accounting, internal accounting controls or matters relating to the auditing of the Company's financial statements, you may contact the Legal Department, use the Company's Hotline or communicate directly with the Audit Committee of the Board by sending a notice to: Chairman, Audit Committee, Idenix Pharmaceuticals, Inc., PO Box 390165, Cambridge, MA 02139-0002.

You may make a report on a confidential or anonymous basis. The Company's Compliance Officer is responsible for monitoring compliance with this Policy and will promptly investigate all such reports.

If the Compliance Officer receives information regarding an alleged violation of this Policy, he or she shall, as appropriate, (a) evaluate such information, (b) if the alleged violation involves an officer or a director, inform the Chief Executive Officer and Compliance Committee of the Board of Directors of the alleged violation, (c) determine whether it is necessary to conduct an informal inquiry or a formal investigation and, if so, initiate such inquiry or investigation and (d) report the results of any such inquiry or investigation, together with a recommendation as to disposition of the matter, to the Chief Executive Officer for action, or if the alleged violation involves an executive officer or a director, report the results of any such inquiry or investigation to the Compliance Committee.

Employees, officers and directors are expected to cooperate fully with any inquiry or investigation by the Company regarding an alleged violation of this Policy. Failure to cooperate with any such inquiry or investigation may result in disciplinary action, up to and including discharge.

The Company shall determine whether violations of this Policy have occurred and, if so, what corrective measures are appropriate to remedy the non-compliance. The Compliance Officer shall determine the disciplinary measures to be taken against any employee who has violated this Policy. In the event that the alleged violation involves an officer or a director, the Chief Executive Officer and the Compliance Committee, respectively, shall determine whether a violation of this Policy has occurred and, if so, shall determine the disciplinary measures to be taken against such officer or director.

XII. AMENDMENT

The Company reserves the right to amend, alter or terminate this Policy at any time for any reason.

This Policy is not a contract of employment between the Company and any of its employees, officers or directors.