

# **AGREEMENT FOR THE PROVISION OF SERVICES**

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## **MEMORANDUM OF AGREEMENT**

This agreement, including the attached **Schedule 1** (*general terms & conditions*), **Schedule 2** (*pricing*), **Schedule 3** (*special terms & conditions*) **Schedule 4** (*work order*) **Schedule 5** (Supplier Privacy Standard), and **Schedule 6** (Information Security Standard) (together, this “**Agreement**”) is made between Eli Lilly Cork Limited, (“**Lilly**”) and the undersigned sole trader, body corporate, partnership or legal entity (the “**Contractor**”), collectively or individually referred to as “**Party**” or “**Parties**” to this Agreement, on the date first written below.

### **I. DESCRIPTION OF AGREEMENT**

Lilly engages the Contractor on a non-exclusive basis to provide services and deliverables to Lilly as may be requested by Lilly from time to time.

### **II. PRECEDENCE OF DOCUMENTS**

Each of the documents forming part of this Agreement as listed in this Memorandum is an essential part of this Agreement and a requirement occurring in one is as binding as though occurring in all. These documents shall be construed as mutually explanatory of one another. In the event of any conflict or inconsistency between the documents, interpretation shall be made by referring to these documents in the following order of precedence:

- Work Order (as may be issued by Lilly as part of this Agreement)
- Special Terms & Conditions (Schedule 3);
- Pricing (Schedule 2);
- General Terms & Conditions (Schedule 1);
- Supplier Privacy Standard (Schedule 5); and
- Information Security Standard (Schedule 6).

## **1. SERVICES**

1.1 The Contractor agrees to provide to Lilly the services described in the applicable Work Order and such other services as are reasonably ancillary to such services (the “**Services**”) with reasonable skill and care, promptly and in accordance with the instructions of Lilly from time to time, Good Industry Practice, the applicable Work Order and all applicable laws.

1.2 It is specifically understood that this Agreement shall be interpreted as a non exclusive Agreement. Accordingly, subject to the requirements of Clause 16, either Party shall be free to enter into agreements for services of a similar nature with any other Party without limitation.

## **2. ORDERING**

All Services shall be performed pursuant to a Work Order. Each Work Order shall be performed in accordance with this Agreement and any additional terms and conditions set out in the Work Order. Lilly makes no representation and gives no warranty, guarantee or undertaking as to the volume or extent of Services it may require from the Contractor during the term of this Agreement.

## **3. PAYMENT**

3.1 In consideration of the performance by the Contractor of its obligations under this Agreement, Lilly agrees to make the payments to the Contractor in the manner and terms set out in Schedule 2.

3.2 Unless expressly stated otherwise in Schedule 2 all amounts stated as payable by Lilly to the Contractor in Schedule 2 are inclusive of value added tax.

3.3 Unless expressly stated otherwise in Schedule 2 sets out an exhaustive list of the payments due from Lilly to the Contractor under this Agreement.

3.4 All invoices for amounts stated as payable by Lilly to the Contractor in Schedule 2 shall be in such form, and accompanied by such information, as may reasonably be requested by Lilly from time to time for the purpose of permitting it to verify the amounts charged in the invoice. Each invoice shall quote the applicable Lilly purchase order and Work Order numbers.

3.5 Unless expressly stated otherwise in Schedule 2, payment of the amount owed and any VAT shall be due within 60 days from the date on which the invoice is received by Lilly; however, if Lilly disputes any portion of an invoice, Lilly shall pay only the undisputed portion of such invoice and shall notify the Contractor of the amount in dispute and the basis on which such amounts are disputed. The Parties agree that Lilly shall not be liable to pay interest on any invoice which is overdue as a result of dispute.

3.6 All invoices for amounts stated as payable by Lilly to the Contractor shall be in such form, and accompanied by such information, as may reasonably be requested by Lilly from time to time for the purpose of permitting it to verify the amounts charged in the invoice. The Contractor shall use such electronic invoicing portal as Lilly may operate from time to time. Lilly will provide the Contractor further information about its electronic invoicing portal, including the required information and format for invoices. Invoice/credit notes submitted via invoicing platform will be the document of record for tax purposes

3.7 Lilly shall be entitled to set-off any matured obligation owed by the Contractor to Lilly under this Agreement (including, without limitation, the amount of any defects in the Services, and/or the amount of any Loss which has been incurred (or is likely to be incurred) by Lilly by reason of any breach of, or failure to observe the provisions of this Agreement) against

any obligation (whether matured or unmatured) owed by Lilly to the Contractor. If an obligation is unascertained or unliquidated, Lilly may in good faith estimate that obligation and set off in respect of the estimate subject to the relevant Party accounting to the other when the obligation is ascertained or liquidated. Lilly shall not be obligated to pay any amounts to the Contractor under this Agreement so long as any sums which are then due by the Contractor to Lilly under this Agreement remain unpaid, and any such amounts which would otherwise be due shall fall due from Lilly only if and when the Contractor has paid all such sums.

