

Supplier Code of Conduct











INTRODUCTION

Terumo Corporation was founded in 1921 by several scientists and doctors, including Dr. Shibasaburo Kitasato, to produce clinical thermometers in Japan. These vital medical devices had previously been imported, until they were cut off as a consequence of World War I. The lifelong spirit of Dr. Kitasato, whose achievements received global recognition, is found in his statement: "Scientists should never feel self-satisfaction doing advanced research; the true objective is for the results to be put to use, thereby contributing to society." "Contributing to Society through Healthcare", is both Terumo's starting point and unchanging corporate mission. Keeping Dr. Kitasato's spirit of innovation and challenge alive, we strive to bring outstanding innovation to medicine and enable the best possible care for patients.

Terumo is a signatory of the United Nations Global Compact. This action reflects Terumo's agreement with the Ten Principles of the compact, which relate to human rights, labor practices, the environment and anticorruption measures. Terumo has given shape to the mission of "Contributing to Society through Healthcare" by setting out Five Statements (formulated in 1996). These principles guide Terumo's global business development to make a valuable contribution to healthcare worldwide. Going forward, Terumo will continue to fulfill its responsibilities as a global enterprise, while aiming to achieve **sustainable** growth.

Terumo supports the principles of the Pharmaceutical Supply Chain Initiative (PSCI) in the areas of ethics, labor rights, health and safety, environment and related management systems and has incorporated these principles in the Terumo Supplier Code of Conduct.

Sustainability is a key element of Terumo's mission and forms an integral part of our procurement strategy. Therefore, Terumo demands reliable procurement performance from our valued suppliers and subcontractors, relating to key practices that include business ethics, labor rights, health and safety, environment, patient safety and related management systems. We expect you to share the principles that are expressed in this Supplier Code of Conduct and that you will replicate these standards further down the supply chain.







ETHICS

As a Terumo supplier, you are expected to conduct your business in an ethical manner and act with integrity. We have defined the following ethics elements as the guiding principles for all your interactions with our company and customers:

1. Business Integrity

All forms of corruption, extortion and prohibited. embezzlement are suppliers shall not pay or accept bribes and facilitation payments or participate in other illegal inducements in business or government relationships. Do not offer gifts or any other form of personal benefit to Terumo's employees in the framework of their relationship with the suppliers. Suppliers must employ fair business practices including accurate and truthful advertising. Suppliers shall respect health care professionals, honor their independent decision-making and the ethical standards and rules they're subject to. Our suppliers must avoid all conflicts of interest or situations giving the appearance of a conflict of interest.

2. Fair Competition

We require that all suppliers conduct their business consistent with fair and vigorous competition and in compliance with all applicable anti-trust laws.

We also expect you to offer fair and market conform pricing at all times.

3. Identification of Concerns

All workers should be encouraged to report concerns or illegal activities in the workplace without threat of reprisal, intimidation or harassment. Suppliers shall investigate and take corrective action if needed.

4. Animal Welfare

Animals shall be treated humanely to ensure that pain and stress are minimized. Animal testing should be performed after due consideration to replace animals, to reduce the numbers of animals used, or to refine procedures to minimize distress. Alternatives should be used wherever these are scientifically valid and acceptable to regulators.

5. Privacy and intellectual property

Suppliers must safeguard and make only proper use of personal and confidential information to ensure that company, worker, and patient privacy rights are protected. Measures should be implemented to ensure that all intellectual property rights of employees, Terumo and/or third parties are appropriately protected.







LABOR

As a Terumo supplier, we expect you to uphold the human rights of workers and to treat them with dignity and respect. Our Labor requirements include:

1. Freely Chosen Employment

Suppliers shall not use forced, bonded or indentured labor or involuntary prison labor.

2. Child Labor and Young Workers

Terumo restricts the use of child labor. The employment of young workers below the age of 18 shall only occur in non-hazard-ous work and when young workers are above a country's legal age for employment or the age established for completing compulsory education.

3. Non-Discrimination

We require that you provide a workplace free of harassment and discrimination. Discrimination for reasons such as race, color, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership or marital status is not condoned.

4. Fair Treatment

The right of people to work in a fair and humane manner is very important to Terumo. Suppliers must maintain a workplace free of harsh and inhumane treatment, including any sexual harassment, sexual abuse,

corporal punishment, mental or physical coercion or verbal abuse of workers and no threat of any such treatment.

5. Wages, Benefits and Working Hours

Fair compensation is an important ethical element. Suppliers must pay workers according to applicable wage laws, including minimum wages, overtime hours and mandated benefits. You need to communicate with the worker in a timely manner about how they are being compensated. Suppliers are also expected to communicate with the worker whether overtime is required and the wages to be paid for such overtime.

