

hhc & Compliance

Compliance Handbook

Eisai
Network
Companies

English
Edition
October 2007



Compliance Handbook fifth version

Corporate Objective

A human health care company capable of making a meaningful contribution under any healthcare system while observing the highest legal and ethical standards in business activities.

Dear EISAI colleagues

I would like to take the opportunity upon the issuance of the fifth version of the Compliance Handbook, to relay that the conduct of business activities according to Compliance, the highest standards of ethical conduct, has become an integral component of our global business operation. EISAI clearly expresses that our purpose of business is to increase the value that EISAI provides for patients in the Articles of Incorporation and subsequently, such efforts bear fruit in the form of profit. We recognize that both the purpose and the result associated with our efforts are important and the pursuit of these ideas involves Compliance, i.e. compliance with laws, regulations and corporate ethical standards. We aim to realize the purpose and the result, defined in the Articles of Incorporation, under the strong basis of Compliance observance.

The meaning and scope of compliance has dramatically changed from the time we first initiated compliance activities. In this sense, Compliance is continuously evolving; therefore, the issuance of the current version, the fifth version of the Compliance Handbook, serves an extremely important function. Whilst our business has become increasingly global, I will strive to pursue and implement new Compliance presented in the fifth version of the Compliance Handbook with a continuously fresh perspective.

I expect that all of EISAI's Officers and employees to fully understand and realize consistently Compliance in all of your daily business activities.

October 2007

Haruo Naito

President and CEO
Eisai Co., Ltd.



Chief Compliance Officer's Message

The first Compliance Handbook was issued and distributed to all Eisai members in the year 2000 and this new edition represents the fifth version. During this period, I am confident that the attitude toward Compliance by each EISAI member has reached a substantially high level of recognition.

Currently the quality of compliance in business activities has become an increasingly important issue reflecting significant changes in the business environment. I expect that each of us decides and conducts our business activities not only by complying with laws, regulations and various rules but also through highly refined insight based on the corporate vision of “*hhc* & Compliance”, to fulfil the needs of society.

If you have concerns in making decisions associated with your business activities, please initially consult with this Compliance Handbook and proceed with confidence in our business activities.

October 2007

Nobuo Deguchi
Chief Compliance Officer
Eisai Co., Ltd.



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About this Handbook and the Compliance Code of Conduct

1) What is Compliance in EISAI?

Compliance in Eisai Network Companies (“EISAI”) means complying with laws, regulations, rules, policies, procedures and ethical standards (“Compliance”), not just complying with laws and regulations.

2) Who is this Handbook for?

This Handbook contains EISAI’s Charter of Business Conduct and Code of Conduct (the “Code”) for Officers and Employees of EISAI companies around the world.

In this handbook, “Officers” means board members, executive officers and statutory auditors and “Employees” means all personnel who have an employment relationship with EISAI and all agency personnel.

3) What is the purpose of the Code of Conduct?

The Code gives everyone at EISAI information about how to act in accordance with the Compliance provisions of the Charter of Business Conduct. The Code provides general guidance regarding the conduct EISAI expects of its Officers and Employees. In those instances where the Code does not clearly resolve an issue, we should contact other resources, such as Compliance, Legal and Human Resources personnel and our supervisor.

The Code is the basis for daily activities throughout EISAI according to EISAI’s corporate vision, “*hbc* and Compliance”. We are required to conform to both the Code and the laws, regulations, policies and procedures that apply to our local EISAI company.

Please remember that our activities as EISAI Officers or Employees do not necessarily end when we leave our place of work. If we entertain customers, attend professional events or travel on business, we may be representing EISAI. The principles outlined in the Code apply to those activities too, and need to be subject to the same Compliance judgments we make about our activities in our place of work.

4) How to use this Code

There are different categories of behaviour discussed in this Code. In some cases, such as conduct that constitutes discrimination or harassment, clear and simple prohibitions apply, under both applicable law and EISAI's ethical principles. In other cases, the answers to Compliance questions are found in EISAI's standard operating procedures ("SOPs") or other written resources that provide in detail how particular operations in our companies, such as manufacturing, are to be performed. In still other cases, Compliance questions can be answered only by understanding the full context in which they arise and seeking advice from qualified professionals. The Code of Conduct provides general guidance but in view of the number and variety of laws and regulations and policies and procedures that apply to EISAI businesses worldwide, this Code cannot be a complete source of information. We need to make use of all the many resources you have available to you, including other written materials and Legal, Compliance and Human Resources personnel, as well as your supervisor(s).

Charter of Business Conduct

Established on March 1, 2000

Effective from April 1, 2000

We place primary emphasis on patients and their families, we strive to increase the benefits that health care provides them and we conduct our business to meet their diversified health care needs worldwide. We aim to be Human Health Care (“*hhc*”) companies that make a meaningful contribution under any health care system through our business activities around the world.

It is an integral part of our corporate mission that we exercise our business judgment and take action in our business in a timely and proper manner, always in compliance with all relevant laws and ethical standards. Compliance is a cornerstone of the company’s existence and shall be given a top priority in our corporate activities.