## **4. DELIVERABLES**

4.1 The Contractor shall, where applicable, provide the Deliverables in accordance with this Agreement and more specifically the applicable Work Order.

4.2 Title and risk in any Deliverables acquired by Lilly under this Agreement shall pass to Lilly upon the delivery to, and acceptance of such Deliverables by, Lilly, free from any third Party rights or interests

4.3 The Contractor represents and warrants to Lilly on an ongoing basis that any Deliverables to be supplied under this Agreement, are and will be, fit for purpose, of merchantable quality, free from defects, free from any third Party rights and interests (including liens, charges and options) and that the use or possession by Lilly of any Deliverables will not subject Lilly to any claim for infringement of any Intellectual Property Rights of any third Party.

## **5. INDEPENDENT CONTRACTOR**

5.1 The Contractor agrees that the Contractor’s Personnel engaged by it in providing the Services shall remain in the employ of the Contractor and nothing herein shall constitute or establish a relationship of agency or employment between the any of the Contractor’s Personnel and Lilly. However, all the Contractor’s Personnel shall when working at Lilly’s premises conform to the general working terms and conditions of Lilly. The Contractor shall discharge all its obligations as employer in respect of the Contractor’s Personnel for its own account and shall indemnify and keep indemnified Lilly against any Losses arising out of or in connection with any failure by the Contractor to comply with its obligations in respect of any of the Contractor’s Personnel.

5.2 The Contractor acknowledges and agrees that it is not intended that there should be transferred to Lilly the obligations of any person as employer arising under any contract of employment, in consequence of, or in connection with, the entry by the Parties into, or the performance by them of their obligations under, this Agreement, or the termination of this Agreement, or the transfer to Lilly of any function to be performed by it under this Agreement. If, notwithstanding that intention, any such obligations are transferred to Lilly by operation of law (whether pursuant to the European Communities (Protection of Employees’ Rights on Transfer of Undertakings) Regulations, 2003 or otherwise), then the Contractor shall indemnify Lilly on demand against all Losses which may be suffered or incurred by Lilly arising out of or in connection with any such transfer, or any contract of employment so transferred to Lilly, or the termination of any such contract of employment by Lilly subsequent to any such transfer (which Lilly shall be free in its absolute discretion to terminate without prejudice to its rights under this Clause).

## **6. LIABILITY AND INSURANCE**

6.1 The Contractor shall indemnify and keep indemnified Lilly on demand from and against any Losses suffered or incurred by Lilly (or any

of its Personnel) arising out of or in connection with any of the following events:

- (a) any personal injury (including death) or damage to any property caused by any neglect or deliberate act or omission by any of the Contractor's Personnel; and/or
- (b) any breach by the Contractor of any of its obligations under Clause 8, or any failure by any of the Contractor's Personnel to treat the Confidential Information in accordance with the undertakings contemplated by Clause 8.2.

62 Nothing in this Agreement shall be construed as limiting or excluding the liability of any Party for fraud, for death or personal injury resulting from the negligence of that Party or any of its Personnel or the liability of the Contractor under Clause 6.1.

63 Subject to Clause 6.2 neither Party shall be liable for any indirect or consequential loss (including, without limitation, any loss of profits, loss of reputation, loss of goodwill, loss of opportunity or loss of business) suffered by the other under this Agreement.

64 The Contractor shall effect and maintain at all times during the currency of this Agreement and for a period of 12 months following its termination (at its own expense) general liability insurance in such indemnity amounts and subject to such elements of self insurance as would be affected and maintained by a prudent Contractor in the position of the Contractor.

