

Terms and Conditions

These Terms and Conditions (hereinafter referred to as "T&Cs") set forth the conditions applicable to the transactions set forth in a purchase order (PO) issued by Chugai Pharmaceutical Co., Ltd. or its subsidiaries (collectively, "Chugai") through Chugai's electronic purchasing system called "myBuy" (hereinafter referred to as the "Transaction") between Chugai and the seller or contractor (hereinafter referred to as the "Supplier"). The Supplier shall be deemed to have agreed to this T&Cs upon Acceptance of the said PO. The term "Acceptance" shall mean either (i) the Supplier performs the process of accepting the PO using the myBuy system, or (ii) the Supplier expresses its intention to accept the PO in writing (including by electromagnetic means such as email) by a method other than (i) above. The PO shall be deemed to have been accepted by the Supplier if the Supplier fails to provide any notification to Chugai regarding the Transaction within ten (10) days of the transmission of the order notification email with the PO attached.

Article 1 (Delivery, Transfer of Possession, and Transfer of Ownership)

- 1.1 The Supplier shall deliver the goods or services that are the subject of the Transaction (hereinafter referred to as the "Products") in accordance with the PO.
- 1.2 Delivery of the Products shall be deemed complete upon their physical delivery to the location designated by Chugai.
- 1.3 Ownership of the Products shall be transferred from the Supplier to Chugai upon completion of the delivery of the Products.
- 1.4 Notwithstanding Articles 1.2 and 1.3 above, if the Products are information-based product (as defined in Article 2, paragraph 4 of the Act on Ensuring Proper Transactions Involving Specified Entrusted Business Operators; the same shall apply hereinafter) created based on a commission from Chugai, and there are specifications or other standards agreed upon by both parties, the delivery shall not be deemed completed merely by placing such information-based product under the control of Chugai, and the copyrights and other rights related thereto shall not be transferred. In such a case, the delivery of the information-based product shall be deemed completed upon the Chugai's confirmation that such information-based product meet the standards separately agreed upon with the Supplier in the specifications or otherwise, and the Intellectual Property Rights (as defined in Article 5.1, including the rights stipulated in Articles 27 and 28 of the Copyright Act of Japan) and other rights related thereto shall be transferred from the Supplier to Chugai. Provided, however, that this shall not apply to the existing rights of the Supplier or any third party other than the Supplier that are

incorporated in such information-based product, and the Supplier shall grant to Chugai an irrevocable, perpetual, worldwide, sublicensable, and royalty-free right to use and exploit (including, but not limited to, the forms of use stipulated in Articles 21 to 28 of the Copyright Act of Japan; hereinafter collectively referred to as "Use") such existing rights to the extent necessary for the Use of such information-based product. The Supplier shall not exercise, and shall cause its employees, subcontractors, etc. not to exercise, the moral rights of authors with respect to such information-based product.

Article 2 (Risk of Loss)

Any loss, destruction, or other damage to the Products incurred prior to the delivery of the Products shall be borne by the Supplier, except where such damage is attributable to Chugai.

Article 3 (Warranty of Quality)

- 3.1. The Supplier warrants that the Products conform the standards separately agreed upon between the parties in the specifications or other written documents.
- 3.2. Should Chugai find any non-conformity with the specifications or other defects in the Products within one (1) year of the delivery date (or six (6) months, if the Supplier qualifies as a Small and medium-sized entrusted business operator under the Japanese Act Against Delay in Payment of Fees, etc. to Small and Medium-sized Entrusted Business Operators in Manufacturing and Other Specified Fields), Chugai shall notify the Supplier thereof, and the Supplier shall, at Chugai's option, repair or replace such non-conforming Products free of charge. The performance of the obligation set forth in this Article 3.2 by the Supplier shall be without prejudice to Chugai's right to claim for damages.

Article 4 (Consideration)

The fees, price, and other consideration for the Transaction stated in the PO shall be inclusive of the consideration for the transfer of rights, waiver of rights, and grant of license set forth in Article 1.

Article 5 (Warranty for Intellectual Property)

- 5.1 The Supplier warrants that the Products will not infringe, misappropriate or otherwise violate any intellectual property or other proprietary rights of a third party (including moral rights of authors stipulated in the Copyright Act of Japan, hereinafter collectively referred to as "Intellectual Property Rights").
- 5.2 In the event of any claim or dispute from a third party alleging that the Products infringe

its Intellectual Property Rights, the Supplier shall, at its sole expense and responsibility, handle and resolve such matter, unless otherwise instructed by Chugai

Article 6 (Confidentiality)