We hereby establish our Charter of Business Conduct as a statement of our commitment to Compliance. All directors, officers and employees of Eisai Network Companies shall at all times and in all their daily activities act strictly in accordance with this Charter, working to achieve the corporate goals that this Charter defines:

1. As *hmc* companies, we will develop and provide products and services that can contribute to the well-being of patients and their families.
2. We will comply with all applicable laws and regulations of each country in which we do business and we will conduct ourselves with a high level of integrity.
3. We will respect the cultures and customs of the countries in which we do business.
4. We will compete in the global marketplace in a fair and open manner.
5. We will respect our relationships with health care providers, stockholders, investors, employees, customers and the communities in which we work.
6. We will promote protection of the environment in all of our business activities throughout the world.
7. We will support appropriate philanthropic activities as part of our corporate contribution to society.
8. We will maintain open and honest relations with political and government entities.
9. We will stand firm against any form of organized criminal activity.
10. We will provide a safe work environment and fair treatment of all employees, respecting the individual rights and dignity of each of them.
11. We will properly manage Eisai corporate information, maintain accurate records and make all required disclosures in a timely manner.

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1

**What EISAI's Code of
Conduct means to each of us**

Responsibilities of Members of Management

EISAI Officers are committed to setting a high ethical example based on all laws and regulations, our Charter of Business Conduct, and EISAI's ethical standards, policies, procedures and rules as set out in the Code of Conduct and elsewhere within EISAI (such as SOPs).

Each individual EISAI Officer must always act with integrity and respect for others. EISAI Officers must guide the EISAI employees under their supervision and ensure that those employees follow all laws and regulations and EISAI's ethical standards, policies, procedures and rules.

EISAI Officers are responsible for the Compliance programme. Each EISAI Officer must help develop and improve the Compliance programme. Each must also implement it. Each EISAI Officer is responsible for ensuring that employees under his or her supervision are trained to fulfill their Compliance responsibilities, and for ensuring that Compliance issues within his or her area are properly handled and resolved.

Prompt and accurate internal reporting about Compliance issues is essential to the success of the programme. The Compliance performance of EISAI Officers is a critical part of their management performance and they are evaluated on that basis.

Responsibilities of All Employees

Each individual EISAI Employee is responsible for following all applicable laws and regulations and EISAI's ethical standards, policies, procedures and rules. Each of us must be trained to understand and respect the laws and regulations and EISAI's ethical standards, policies, procedures and rules that apply to our work.

Whilst it is difficult to be prepared for every possible situation in our daily work, this Code will help us recognize risks and give us basic guidance on how to respond to different situations.

Supervisors can help us understand the information covered in this Code. We can also ask our supervisor if we have a question or are unsure about how to deal with a situation that we think is not specifically covered by the Code. Other EISAI resources, such as our local or regional Human Resources Department, Legal Department, Compliance Department, Compliance Counter, or local Compliance contact can help us if we are not comfortable discussing an issue with our supervisor. We refer to these as "Compliance Resources" in this Code.

Violations

EISAI does not allow violations of laws or regulations or of EISAI's ethical standards, policies, procedures or rules. Any violation is deemed to be an individual Compliance violation that is contrary to EISAI policy.

Compliance violations may result in disciplinary action inside the company and may result in punishment outside the company, including possible criminal penalties.



Reporting Violations

Compliance violations need to be reported promptly and accurately because the earlier the company knows about Compliance violations, the more effectively it can deal with the problems they may cause. EISAI will not tolerate any attempt to stop someone from reporting a violation or potential violation.

No one will be punished or disciplined for reporting in good faith a violation or potential violation. We will also not allow anyone to interfere with any investigation of a violation or potential violation or retaliate against the reporting employee. Any of these actions is also a violation that may lead to disciplinary action.

We should consult Compliance Resources for information regarding our obligation to report Compliance issues and methods for reporting Compliance concerns.

Q I think a friend is engaged in conduct that violates the law as well as EISAI policy but I don't want him to get in trouble. What should I do?

A You should report the potential violation. You should always report something you believe to be a violation of law or EISAI policy. If you're not sure, you should contact your Compliance Resources. You're not helping your friend or yourselves or EISAI by withholding information about your friend's misconduct. You can approach your friend to try to get him to stop doing what he is doing, and it will be helpful if you succeed, but you still need to report his misconduct to your supervisor or your Compliance Counter.



Compliance Counter

We have resources for consulting about and reporting on Compliance issues.

The Compliance Counter (“Counter”) is available for us to use in addition to other reporting procedures.

The Counter is available when:

- We are not sure that what we (or our colleagues) are doing is lawful and ethical.
- We are not comfortable talking with our supervisor or manager about a situation.
- We are not satisfied with advice and feedback we receive from a supervisor.
- We would like to report an activity that may be violating company policy.

The Counter cannot be used for:

- Requesting advice for personal legal issues or other issues not related to our work at EISAI.
- Comments on other company policies not related to Compliance.
- Making a Compliance report that is false.



OUR WORKING ENVIRONMENT

EISAI strives to provide a fair working environment where its employees are free from unlawful discrimination, harassment and other similar unfair practices. In most of the countries in which EISAI do business, there are laws that prohibit these forms of misconduct, EISAI policy is not designed to be exactly the same as the law; it is in some cases broader. EISAI encourages each employee to contribute actively to this fair working environment. None of us may do anything that is inconsistent with that environment.

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No Discrimination

EISAI welcomes and respects diversity and believes in the fair treatment of all employees. All our activities, including recruitment, training, and promotion, reflect that belief. EISAI corporate policies promote the availability of employment opportunities that are equally available to all qualified persons and free from unlawful discrimination. Discrimination exists in many forms. Examples may include gender, nationality or race (please see page 55 for additional examples). You should consult with your local Compliance Resources for detailed information.

