Business Partner Code of Conduct
in accordance with
Daiichi Sankyo Global Procurement Policy

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April 1st, 2019
INTRODUCTION

The Daiichi Sankyo Group has put forth “integrity” as one of its core values and has clearly defined compliance as part of the criteria it uses in making decisions and judging value. In conducting our global business operations, we remain compliant with all relevant laws and regulations and conduct compliance management with a strong focus on ensuring the highest level of ethics and social consciousness, which is essential for a life science-oriented company.

The Code of Conduct applies to business partners with whom the DAIICHI SANKYO Group contracts to provide services or products for or on behalf of our company. The Business Partner Code of Conduct articulates our commitment and expectations of business partners with whom we do business. The DAIICHI SANKYO Group recognizes that business partners have an important role in our overall success, and the DAIICHI SANKYO Group strives to conduct business only with business partners who share our commitment to the Business Partner Code of Conduct. Therefore, the DAIICHI SANKYO Group encourages business partners to:

- Adopt and apply the Business Partner Code of Conduct and
- Have processes and/or systems in place to support operating in compliance with all applicable laws, regulations, guidelines and industry codes.
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1. Business Integrity Based on Ethics

Business partners shall conduct their business in an ethical manner and act with integrity.

1. Prohibit and prevent corruption
   All corruption, extortion and embezzlement are prohibited. Business partners shall not pay or accept bribes or participate in other illegal inducements in business or government relationships.

2. Specify and comply with related laws, regulations, standards, and terms of agreement with customers
   Business partners shall identify and comply with applicable laws, regulations, standards and relevant customer requirements.

3. Fair competition and sincere, accurate advertising
   Business partners shall conduct their business consistent with fair and vigorous competition and in compliance with all applicable anti-trust laws. Business partners shall employ fair business practices including accurate and truthful advertising.

4. Whistleblower system
   Business partners shall establish whistleblower system. All workers should be encouraged to report concerns or illegal activities in the workplace without threat of reprisal, intimidation or harassment. Business partners shall investigate and take corrective actions as needed.

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

6. Protect intellectual property rights
   Business partners shall not engage in unauthorized use or infringement of intellectual property rights.

7. Confidential information and personal information protection
   Business partners shall safeguard and make only proper use of confidential information and personal information to ensure that company, worker, customer and patient privacy rights are protected. Business partners shall employ defensive measures against threats from computer networks.

8. Information disclosure regarding Corporate Social Responsibility
   Business partners should be encouraged to disclose these information actively, effectively and fairly regardless of whether it is a legal obligation or not.
2. Labor and Respect for Human Rights

Business partners shall be committed to uphold the human rights of workers and to treat them with dignity and respect.

1. Prohibit forced labor
   Business partners shall not use forced, bonded or indentured labor or involuntary prison labor.

2. Prohibit child labor and protect young workers
   Business partners shall not use 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. Promote a work environment free of discrimination, inhumane treatment, and harassment
   Business partners shall 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
   Business partners shall treat workers fairly and provide 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. Comply with statutory minimum wages, benefits, and working hours
   Business partners shall pay workers according to applicable wage laws, including minimum wages, overtime hours and mandated benefits.
   Business partners shall communicate with the worker the basis on which they are being compensated in a timely manner. Business partners are also expected to communicate with the worker whether overtime is required and the wages to be paid for such overtime.

6. Respect the freedom of association and the right of collective bargaining
   Open communication and direct engagement with workers to resolve workplace and compensation issues is encouraged.
   Business partners shall respect the rights of workers, as set forth in local laws, to associate freely, join or not join labor unions, seek representation and join workers’ councils. Workers shall be able to communicate openly with management regarding working conditions without threat of reprisal, intimidation or harassment.
3. **Health and Safety**

Business partners shall provide a safe and healthy working environment, including for any company provided living quarters.

1. **Worker Protection**

   Business partners shall protect workers from over exposure to chemical, biological, hygiene hazards, physical hazards, physically demanding tasks and overwork in the work place and in any company provided living quarters.

   Business partners shall ascertain status of labor accidents and labor illness. Business partners are also expected to conduct regular health examinations or provide health benefits, and prepare mental healthcare programs to their workers.

2. **Process Safety**

   Business partners shall have programs in place to prevent or mitigate catastrophic release of, and reduce the use of, chemical and other substances.

3. **Emergency Preparedness and Response**

   Business partners shall identify and assess emergency situations in the workplace and any company provided living quarters, and 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 - shall be available to educate, train, and protect workers from hazards.

4. **Promoting Environmental Management**

Business partners shall operate in an environmentally responsible and efficient manner to minimize adverse impacts on the environment. Business partners are encouraged to conserve natural resources, to avoid the use of hazardous materials where possible and to engage in activities that reuse and recycle.

1. **Reduce greenhouse gas emissions**

   Business partners are encouraged to reduce greenhouse gas emission.

2. **Appropriately manage waste and emissions**

   Business partners shall 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 shall be appropriately managed.
managed, controlled and treated prior to release into the environment.

3. Prevent and mitigate spills and releases
   Business partners shall have systems in place to prevent and mitigate accidental spills and releases to the environment.

4. Promote energy and resource conservation
   Business partners shall have programs in place to save energy and resources as well as efficient use of water.

5. Support biodiversity
   Business partners shall analyze and understand the impact of business activities on biodiversity. Business partners are encouraged to make ongoing efforts to promote biodiversity conservation and sustainable use.

5. **Optimal Quality, Cost and Stable Supply**
   Business partners shall provide products/services with proper quality, cost and delivery, based on mutual consent.

   1. **Optimal Quality**
      Business partners shall provide products/services with proper quality. Business partners shall have systems in place to assure quality of products/services according to related laws, regulation, industry standard, and quality agreement.

   2. **Proper Pricing Based on Market Competition**
      Business partners shall set proper prices according to market competition and cost rollup. Business partner shall review the prices on a regular basis.

   3. **On-time Delivery**
      Business partners shall assess and understand risks in stable supply of products/services. Business partner shall maintain systems to mitigate the risks.

6. **Management System**
   Business partners shall use management systems to facilitate continual improvement and compliance with expectations of these principles.

   1. **Commitment and Accountability**
      Business partners shall demonstrate commitment to the concepts described in this document by allocating
appropriate resources.

2. Risk management
   Business partners shall have mechanisms to determine and manage risks in all areas addressed by this document.

3. Documentation
   Business partners shall maintain documentation necessary to demonstrate conformance with these expectations and compliance with applicable regulations.

4. Training and Competency
   Business partners shall have a training program that achieves an appropriate level of knowledge, skills and abilities in management and workers to address these expectations.

5. Continual Improvement
   Business partners are expected to continually improve by setting performance objectives, executing implementation plans and taking necessary corrective actions for deficiencies identified by internal or external assessments, inspections, and management reviews.