

NIPRO COMPLIANCE CODE

~Let's follow Laws and Ordinances and Business Ethics~



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Corporate Management

Philosophy

Always keep “Creation and Innovation” in mind,
undertake diverse company operations toward the
future,
strive for self-actualization and contribute to society

We hereby renew our awareness of the corporate mission and in good faith establish, and comply with, the action guidelines provided below—not only in dealing with our customers, but also in working with all those related to NIPRO, including colleagues, NIPRO’s business partners, company shareholders and persons belonging to business circles, administrative bodies, local communities and all of society.

1. Compliance with laws, acts, ordinances and Code of Corporate Conduct applicable to company operations and activities

— We hereby renew our awareness of the mission and observe laws, acts and ordinances, together with the Code of Corporate Conduct, applicable to the entire company operations and activities.

Compliance with laws, acts, ordinances and Code of Corporate Conduct relevant to companies

1. Companies are often regarded as public figures. We renew our awareness of the social responsibility imposed on companies that are deeply related to people’s lives and health, and also reaffirm our pledge to control company operations, and our conduct, in accordance with strict moral and ethical standards, in strong hopes of enabling NIPRO to serve all of society.
2. In company operations and activities, we comply with general and business-related laws, acts, ordinances, all internal rules and regulations (collectively referred to as “Laws”) and the Code of Corporate Conduct.
3. We reaffirm our awareness of the fact that any breach or violation of the Laws and/or the Code of Corporate Conduct may result in reasonable penalties, and we assume responsibility for our conduct.

— We contribute to people’s health and the future of medicine.

Creating and providing quality products and services, and assuring safety

1. We contribute to people’s health and the future of medicine by creating quality products and providing remarkably safe and effective products and services.
2. Should any of our products or services be confirmed damaging or harmful to people’s health or the environment, we will promptly implement appropriate actions to identify relevant causes and prevent the expansion or recurrence of any damage or loss incurred by the aggrieved parties. At the same time, we will, in good faith, publicly disclose accurately and unambiguously, information and/or data relevant to such incident.

— We comply with local Laws and the Code of Corporate Conduct and act in accordance with a reasonable judgment standard outside of Japan.

Compliance with Laws and Code of Corporate Conduct, respect of culture and custom, both in Japan and abroad

1. As economic globalization rapidly progresses in various places around the world, companies develop and expand their operations and activities beyond national boundaries.
In conducting company operations and activities outside of Japan, we extend our scope to the entire international community, comply with local Laws and the Code of Corporate Conduct, while respecting local culture and custom.
2. Should acting in strict compliance with these Guidelines be deemed to breach or conflict with any of the laws or the Code of Corporate Conduct of a particular region, we will consult with the person in charge of compliance with the Laws and the Code of Corporate Conduct at the corresponding regional office, a lawyer, or any other suitable advisor, before implementing fair and appropriate action based on reasonable judgment.

2. Treatment of all people related to NIPRO

— We create businesses by incorporating customers' needs, and perform our duties and assignments with special importance placed on customer opinions.

Consideration of customers

To ensure the market's acceptance of NIPRO, we must work diligently to earn confidence of customers, service and product users, business partners, distributors, agents and other parties transacting with us (collectively referred to as "Customers").

We always deal with Customers both in good faith and under the principle of fair business practice, and provide products and/or services that satisfy Customers' reasonable needs.



— We respect our shareholders and other investors.

Cooperation with company shareholders

1. We promote corporate management, which incorporates company officers and auditors, general shareholders' meetings, the board of directors and their meetings, and any other statutory functions of the frameworks established within the company, and ensure that all people involved fully understand their responsibilities.
2. We work diligently to develop and finalize internal control systems for the purpose of ensuring appropriate company operations and activities.
3. With a view to improving general understanding of our company management, operations and activities, we place special importance on public relations and other associated activities, in our efforts aimed at disclosing useful and reliable information to company shareholders and other investors in a timely manner, and at fully satisfying public demand for our accountability.

— We reaffirm our awareness of being local community members for ongoing company operations and activities.

Contribution to local communities

One of the prerequisites for a company's survival is maintaining favorable relations with the local community, where the company has its business presence and where company employees and customers reside. For this reason we place special importance on increasing active communication with local communities, and work hard to contribute to their development, as well as to the improvement of the entire society.

— We disclose accurate information in a timely manner under all circumstances.

Disclosure of information through mass media and by other means

We disclose accurate information on various subjects in a timely manner, including corporate management policies, company operations and products, and strive to earn the confidence and trust of people both in Japan and abroad, so that we can be recognized as a "company open to public," with a high level of financial transparency.

3. Development of wholesome and fair relations

— We maintain wholesome, fair and appropriate relations with political and administrative bodies.

Maintenance of wholesome and appropriate relations with political and administrative bodies

We work very hard to maintain wholesome and fair relations with political and administrative bodies, including public facilities and public educational and research institutes. We never act in a manner that may be mistaken for illegal political contribution, payoff or any other form of collusion.

