

Standards of Behavior

We, from board members to all staff at TOA Pharmaceuticals, as dedicated people working for a pharmaceutical manufacturer that believes in “the future of life”, have high standards of ethics that are socially trustworthy, and place first priority to be fair and honest in our activity.

Chapter 1 Fundamental Policy

Article 1 (Legal Compliance)

Our actions shall be based on high standards of ethics and common social sense in compliance with legal, social, and internal rules and regulations.

Article 2 (Contribution to Society)

We shall act upon the belief that it is our mission to create and publicly offer products which are safe, effective, and of the highest quality.

Chapter 2 Responsibilities of Board Members and Employees

Article 3 (Board Members)

3.1 Our board members are responsible for ensuring that employees strictly adhere to legal and company rules and regulations as well as this chapter, through training and guidance. Board members are also responsible for dealing appropriately with and resolving any issues on compliance.

3.2 Our board members are responsible for taking initiative on this chapter and their actions, to enhance upon this, and to put it to practical use.

Chapter 4 (Employees)

4.1 Our employees are responsible for complete understanding of legal and company rules and regulations as well as this chapter, to respect and base their actions upon this.

4.2 If our employees discover any actions that are in violation of company regulations or of this chapter, they bear the responsibility to report to a compliance commissioner or to the compliance committee.

Chapter 3 Actions Involving Stakeholders

We maintain appropriate, fair, and open relations with all stakeholders.

Article 5 (Patients and Consumers)

In order to contribute to the improvement of people's health and quality of life through pharmaceutical products, we pursue research, development, production, and sales of superior products that meet the satisfaction of the public.

Article 6 (Business Partners)

We respect the positions, rights, and profits of our business partners. Based on good legal and commercial practices, we maintain fair, healthy relationships with our partners.

Article 7 (Holders of Public Office)

We respect the ethical rules of holders of public office and politicians. We do not take actions that may invite social concern and mistrust, such as donations for private gain or illegal gifts.

Article 8 (Stockholders)

8.1 We strive to enhance upon our accomplishments and profit.

8.2 We are dedicated in achieving public trust as an open company that is clear and maintains a high level of transparency with appropriate, timely, and fair disclosure of information.

8.3 We pay careful attention to the processing of important restricted information (inside information),

If important facts on our company or business partners become known in the course of our business, we will not leak that information nor engage in trading relevant company stock until that information becomes public.

8.4 In relation to execution of shareholders' rights, we do not make monetary or gift donations for profit to shareholders or other third parties.

Article 9 (Employees and Labor Unions)

9.1 We respect the rights and character of each and every one of our employees, to realize an effective and pleasant working environment.

9.2 By offering opportunities for our employees to develop and maximize their talents as fully as possible, we seek to raise their levels of professionalism and promote the

development of individuals with diverse ideas.

9.3 We maintain fair and healthy relations with labor unions, stand sincerity and trust first, and pursue harmony with them.

Chapter 4 Actions toward Society

We place utmost importance on consideration for safety and the global environment, through cooperation with the local community and a harmony with the international community, and seek to maintain a healthy relationship with society.

Article 10 (Involvement with Local Community)

10.1 Through involvement and participation in the local community, we pursue a wide arena of communication with society.

10.2 As we take affirmative action in contributing to society, we understand the importance of volunteer activity, and take on a positive role to vigorously participate and support such opportunities

Article 11 (Conservation of the Environment)

11.1 We pay attention and take care to consider the environment, and voluntarily and proactively promote conservation and improvement of the environment.

11.2 We seek to make effective use of energy and resources, and make an effort to cut down on reducing waste material.

Article 12 (Non-relations with Anti-social Forces)

We have no relations with anti-social forces that threaten the safety and order of society, never responding to improper or inadequate demands from such.

Article 13 (Respect for Cultures and Traditions of Nations and Regions)

13.1 We respect the various cultures, customs and traditions of the different nations and regions of the world, and make an effort to contribute to their development.

13.2 We adhere to international treaties and local laws and statutes, and will not follow bad practices that deviate from international standards.

Chapter 5 Corporate Actions

We execute corporate activity suitable for our identity as a trustworthy pharmaceutical manufacturer, making available to the public products which are backed by high standards of reliability, together with accurate information.