What we must do:

- Treat co-workers with respect.
- Base evaluations of an employee's job performance strictly on the merits.

What we cannot do:

- Make any decisions in respect of any employee or applicant based on attributes not related to the person's job performance or qualifications.

We should consult Compliance Resources for further information regarding permissible and impermissible criteria.



No Harassment

We have the right to work in a place that is free from improper verbal and physical harassment. Each of us needs to support that right. None of us may engage in conduct that constitutes harassment.

What we must do:

- Be aware of the different types of harassment.
- Treat other employees with the same respect we would like them to show us.
- Be aware that others may view as harassment conduct that we think is acceptable.
- Treat others with respect and professionalism and as business colleagues, not social friends or classmates. The workplace is a professional environment, not a home or school or private club.

What we cannot do:

- Make sexual advances toward another employee or base any employment action regarding the employee on the employee's acceptance or rejection of the advance.
- Make or use offensive or inappropriate comments, pictures, or written text.
- Take intimidating or offensive actions that create a hostile working environment.

Q A co-worker tells jokes about women during our lunch break. What should I do?

A Behaviour or action that makes you uncomfortable and unreasonably interferes with your work performance may be considered harassment. You should let your co-worker know that this behaviour is offensive to you and ask him or her to stop, or you may consult your supervisor or your Compliance Resources.



Health and Safety

EISAI provides a healthy and safe work environment. We have a responsibility to acquire basic knowledge about safety and the safety procedures applicable to our activities and to follow them. We must also immediately report any accident, or unsafe or potentially hazardous practice or condition, including actual or potential security risks, to our supervisor or the department in charge.

Certain areas of our business, such as Research and Development and Manufacturing, involve the handling of materials and equipment that can pose hazards to the health or safety of employees and others. There are policies and procedures regarding those matters and we will find detail about them in later sections of this Code and in materials developed and maintained in the relevant business areas.

What we must do:

- Follow all safety policies and procedures that apply to our activities.
- Be aware that not following them can lead to serious health or safety problems.
- Report immediately accidents and unsafe or potentially dangerous practices.

What we cannot do:

- Depart from safety policies or procedures without express written permission from the appropriate supervisor.



Abuse of Illegal Drugs and Alcohol

EISAI provides a work environment that is free from the influence of illegal drugs and alcohol. Substance abuse creates a serious health and safety risk for the abuser and for other employees. EISAI does not allow the use of illegal drugs. The consumption of alcohol on site without permission is also prohibited.

Q My department wants to hold a celebration for the launch of our new product. We want to serve food and alcoholic beverages. Since it is a celebration, is it OK to have alcohol?

A It might be, but in any event, you must obtain senior management approval or approval as set out in your local policy before you have alcohol at a work event.





CONDUCTING OUR BUSINESS

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Research and Development Activities

Fair and accurate research activities are the basis of EISAI's business. We engage in research and development activities complying with all regulations and with high regard for ethical principles. Regulations include Good Laboratory Practices ("GLP") and Good Clinical Practices ("GCP") in each country, protection of patient rights in clinical trials, protection of privacy in genome and other research and other regulations as they evolve. Ethical principles flow from our *hhc* vision.

a) Timely disclosure of clinical results

It is important that we disclose, timely and accurately, clinical trial results regardless of outcome. The disclosure of clinical trial results is required for the following:

- Products that are approved and marketed in one or more countries;
- Results that have significant medical implications;
- Results that may change the labeling or use of a currently marketed product; and
- Results that may be required to be reported by applicable law or regulation.

b) Handling regulated chemicals

During the course of discovering and developing innovative new drugs, we create and handle various chemicals and compounds, including materials obtained from outside parties. There are laws and regulations and internal rules and procedures that regulate the handling of certain classes of these chemicals and compounds, including narcotics, antihypnotics (and their raw materials), psychopharmaceuticals and other hazardous chemicals. To the extent those laws, regulations, rules and procedures apply to our work, each of us must become familiar with and abide by such laws, regulations, rules and procedures.

c) Hazardous materials

In the course of our research and development work, we use materials (including living organisms) that are hazardous if they are not properly handled. There are policies and procedures for the handling of such materials so the health and safety of EISAI personnel and others are protected. It is critical that each of us follow those policies and procedures.



d) Environment

There can also be environmental consequences from our research and development work, through the work itself or the disposal of materials. Again, there are policies and procedures for conducting our work in a manner that is as environmentally friendly as possible. All of us need to follow those policies and procedures.

e) Intellectual property protection

The results of our research and development are the cornerstone of our business. It is essential that we obtain appropriate intellectual property protection for those results. It is also essential that we do not infringe the intellectual property rights of others. Further detail on this subject appears later in this Code (at pages 44).

f) Animal testing

EISAI believes that animal testing is a necessary and required part of verifying safety and efficacy in the development of new drugs. Our animal testing is overseen and guided by an Institutional Animal Care and Use Committee (IACUC), which includes external specialists. Our testing is conducted properly from a scientific point of view and due consideration is given to the well-being of the animals as well as to the 3R Principles of animal testing (please refer to page 55 for the definition of the 3R Principles).

g) Interaction with healthcare professionals

The rules governing interaction with health care professionals are applicable to our research and development activities. Those rules are many and complicated and vary from country to country. They are addressed in detail later in this Code and we can and should consult Compliance Resources for additional guidance in this area.