— We never have relations with any antisocial group or organization posing a threat to the order and safety of civil society.

Prohibition of payoffs to antisocial groups and organizations

1. Succumbing to threat or demand from any antisocial group or organization, or making use of or making deals with such group or organization may cause a company to lose its good name and trust overnight. We will not have any relations with such groups or organizations.
2. We stand up to antisocial groups making any unreasonable demand and systematically deal with such demand.
3. We strictly comply with the Corporate Law provisions prohibiting payoffs to company shareholders, and maintain our rigid stance on having no relations with fixers or other illegitimate activity groups.

— We comply with the regulations prohibiting illegal forms of insider trading and share repurchase.

Compliance with regulations prohibiting illegal forms of insider trading and officers' purchase of NIPRO shares

We comply with regulations prohibiting illegal forms of insider trading. In other words, should any employee or officer of NIPRO Group companies, during the process or as a result of performing assignments or undertaking other associated activities, come to know facts of significant importance to NIPRO operations, including those of NIPRO's subsidiaries or business partners, said employee or officer will not trade NIPRO Group company shares, whether as an individual or as a representative of NIPRO, before the prescribed procedure is completed for public disclosure of relevant information or data.



4. Research, development, manufacture and sale of products and merchandise and other associated operations

— We renew our pledge to follow the principles of bioethics, the Laws and the Code of Corporate Conduct in product research and development.

Research and development

We manufacture and distribute high quality products that secure patients' health and safety. We always keep creative innovation in mind and adhere to the items listed below in developing and conducting product research toward realizing quality medicine.

1. In product development and research, we follow the principles of bioethics, the Laws applicable to product testing, research and development, and the Code of Corporate Conduct. Furthermore, we give sufficient consideration to environmental conservation, as well as to the safety of persons directly involved in research and development operations, as well as those in the vicinity of corresponding operation sites.
2. In developing medical equipment and pharmaceuticals, conducting clinical trials and performing other assignments, we obtain cooperation from those involved in medicine, respect the rights of clinical trial participants, keep in mind the securing of safety, and perform provided assignments by demonstrating the strict precision required in science. We accurately incorporate trial results into corresponding reference materials needed in applying for approval of product manufacture.
3. In accordance with the prescribed procedure, we use, maintain, store and manage all chemical compounds or hazardous or deleterious substances that we may handle during the process of developing and researching products.

— We give sufficient consideration to the handling of test animals and assume responsibility for maintaining such animals.

Maintenance and use of test animals

1. We nurture and take care of test animals in sincere appreciation of their roles in and contribution to the advancement of medicine. In using them for tests and research, we give sufficient consideration to the dignity of animal life.
2. We assume responsibility for maintaining test animals and work very hard to prevent any such animal from doing any harm to people or contaminating people's living environment.

— Should any defect be discovered in our products, we will promptly take appropriate action.

Product manufacturing

1. In manufacturing products (including Original Equipment Manufacturing (OEM) products and those supplied from other companies), we comply with the General Manufacturing Practice (GMP) and other Laws, ISO, internal regulations and rules, and the Code of Corporate Conduct. Should any problem occur in product quality or should there be any possibility of such problem, we will thoroughly investigate the relevant facts and causes, with the objective of promptly resolving such problem and making necessary improvements. In accordance with the Laws, we will report to the authority concerned and disclose related information to the mass media in an appropriate manner.
2. We give serious consideration to environmental conservation as well as to the safety of persons directly involved in product manufacture and those in vicinity of relevant production sites.

— **We regard intellectual properties, including inventions, utility models, industrial designs and trademarks, as important assets to companies.**

Respect of intellectual property rights

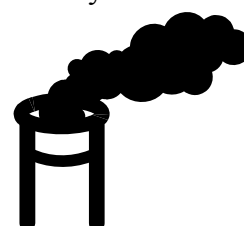
Companies assume the mission of continuously developing and providing innovative technologies and products. We regard as important assets our deliverables (including inventions, utility models, industrial designs, new varieties of plants, copyright materials, trademarks, know-how and technological and technical information and data, collectively referred to as “Deliverable(s)”) arising as a result of or in connection with research and development and other operations, and adhere to the following policies:

1. We record, control, store and manage all Deliverables in an appropriate manner, and never disclose or leak Deliverables to any third party, without completing the prescribed procedure. Both during and after employment at NIPRO Group companies, we do not use any Deliverable belonging to any NIPRO Group company for our own or any third party’s interest.
2. If we achieve any Deliverable corresponding to the scope of our assignments, we will notify the company of such outcome without delay, or otherwise follow the established procedure for dealing with said Deliverable, in a prompt and appropriate manner. For any Deliverable belonging to NIPRO, we promptly apply for patents or other registrations, or take any other appropriate action to obtain the rights inherent in said Deliverable.
3. We respect other companies’ intellectual property rights. We do not obtain any Deliverable belonging to other companies or their confidential information or data in any inappropriate or unlawful manner. Although, having obtained any Deliverable or confidential information or data belonging to other companies through rightful processes, we will not use such Deliverable, information or data for our own research, development or other operations, without obtaining said companies’ consent.

