



**zai**Lab

**Zai Lab  
Supplier Code of Conduct**

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# Introduction

Zai Lab was founded in 2014 with a mission to bring innovative medicines to people in need around the world. We initially focused on bringing first-in-class and best-in-class therapies to China, which has a large, rapidly aging, and underserved patient population with serious unmet medical needs. We are now building a pipeline of products with global rights to serve patients worldwide. Zai Lab understands that to achieve our ambitious mission, we must integrate environmental protection, social responsibility, and governance practices into our business.

Our corporate approach, commitments, and standards are detailed in our Trust for Life strategy and guidance on our values and principles is provided in our Code of Business Conduct and Ethics.

We understand that our business success is dependent on the procurement of mission-critical materials, services, and processes sourced outside of our company. Through strategic collaboration across our supply and value chain, Zai Lab pursues innovative opportunities, increases operational flexibility and efficiency, and reduces costs and risks by partnering with organizations and individuals who share our ambitious mission. To help support this mission, Zai Lab is actively engaged in activities to identify operational and supply chain-based risks. Prior to enrolling new suppliers, we conduct thorough due diligence processes. This includes sending a supplier self-assessment questionnaire to evaluate supplier environmental, social, and governance practices and commitment to sustainability. We believe that collaboration with our suppliers is mutually beneficial and an inclusive way to ensure responsible and sustainable business throughout our supply chain. We are committed to working with our suppliers on a journey of continuous improvement and strongly believe it can benefit us, our suppliers, and all communities where we operate.

Our Supplier Code of Conduct (“Code”) sets out Zai Lab principles and what we expect from our suppliers. The provisions set forth in this Code provide the basic requirements expected of our suppliers. Zai Lab expects suppliers to strive to meet both international and industry best practices. We expect that our suppliers encourage and work with their own suppliers and subcontractors to ensure that they work to meet the principles of this Code.

This Code is provided to all Global Procurement Category Leads at Zai Lab because we recognize that having a framework that details our policies, procedures, and principles helps our employees more clearly communicate expectations to our suppliers. Similarly, this Code is provided to all suppliers prior to contracting. We expect suppliers to read the Code thoroughly and understand the intricacies as outlined. We have designed the Code to inform suppliers of business conduct practices that Zai Lab endorses and actively encourages suppliers to adopt.

Our intention is that suppliers will acknowledge this Code, and promptly and collaboratively work with us to identify risks, areas of improvement, corrective action, and any other opportunities for innovation. We will also use appropriate due diligence to verify that our suppliers are following these principles.

## **Contact Information and Feedback**

If suppliers have any questions or suggestions related to better ways of collaborating with Zai Lab, please direct messages to your Zai Lab point of contact; and/or Vice President of Procurement, Russell Huang; and/or Chief Sustainability Officer, Jim Massey. If you have any

further supplier related concerns, questions or comments and want to provide them anonymously, please contact the Zai Lab Ethics Hotline mentioned in the below 'Reporting' section of the Supplier Code of Conduct.

## Ethics

### **Anti-Bribery and Anti-Corruption**

Suppliers must follow all applicable global anti-bribery and anti-corruption laws and not engage in or promote any conduct that involves -- or gives the appearance of -- offering, giving, soliciting, or receiving any kickback or bribe resulting in either a private or business advantage. We ask that suppliers ensure that all their third parties undergo appropriate due diligence evaluation before they enter a business relationship.

### **Conflicts of Interest**

Suppliers must disclose actual or potential conflicts of interest due to either personal or professional relationships to ensure that work with Zai Lab remains objective and unbiased—even the appearance of a conflict of interest can be damaging to our reputation and overall business. We ask that suppliers direct all disclosures to your Zai Lab point of contact for review and resolution.

### **Antitrust Fair Competition**

Suppliers should conduct all business in a way that reflects our commitment to antitrust and fair competition. Some common actions that always would violate fair competition and trade include price fixing (agreements among competitors to raise, fix, or maintain a price), bid rigging (coordination with competitors on who will win a bid), and market allocation (when competitors allocate customers, products, or territories). As we promote open and fair markets along with free competition and trade, our suppliers should follow all applicable fair competition and antitrust laws. Suppliers with Zai-related questions or concerns related to trade conditions or unfair business practices, are encouraged to contact your Zai Lab point of contact.

### **Trade Compliance**

We require that our suppliers comply with all applicable global trade laws. Global trade laws include import and export control laws as well as economic sanctions. Suppliers must proactively check prior to conducting business for compliance with national and international trade regulations and customs. Suppliers unsure or concerned about the implications of a global trade law should seek legal advice.