Research and Development Activities

What we must do:

- Conduct our research and development activities strictly in accordance with the policies and procedures EISAI has developed.
- Take steps, with the Intellectual Property Department, to secure appropriate intellectual property protection for any research and development work EISAI does.
- Ensure protection of EISAI and other intellectual property right.
- Report any effort to engage in fraud, negligence or improper manipulation of clinical trial results.
- Ensure that all clinical data are recorded and reported according to the clinical study plan.
- Follow EISAI's guidelines on disclosure of results from clinical studies.
- Document and submit for appropriate review any case in which discretion may be or has been exercised.

What we cannot do:

- Depart from policies and rules without written permission of a supervisor.
- Engage in research and development work that violates intellectual property rights (whether those are patent or other rights) of people outside EISAI.
- Suppress negative data about a product in development or otherwise attempt to distort the development record.
- Engage in fraud, negligence or improper manipulation of clinical trial results.



Q We have completed a study on a drug that is already on the market, and the results are negative. Do we have to disclose these results?

A It depends on the relevance of the results, but the answer may well be yes. To be consistent with global guidelines for disclosure of clinical trial results, and in accordance with our *hhc* mission, certain study results must be disclosed timely, objectively and accurately. Eisai's policy is to devote appropriate resources for analysis of all test results and to disclose promptly and accurately all results that should be disclosed. If you have any question about how the policy is being applied, you should consult your Compliance Resources or appropriate research and development personnel.



Manufacturing Activities and Distribution

EISAI's manufacturing and distribution activities shall comply with all laws and regulations including Good Manufacturing Practice ("GMP").

EISAI manufactures products of high quality to ensure the health and safety of patients. Compliance with all laws and regulations that apply to our manufacturing activities is essential. Quality assurance at EISAI includes not only production level (such as intake and handling of raw materials and finished products) but also proper storage and handling of the products during distribution.

Manufacturing involves safety and environmental issues, including the handling and disposal of materials that may be hazardous. Each of us needs to ensure that laws and regulations governing these matters, as well as policies and procedures EISAI has developed for protecting the health and safety of our personnel and for reducing or eliminating our environmental impact, are strictly observed.

What we must do:

- Be aware of and comply strictly with EISAI's policies and procedures regarding the manufacturing, handling and storage of all products.
- Be aware of any diversion or illegal tampering of our products.

What we cannot do:

- Deviate from EISAI's policies and procedures for manufacturing, handling and storage of all products.
- Allow any contamination of production sites, raw materials or finished products, including going to work when we are ill.

Q Will there be times that the EISAI standard for safety is higher than the regulatory standard of the country where the product is being manufactured?

A Yes. EISAI has established standards for the development, manufacture, and sale of our products to help ensure their safety, efficacy and quality. Our standards are intended to meet or exceed what is required by local laws and regulations. This includes the laws and regulations of the country where the product is developed and manufactured as well as the countries in which it is used.



Marketing and Sales Activities

EISAI markets and promotes pharmaceutical products worldwide. We use accurate and well-balanced scientific information for appropriate use that is approved by the applicable regulatory authorities. We act in accordance with applicable, regional, national and, in some cases international, laws, regulations, rules and codes. We must conduct promotional activities accurately and within the scope of governmental approvals as well as EISAI policies. Off-label and false or misleading promotion are strictly prohibited. So is promotion of pre-approved drugs. Off-label and false or misleading promotion may raise legal, regulatory and product liability issues. The applicable department in our company must approve the content of any promotional materials, and appropriate employees must be educated to avoid improper promotional activities. If we are engaged in promotional activities, we are expected to be familiar with the rules governing promotion, including off-label promotion and false or misleading promotion, and the rules applicable to pre-approved drugs.

In our promotional activities, we interact with health care professionals; the rules governing this kind of interaction are many and complicated and they vary from country to country. They are addressed later in this Code but the Code does not provide fully detailed guidance. We can and should consult Compliance Resources regarding this area.

What we must do:

- Provide information regarding our products' appropriate use and safety information to health care professionals for the benefit of patients.
- Conduct promotional activities using only materials that have been approved by the applicable department in our company.

What we cannot do:

- Promote our products for any uses that have not been approved.
- Make improper gifts or other payments to health care professionals, or otherwise interact with them in ways that have not been approved.
- Provide samples outside the scope of applicable laws and regulations.



Marketing and Sales Activities

Q I found an article in a reputable medical journal regarding one of our products. May I circulate it to our sales representatives for them to use as a reference?

A Not unless it has been approved by the relevant EISAI department. Sales representatives may use only those documents and materials that the appropriate department in your company has reviewed and approved for promotion and advertising. Documents provided solely for training purposes are not to be distributed outside of EISAI.



Communication of Safety Information

The safety of our products, whether they are under development or on the market, is fundamental to our *hhc* mission. EISAI is also obliged by law to collect and report all information regarding the safety of our products.

What we must do:

- Report all adverse events and safety information on marketed products, as well as on products being used in clinical trials, to the appropriate pharmacovigilance department.
- Be familiar with the requirements and procedures for adverse drug event report.

What we cannot do:

- Ignore or attempt to conceal adverse information about our products.

Q If I become aware of an adverse event relating to an EISAI product, what should I do?

A EISAI is responsible for reporting adverse events (including adverse drug reactions) to governmental or regulatory authorities. If you are not sure how to proceed, you can ask your supervisor or contact your pharmacovigilance department. There is a pharmacovigilance department or equivalent in every EISAI operating company.