6. Freedom of Association

We encourage open communication and direct engagement with workers to resolve workplace and compensation issues and expect you to do the same. Suppliers shall respect the rights of workers, as defined in local laws, to associate freely, join or not join labor unions, seek representation and join workers' councils. Workers should be able to communicate openly with management regarding working conditions without threat of reprisal, intimidation or harassment.







HEALTH, SAFETY AND ENVIRONMENT

We expect our suppliers to provide a safe and healthy working environment for all workers, and this includes any company-provided living quarters. Terumo's dedication to the wellbeing of society includes conducting business in an environmentally responsible and efficient manner to minimize adverse impacts on the environment – we expect you to share this commitment. Suppliers are encouraged to conserve natural resources, to avoid the use of hazardous materials where possible and to engage in activities that reuse and recycle.

Our Health and Safety guidelines include:

1. Worker Protection

Safety first – suppliers must protect workers from over exposure to chemical, biological, physical hazards and physically demanding tasks in the work place and in any company provided living quarters.

2. Process Safety

You must have programs in place to prevent or mitigate catastrophic releases of chemicals.

3. Emergency Preparedness and Response

Be proactive about safety and identify and assess emergency situations in the work-place and any company provided living quarters. Work to minimize their impact by implementing emergency plans and response procedures.

4. Hazard Information

Safety information relating to hazardous materials - including pharmaceutical compounds and pharmaceutical intermediate materials - must be available to educate, train, and protect workers from hazards.

Following these supplier requirements can help you to be an environmentally friendly company:

1. Environmental Authorizations

Suppliers must comply with all applicable environmental regulations. This means that you will obtain and follow all required environmental permits, licenses, information registrations and restrictions and follow their operational and reporting requirements.

2. Waste and Emissions

We need to work together to safeguard a safe and healthy ecosystem. You must have systems in place to ensure the safe handling, movement, storage, recycling, reuse, or management of waste, air emissions and wastewater discharges. Any waste, wastewater or emissions with the potential to adversely impact human or environmental health needs to be appropriately managed, controlled and treated prior to release into the environment.

3. Spills and Releases

Suppliers shall have systems in place to prevent and mitigate accidental spills and releases to the environment.







PATIENT SAFETY

Terumo's suppliers are expected to conduct their business and operations in a way that safeguards patient safety. The patient safety elements include:

1. Product quality

To continuously improve product quality and patient safety, Terumo proactively works to strengthen quality control and we expect our suppliers to respect certain quality requirements. You can cooperate by continuously improving your own product standards and enabling our regular audits of your quality systems. It is crucial that our suppliers ensure that they operate, produce products and/or materials, perform their services and/or deliver services/ products/materials in full compliance with all generally recognized or contractually agreed quality requirements, regulations and industry standards (including, but not limited to applicable ISO norms, GMP guidelines, compliance codes, et cetera). To improve the quality of our final products through better procurement activities, we require that you allow us to share QA audit information and other quality information between Terumo Group production sites.

2. Continuous supply

It is critical that Terumo can ensure a continuous supply of our products to patients. We ask that you sign appropriate contractual documentation at the start of our business relationship (by either signing a supply and/or service agreement, or by you agreeing to deliver your products/materials/services under the applicability of Terumo's general purchasing conditions). You are expected to take initiatives with a business continuity plan (BCP) in order to prevent supply interruptions that would impact the supply of Terumo's products to patients (including, but not limited to, back-up for production site, tooling, et cetera).







MANAGEMENT SYSTEMS

The following management systems can enable you to achieve continual improvement and compliance with the expectations of these principles. We ask that you adhere to these management system elements:

1. Commitment and Accountability

You agree to demonstrate commitment to the concepts described in this document by allocating appropriate resources.

2. Legal and Other Requirements

Our suppliers must identify and comply with applicable laws, regulations, generally recognized standards contractual agreements and relevant customer requirements, including all laws and regulations governing the export and import of goods or services, economic sanctions and embargoes and antiboycott requirements.

3. Risk Management

Identify and implement mechanisms to determine and manage risks in all areas addressed by this document.

4. Documentation

You need to maintain necessary documentation to demonstrate conformance with the expectations set forth in Terumo's

Supplier Code of Conduct and compliance with applicable regulations. Terumo may review your documentation upon mutual agreement.

5. Training and Competency

We require that a training program be established that achieves an appropriate level of knowledge, skills and abilities in management and workers to address the expectations identified in Terumo's Supplier Code of Conduct.

6. Continual Improvement

Professional growth is a key corporate value and our suppliers are expected to continually improve in the area of the principles covered by this Code of Conduct by setting performance objectives, and executing implementation plans. Take the necessary corrective actions for any deficiencies identified by internal or external assessments, inspections, and management reviews.