Article 14 (Research and Development)

14.1 With regard to research and development of pharmaceutical products, we adhere strictly to laws such as the Pharmaceutical Affairs Act and the Good Clinical Research Practice (GCP), along with internal rules and regulations.

14.2 With regard to research and development of pharmaceutical products, we create accurate, unbiased and objective data on the effectiveness, safety, and quality of our products.

14.3 With regard to clinical testing, we pay maximum attention and respect to the human rights of our subjects. While making full efforts to the protection of the life and health of our subjects, we take utmost care in the protection of their personal information.

14.4 With regard to clinical experiments on animals, we respect laws such as the Act on Welfare and Management of Animals, and proceed based on beliefs of animal protection.

14.5 With regard to research and development, should there be doubt as to possibilities of adverse occurrences, we report immediately to relevant authorities while taking appropriate safety measures.

Article 15 (Production)

15.1 With regard to the manufacturing of pharmaceutical products, we adhere strictly to laws such as the Pharmaceutical Affairs Act, the Good Clinical Research Practice (GCP), and internal rules and regulations, and manufacture highly reliable pharmaceutical products under appropriate manufacturing and quality control, making safe products available to the public.

15.2 In the course of manufacturing, we take great care in safe operation, to avoid occurrences of accidents. If an accident should occur, we will take maximum safety measures to protect lives and make immediate efforts to investigate cause, to prevent repetitions of such incidents.

15.3 With regard to the manufacturing of pharmaceutical products, we endeavor to adopt facilities and equipment that are friendly to the environment.

Article 16 (Product Guarantee)

16.1 As a manufacturer/retailer of pharmaceutical products, we adhere strictly to laws and ordinances such as the Pharmaceutical Affairs Act, Good Quality Practices (GQP) outlining quality practices on pharmaceuticals, medication, cosmetics and medical devices, and internal rules and regulations.

16.2 In order to maintain our product quality, we establish procedure mechanisms in delivery management, processing of product quality information and recovery treatments, engaging in appropriate product guarantee operations.

Article 17 (Procurement and Purchasing)

For the procurement of raw materials, facilities and equipment, and services needed for our corporate activities, we adhere strictly to laws and internal rules and regulations in an effort to maintain fair trade.

Article 18 (Sales)

18.1 For the sales of our pharmaceutical products, we adhere strictly to the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade, Act against Unjustifiable Premiums and Misleading Representations and internal rules and regulations to engage in fair, free, and transparent sales activity.

18.2 We adhere strictly to laws and regulations of those such as the Fair Trade Council of the Ethical Drug Manufacturing Industry, and refrain from improper actions such as improper gift-giving to medical professionals, business entertaining and rebates for business.

18.3 We do not restrain product nor bidding prices between our competitors. Neither do we take part in groups or organizations that are seen to engage in such dealings.

18.4 We do not place restrictions with the purpose of maintaining resale prices in dealings with wholesalers and retailers.

18.5 When dealing with consultation, requests and complaints on health and health damage from patients, consumers, and trade partners, we take care to make appropriate and sincere accommodation available.

Article 19 (Medical Information Activity)

19.1 With regard to activity on medical information, we adhere strictly to laws and internal rules and regulations and act on providing timely and appropriate information on pharmaceutical products as well as collecting such in the same manner.

19.2 With regard to the provision of information on pharmaceutical products, we will not undertake libelous and defamatory action against our competitors or their products.

Article 20 (Post-marketing Safety Management)

20.1 With regard to safety and control following product sales, we adhere strictly to laws and ordinances such as the Pharmaceutical Affairs Act, the Good Post-Marketing Surveillance Practice (GVP), internal rules and regulations, and engage in minimization of product side-effect damage.

20.2 We work on immediate collection of information on adverse effects related with our products in Japan and abroad.

20.3 If there is doubt as to the possibility of adverse effects occurring due to our products, we will immediately report to relevant authorities and take rapid action for safety measures.

20.4 As a manufacturer/retailer of pharmaceutical products, we adhere strictly to laws and ordinances such the Pharmaceutical Affairs Act, Good Post-Marketing Study

Practice (GPSP) and our internal rules and regulations, and appropriately conduct surveys on usage outcomes, surveys of specific usage, and post-manufacture/sales clinical testing.

