

Nihon Chouzai Group Ethical Conduct Guideline

Nihon Chouzai Group

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1. Purpose

This guideline has been established so that all officers, executive officers, and employees ("officers and employees") of the Nihon Chouzai Group can apply the rules to their daily corporate activities in order to achieve growth for each and every employee and sustainable development of the company, as well as to become a company that is trusted by patients and other stakeholders.

2. Compliance with laws, international guidelines, and internal regulations

- We will comply with the Medical Care Act, Pharmaceuticals and Medical Devices Act, Health Insurance Act, Companies Act, Financial Instruments and Exchange Act, Antimonopoly Act, Copyright Act, Waste Management Act, Act on the Protection of Personal Information, Employment Security Act, Worker Dispatch Act, and other laws and regulations as well as international and domestic guidelines and internal rules.
- We will deepen our knowledge of these laws and regulations, prevent violations from occurring, and strive to conduct fair and sound corporate activities.

3. Providing safe and secure services and products

- We will ensure that safety and security are prioritized in all aspects of our services and products to patients and other stakeholders.
- In the event that there is an accident or incident related to the services or products we have provided, we will promptly provide information about it and strive to take prompt and appropriate action to minimize the damage. In addition, we will thoroughly investigate the cause of the accident or incident and work to prevent recurrences.

4. Respecting human rights and creating a rewarding work environment

- We will respect fundamental human rights in our corporate activities and will not engage in unfair discrimination on the basis of race, color, gender, disability, nationality, language, religion, creed, ideology, property, family origin, or other status.
- We will not tolerate unfair labor practices such as child labor, forced labor, slavery, and human trafficking.
- We respect the diversity and personality of individuals, and actively work to maintain and improve a healthy, safe and sanitary work environment that is free from discrimination and harassment.

5. Preserving the global environment

- We will strive to provide society with services and products that are friendly to people and the environment by engaging in business activities that take into account our impact on the environment in order to protect the global environment as well as to preserve the local environment.

6. Conducting fair business practices and preventing corruption

- We will engage in competition in the marketplace through the overall competitiveness of our dispensing services and products.
- We will comply with relevant laws and regulations such as the Antimonopoly Act, Unfair Competition

Prevention Act, Act against Unjustifiable Premiums and Misleading Representations, Subcontract Act, etc., and will not engage in any act that restricts fair and free competition in the market.

- We will comply with all laws and regulations concerning bribery and will not engage in any form of corrupt activity such as bribery, collusion or embezzlement, whether in Japan or overseas. We will not offer or accept bribery in the form of money, gifts, entertainment, or other economic benefits in return for business, or any other promises, offers, or permission as a means of obtaining undue or improper advantage.

(1) Relationships with medical institutions

- We will maintain fair and transparent relationships with medical institutions in compliance with various laws, regulations, and guidelines.

(2) Relationships with public officials, etc.

- We will respect the National Public Service Ethics Act and the National Public Service Ethics Code, and will not engage in any conduct that violates their scope.
- With respect to foreign governments and counterparties in official positions, we will respect the Unfair Competition Prevention Act and the relevant laws and regulations of the counterparty country, and will not act beyond the scope of such laws and regulations.

(3) Donations

- When making donations to organizations, corporations, etc., we will give due consideration to the necessity and appropriateness of such donations as part of our social contribution activities.
- In addition, we will comply with relevant guidelines, and when making donations, we will follow the rules to properly disclose information and ensure transparency.

(4) Relationships with business partners and suppliers

- We will not abuse any superior position or demand benefits or favors from our business partners or suppliers.
- We will not provide entertainment or gifts to or receive entertainment or gifts from our business partners beyond the scope of common social sense and business customs.

(5) Conflicts of interest

- Our officers and employees shall not act in a manner that creates a conflict of interest (i.e., placing their own or a third party's interests ahead of their obligations as officers and employees of our company).

(6) Severing relations with antisocial forces

- We will not have any relationship with any group or individual that may disrupt social order or sound corporate activities.

(7) Proper information disclosure and prevention of insider trading

- We will provide appropriate information disclosure and engage in constructive dialogue with shareholders and investors.
- We will comply with the rules of the securities market and not engage in insider trading that violates laws and regulations, such as buying or selling shares or other securities while knowing material non-public information about a company or its business partners, etc.

(8) Appropriate protection of intellectual property and technological development

- We will not engage in business activities that inappropriately infringes on the intellectual property rights of others.
- In carrying out our technical development work, we will ensure scientific rigor and reliability, as well as compliance with social norms regarding the protection of patient personal information, bioethics, animal welfare, etc.

7. Retaining personal and confidential information

- We will comply with all applicable laws and regulations and internal rules with respect to all personal and confidential information that we handle, use it only for the purpose of conducting business, and will not leak or disclose it to any third party, including after termination of employment.

8. Appendix

(1) Scope of this guideline

- We will not only act on the basis of this guideline ourselves, but will also strive to educate each other to ensure that all officers and employees comply with this guideline and work to firmly instill this guideline.
- In addition, we will work to encourage our business partners and others to understand and comply with this guideline.

(2) Conduct in violation of this guideline

- In the event we discover a situation that may violate this guideline, we will immediately report it to our supervisors and other relevant personnel to resolve the issue, determine the cause, and prevent its recurrence as a company. Individuals who report without any improper purpose shall not be treated unfairly in any way because of their reporting.
- In the event an officer or employee violates this guideline, that individual may be subject to disciplinary action as stipulated in the working regulations.

(3) Revisions and abolishment

- The Board of Directors of NIHON CHOUZAI Co., Ltd. will be responsible for revising or abolishing this guideline.

(4) Date of enactment

- This guideline will go into effect after revision from January 1, 2024.