



TERUMO EUROPE

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 because 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 International Bill of Human Rights and Core Conventions, as well as 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 (hereafter the Core Conventions):

International Bill of Human Rights	Relevant Conventions	Declarations and Conventions Indigenous Peoples
<ul style="list-style-type: none"> • Universal Declaration of Human Rights (UDHR) • International Covenant on Civil and Political Rights (ICCPR) • International Covenant on Economic, Social and Cultural Rights (ICESCR) 	<ul style="list-style-type: none"> • International Convention on the Elimination of All Forms of Racial Discrimination • Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) • Convention against Torture • Convention on the Rights of the Child • International Convention on the Protection of the Rights of all Migrant Workers • International Convention on the Protection of All Persons from Enforced Disappearance • Convention on the Rights of Persons with Disabilities 	<ul style="list-style-type: none"> • The United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) • ILO (International Labor Organization) Convention 169 for Indigenous and Tribal Peoples

In addition to the PSCI, Terumo supports and respects international standards related to human rights such as the “International Bill of Human Rights” * and the International Labor Organization’s “ILO Declaration on Fundamental Principles and Rights at Work.” In addition, as a United Nations Global Compact Signatory Company, we support

and respect the “The Ten Principles of the UN Global Compact” on human rights, labor, environment and anti-corruption. Moreover, based on the United Nations “Guiding Principles on Business and Human Rights (UNGPs)” we promote efforts to prevent any impact on human rights that may arise from our business activities. Terumo complies with the laws and regulations of the countries and regions where business activities are conducted. Where we face conflicts between international standards on human rights and local laws and regulations, we seek ways to honor international standards on human rights.

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 fully subscribe to the Core Conventions and other principles that are expressed in this Supplier Code of Conduct and that you will replicate these standards across your entire supply chain.

¹ Any applicable legal or regulatory requirement will however always take precedence over the principles set out in this Supplier Code of Conduct.

**Consists of “Universal Declaration of Human Rights”, “International Covenant on Civil and Political Rights”, and “International Covenant on Economic, Social and Cultural Rights”*

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 embezzlement are prohibited. Pursuant to the Terumo Group Anti-Corruption and Anti-Bribery Policy, available at www.terumo.com/about/compliance, our suppliers must 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 are 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. Terumo has established an Integrity Helpline, run by an independent contractor, which is available 7 days a week, 24 hours a day. Supplier may report compliance or ethics complaints or concerns regarding the subject matter of its relationship with Terumo or any other matter, including accounting or auditing matters, by using the Helpline accessible to all Terumo associates as well as those of its suppliers and other business partners, via the website www.terumointegrity.com.

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, Confidential Information 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 the following:

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-hazardous 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 & 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 the following:

1. Worker Protection

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

2. Process Safety

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

3. Emergency Preparedness and Response

Fair compensation is an important ethical element. Suppliers must pay workers according to applicable wage laws, including minimum wages, overtime hours and mandated benefits. Suppliers 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.

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. Terumo requests suppliers' cooperation for understanding, self-assessment, information provision, and on-site assessments of chemical substances contained in products that suppliers provide in order to comply with the regulations of each country or region.

Adhering to these supplier requirements can assist your company in becoming more environmentally friendly:

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.

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

2. Waste and Emissions

We need to work together to safeguard a safe and healthy ecosystem. Terumo requests suppliers to control (storage, use, waste) chemical substances properly following SDS (Safety Data Sheet), and to conduct risk assessment of chemical substances. 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. Terumo seeks that suppliers strive to prevent EHS accidents, such as environmental pollution and occupational injuries, and in emergencies, prevent damage from spreading swiftly and appropriately.

3. Spills and releases

We need to work together to safeguard a safe and healthy ecosystem. Terumo requests suppliers to control (storage, use, waste) chemical substances properly following SDS (Safety Data Sheet), and to conduct risk assessment of chemical

4. Emissions reduction targets & environmental protection

Terumo requires that suppliers promote the reduction of greenhouse gas emissions, effective utilization of water or energy, and resource saving such as "Reduce, Reuse, and Recycle," as well as address environmental protection of air, water quality, soil, biodiversity, etc.

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 the following:

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, etc). To improve the quality of our final products through better procurement activities, we require that you allow us to share quality 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) 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, etc).

MANAGEMENT SYSTEMS

The following management systems can enable you to achieve continual improvement and compliance with the expectations of these principles.

We request that you adhere to the following management system elements:

1. Commitment and Accountability

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

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 and Supplier Management

Suppliers must identify and implement mechanisms to determine and manage risks in all areas addressed by this document. To fulfill your responsibility to respect applicable standards in the areas of ethics, labor rights, health and safety, environment, you make efforts to understand, prevent, and mitigate any negative impact from your activities and those of your business partners across the supply chain. You must strive, through communication with various stakeholders, to understand and appropriately address the impact of these activities, up to and including providing for or cooperating in the remediation of the adverse impacts through legitimate processes.

4. 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.

5. 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.

6. Disclosure and Protection of Information

Terumo does not use or disclose confidential information from suppliers without authorization, and it carefully handles and protects it. Terumo requires suppliers to respect and protect confidential information, personal information, and intellectual property rights of Terumo. Therefore, when suppliers receive this information from Terumo, they shall not collect or use them other than for reasonable and appropriate business purposes, shall keep them only for the required usage period, and shall access them only to perform necessary business functions.

7. Survey and Investigation

Terumo requires that suppliers disclose and share activities and information relevant to the Supplier Code of Conduct. Terumo may at times inquire about suppliers' performance such as through submission of a questionnaire or survey, on-site assessments of facilities, or audit, and request suppliers to promptly provide records and documents necessary to demonstrate conformance with the Supplier Code of Conduct and compliance with applicable law and regulations. If significant non-conformance is proved, Terumo may disqualify or terminate any relationship with such a supplier.