— **We sufficiently understand the importance of resolving environmental issues and act appropriately on the basis of such understanding.**

Environmental issues

1. Active involvement in environmental issues is an essential condition for companies’ operations. Not only in manufacturing, but also in all company operations, we give serious consideration to the impact that these operations may have on the global environment. Toward environmental conservation and improvement, we work diligently to efficiently use natural resources and energy, reduce wastes generated through these operations, assess and mitigate any impact that product manufacture or other processes may have on the environment, and develop and use environmental technology.
2. Should any part of company operations be confirmed as adversely affecting or considered likely to adversely affect the environment, we will strive to eliminate relevant causes and improve the situation in a prompt and appropriate manner. In addition, we cooperate with the local community in implementing environment conservation and improvement activities, and provide fair and appropriate information.
3. We work very hard to reuse or recycle resources, frequently turn lights off, and encourage any other environmental actions that are simple and easily adopted in our daily operations, thereby contributing to the reduction of environmental burden.



— **We undertake information and communications-related activities in an appropriate manner, in accordance with ethical principles.**

Medical equipment and medical data/information-related activities

1. In medical equipment and medical data/information activities, we provide accurate and appropriate information for those who are involved in medicine and have high levels of expertise and ethical standards, so that they can trust us as their partner.
2. We work diligently, in cooperation with doctors, nurses, pharmacists and others involved in medicine, to collect and provide patient-oriented information, thereby encouraging people to use company products in an appropriate manner and contributing to the advancement of medicine.



— **In advertising and marketing our products we provide accurate and fair information and use straightforward expressions.**

Sales promotion, advertising and marketing activities

1. In sales promotion, advertising and marketing activities, we comply with the Laws and the Code of Corporate Conduct and strive for further improvement. Such activities must center on providing accurate, fair and objective information and the use of straightforward expressions, so as to ensure that NIPRO does not present misleading or exaggerated information, discriminate against certain people in the society or violate their rights.
2. We offer fair and appropriate types of giveaways (including prizes for prize competitions and other events), in compliance with any relevant provision of the Laws and the Code of Corporate Conduct.
3. We maintain wholesome and fair relations with advertising agencies, production and media companies and others involved in advertising and marketing activities.

— **We implement sales and marketing activities in a fair and appropriate manner.**

Sales-related activities

1. We strictly comply with the Laws and the Code of Corporate Conduct in undertaking sales-related activities, including product sales and marketing, communication of corresponding information and provision of technical or technological services. For customers, we provide sufficient and accurate information pertaining to our products and services in an appropriate and timely manner.
2. For any inquiry or request regarding our products, merchandise and/or services, we assign suitable personnel of individual business divisions as liaisons, who assume responsibility for dealing with such inquiry or request in an appropriate manner.



— **We compete in the market fairly and freely.**

Fair and free market competition

The U.S., Europe and other countries abroad have established laws strictly prohibiting any monopoly or unfair trade practice that may prevent or damage fair and free market competition. Such laws are intended to encourage fair and free competition among companies, thereby protecting customer interests and securing sound economic development.

In company management and operations, we comply with competition-related and other laws of individual companies, and fairly and freely compete with other companies in the market.

1. We neither cooperate with competitors in bid-rigging for public tenders, nor make any agreement that may influence product prices or sales conditions. Furthermore, we neither take part in any group or organization nor attend any meetings that may make such agreements.
2. We neither place restrictions on wholesalers, retailers and other companies transacting with NIPRO for the purpose of maintaining the resale prices of company products at certain levels, nor do we ask them to restrict resale transactions for said purpose.
3. With regard to companies to which NIPRO transfers its technology, or those with which NIPRO jointly conducts research and development, we do not restrict such companies' operations or activities beyond the extent deemed reasonable or justifiable in light of the respective operation purposes.

— **We never offer bribes in violation of the Laws.**

Prohibition of bribery

In many overseas countries, bribery of government employees and officials is prohibited and strictly subject to penalties. We neither bribe government employees, officials or those stipulated by any relevant special law, nor do we offer or promise such individuals any bribes (including money, goods, wining and dining, services or any other form of valuable consideration).

— **We conduct fair and wholesome trade with customers, suppliers and others transacting with NIPRO.**

Maintenance of fair and wholesome relations with customers, persons involved in medicine, specialists and suppliers

1. We maintain fair and wholesome relations with customers, persons involved in medicine, specialists, raw materials suppliers, service providers, outsourcing companies and subcontractors of manufacturing and/or other operations (collectively referred to as “Suppliers etc.”).
2. We neither offer nor accept any money, goods, wining and dining, favor or any other form of valuable consideration that may be deemed to violate any Laws or to deviate from ordinary and acceptable gifts in light of common sense and sound judgment, regardless of the reason or cause for such offer.