65 Without prejudice to the generality of Clause 6.4, the Contractor shall effect and maintain at all times during the currency of this Agreement and for a period of 12 months following its termination (at its own expense) the following policies of insurance:

- (a) employer's liability insurance (including product liability insurance);
- (b) general third Party liability insurance against property damage or destruction or loss or loss of use and any death, illness, disease or personal injury, physical or mental, caused by, arising out of or in any way connected with the performance of this Agreement; and
- (c) such other insurances as may be specified in Schedule 3 in indemnity amounts satisfactory to Lilly and as may be identified in Schedule 3.

66 As part of the provision of the Services, the Contractor's goods, plant, or machinery (including any modes of transportation of any of the Contractor's Personnel engaged in the provision of the Services) may be placed on the Site. In such instance, said goods, plant or machinery shall be at the risk of the Contractor and shall be insured by the Contractor on an "all risks" basis as appropriate.

67 All insurances required to be effected by the Contractor shall be effected through or with (as applicable) insurance brokers and insurers of recognised standing.

68 The Contractor shall supply Lilly with evidence of compliance by the Contractor with its obligations under Clauses 6.4, 6.5 and 6.7 as Lilly may require from time to time including, without limitation, certified copies of the certificates of insurances relating thereto which certificates shall incorporate any exclusions. The Contractor shall furnish the receipt for the last premium upon execution of this Agreement and thereafter upon request by Lilly from time to time.

69 The Contractor shall notify Lilly in writing of any material change to, lapsing or cancellation of any policy of insurance required to be effected by it under this Agreement within five business days of the same occurring.

## 7. INTELLECTUAL PROPERTY

7.1 Subject to Clause 7.3, all Intellectual Property Rights in and to Work Product shall vest and remain vested in Lilly.

7.2 The Contractor further agrees to do and execute (and shall procure that each of the Contractor's Personnel do and execute) all matters, acts,

things and documents that are necessary to finalise the assignment and transfer or any intellectual property rights in Work Product to Lilly or register Lilly as the owner of registrable rights.

73 Contractor Background shall remain vested in the Contractor or the Contractor's Personnel as the case may be, but Lilly shall (for its own benefit and as trustee for the benefit of its Affiliates) have an irrevocable royalty free licence to copy and use and to reproduce Contractor Background for any reasonable purpose relating to the Services, including, without limitation, the execution, completion of the Services or maintenance, letting, promotion, advertisement, reinstatement and repair of any work arising out of or in connection with the Services.

74 All Intellectual Property in and to all Lilly Materials are vested and shall remain vested in Lilly. The Contractor shall not use Lilly Materials for any other purpose other than the supply of Services pursuant to this Agreement. The Contractor acknowledges and agrees that no licence is granted to the Contractor in respect of Lilly Materials other than expressly granted by the provisions of this Agreement. The Contractor shall return (at its own cost) all Lilly Materials to Lilly at any time upon receipt of a request from Lilly.

## 8. CONFIDENTIALITY

8.1 The Contractor shall at all times keep confidential the Confidential Information and shall not, without the prior written consent of Lilly, use, disclose, copy or modify the Confidential Information other than as necessary for the exercise of its rights, and performance of its obligations, under this Agreement.

8.2 The Contractor undertakes to disclose Confidential Information only to those of the Contractor's Personnel to whom, and to the extent to which, such disclosure is necessary for the exercise of its rights and performance of its obligations under this Agreement, and to procure that such persons are made aware of, and agree in writing (in a form specified by Lilly) to observe the obligations of confidentiality in Clause 8.1.

8.3 The Contractor shall give notice to Lilly of any unauthorised use, disclosure, theft or other loss of the Confidential Information immediately upon or as soon as practicable after becoming aware of it.

8.4 The provisions of Clauses 8.1 and 8.2 shall not apply to information that:

- (a) was, at the time of receipt by the Contractor, in the public domain;
- (b) has, after receipt by the Contractor, entered the public domain through no act or omission of the Contractor, its servants, agents, or contractors; or
- (c) is by law or by any court or order of any governmental or regulatory authority required to be disclosed, to the extent of the relevant disclosure requirement.

8.5 If the Contractor is required by law or by any order of any court or governmental or regulatory authority to disclose the Confidential Information, it shall promptly notify Lilly of receipt of notice of that requirement and, at the request and cost of Lilly, shall assist it in opposing any such disclosure.

8.6 The existence and terms of this Agreement are confidential and may not be disclosed by the Contractor without Lilly's consent. In particular, the Contractor shall not refer to Lilly or any information relating to the Services in any promotional material of any nature without the prior written approval of Lilly.