### **Animal Welfare**

Zai Lab is committed to the humane and responsible treatment of all animals used in the development of its products. We expect suppliers to conduct research consistent with practices defined by the Association for Assessment and Accreditation of Laboratory Animal Care (AAALAC) standards, The Guide For Care And Use Of Laboratory Animals (8th ed.), and federal regulations as stipulated by the Animal Welfare Act. Suppliers should ensure that all animals used in all Zai Lab studies receive humane treatment and care that is in accordance

with the needs of the given species and that they are permitted to live as naturally as possible (e.g., group housing, environmental enrichment).

## **Ethics in Research and Development**

Zai Lab maintains the highest ethical, scientific, and medical standards in research activities. Suppliers are expected to uphold this commitment and must follow all applicable laws, regulations, and principles for protecting patients who participate in clinical trials and animals used in research as well as follow and review all approval procedures before initiating any type of research. Certain countries have strict human genetic research laws regarding the sharing of human genetic research and suppliers are expected to obey all applicable scientific, patent, regulatory and privacy laws, regulations, and Zai Lab policies where we conduct research. When conducting research, our suppliers must obtain appropriate consent from subjects, protect patient privacy and confidentiality, and ensure clinical trials and results are publicly disclosed as required. Suppliers must not participate in research misconduct of any kind, such as falsification or changing data or results.

Suppliers must conduct all pre-clinical and clinical research in compliance with applicable international standards (e.g., the International Conference on Harmonization, Good Laboratory Practices, Good Clinical Practices and Good Manufacturing Practices) and to follow all Institutional Review Board (“IRB”) or other required research ethics protocols on human and animal research.

## **Data Privacy**

Suppliers have the responsibility to protect all information such as information from, or about, employees, patients, patient caregivers, patient advocacy groups, healthcare providers, clinical trials, partners, or other sources. We expect suppliers to preserve and protect the confidentiality of all data entrusted to their care, such as patient medical histories, genetic status, immunization records, clinical trial information, and other similar sensitive information. Suppliers must comply with all applicable industry guidelines, ethical standards, regulations, and laws as we collect, use, store, disclose, and transfer data. For example, China’s Regulation on Human Genetic Resources regulates the collection, storage, and sharing of human genetic resources, such as patient laboratory testing samples (e.g., blood, tissue) and data and information.

## **Workforce**

Zai Lab is committed to conducting our business in a manner that respects the rights and dignity of all people. In 2023, we collaborated with qualifying Tier 1 suppliers in completing a self-assessment questionnaire (SAQ), which covered a wide range of topics, including labor rights. By conducting this assessment, Zai Lab and our suppliers have a deeper understanding of labor rights impacts across our value chain and identified further mitigation opportunities. Zai Lab anticipates expanding the assessment to more suppliers and conducting annually in subsequent years. We will continuously strive to prevent, mitigate, and remedy adverse impacts throughout our workplace, business operations and in the communities in which we work. When it comes to human rights in our supply chain, we take inspiration from the UN Global Compact and the International Labor Organization (ILO) Standards.

## **Child Labor and Young Workers**

We prohibit the employment of children under the minimum age of employment permitted by the countries in which we operate. Additionally, if the age at the end of compulsory schooling is higher than the local minimum working age, Zai Lab expects its suppliers to abide by the highest regulated age. We expect that young people under the age of 18 (young workers) who are legally able to work, are prohibited from carrying out any hazardous work (e.g., chemical handling, strenuous physical labor, night shifts, etc.). Moreover, all applicable local laws regarding young workers, including access to education, training, health checks and the number of hours allowed to work will be followed.

### **Freely Chosen Employment**

Suppliers must not use forced, bonded, or indentured labor or involuntary prison labor. Suppliers must comply with all applicable anti-slavery and human trafficking laws.

We have a zero-tolerance approach to modern slavery. Modern slavery is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labor and human trafficking, all of which have in common the deprivation of a person's liberty by another to exploit them for personal or commercial gain.

We mandate the same zero tolerance of Modern Slavery from all of our contractors, suppliers and other business partners, and we expect that our suppliers will hold their own suppliers to the same high standards and alert us of risks they have uncovered in their supply chains.

### **Fair Treatment**

Suppliers shall provide a workplace free of harassment, harsh and inhumane treatment, including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers and no threat of any such treatment.

Zai Lab is an equal opportunity employer. We expect our suppliers to ensure job applicants are judged based solely on their qualifications and skillsets. Our suppliers should ensure that everyone is treated equally and respected regardless of an individual's race, color, religion, sex, pregnancy, sexual orientation, gender identity, national origin, age, disability, genetic information, or any other basis protected by applicable law in the countries where we operate, a policy that is documented in our Code of Business Conduct and Ethics. We do not tolerate unlawful discrimination.