Relations with Regulatory and Other Public Agency

Our pharmaceutical business is regulated by many public agencies in different countries in the world. We must ensure that Eisai has appropriate interactions with all those agencies; those interactions must be accurate, complete, timely and transparent.



Interactions with Health Care Professionals

Gifts

The type and value of gifts that can be given to health care professionals differ from country to country. We should know and comply with applicable laws, regulations and rules governing what can be offered as gifts to health care professionals. When we are unsure, we should consult with Compliance Resources.

Hospitality

We may provide reasonable hospitality, including meals, that is incidental to an event (such as a presentation on EISAI's products or medical/scientific information).

Invitations to conferences

Promoting conferences can help educate health care professionals about our products. However, we can support only conferences that are in line with applicable rules and policies.

What we must do:

- Understand and comply with applicable laws, regulations and codes when interacting with health care professionals.
- Hold conferences in an appropriate venue within reasonable costs.

What we cannot do:

- Make payments to or on behalf of health care professionals that are outside those permitted by applicable laws or regulations or EISAI's policies.



Interactions with Health Care Professionals

Q I want to provide a meal as part of a presentation at a hospital. Is this permitted?

A Providing a modest meal in conjunction with a medical education programme is generally acceptable. As definitions of “modest” may differ from country to country, please consult with your Compliance Resources if you have any questions.

Q We are covering the costs of an expert scheduled to speak at one of our conferences. She would like to bring her spouse at her own expense. Can she do this?

A In some cases, she can. Please note, however, that EISAI will not cover any expenses relating to any spouse, child or guest of any speaker. Additionally, spouses, children or guests of a speaker are not permitted to attend the programme or any related activity.

Q I have invited an expert to speak at one of our sponsored conferences. EISAI has a great relationship with this expert and I would like to show him my appreciation by taking him to a nice restaurant for dinner. Can I do this?

A Even if the purpose is to provide information of a medical/scientific nature or on EISAI products, or if it is in conjunction with an EISAI-sponsored presentation, an expensive restaurant dinner is likely to be considered inappropriate under the relevant country’s standards. Please consult your Compliance Resources if you have any questions.



Corrupt Practices and Bribery

Many countries have laws that prohibit bribery of public officials. Many countries also have well-defined ethical standards guiding the behaviour of those officials and of companies that deal with them. In certain cases, dealings with private individuals may also give rise to legal liability. We must be careful not to violate applicable laws or regulations. In certain cases, the laws of one country apply to conduct outside the country. One example of these is the Laws under OECD Convention for foreign corrupt practices, which applies to EISAI personnel in certain countries and can apply to EISAI personnel outside of such countries in certain circumstances. Many of these laws are very strict in their application. If we are ever unsure of our conduct or the laws of countries in or with which we may be conducting business, we should consult Compliance Resources.



Fair Trade and Competition Practices

EISAI's policy is to compete fairly and legitimately and to comply with the competition laws in each country in which it operates. Regulations governing the marketing of ethical pharmaceuticals prohibit fraud and misrepresentation in connection with sales, as well as other unfair acts or practices.

We should consult with Compliance Resources if we have any questions about the application of competition laws to a particular situation.

a) Dealings with competitors, distributors, customers and suppliers

Formal or informal agreements or understandings with competitors, distributors, customers and suppliers ("Third Parties") may be prohibited under competition laws. In some cases, even discussion about the topics listed below ("Sensitive Topics") may violate those laws.

Therefore any interaction involving these Sensitive Topics by any EISAI Officer or Employee with any Third Parties is prohibited, unless the relevant Legal Department has given its prior written approval.

Sensitive Topics

For Competitors:

- pricing, costs or profits;
- terms or conditions of sale (including credit extensions or information);
- entering or leaving, or allocating with one or more other companies, product, service or geographic markets;
- market share or production or sales volume;
- decisions to bid or quote or otherwise allocate customers, suppliers or channels of distribution; and
- Whether and how diligently to pursue R&D projects.

For Distributors, Customers and Suppliers:

- terms under which a purchaser of our products resells the products (including price or whether the purchaser can resell);
- making transactions dependent on other transactions (such as buying or selling other products or services); and
- unfairly restricting a Third Party to manufacture, buy, sell or provide any service to another party.



Certain EISAI Officers or Employees who have authority as to price, sales, promotion or other marketing activities, production levels or research and development projects must report contacts with competitors according to the rules in each EISAI Company. Such Officers and Employees shall be decided and listed by each EISAI Company.

What we must do:

- Take measures to avoid discussion of Sensitive Topics with Third Parties and, if required, remove ourselves from any such contact at the earliest opportunity.
- Obtain prior written approval from the relevant Legal Department for any agreement or understanding with any Third Parties about any Sensitive Topic.
- Obtain prior Legal Department review of agendas for meetings with competitors (including Trade Associations or other industry gatherings).
- Make sure that business decisions, including those about R&D, manufacturing, pricing, promotion and sales, are based on independent grounds.
- Be sure the process of making those decisions is transparent and well documented.
- Report contact with Third Parties in line with company policy.
- If in doubt about interaction with any Third Parties, seek advice from the relevant Legal Department as soon as possible and preferably before the contact.

What we must not do:

- Communicate and agree with Third Parties about Sensitive Topics, without prior approval from the relevant Legal Department.