8.7 If the Contractor breaches or violates any of the provisions of this Agreement, the Contractor agrees that damages can in no way compensate therefor and that injunctive relief is reasonable and essential to safeguard the legitimate interests of Lilly. Accordingly, the Parties hereby agree and

declare that, (in addition to any other remedies afforded by a court of equity) injunctive relief may be obtained by Lilly.

## **9. TERMINATION**

91 This Agreement shall come into effect on the date of this Agreement, and shall continue in full force for so long as a valid Lilly purchase order remains in existence unless terminated sooner under Clause 9.2, Clause 9.3 or Clause 10.2.

92 Lilly may terminate this Agreement at any time by giving 14 days' notice in writing to that effect to the Contractor.

93 The occurrence of an Event of Default in relation to the Contractor shall constitute repudiation (but not a termination) of this Agreement by the Contractor (whether the occurrence of that Event of Default is voluntary, involuntary or occurs by operation of law or pursuant to any decree or order of any court). If an Event of Default occurs and is continuing in relation to the Contractor, then Lilly may, at its option (and without prejudice to any other rights or remedies which it may have under this Agreement or otherwise):

- (a) suspend the operation of this Agreement for such period of time as it, in its absolute discretion, sees fit; or
- (b) accept such repudiation and by notice terminate this Agreement (but without prejudice to the continuing obligations of the Contractor under this Agreement) whereupon all rights of the Contractor under this Agreement shall cease; and/or
- (c) proceed by appropriate court or other action to enforce performance of this Agreement and/or to recover damages for the breach of this Agreement.

94 For the purposes of this Agreement, each of the following shall be an Event of Default:

- (a) the Contractor fails to comply with any obligation on its part under this Agreement which failure is, in the opinion of Lilly, material, and either that failure is not susceptible to remedy or, if it is susceptible to remedy, it is not remedied within 14 days of notice having been given by Lilly to the Contractor requiring that failure to be remedied;
- (b) the Contractor is, or is deemed for the purposes of any relevant law to be, unable to pay its debts as they fall due or to be insolvent, or admits inability to pay its debts as they fall due; or the Contractor suspends making payments on all or any class of its debts or announces an intention to do so, or a moratorium is declared in respect of any of its indebtedness; or
- (c) any step (including the making of any proposal, the convening of any meeting, the passing of any resolution, the presenting of any petition or the making of any order) is taken with a view to a composition, assignment or arrangement with any creditors of, or the winding up, liquidation or dissolution of, the Contractor; or any liquidator, receiver or examiner is appointed to or in respect of the Contractor or any of its assets.

95 In any of the circumstances in this Clause 9, in which Lilly may terminate this Agreement, Lilly may instead terminate any Work Order.

96 Upon the termination of this Agreement for any reason, the Contractor shall:

- (a) promptly deliver to Lilly or, at Lilly's option, destroy all Confidential Information in its possession or control;
- (b) deliver up all records required to be maintained by it pursuant to this Agreement;
- (c) deliver up all Lilly property, equipment or materials in its possession or under its control (including, without limitation, keys and security swipes);
- (d) remove all of its equipment and belongings and those of its Personnel from the Site; and

(e) fully co-operate with Lilly and the Replacement Contractor in the migration of the Services from the Contractor to Lilly or a Replacement Contractor.

97 The termination of this Agreement or any Work Order shall be without prejudice to the rights of each of the Parties accrued up to the date of termination.

98 The provisions of this Clause and 5.1 and, to the extent applicable, 17 shall survive the termination of this Agreement however it arises, and shall continue to bind the Contractor without limit in time.

99 Without prejudice to Clause 9.7, Lilly shall not be liable to the Contractor for any loss of profits or loss of future earnings arising out of or in connection with termination of this Agreement or any Work Order howsoever arising.

## **10. FORCE MAJEURE**

101 No Party shall be liable for its inability or delay in performing any of its obligations hereunder if such delay is caused by an Event of Force Majeure. The Party claiming the Event of Force Majeure shall promptly notify the other in writing of the reasons for the delay or stoppage (and the likely duration) and shall take all reasonable steps to overcome the delay or stoppage.

102 If performance of a material obligation under this Agreement is prevented by any Event of Force Majeure for a continuous period of 30 days or more, then the Party for whose benefit the affected obligation would have been performed shall be entitled, by the giving of notice in writing to the other Party, immediately to terminate this Agreement and neither Party shall be liable to the other for such termination.