Article 21 (Labeling and Advertising)

With regard to labeling and advertising activities of our products, we adhere strictly to laws and internal rules and regulations, eliminating falsity and hyperbole, ensuring fairness and consideration for appropriate content and expression as to avoid social inequality and infringement of human rights.

Article 22 (Import and Export)

When we engage in import/export with overseas business partners, we adhere strictly to the laws of that partner's country and all internal rules and regulations. We will follow all requirements appropriately and ensure that our actions do not result in friction with that country.

Chapter 6 Internal Discipline

We govern ourselves under strict internal disciplines, and maintain high standards of compliance.

Article 23 (Fairness in Personnel Affairs)

23.1 We adhere strictly to the Labor Standards Act, employment-related laws, and internal rules and regulations, and pursue appropriate placement of employees and promote personnel interchange.

23.2 We conduct fair personnel appraisals, and refrain from granting privilege or unfairly treating particular individuals with respect to promotions or pay increases based on issues that are unrelated to their duties.

Article 24 (Respect to Individuals)

24.1 We respect each other's values and philosophies, individual character and qualities, and refrain from biased treatment, abuse, or harassment based on nationality, race, beliefs, religion, sex, social standing, handicaps, or appearance.

24.2 We refrain from instruction for illegal actions by our board members, employees, or any other persons engaged in our operations.

Article 25 (Quality of Our Workplace Environment)

25.1 We pursue a vital work environment that is clean, safe, and comfortable to work in. We adhere strictly to health and safety laws and internal rules and regulations while taking action to prevent work-related accidents, injury, and illnesses, as we promote the maintenance of good health.

25.2 We adhere strictly upon the Act for Measures to Support the Development of the Next Generation and internal rules and regulations, proactively promoting a balance of work and child care.

25.3 We adhere strictly to nursing care-related laws and internal rules and regulations, proactively promoting a balance of work and nursing care.

Article 26 (Prohibition of Harassment)

26.1 We strictly disapprove of sexual or power harassment.

26.2 We take care and ensure that harassment does not harm our workplace environment.

Article 27 (Protection of Informants)

27.1 We forbid efforts attempting to prevent informants from reporting on actions violating or seen as in possible violation of our compliance measures.

27.2 We forbid retaliatory or detrimental treatment of informants of violations or possible violations of our compliance measures.

Article 28 (Effective Use of Corporate Resources)

Corporate resources are to be effectively utilized for the profit of the company and not for personal or third-party gain.

Article 29 (Avoidance of Conflicting Gain)

29.1 In the case of clashing or conflicting interests between company and board or employee gain, corporate profit shall be prioritized.

29.2 With regard to business partners, we do not seek personal gain (monetary, goods, entertainment, and convenience) using work-related positions or authority.

Article 30 (Adherence to Record Accuracy and Tax Laws)

30.1 Documents for submission to government and public offices are accurately logged and recorded. We refrain strictly from concealment, alterations and falsification.

30.2 Company accounting is in strict adherence to corporate law, the Securities Exchange Act, business accounting principles, the Financial Instruments and Exchange Act and other relevant laws and internal rules and regulations. We ensure that our financial statements, asset securities reports, and account ledgers are in proper order. We strictly prohibit accounting irregularities and accounting fraud, and adhere strictly to tax laws, and make all appropriate tax payments.

Article 31 (Respect to Intellectual Assets)

31.1 We respect the intellectual assets obtained in discovery through our business duties, inventions, ideas, designs, proprietary trademarks, and copyrighted works, and engage in the maintenance and security of such properties.

31.2 We do not unjustly infringe upon the intellectual assets of third parties in the course of our operation.

Article 32 (Appropriate Treatment of Information)

32.1 We conserve under strict management any restricted information regarding our company or of other corporations obtained through our operations, and refrain from illegal disclosure of such to third parties.

32.2 We do not illegally acquire restricted information on other companies.

32.3 We handle personal information carefully and in an appropriate manner, and take strict measures to prevent leakage, alteration, loss, or theft of the information. We do not illegally disclose personal information to third parties nor acquire such from third parties illegally.

Chapter 7 Disciplinary Action

Article 33 (Disciplinary Action)

Imposition of sanctions against employees who violate these standards are based on company rules of employment. Stringent action is taken in the case of board members.