- 6.1 Each party (the "Receiving Party") shall hold in confidence any business or technical information that is disclosed by the other party (the "Disclosing Party") for the purpose of the Transaction and is expressly designated as confidential (hereinafter "Confidential Information"). The Receiving Party shall not disclose or divulge such Confidential Information to any third party, nor use it for any purpose other than the Transaction, without the prior written consent of the Disclosing Party. Notwithstanding the foregoing, Confidential Information shall not include the information, which:
- (a) was in its possession of the Receiving Party without confidentiality restriction at the time of the disclosure by the Disclosing Party hereunder;
 - (b) was at the time of disclosure by the Disclosing Party hereunder publicly known or available;
 - (c) after disclosure by the Disclosing Party hereunder, became publicly known or available by publication or otherwise, other than by an authorized act or omission by the Receiving Party;
 - (d) was lawfully received from any third party having the lawful right to make such disclosure, without obligation of confidentiality; or
 - (e) was independently developed by the Receiving Party's directors, officers or employees without reference to the Confidential Information, as demonstrated by records contemporaneous with such development.
- 6.2 Notwithstanding the foregoing Article 6.1, Chugai may disclose the Confidential Information of the Supplier to Chugai's Affiliates, provided that, Chugai obligates such Affiliates to be bound by confidential and non-misuse obligations no less stringent than those Chugai is bound by under this Article 6 and that Chugai shall be fully liable for their breach of such obligations. "Affiliate" of a party shall mean any entity Controlling, Controlled by or under common Control with such party, and the term "Control", as used herein, means owning, directly or indirectly, more than fifty percent (50%) of the voting stock of an entity or having otherwise the power to govern the management.

Article 7 (Elimination of Dealings with Prohibited Persons)

- 7.1 For the purpose of this Article, "Prohibited Person" means any individual or entity that falls under any of the following items:
- (a) Organized crime groups, or their members, affiliates, or entities controlled by them

(including any group or individual that pursues economic benefit by using violence, force, fraud, or other illegal means);

(b) Any individual, entity, government agency, or other entity designated as a target of asset freezing, transaction prohibition, or other economic sanctions under the applicable economic sanctions laws and regulations of the United Nations, the United States (including OFAC and other relevant authorities), Japan, the European Union, the United Kingdom, or other applicable jurisdictions; or

(c) Any Prohibited Person falling under any of the following:

(i) A person who substantially controls, or is substantially controlled by, any person falling under Item (a) above (including beneficial owners); or

(ii) A person in which fifty percent (50%) or more of the ownership interest, voting rights, or other equivalent rights are held, directly or indirectly, individually or in the aggregate, by any person falling under Item (b) above, or a person who substantially controls, or is substantially controlled by, any person falling under Item (b) above.

7.2 The Supplier represents and warrants to Chugai that, at the time of the conclusion of the Transaction and during the term of the Transaction:

(a) Neither the Supplier, nor any of its officers, nor any person who substantially controls its management, is a Prohibited Person;

(b) It will not use Prohibited Persons directly or indirectly, provide funds or other benefits to them, or facilitate their activities;

(c) It will not, by itself or through a third party, engage in any demands against the other party using violence, threats, coercion, fraudulent means, or other unreasonable means, or engage in any acts that obstruct the other party's business or damage its credit; and

(d) It will comply with applicable economic sanctions laws and regulations.

7.3 The Supplier warrants that, to the best of its knowledge, its subcontractors or suppliers involved in the performance of the Transaction (including all subcontractors and suppliers at any subsequent tier; hereinafter the same) are not Prohibited Persons, and the Supplier shall take reasonable measures to ensure compliance with this Article.

7.4 If the Supplier is in breach, or is likely to be in breach, of the representations and warranties in this Article with respect to itself or its subcontractors or suppliers set forth in the preceding paragraph, the Supplier shall immediately notify Chugai thereof.

7.5 If the Supplier breaches any of the representations, warranties, or obligations under this Article, Chugai may, by giving written notice to the Supplier, immediately terminate all or part of the Transaction without any demand or other procedure and without incurring any liability, and may also claim compensation from the Supplier for any damages incurred as a result thereof.

Article 8 (No Assignment)

The Supplier shall not assign or otherwise transfer, in whole or in part, its status as a party hereto, or its rights or obligations hereunder, to any third party, or dispose of the same through the creation of security interest or otherwise, without the prior written consent of Chugai.

Article 9 (Termination)

9.1. Chugai may immediately terminate all or part of the Transaction if any of the following events occurs with respect to the Supplier:

- (a) the Supplier materially breaches these T&Cs and/or PO and fails to cure such breach within a reasonable period after receiving a demand for cure; provided, however, that in the event of a breach of Article 7 or Article 13, Chugai may immediately terminate the Transaction without any need for such demand for cure.
- (b) the Supplier receives a disposition from a supervisory authority, such as a suspension or revocation of its business license;
- (c) the Supplier passes a resolution for dissolution, merger, company split, capital reduction, or transfer of all or a material part of its business;
- (d) the Supplier becomes subject to a petition for attachment, provisional attachment, provisional order or auction, or a disposition for tax delinquency.
- (e) a petition is filed against the Supplier or the Supplier files a petition for bankruptcy, civil rehabilitation, corporate reorganization, special liquidation, or other similar insolvency proceedings
- (f) the Supplier dishonors a bill or check, or has its bank transactions suspended by a financial institution;
- (g) it is otherwise deemed difficult for the Supplier to perform its obligations under the Transaction.