## **11. HEALTH AND SAFETY**

11.1 Without prejudice to the generality of Clause 1.1, the Contractor shall comply with all necessary safety precautions and safety legislation relevant to the Services including but without limitation the Safety, Health and Welfare at Work Act, 2005, and any amendments thereof and/or regulations rules or orders made pursuant thereto, including the Safety Health & Welfare at Work (Construction) Regulations 2006 (in so far as they are applicable to the Services), the Safety Health and Welfare at Work (General Applications) Regulations 1993 to 2008, the Confined Space Regulations 2001 and any amendments thereof. The Contractor shall also comply with any safety and site rules or requirements as may be advised of by Lilly (a copy of such safety and site rules or requirements must be secured by the Contractor before it proceeds with any of its Services).

11.2 The Contractor shall ensure that each member of the Contractor's Personnel shall comply with all statutory obligations and Lilly's safety requirements, including the Lilly Consultancies Safety Booklet.

11.3 The Contractor shall ensure that each member of the Contractor's Personnel shall confine himself to the areas designated by Lilly and that each such member complies at all times with Lilly badge and pass requirements at the Site.

## **12. POLICIES AND PROCEDURES**

12.1 The Contractor shall comply with, and shall ensure that each of the Contractor's Personnel shall be aware of, and shall comply with, Lilly's policies and procedures. It shall be a term of this Agreement that the Contractor shall direct the Contractor's Personnel to attend any training or orientation provided by Lilly in relation to Lilly's policies and procedures, at no cost to Lilly.

12.2 If there is any alleged breach of Lilly's policies and procedures by the Contractor or any of the Contractor's Personnel, Lilly reserves the right to require the Contractor to remove those Contractor's Personnel from the Site and from performance of the Services.

123 The Contractor shall procure that the Contractor's Personnel participate in any investigations, enquires or hearings provided for under any of Lilly's policies, and the failure by the Contractor or any of the Contractor's Personnel to participate in any such procedure shall entitle Lilly to require the Contractor to remove any of the Contractor's Personnel from the Site.

124 In the performance of its Services and obligations under this Agreement, the Contractor shall comply with all applicable laws, applicable Lilly policies and professional or good practice standards or codes applicable to the nature of the Services provided, including, but not limited to: (a) Applicable provisions of the Supplier Privacy Standard as attached hereto as **Schedule 5**, and (b) Applicable provisions of the Information Security Standard attached hereto as **Schedule 6**. For the avoidance of doubt, references to Supplier in Schedules 5 & 6 shall read as references to the Contractor and are binding on same.

### 13. AUDIT AND RECORDS

131 The Contractor shall create and maintain all records:

- (a) required by this Agreement, any applicable Work Order and applicable law that relate to this Agreement and to the Contractor's performance of the Services;
- (b) sufficient to demonstrate that any and all amounts invoiced to Lilly under this Agreement are accurate and proper in both kind and amount;
- (c) sufficient to demonstrate the accuracy of any reports submitted to Lilly under this Agreement or compliance with any applicable Lilly policies and procedures; and
- (d) sufficient to enable Lilly to comply with applicable laws relating in particular to labour, environmental, safety and security issues.

(together referred to as the "**Records**").

132 In creating and maintaining the Records, the Contractor shall employ standards and practices that are no less rigorous than those employed by prudent, well managed enterprises within the relevant jurisdiction that provide types of products and services similar to those that the Contractor provides under this Agreement.

133 The Contractor shall maintain all of the Records listed above for the longest of the following retention periods that applies:

- (a) any period prescribed by applicable law or stated expressly in this Agreement in another section;
- (b) for Records related to an invoice, for three (3) years after the Contractor receives timely payment in full of all compensation for the Services to which the invoice relates;
- (c) for Records related to reports submitted to Lilly, for three (3) years after the report is submitted;
- (d) for all Records not addressed by one of the above, for three (3) years after the term of this Agreement.

134 The Contractor shall allow Lilly to inspect (and, upon request, the Contractor shall furnish copies of) Records the Contractor is required to create or maintain under this Agreement but only for the purposes of evaluating and verifying:

- (a) the Contractor's compliance with the requirements of this Agreement;
- (b) the Contractor's compliance with applicable law and applicable regulations for the pharmaceutical industry related to this Agreement;
- (c) the accuracy and propriety of any invoice submitted to Lilly by the Contractor; and
- (d) the accuracy of any reports submitted to Lilly.