— **We select and transact with Suppliers etc. in a fair manner.**

Procurement of products, merchandise, raw and other materials and services

1. We strive to realize fair and wholesome trade with regard to the procurement of products, merchandise, raw materials, parts, equipment, office supplies, services and other items necessary for manufacture, sales and other company operations.
2. In transacting with subcontractors we do not take advantage of our position to make unreasonable claims or try to lower purchase prices below corresponding fair market value.
3. We select Suppliers etc. in accordance with our reasonable standards (including product/service quality, warranty, safety, environmental impact, delivery period and price) applicable to individual transactions.

— **We deal with suppliers and customers in a fair manner.**

Elimination of partiality in transacting with suppliers and customers, and prioritizing company interest

1. We do not preferentially treat a particular supplier, service provider, subcontractor or customer, whether prospective or currently under contract with NIPRO, on the basis that an employee, his or her colleague, or any officer of NIPRO is related to such company or individual.
2. If a NIPRO employee or officer is either related to or in position to deal with such company or individual, said employee or officer will promptly consult his or her supervisor and take action to the best advantage of the company.

— **Before concluding any contract, we give sufficient consideration to its content and negotiate with the counterpart in an appropriate manner.**

Scrutiny of contract details and negotiation with counterpart

1. If we are to conclude a contract with a supplier or customer or any other party wishing to transact with NIPRO, we will give sufficient consideration to the corresponding contract details, both in reference to related laws, acts and ordinances or commercial practice, and in terms of fairness and reason, so as to ensure that said contract does not contain any ambiguous or misleading terms or expressions, or any condition advantageous to one party only. In addition, we will negotiate with the counterpart in an appropriate manner.
2. We strictly comply with the terms and conditions set forth in any concluded contract or agreement, and should any problem occur in regard to interpreting or judging the contract content, we will immediately consult to our supervisors.

— **We do not execute any contract by signing the relevant document in any unauthorized manner.**

Signing, managing or destroying contracts or other related documents on supply/purchase, sale/distribution or other transactions

1. We ensure that individual contracts concluded by NIPRO are signed by the duly authorized company representatives.
2. When requesting such representative to sign on any contract document, we neither make said representative do so without completing the prescribed procedure, nor do we forge his or her signature to conclude said contract.
3. We ensure that all contract documents are appropriately handled, filed, managed or destroyed in accordance with the internal rules and regulations.

— **We comply with the Laws and the Code of Corporate Conduct for the distribution, export and import of goods.**

Distribution, export and import

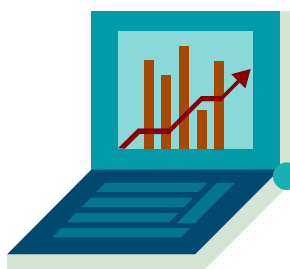
1. In relation to the distribution, export or import of products, facilities, equipment, devices, computer software and other goods, we comply with the Laws and the Code of Corporate Conduct, as well as various international rules.
2. In exporting such goods or sending any employee or officer overseas, we comply with the regulations on export and import of materials and technology applicable to war use, and any other regulations on exports and imports.
3. In international trade, we sufficiently study the laws and regulations both within Japan and abroad, before obtaining the required government approval for such transactions, submitting the required documents or information to the authority concerned and concluding relevant contracts in an appropriate manner.

5. Accounting and financing, management of corporate funds, and tax payment

— **We accurately and appropriately produce and maintain account ledgers and other accounting records.**

Maintenance of appropriate account ledgers and accounting records, and observation of accounting & financing-related laws

1. In corporate accounting operations we follow the accounting principles and practices deemed fair and appropriate with regard to the transactions engaged in by NIPRO, and maintain accurate account ledgers and accounting records.
2. We work very hard to develop and make use of internal control systems with which to ensure the credibility of annual security reports and any other data and information disclosed by NIPRO.



— **We use NIPRO's corporate funds and assets for the exclusive purpose of performing given assignments.**

Prohibition of unauthorized use of corporate fund, property or any other assets belonging to NIPRO

1. We use any corporate funds, property or any other assets belonging to NIPRO for the exclusive purpose of performing given assignments. We do not allow any NIPRO employee or officer to use, embezzle or misappropriate any such assets for his or her own or any third party's interest.
2. We do not allow any NIPRO employee or officer to make any fraudulent or unreasonable claim on accounts or to take advantage of his or her position or authority to enjoy privilege from or catering to any third party. If there is any internal rule or regulation specifying the terms and conditions applicable to the use of company assets, we comply with said terms and conditions.

— **We abide by the Tax Laws.**

Compliance with Tax Laws

In performing company operations and activities, we always keep in mind full compliance with the tax laws, both in Japan and abroad.

6. Computer network system and information management

— **We do not use information processing devices or other electronic equipment or devices for any unauthorized purpose.**

Appropriate management of information processing devices and computer network system

We promote appropriate and effective use of computers and other internal information/data processing systems. We do not allow such systems to be used for any unauthorized purpose.