Fair Trade and Competition Practices

Q I plan to attend a conference where one of our co-promotion partners will be present. This co-promotion partner has recently introduced a product that competes directly with one of our products. Can I discuss their new product with them?

A You should limit your discussion with co-promotion partners to co-promotion matters. Any conversation about their new product will raise competition law questions, and unless the Legal Department has approved it in advance, you should not discuss the new product with the business partner.

Q I just want to talk to other market participants about some issues having to do with a more orderly market, which I think will be in all our interests. Is there any reason I can't do that?

A Yes, there is. Competition laws don't think markets should be "orderly". Competitors are supposed to make independent business decisions. In doing so, they take certain competitive risks and get rewards if their decisions are good ones. If they have agreements or understandings with their competitors about Sensitive Topics, they violate competition laws in the process. It's not an outcome that EISAI will tolerate, and it exposes the individuals involved, as well as EISAI, to legal liability.



Information

a) Personal Information

In the course of its business, EISAI has personal information about EISAI Employees, patients, healthcare providers, customers and contractors. Personal information is any information that identifies an individual. Examples include lists of EISAI Employees, and, for individuals, records that show their birth date, government-issued identification number or other identifying information or medical information. We use this personal information only for business purposes and only in compliance with applicable laws. We disclose such information only for specific purposes and then only under confidentiality agreements that protect the information in the third party's hands. Many countries have laws and regulations to prevent the misuse or abuse of individuals' personal information. EISAI's policies reinforce these laws. We should be aware that when we receive an individual's personal information from another country it may be necessary to handle and deal with it according to the laws of that country as well as the laws of our own country.

What we must do:

- Access an individual's personal information only with permission and when a clear business need exists, and in accordance with applicable law.
- Share personal information only with someone who has permission and a need to know the information.
- Be aware of all local laws and regulations regarding personal data protection when transferring or receiving personal data across countries and regions.

What we cannot do:

- Use or disclose anyone's personal information for any purpose other than the one for which it was collected.
- Distribute any personal information without being sure that the distribution is allowed by applicable law.

Q Can EISAI read my e-mail communications?

A In many countries, yes. In those countries, EISAI can review the contents of e-mail sent to or received by Officers and Employees using EISAI equipment. As laws may differ from country to country, you should consult your Compliance Resources.



Information

b) Confidential Information

Confidential information is an important EISAI asset. Confidential information includes anything from inventions, know-how and research results to financial data and customer lists. Disclosing our confidential information intentionally or accidentally might undermine our business. Therefore, we must make every effort both seriously and diligently to protect our confidential information.

Please note that if some information, despite being confidential information, is not managed appropriately, we may lose valuable legal protection that would otherwise apply to it.

Confidential information received from third parties is similarly important to their success. When we come across information from a third party in our work and everyday life, we are required to obtain the necessary permission to use it.

In all these cases, each of us needs to ensure that information that should stay within EISAI does stay within EISAI because, if it does not, its value to EISAI and perhaps others will be lost or diminished.

What we must do:

- Discuss confidential information only in private locations. Remember that conversations using speaker phones and cellular or mobile phones can be overheard by others.
- Review confidential documents only in private locations.
- When sending facsimiles or e-mails, ensure they are sent only to the proper recipients.
- If we need to share confidential information with a third party, get the approval of our supervisor and the Legal Department ahead of time.

What we cannot do:

- Discuss confidential information in elevators, hallways, restaurants, airplanes, taxi cabs, trains or any other public places.
- Throw away confidential documents carelessly so they might be picked up by others.



Q I have a large amount of company data in my computer. Can I take my computer with me to work at home?

A No, you are not permitted to take your computer outside the company when it contains a large amount of company data. If you need to take your computer outside the company, you must remove from it any data that are not absolutely necessary for the work you intend to do outside the company, and store that data in your office on media EISAI makes available for that purpose. Please note that when you take your computer outside, you must make sure it is in your possession or in a secure place at all times. Do not leave the computer in your car or any place else that it can be taken by others.

Q If I develop an improvement to an existing product that is not patentable, is this considered confidential information?

A Yes. All discoveries, inventions, improvements, and innovations, regardless of their patentability, are considered to be valuable or confidential information and should not be shared with anyone outside EISAI without the necessary approval.



Information

c) Intellectual Property

We spend a great deal of time and effort and money developing valuable new products to improve patients' health and quality of life. During the course of this product development, new technology, new designs, and unique product names may be invented or conceived. These may give rise to valuable assets in the form of Intellectual Property Rights (IPRs) such as patent rights, design rights, trademark rights, copyright, know-how, trade secrets. Others view their own IPRs in the same way and we may not use intellectual property owned by a third party without the third party's permission.

Unlike patent and trademark rights, copyrights are protectable even without registering them. Copying another party's work could be considered copyright infringement.

If we are uncertain about EISAI's intellectual property or the steps necessary to protect EISAI's rights, or whether a third party's rights are relevant to our activities, we should consult our supervisor, the Intellectual Property Department or Legal Department, or Compliance Resources.

What we must do:

- Be vigilant in the protection of EISAI's own intellectual property and let a supervisor or Compliance Resources personnel know if third parties are violating EISAI's rights.
- Be aware of relevant third party patent and other intellectual property rights.
- Obtain permission from the appropriate copyright holders to use their copyrighted works, and comply with the relevant laws when citing copyrighted works.