135 Subject to giving the Contractor 8 business days' advance written notice, Lilly may enter and inspect during regular business hours only those

premises designated by the Contractor where Records shall be made available to Lilly or where works or services relating to the Services are performed and shall comply with the Contractor's security and access rules and procedures, a copy of which the Contractor shall provide to Lilly prior to such inspection, to accomplish the evaluations and verifications described in Clause 13.4 above. The Contractor shall cooperate with Lilly and provide reasonable assistance to Lilly to facilitate the evaluation and inspection, and Lilly shall reasonably cooperate with the Contractor to mitigate disruption to the Contractor's operations. In the event that Records are maintained, works or services are performed relating to the Services, or Lilly's property is kept at premises that the Contractor does not control, the Contractor shall use its reasonable endeavours to secure rights of entry and inspection sufficient to allow Lilly to exercise its rights under this Clause.

136 Lilly, its agents or its designees may exercise Lilly's rights of entrance and inspection under this Clause 13 and shall comply with the Contractor's security and access rules and procedures. Persons that Lilly may designate include Lilly's independent auditors and the representatives of any governmental or regulatory authorities having jurisdiction under applicable law and applicable regulations for the pharmaceutical industry or its activities related to this Agreement. During such inspection, Lilly's agents or its designees shall treat any information, data, or documents that they may inadvertently have access to relating to the Contractor, its clients or third Parties as strictly confidential.

137 For Records generated by electronic databases, spreadsheets, programs or the like, Lilly's rights to access and inspection under this Clause 13 extend to the database, spreadsheet subject to complying with the Contractor's IT security rules, a copy of which the Contractor shall provide Lilly prior to such inspection, as well as the Record itself.

138 In the event that Lilly determines that it has paid the Contractor more than the Contractor was entitled to be paid, Lilly shall give the Contractor written notice of the overpayment with supporting evidence. In the event the Contractor does not dispute the notice of overpayment, the Contractor shall promptly refund overpayments.

139 Lilly shall pay its own expenses for any inspection of the Records of the Contractor's premises. However, if in any audit, Lilly determines that material issues exist that result, resulted or shall result in an overcharge of 2% or more of the invoiced amount for the audited Services, the Contractor shall, within thirty (30) days, reimburse Lilly for its out-of-pocket costs incurred in conducting the audit with such costs not to exceed €15,000. This sub-clause is intended as a fair allocation of audit expenses, not as damages or a penalty.

1310 Records required by this Clause may also fall within the definition of Work Product, Deliverables or the Contractor Background. The property rights to such Records are established elsewhere in this Agreement, not in this Clause. The Records may also contain Lilly's Confidential Information; if so, the Contractor shall satisfy the obligations under Clause 8, in addition to the obligations of this Clause.

1311 The Contractor's obligations to maintain Records under this Clause 13 are extinguished to the extent that the Contractor properly satisfies an obligation elsewhere in this Agreement to dispose of such Records or to deliver such Records to Lilly or otherwise properly disposes of them in accordance with other provisions of this Agreement.

1312 References to the obligations of the "Contractor" throughout this Clause 13 shall be deemed to include the Contractor's vendors and suppliers. Lilly shall have the same right to access and inspection of the Records and premises of such vendors and suppliers in respect of matters relating to the Services, as between Lilly and the Contractor. The

Contractor shall ensure that such right of access and inspection is included in any contracts of the Contractor with its vendors / suppliers in relation to the Services.

#### **14. DATA PROTECTION**

141 The provisions of this Clause shall apply to this Agreement to the extent the Contractor processes Relevant Personal Data on behalf of Lilly.

142 The Parties acknowledge that, in relation to Relevant Personal Data, and for the purposes of the Data Protection Acts, Lilly is the data controller and the Contractor is a data processor.

143 The Contractor agrees with Lilly that:

- (a) it shall only process Relevant Personal Data in accordance with the instructions of Lilly from time to time;
- (b) it shall not sell, transfer or allow access to any Relevant Personal Data to any other Party other than those of its officers, employees, agents and contractors to whom, and to the extent to which, such disclosure is necessary for the purposes contemplated by this Agreement;
- (c) it shall not copy any Relevant Personal Data or maintain any Relevant Personal Data on any other systems, application or other medium other than required for the purposes of this Agreement;
- (d) it shall not transfer any Relevant Personal Data outside the European Economic Area;
- (e) it shall take reasonable steps to ensure that the Relevant Personal Data is accurately recorded and kept up to date; and
- (f) it shall maintain procedures for checking, correction and updating the Relevant Personal Data and notifying Lilly of any corrections.