— **We manage electronic data and information in an appropriate manner.**

Management of electronic data and information

1. We ensure that electronic data or information are maintained and managed in an appropriate manner. We neither obtain nor copy such data or information without completing the prescribed procedures. We employ sufficient precautions and safeguard measures so as not to allow leakage, theft, destruction or viral infection of confidential information or data, or to incur any other loss or damage.
2. Should there be any possibility of such loss or damage, we act in accordance with established internal procedures for informing the business division in charge as to such possibility.

7. Handling of data and information belonging to NIPRO

— **We strictly protect confidential data and information and limit the disclosure of such data and information to those duly authorized.**

Strict protection of confidential information

1. We keep in mind that any information or data possessed or owned by NIPRO is the company's important asset. We neither disclose or leak such information and/or data to third parties, nor provide such information to third parties, without following the required procedures.
2. We keep in mind that we assume strict confidentiality obligation for all confidential information or data belonging or relating to our customers, company shareholders and other stakeholders; we do not disclose such information or data to any individual or company deemed unauthorized to obtain or have access to said information.
3. We sufficiently understand that in the event of leakage or unauthorized disclosure of any confidential information and/or data to third parties, or mishandling of such information and/or data, we would instantly lose not only the confidence of the aggrieved parties, but also public confidence, and could be subject to civil and criminal penalties. With regard to the acquisition, acceptance, receipt, use, maintenance, storage, control and management of confidential information and data, we fulfill our duties and requirements in strict compliance with the Laws and individual relevant contracts and agreements.
4. In relation to production, recording, storage, maintenance, use, disposal or destruction, control and management, or any other aspect of the handling of documents (including electronic data) pertaining to company operations and activities, we comply with the Laws, follow internal rules and regulations, and fulfill

our duties and requirements in an appropriate manner.

— **We work hard to maintain, store, control and manage personal information and data held or owned by NIPRO in an appropriate manner.**

Appropriate management of personal information

We ensure that all employees and officers, both during and after employment at NIPRO, hold all personal information and data possessed or owned by NIPRO to be strictly confidential, and appropriately deal with such information and data in accordance with the Laws, internal rules and regulations, and NIPRO’s Privacy Policy.



8. Work environment

— **We work diligently to maintain a favorable work environment.**

Conclusion and performance of employment contracts in appropriate manner

1. We conclude employment contracts in an appropriate manner, on the basis of the content of individual employees’ and officers’ responsibilities and assignments.
2. We give consideration to and make necessary efforts toward individual employees’ and officers’ sufficient understanding of the content of their employment contracts.
3. We do not allow any NIPRO employee or officer to abuse his or her authority for sanctions, disciplinary actions or any other personnel treatment, to preferentially treat any particular employee or officer.
4. We do not allow any NIPRO employee or officer to treat unfairly or discriminate against any part-time worker or staff member working on other bases.

— **We work very hard to realize fair, reasonable and objective treatment of human resources.**

Prohibition of preferential treatment of a particular employee

We implement human resources-related operations in a fair and reasonable manner. In hiring, evaluating, transferring, promoting, educating or otherwise dealing with employees, we do not allow preferential or differentiating treatment of any particular employee on the ground that such employee is related in some way to another employee or any officer of NIPRO.

— **We work diligently to support the physically or intellectually challenged.**

Support of physically or intellectually challenged

We make efforts to promote employment of the physically or intellectually challenged.



— **We objectively evaluate each employee’s achievement and performance, and work diligently toward developing a comfortable work environment.**

Implementation of objective evaluation and development of ideal work environment

1. We objectively evaluate each employee’s achievement and performance.
2. We develop a comfortable work environment, so that individual employees can concentrate on performing their assignments.
3. We do not inappropriately or unfairly treat any particular worker or other staff member hired on the basis of a period-specified contract.
4. We comply with the applicable laws, acts and ordinances in accepting temporary staff, and work very hard to develop appropriate employer-worker relations.

— **We develop workplaces not conducive of harassment.**

Prohibition of inappropriate remarks or actions

Harassment violates the receiving parties’ rights and degrades the work environment. In some cases, harassment may be regarded as criminal, and cause the company to lose public confidence and trust. We follow the policies indicated in the items provided below, and work hard to prevent and eliminate harassment.

1. We do not compel female employees, workers or other staff members to accept physical contact or any other form of sexual approach, or to have any sexual relationship against their will. Should a female employee, worker or staff member protest against any other employee’s or officer’s sexual harassment, such protest should not result in changing her treatment in any way.
2. We do not allow any NIPRO employee or officer to tenaciously rebuke or insult someone unprivileged, or to make inappropriate remarks against the receiving party’s personality.

— **We develop a safe and hygienic work environment.**

Efforts toward safety and hygiene

1. We comply with the Laws and internal rules and regulations relevant to safety and hygiene, and work diligently for safety and hygiene management under the basic policy of eliminating labor-associated disaster, preventing disease, and encouraging people’s health improvement and management.
2. We keep in mind the importance of taking care of our own health and ensuring our safety.
3. We give sufficient consideration to employees’ mental and physical health care and other general health development issues, and work very hard to maintain and improve a favorable work environment.