### **Wages, Benefits and Working Hours**

Zai Lab expects its suppliers to ensure the payment of wages in legal tender, at regular intervals no longer than one month, in full and directly to the workers concerned. Suppliers should keep an appropriate record of such payments. Deductions from wages are permitted only under conditions prescribed by the applicable laws, regulations or collective agreements, and suppliers should inform the workers concerned of such deductions at the time of each payment.

Zai Lab expects that suppliers will not mandate their employees work more than regular and overtime hours allowed by the country of employment. All overtime work must be voluntary.

## **Product Safety**

We expect our suppliers to ensure that patient health and safety are prioritized during all aspects of our drug discovery, development, manufacturing, and commercialization processes. Part of our product safety and quality process involves gathering information regarding adverse events and product quality complaints from our suppliers. We recognize that reporting adverse events or product quality complaints is not only required by law, it also is essential for healthcare professionals to be informed about the accurate efficacy and safety of our products.

Suppliers must:

- Understand Zai Lab procedures for reporting and handling adverse events and product quality complaints;
- Learn to recognize adverse events and product quality complaints when you come across them; and
- Report any adverse events or product quality complaints of which you become aware, within 24 hours to your Zai Lab point of contact.

## **Freedom of Association and Collective Bargaining**

Suppliers must respect employee's rights to join or not form and join trade unions of their own choosing, to bargain collectively, and to engage in peaceful assembly. Workers and their representatives must be allowed to openly communicate workplace conditions and management practices without fear of retaliation, intimidation, discrimination, reprisal, or harassment. Where local laws restrict these rights, suppliers must be allowed to engage in constructive dialogue concerning employment issues and workplace concerns.

## **Occupational Health and Safety**

Zai Lab understands our responsibility for the occupational health and safety of our employees and our broader workforce. We encourage our suppliers to incorporate the following concepts from our Occupational Health and Safety (OHS) guidelines.

- Conduct OHS risk assessments to identify the hazards that can cause harm in the workplace;
- Prioritize actions to address identified risks;
- Integrate actions to prepare for and respond to emergency situations;
- Establish targets for injury and illness risk reduction;
- Evaluate progress in reducing injury and illness potential;
- Conduct internal inspections;
- Develop and implement procedures to investigate work-related injuries, ill health, diseases and incidents;
- Provide OHS training to employees and/or other relevant parties to raise awareness and reduce OHS incidents;
- Integrate OHS criteria in procurement and contractual requirements; and
- Provide the appropriate personal protective equipment (PPE) for the employees' work at no cost to them.

# Environmental Stewardship

Zai Lab's mission to improve and enhance global health and well-being includes a steadfast commitment to the health of our planet. Zai Lab has established and maintains procedures to ensure compliance with environmental laws, regulations, standards, and other requirements across all operational areas. As Zai Lab expands, we are implementing new standards, policies, and procedures to meet environmental goals and to mitigate current and future environmental risks.

Recognizing the crucial role suppliers play in addressing environmental challenges, such as climate change and biodiversity loss, Zai Lab expects suppliers to assess and reduce their environmental impacts over time. Suppliers should develop responsible procurement and sustainable supply chain policies and adhere to all applicable local and national environmental laws. Where no local regulations exist, suppliers are expected to operate in a manner that safeguards the environment, including, but not limited to, implementing appropriate environmental and occupational health and safety systems compliant with third-party certification standards.

## **Environmental Health and Safety (EHS)**

Zai Lab encourages its suppliers to implement ISO 14001 and 45001-aligned EHS management plans and seek third-party certification when possible.

# Management Systems

Suppliers should have robust management systems in place to ensure:

- Compliance with all applicable laws, regulations, and standards wherever the Supplier operates;
- Adherence to the principles set forth in this Supplier Code of Conduct;
- Communication of the principles set forth in this Supplier Code of Conduct to suppliers throughout the supply and value chain;
- Precise and transparent recordkeeping;
- Regular monitoring or systems and prompt correction of any identified non-compliance;
- Execution of environmental strategy to manage and reduce environmental impacts; and
- Comprehensive training for employees regarding all requirements.



## **Reporting**

If any individual working with us or with our suppliers observes or hears about any known or suspected violations of Zai Lab's commitments, the law, regulation, policy or other potential misconduct, we encourage you to immediately reach out to the Zai Lab Ethics Hotline using the contact information below. The hotline is open 7 days a week, every day of the year.

If you have any questions related to this reporting process or any questions about this Code, please reach out to your Zai Lab point of contact.

### Zai Ethics Hotline Contact Information

Phone: 855-229-9304 (US) or 400-999-4530 (China)  
Website: [www.zailab.ethicspoint.com](http://www.zailab.ethicspoint.com)