What we cannot do:

- Disclose (even unintentionally) to anyone outside EISAI any trade secret or know-how that belongs to EISAI.
- Obtain from someone who joins EISAI from another company trade secrets of that company.



Q Am I allowed to quote from another person's copyrighted work for the purpose of preparing promotional materials?

A In many countries, it is permissible to quote from another person's published work, with appropriate credit to the author. But there are certain requirements you must meet in order to quote the material lawfully. If you fail to meet such requirements, you (and EISAI) may be in violation of copyright laws. Therefore, please consult and seek advice from your Compliance Resources.

Q I found a third party's product with a name and packaging substantially similar to one of our products. Is there anything I can do?

A Our product names and product packaging designs are protected under trademark laws or other laws in most countries. Such protection given by law may be seriously undermined if EISAI does not take appropriate countermeasures immediately. Therefore, if you find such a product, please contact your Compliance Resources as soon as possible so EISAI can take appropriate action.



Protecting EISAI's Assets

Protecting EISAI's assets is essential to maintaining our competitive advantage. EISAI's assets include items such as computers, telephones, lab equipments, office supplies, and company products, as well as intangible assets such as business opportunities. Any loss, theft or improper use of these assets can cause serious financial loss and injury to EISAI's business. We should take all appropriate steps to protect EISAI's assets and report any loss or theft immediately.



Conflict of Interest

A conflict of interest exists when our personal interest in a third party may cause us to make a biased business decision that may not be in EISAI's best interests. In performing our work, a conflict of interest may arise if we have a personal interest in a possible transaction or in a third party with whom EISAI has a business relation, or if we receive a gift or invitation to an event from a business partner.

Examples of potential conflicts include:

- accepting cash, gifts or invitations from a business partner;
- owning stock in a business partner;
- conducting business with a company owned by a family member or friend; and
- accepting a position in a business partner.

Q Is there a problem with my owning stock in a company that does business with EISAI and do I have to disclose this information?

A There may be an issue with your owning stock in a company that does business with EISAI and you must disclose this information to your supervisor or, if appropriate, your Compliance Resources. Your ownership of the stock means you have a personal interest that may be different from EISAI's and the potential for a financial gain at EISAI's expense. You need to let EISAI determine how to deal with the situation.



Prohibition of Insider Trading

The use of “inside” information for making personal decisions relating to the purchase or sale of securities or other investments is prohibited. “Inside” information is information that is not public and that an investor would consider important (“Material Information”) when deciding whether to buy, sell or hold stock. Major examples include earnings announcements before they are made public; mergers or other business combinations before they are announced; and significant corporate developments, such as R&D or clinical trial results, that are not yet public. (Please refer to page 56 for more examples of Material Information.)

What we must do:

- Keep EISAI confidential information confidential and use it only for the business purposes for which it was developed.

What we cannot do:

- Share EISAI confidential information with family, friends or any other third party.
- Make investment decisions for ourselves or anyone else that involve EISAI shares and that are based in any way on inside information.

Q A relative asked me if she should sell EISAI shares, when I knew there would be an announcement soon that would likely have an effect on the share price. Can I tell her what I think she should do?

A No. You need to tell her that you can't advise her and you can't give her information or hints about what is going on that might affect the share price.





4

**RELATIONSHIP WITH
SOCIETY**

Disclosure of Accurate Financial Statements

Keeping accurate information relating to our business activities is important for meeting our legal obligations and the expectations of our shareholders. We are required to disclose information about certain types of corporate activities in our annual reports because we are a publicly traded company. Accordingly, we must make sure that all our stakeholders receive correct and complete information in a timely manner.

What we must do:

- When using EISAI money, account for the amounts accurately and promptly.
- Prepare expense vouchers promptly and accurately, attaching all relevant documents (i.e: invoices, vouchers), and clarifying amount and business purpose of the expense.
- Keep proper documentation of approved company spending, and provide complete and accurate documentation upon request from EISAI, its auditors or the government.

What we cannot do:

- Falsify any company record or take any step to impair the accuracy of EISAI's reporting of its business or financial performance.

Proper Tax Payments

EISAI must make the correct payments to governments as required by applicable tax laws. It is important to maintain sufficient documents to prove and support the accuracy of our records and to establish proper criteria for our decisions. EISAI prohibits false information and forged vouchers in reimbursement or account settlements, as well as misrepresentation or concealment of relevant facts in a tax inspection; all these activities hinder proper tax payments.



Political Contributions

Political donation to politicians and political organizations is regulated in each country. In dealing with political donation, EISAI complies with local laws and regulations.

What we cannot do:

- Make political contributions to politicians or political organizations in the name of EISAI without obtaining appropriate internal approvals.

Environmental Matters

EISAI conducts its business, including its manufacturing activities, in compliance with environmental laws and regulations, and in a manner that is consistent with our interest in protecting the earth's environment.

What we must do:

- Help conserve energy and materials, such as using recycling bins when available and turning off electricity when all work is finished for the day.
- Be alert to ways in which EISAI's activities can be changed to reduce the company's environmental footprint.



Supporting Philanthropic Activities

Each of the EISAI Companies actively promotes activities that contribute to the development of the community in which it is located. EISAI supports scientific, academic, and cultural activities related to its corporate mission.