— **We neither use narcotics nor drink alcohol while at work.**

Prohibition of use of alcohol and illegal drugs

We neither use illegal drugs nor drink alcoholic beverages while at work.

— **We work diligently to conform to general driving rules and improve our manners while driving.**

Prohibition of driving under the influence of alcohol, and other conditions

1. We do not drive under the influence of alcohol, regardless of relevant causes or reasons. We do not allow any NIPRO employee or officer to solicit a driver to take intoxicating drinks, or get in a car knowing the driver is under the influence of alcohol.
2. We neither commit parking, speeding, exhausted driving, or reckless driving violations, nor do we violate the traffic regulations in any other way.
3. We ensure that our employees and officers sufficiently understand their individual levels of driving proficiency, comply with the traffic rules and regulations, and try to be safe and courteous drivers under the principle of caring for others.



— **We respect employees' and officers' civil rights and do not undertake political activities in the workplace.**

Respect of civil rights and restriction on political activities in the workplace

1. We respect individual NIPRO officers' and employees' civil rights.
2. We do not allow any NIPRO employee or officer to undertake political activities in the workplace.

— **We do not unfairly or unfavorably treat any employee or officer reporting violations of any of the laws, acts, ordinances or the Code of Corporate Conduct.**

Prohibition of sanctions or disciplinary actions against grievance issuers

With regard to any officer or employee who issues a Request for Grievance Hearing and reports compliance violations or other misconduct for a rightful purpose, we neither impose any disciplinary action, nor allow reproof, harassment or any other form of unfair treatment toward said officer or employee

— **We work hard to appropriately manage any possible cause (risk) of loss or damage.**

Risk control

1. We accurately understand management-related risks and prevent their occurrence.
2. Upon discovering the existence of any management-related risk, we will promptly proceed to eliminate said risk and take appropriate action.

2. Articles of Incorporation and internal rules and regulations

— **We comply with the internal rules and regulations.**

Compliance with Articles of Incorporation and Internal Rules and Regulations

We comply with the Articles of Incorporation, internal rules and regulations, and any discretionary or other related standards that NIPRO may establish as a result of following the prescribed procedures.

Privacy Policy

We the NIPRO Group place special importance on various information and data held or owned by individual group companies. For the purpose of dealing in an appropriate manner with all personal information and data (“Personal Information”) relevant to customers, shareholders, employees, other workers and staff members, and other individuals related to the companies, and hereby reaffirm our pledge to ensure that these companies’ officers, together with all employees, part-time and variable workers, and other staff (collectively referred to as “Employees”), comply with laws, acts, ordinances and other relevant rules and regulations, and act in accordance with the following policy.

1. General Approaches

Considering our corporate social responsibility (CSR), we adopt the approaches described below with a view to bringing this Private Policy into action for smooth operations.

- (1) We comply with various laws, acts and ordinances applicable to the protection of Personal Information and make reasonable efforts to improve our treatment of such information.
- (2) We clarify internal rules and regulations, and work diligently to ensure that all Employees fully understand and thoroughly comply with these rules and regulations. We also provide necessary education and training, and launch other related initiatives to this end.
- (3) We give serious consideration to individuals’ privacy and work hard to cooperate with related organizations, our business partners and other outside entities in protecting their Personal Information.
- (4) We strive to establish effective security management measures and systems to prevent leakage, loss or alteration of Personal Information. In the event of any accident, we will promptly take appropriate action to prevent recurrence of such accident.
- (5) When receiving from an individual request for disclosure, correction or any other treatment of the Personal Information belonging or relating to said individual, we respond to such request in good faith and take appropriate action.

2. Acquisition and Use of Personal Information

Before obtaining Personal Information from an individual, we identify relevant purposes and details of its use. We use the obtained Personal Information only to the extent necessary for achieving said purposes, and handle such information in an appropriate manner.

Should it be deemed necessary either to use such Personal Information beyond the preliminarily specified extent or to change said purposes, we will do so only after obtaining the respective individual’s consent.

