

# CMIC Co., Ltd. Sustainable Procurement Code

CMIC Co., Ltd. and its consolidated subsidiaries (hereinafter “We”) will comply “Code of Conduct” “Basic Procurement Policy” to realize development of the sustainable society and observes “PSCI principles” (Pharmaceutical Industry Principles for Responsible Supply Chain Management). Sustainable Procurement Code was established as a principle to be followed by all of our business partners who provide CMIC Group with materials, goods, and services. We expect our business partners to accept and comply with the Code.

## ■ Ethics

1. All forms of bribery, corruption, extortion and embezzlement are prohibited.
2. Business partners shall conduct their business consistent with fair and vigorous competition and in compliance with all applicable anti-trust laws.
3. Animals shall be treated humanely with pain and stress minimized.
4. Business partners shall safeguard and make only proper use of confidential information to ensure that company, worker and patient privacy rights are protected.
5. Business partners shall minimize the risk of adversely impacting on the rights of patients, including their rights to access information directly.
6. Business partners shall take reasonable care to avoid and manage conflicts of interest.

## ■ Labor

1. Business partners shall not use forced or bonded labor or involuntary prison labor.
2. 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. Business partners shall provide a workplace free from discrimination.
4. Business partners shall 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. Business partners shall pay workers according to applicable wage laws, including minimum wages, overtime hours and mandated benefits.
6. Open communication and direct engagement with workers to resolve workplace and compensation issues is encouraged.

## ■ Health and Safety

1. Business partners shall 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. Business partners shall have management processes in place to prevent or respond to catastrophic release of chemical or biological agents.
3. 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. Safety information relating to hazardous materials — including pharmaceutical compounds and pharmaceutical intermediate materials — shall be available to educate, train, and protect workers from hazards.

## ■ Environment

1. Business partners shall comply with all applicable environmental regulations.
2. Business partners shall have systems in place to ensure management of the safe handling, movement, storage, recycling or reuse of waste, air emissions and wastewater discharges.
3. Business partners shall have systems in place to prevent and mitigate accidental spills and releases to the environment.
4. Business partners shall take measures to improve efficiency and reduce the consumption of resources.
5. Business partners shall carry out due diligence on the source of critical raw materials to promote legal and sustainable sourcing.

## ■ Management Systems

1. Business partners shall demonstrate commitment to the concepts described in this Code by allocating appropriate resources.
2. Business partners shall identify and comply with applicable laws, regulations, standards and relevant customer requirements.
3. Business partners shall have mechanisms to determine and manage risks in all areas addressed by this Code.
4. Business partners shall maintain documentation necessary to demonstrate conformance with this Code and compliance with applicable regulations.
5. Business partners shall have a training program that achieves an appropriate level of knowledge, skills and abilities in management and workers to address the expectations in this Code.
6. 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.
7. All workers shall be encouraged to report concerns, illegal activities or breaches in the



workplace without threat of or actual reprisal, intimidation or harassment.

8. Business partners shall have effective systems to communicate this Code to workers, and suppliers.