9.2. If any of the events set forth in Article 9.1 occurs, the Supplier shall automatically lose the benefit of time, without the need for any notice, demand, or further action of any kind by Chugai, and shall immediately pay any and all amounts, liabilities and other obligations of the Supplier owed to Chugai.

9.3. The provisions of Article 9.1 and 9.2 shall not prevent Chugai from claiming damages against the Supplier.

Article 10 (Term)

10.1 The term of each Transaction shall commence on the date of the Supplier's Acceptance of the PO and expire upon the completion of payment by Chugai.

10.2 Notwithstanding the expiration or termination of the Transaction, the provisions of

Article 6 shall remain in effect for three (3) years thereafter, and the provisions of Article 1.4, Article 3, Article 5, Article 7, Article 8, Article 9, Article 11, Article 13 and Article 14 shall survive such expiration or termination.

Article 11 (Force Majeure)

Neither Party shall be liable to the other party for failure or delay to perform its obligation hereunder when such failure or delay is due to riots, storms, fires, explosions, floods, earthquakes, inevitable accidents, war, embargoes, blockades, legal restrictions, insurrections, an act of God or any other cause similar thereto and which is beyond the control of the party.

Article 12 (Compliance with Laws)

12.1 In performing their respective obligations hereunder, each party shall comply with all applicable laws, ordinances, and related official notices, guidance, and guidelines issued by relevant government agencies, as well as guidelines of relevant organizations. The application of the United Nations Convention on Contracts for the International Sale of Goods is expressly excluded.

12.2 The Supplier represents and warrants that it shall, in connection with any Transaction, comply with the "Chugai Pharmaceutical Group Supplier Code of Conduct" (<https://www.chugai-pharm.co.jp/english/sustainability/supplychain/evaluation/files/eSCC.pdf>).

12.3 The Supplier shall immediately report to Chugai if it becomes aware of any fact that constitutes, or is likely to constitute a violation of, the matters set forth in the preceding two paragraphs.

Article 13 (Governing Laws)

These T&Cs, each PO and Transaction shall be governed by and construed in accordance with the laws of Japan.

Article 14 (Jurisdiction)

Any and all disputes, controversies or differences arising out of, in relation to or in connection with the Transaction shall be referred to and finally and exclusively settled by the arbitration in accordance with the Rules of Arbitration of the International Chamber of Commerce. The tribunal of arbitration shall consist of three (3) arbitrators. Each party shall select one (1) arbitrator, and the two (2) arbitrators so selected shall choose a third arbitrator who will act

the chairman of the tribunal. Such arbitration shall be held in Tokyo, Japan. The arbitration shall be conducted in English. The award rendered by arbitration shall be final and binding upon both parties and judgment upon the award may be entered into in any court having jurisdiction for enforcement thereof. The parties shall treat all matters relating to the arbitration, including, but not limited to, the existence of the arbitration, all documents produced by one party in the arbitration, or the award rendered by the arbitration as confidential. Notwithstanding the foregoing, either party may seek preliminary injunctive relief for a breach or a threatened breach of any term by the other party in any court of competent jurisdiction.

Article 15 (Notices)

Any notice required to be given in writing under these T&Cs or by law may be delivered by electronic means. A notice sent as a PDF attachment via email to the other party's representative for the Transaction shall be deemed effective as a written notice.

Article 16 (Precedence)

16.1 In the event of any conflict or inconsistency between these T&Cs and a separate Transaction agreement executed between the parties for the same Transaction, the terms of such separate agreement shall prevail.

16.2 In the event that the Supplier submits to Chugai a "Compliance Assurance Declaration" prior to the Transaction, such Declaration shall remain in full force and effect irrespective of whether these T&Cs apply.

16.3 If there are any of the following documents (hereinafter referred to as the "Memorandums, etc.") executed between the parties or submitted by the Supplier in a format prescribed by Chugai for the purpose of applying to all transactions between Chugai and the Supplier, such Memorandums, etc. shall remain in full force and effect irrespective of whether these T&Cs apply:

- (a) Agreements, memorandums, or written pledges describing responses to the prevention of bribery or the elimination of anti-social forces;
- (b) "Chugai Group Supplier Code of Conduct Letter of Agreement" or "Declaration of Compliance with the Chugai Group Supplier Code of Conduct"; or
- (c) Any other documents similar to the preceding items, regardless of their names.

Furthermore, in the event of any conflict or inconsistency between the provisions of the Memorandums, etc. and these T&Cs, the provisions of the Memorandums, etc. shall prevail.

Article 17 (Consultation)

Any matter not stipulated in this T&Cs nor PO or any ambiguity with respect to the interpretation of the matters provided for in this T&Cs or PO shall be resolved upon good-faith discussion between the parties.