- (1) Purpose of using Personal Information belonging or relating to business partners
 - Receipt of various applications, contracts for product development, purchase/procurement, commissioning of services and other purposes
 - Recommendation and introduction of products, services and other merchandise, provision of information via e-mail, distribution of samples, giveaways and others
 - Control and management of customer information, resolution of Grievances, receipt of Request for Grievance Hearing, research and questionnaire surveys, campaigns and prize competitions

- Applications and reports to the authorities concerned and other agencies
- (2) Purpose of using Personal Information belonging or relating to doctors, dentists, pharmacists, nurses, those involved in pharmacies and drugstores, and others involved in medicine
- Provision and collection of information pertaining to the appropriate use of medical equipment, pharmaceuticals, and healthcare and other products
 - Provision and collection of information pertaining to the quality, safety or efficacy of medical equipment, pharmaceuticals and healthcare and other products
 - Research and studies in the fields of medical science, pharmacology, medical equipment and pharmaceuticals
 - Provision and collection of information on medical science and academic studies
 - Request and implementation of clinical trials, post-marketing surveillance and other activities
- (3) Authentication of individuals involved in medicine for membership and access to website, and communication to such members
- Receipt of various applications and contracts for product development, purchase/procurement, commissioning of services and other purposes
 - Applications and reports to the authorities concerned and other agencies
- (4) Purpose of using Personal Information belonging or relating to company shareholders
- Response to shareholders' exercise of rights or performance of obligations in accordance with the Corporate Law
 - Studies and surveys of the preferential treatment system or other types of facilities provided for company shareholders; distribution of letters, giveaways and information, receipt of inquiries
 - Production and disclosure of reference materials, either required by applicable laws, acts and ordinances, or necessary due to any similarly important cause
 - Applications and reports to the authorities concerned and other agencies
- (5) Purpose of using Personal Information belonging or relating to entrants to company facilities and individuals requesting study tours to company facilities
- Explanation and reception of visitors upon their entry to company facilities
 - Control and management of entrants
 - Response to requests for study tours and receipt of opinions or inquiries from study tour participants
- (6) Purpose of using Personal Information belonging or relating to individuals inquiring about company products, services, operations, activities and others
- Consideration, coordination and response to received inquiries, requests and opinions
 - Communications to individuals or companies providing products and/or services, those related to medicine and others interested, and provision of company products and services
 - Applications and reports to the authorities concerned and other agencies
- (7) Purpose of using Personal Information belonging or relating to Employees (including retirees) and their families
- Calculation of salaries and wages, welfare program, education, seminars and lectures, personnel changes and transfer of departments, other human resources and labor management operations, and internal and external communications
 - Communications and provision of information for labor unions, welfare groups, employee shareholding groups, subsidiaries, affiliated companies and business partners

- Treatment of retired employees as required by labor-related laws, acts and ordinances, and other emergency communications
 - Applications and reports to the authorities concerned and other agencies
- (8) Purpose of using Personal Information belonging or relating to job applicants and employee candidates
- Consideration, decision and notification of acceptance
 - Provision of information on selection procedures and results
 - Implementation of pre-employment procedures and provision of information in relation to other requirements

3. Provision of Personal Information to Third Parties

We do not provide any individual's Personal Information to any third party, excepting cases in which such individual gives consent to such provision in advance, or such provision is required by law, act or ordinance.

4. Disclosure, Correction, Addition, Deletion, Termination of Use and Other Processing of Personal Information

If we are asked by an individual to disclose, correct, add, delete, terminate use of or otherwise process any Personal Information belonging or relating to said individual, we will start necessary investigation without delay, before complying with such request, to the extent deemed reasonable and appropriate within a reasonable period of time. If there is any provision of the laws, acts and ordinances or any justifiable reason for not complying with said request in regard to all or part of said Personal Information, we will notify the individual of the situation and take any other necessary action.

5. Response to Complaints

Upon receiving a complaint from an individual regarding our treatment of his or her Personal Information, we will promptly investigate the matter and respond to such complaint in an appropriate manner, and work very hard to eliminate the causes involved. Whenever necessary, we strive to implement measures to prevent recurrence of any complaint, ensure that all employees fully understand and thoroughly adopt such measures, and develop necessary systems and frameworks.

Concrete Measures and Actions for Management-Related Risk Factors

1. Prompt and Accurate Post-Discovery Action

- In relation to settlement of complaints or other Grievance cases, it is imperative that a discretionary standard be established to clarify the scope of responses or actions to be implemented by the individual levels of a business division, together with definition of misconduct, and then shared by the entire company.
- If a Grievance case exceeds or is likely to exceed the scope specified by such a discretionary standard, or if a Grievance case is deemed not to exceed said scope but is likely to aggravate or lead to a serious management-involved crisis, it is necessary to submit a Report on Particulars and Consequence of Case (a report providing the basis for dealing with the case), request the supervisor's decision and consolidate relevant information.
- If, after discovering a serious problem, an employee or officer finds it extremely difficult to report to his or her direct supervisor or to request the supervisor's decision, or if the relevant information is very likely to be altered in some way during communication, said employee or officer may directly report to the person with comprehensive authority and request his or her decision.
- It is important to accurately understand the facts relating to individual Grievance cases, identify relevant causes, record the process of any negotiations, responses and actions that may have taken place for such cases on the Report on Response to and Other Treatment of Case, so as not to allow the case to deteriorate and lead to a serious crisis in the future.
- Product recalls and other appropriate actions should be implemented to keep the company from incurring any greater loss or damage than it may have already incurred. Such actions may include announcements intended to stop the worsening of such loss or damage.
- Appropriate actions must be taken against accusations made on the Internet. Such actions may include negotiations, counterarguments, claims for compensation for any loss or damage incurred as a result of the accusations, ~~detachment~~, an injunctive order for deletion of the corresponding data from the Internet and any other legal action.
- Corrective actions and measures to prevent the recurrence of any problem that the company has experienced must be established and put into practice.
- Report on Case Particulars and Results must be submitted so as to record the result of any action or measure implemented.
- Loss or damage incurred by other parties and attributable to the company's misconduct must be compensated in a fair and reasonable manner. The grounds for compensating such loss or damage, together with the relevant standard, conditions and method, must be clarified, established and disclosed to the public.
- The locus of responsibility for the case must be identified for disciplinary action.