Glossary

Discrimination

Examples of discrimination in evaluating an employee's job performance include but are not limited to decisions made on the basis of any of the following criteria:

- 1) Race;
- 2) Gender;
- 3) Age;
- 4) Disability;
- 5) National origin;
- 6) Religion;
- 7) Sexual orientation;
- 8) Marital status; and
- 9) Any other basis prohibited by law.

Animal Testing

3R principles

The "3R principles" are the principles used for considering appropriateness of the animal testing plan as set below.

- Replacement: Evaluating substitutable method other than animal testing
- Reduction: Reducing the number of animals tested
- Refinement: Minimizing pain of animals to be tested

Intellectual Property

Patent

A patent is a right for a novel invention that gives the patent owner the right to prevent others from using the invention for commercial exploitation without permission. We obtain great value from our own patents, and seek to obtain patent protection for the fruits of our own inventions. If we are uncertain about the coverage of EISAI's patents or the steps necessary to protect EISAI's patent positions, or whether a third party's patent rights are relevant to our activities, we should consult our supervisor, the Intellectual Property Department or Compliance Resources.

Trademark

EISAI protects its trademarks, trade names, and brand names. Laws in each country permit trademark owners to prevent third parties from profiting from the trademark owner's own efforts to develop the brand name, and to protect the public trust in the brand. EISAI is not allowed to use a similar product name for similar goods or services without the trademark owner's consent or license.

Copyright

Books, articles, periodicals, newspapers, recordings, computer software, and images on video or elsewhere may be protected by copyright laws. When these works originate from or are owned by other parties, most countries have laws prohibiting their reproduction without permission of the copyright owner.

Glossary

Trade Secrets and Know-how

Trade secrets and know-how are formulas, processes, techniques used in research and development, production or other parts of our business that reduce our costs or improve the quality of our products or the efficiency of our business but are not patented or protected by similar laws from use by others. One prominent example of a trade secret is the formula for Coca-Cola, which is not patented (because patents involve public disclosure of the invention). Others include manufacturing process techniques that are not patented, customer lists and other items of value to their owner and to companies in competition with that company. The value of these items depends on the extent to which the company that owns them maintains their confidentiality.

Design Rights

Design rights protect “design” — the appearance of the whole or a part of a product resulting from the features of, in particular, the lines, contours, colours, shape, texture or materials of the product itself or its ornamentation — to the extent the design is new and has individual character (and in the case of component parts, the part remains visible during normal use and itself displays the qualities of novelty and individual character that the definition requires).

Insidertrading

Material Information

Examples of information that can be material are: financial results; financial forecasts; changes in dividends; possible mergers, acquisitions or joint ventures; and information concerning significant discoveries or contracts, important product developments or approvals, major litigation developments, or major changes in business direction.

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Message from Compliance Committee Chair

EISAI's corporate vision includes Compliance. But companies can't achieve Compliance unless all of their people share their commitment to it. Each of us needs to know the laws, rules, regulations, procedures and policies that apply to our work, and each of us needs to be as certain as we possibly can that we and our colleagues are complying fully with all of them. If any of us falls short in Compliance, we injure everyone else at EISAI who has been trying hard to ensure Compliance.

Every day, you will face choices that require you to consider whether a proposed course of conduct is consistent with Compliance. If you do that, and adopt the choice that Compliance requires, EISAI's work will follow its *hhc* vision, for the benefit of the patients and other stakeholders we serve. If you don't consider Compliance, or you make choices that are inconsistent with Compliance, EISAI and you are at risk.

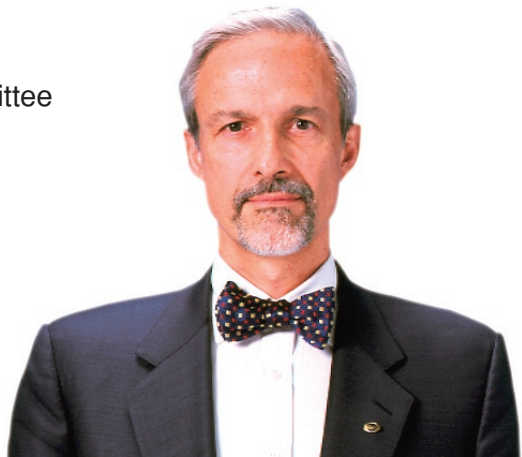
This Handbook is a guide—and we hope it is a helpful one—to the path each of us needs to follow. EISAI makes many other Compliance Resources available to all of us, and you should use them as fully as you can.

In the end, however, Compliance depends on you.

Thank you.

October 2007

Stuart Meiklejohn
Chair, Compliance Committee



ENC Compliance Test

Whenever you take some action in the business activities, please ask yourself the followings in order to comply with our Compliance standards. If you have any doubt, you are encouraged to consult with your supervisor. If you cannot consult with your supervisor for some reason, please contact either the relevant department including the Legal Department or the Compliance Counter.

1. Could you openly tell your family what you did?
2. Do you think the only way to avoid a problem is to not to tell anyone what you did?
3. How would you feel if you read a report of your activities in the news media?

----- Cut here -----

Affirmation of Commitment on the Charter and the Code

I affirm that I have fully read and understood the Charter of Business Conduct and the Code of Conduct of EISAI. As a member of EISAI, I affirm my commitment to follow and abide by such policies in my activities.

Signature _____

Name (Print) _____

Your ID No. _____

Department _____

Date _____

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**Compliance handbook for
Eisai Network Companies**

Eisai Co., Ltd.
Corporate Ethics Compliance Department

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Doing the *right* thing

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