2. Disclose Information to the Public in an Appropriate Manner and Maintain Favorable Public Relations

All complaints issued against companies and leading to corporate discredit are related to public disclosure of relevant information. In continuing operations and activities, no company can avoid complaints. If a company discloses information on complaints after appropriately responding to them, so as not to incur criticism from society, such complaints shall be rarely deemed corporate misconduct. On the other hand, if complaints are issued against a company that is not complying with Laws etc. and the Code of Corporate Conduct, and such complaints are revealed via the mass media, the company will be more likely to incur sanctions from society. For this reason, it is essential that we establish basic policies for responding to and dealing with complaints in connection with public disclosure of information.

Management-Related Risk Factors (Examples)

	Risk Factors (Examples)		Remarks
1	Defective products	Erroneous product designs, damaged products, product misrepresentation, health impairment, short-measure products, product tampering, concealment of customer complaints	Development of customer affairs, administrative sanctions or orders, lawsuits relating to product liability, social criticism, illegal interference by third parties, journalistic criticism via mass media
2	Service-related problems	Mistakes in quotations, claims or payments, insufficient explanations to service users, inappropriate response to service users, differentiating attitudes to service users, failure in dealing with user complaints	Development of consumer affairs, lawsuits, illegal interference by third parties, journalistic criticism via mass media
3	Corporate negligence	Environmental pollution, food poisoning, accidents causing injuries or casualties, traffic accidents, product liability, fire, explosion, violation of intellectual property rights, default of contracts, computer system breakdown	Criticism of corporate management, lawsuits, journalistic criticism via mass media
4	Corporate Crime	Illegal act (violations of laws, including Antitrust Law, Act against Unfair Competition, Securities Exchange Law and Tax Law)	Administrative sanctions or orders, penalties imposed in accordance with the Criminal Law, criticism of corporate management, class action, demonstrations, boycotts, journalistic criticism via mass media
5	Corporate Mismanagement	Anti-social acts, bribery, illegal forms of insider trading, corporate infighting, misconduct by or scandals involving officers	Criticism of corporate management, journalistic criticism via mass media
6	Information on management –related uncertainties	False information provided by mass media, promulgation of rumors adversely affecting company reputation or operations, financial crisis	Corporate discredit, decline of employee morale, sales decline, journalistic criticism via mass media
7	Problems relating to human resource development and labor management	Evaluation of employees' performance, transfer of employee's workplace or assignment for disciplinary reasons, discrimination, human right issues, sexual harassment, crimes committed by employees, misconduct and scandals, leakage of confidential information, mismanagement or misconduct by and scandals involving officers, corporate infighting, death from overwork, suicide, occupational diseases, dismissal	Criticism of corporate management, lawsuit, class action, journalistic criticism via mass media
8	Threat to company or crime targeting company	Tampering with products, kidnapping, robbery, hijacking, leakage of company's confidential information, company takeover	Sales decrease, declining market share, diminishing transactions, promulgation of rumors adversely affecting company reputation or performance, journalistic criticism via mass media
9	Natural disasters	Earthquake, climatic anomalies, windstorms and floods, lightning strikes	Suspension of company operations and activities, employment issues, sales decrease, journalistic criticism via mass media

If you become uncertain as to whether or not you are acting appropriately, please ask yourself the four questions provided below and review your conduct.

- Can you talk at ease to your parents, children, spouse, friends and anyone you trust about what you have done?
- Do you think that “No one will find out what I have done” or “It’s all right as long as nobody notices what I have done”?
- Suppose that what you have done were someone else’s conduct. What would you think about the conduct if it were reported in the news?
- Do you think “ I just did it once, so it’s no big deal”?

If you discover any considerable management-related risk or discover or commit any breach or violation of laws, acts, ordinances, internal rules and regulations and the code of corporate conduct, any misconduct, sexual harassment or other unlawful act, please contact either the person in charge at your company or the special information desk, as described below.

■ Postal mail to: Committee for Management-Related Risk Control, NIPRO Corporation
3-9-3 Honjo-Nishi, Kita-ku, Osaka 531-8510, Japan

■ E-mail to: Star Office: Compliance Risk Control Committee
User Name: CR Information Desk

or

E-mail address : crline@NIPRO.co.jp.

* Please note that we will not respond to any aspersion, groundless rumor or speculation.

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