144 The Contractor shall take all reasonable measures with a view to preventing unauthorised access to, or unauthorised alteration, disclosure or destruction of, any Relevant Personal Data in the custody of the Contractor, and the Contractor shall take all reasonable steps to ensure that its personnel are aware of and comply with those measures.

145 As between Lilly and the Contractor all Relevant Personal Data shall be the property of Lilly.

146 The Contractor shall promptly notify Lilly of each request from a data subject for access to Relevant Personal Data relating to him. The Contractor shall not accede to any such request for access except on the instructions of Lilly.

147 The Contractor shall indemnify Lilly on demand from time to time from and against all Losses suffered or incurred by Lilly arising out of or in connection with breach by the Contractor of its obligations under this Clause 14.

#### **15. ANTI-BRIBERY**

151 The Contractor undertakes that it shall perform its obligations under this Agreement in compliance with all laws, enactments, orders, regulations and guidance applicable from time to time.

152 The Contractor warrants that it has not and undertakes to Lilly that it shall not (and shall procure that no Contractor and none of its Personnel shall) in connection with the transactions contemplated by this Agreement, or in connection with any other business transactions between it and Lilly by any of the following:

- (a) make or offer to make any payment or transfer anything of value, whether directly or indirectly, to any local, state, federal, national, supranational or any other type of governmental officer or official, or other person charged with similar public or quasi-public duties (including employees of a government corporation or public international organisations) or to any political Party or candidate for public office other than payments required by applicable law;
- (b) make or offer to make any payment or transfer anything of value, whether directly or indirectly, to any other person or entity the purpose of

which is to influence such person to do business with any of the Parties; or

(c) make or offer to make any payment or transfer anything of value, whether directly or indirectly, in the nature of bribery or any other unlawful payment in violation of any applicable law;

(d) and/or acquire, handle, conceal, convert or otherwise deal in any property that is the proceeds of any illegal activity or criminal conduct.

153 The Contractor shall notify Lilly in writing as soon as possible of any governmental or regulatory review, audit or inspection of its facility, processes, or works that might relate to the subject matter of this Agreement. The Contractor shall provide Lilly with the results of any such review, audit or inspection save to the extent is legally precluded from so doing. If so requested by Lilly, the Contractor shall afford Lilly with the opportunity to provide assistance to the Contractor in responding to any such review, audit or inspection.

154 The Contractor acknowledges that failure to comply with the provisions of this Clause 15 shall constitute a material breach of its obligations under this Agreement.

#### **16. ASSIGNMENT & SUBCONTRACTING**

161 The Contractor shall not, without the prior written consent of Lilly:

- (a) assign, transfer (whether voluntarily or involuntarily, by operation of law or otherwise) or create or permit to exist any right, title or interest (including, without limitation, any security interest and any beneficial interest under any trust) in, to or under, any of its rights under this Agreement; or
- (b) purport to transfer, sub-contract or delegate any of its obligations under this Agreement.

162 If the Contractor wishes to sub-contract any of its obligations under this Agreement, it shall seek the prior approval of Lilly and shall provide such information in relation to the proposed sub-contractor as Lilly may reasonably request from time to time in order to verify identity of that person and its ability to carry out the Contractor's obligations under this Agreement.

163 Notwithstanding any sub-contracting by the Contractor, the Contractor shall remain responsible for all acts and omissions of its sub-contractors and the acts and omissions of those employed or engaged by the sub-contractors as if they were its own. An obligation on the Contractor to do, or to refrain from doing, any act or thing shall include an obligation on the Contractor to procure that its Personnel and the sub-contractors' Personnel also do, or refrain from doing, such act or thing.

164 Lilly in its sole discretion may assign, novate or otherwise dispose of this Agreement (in whole or in part) to an Affiliate or any Party to whom it assigns, transfers or subcontracts all or a substantial part of its business.

165 Lilly may subcontract the performance of any of its obligations under this Agreement to any Affiliate or any third Party to whom it entrusts the administration of facilities and services at the Site. Without prejudice to the generality of the foregoing Lilly may, from time to time, elect to have this Agreement administered by a third Party facilities management Contractor as Lilly's representative in such matters.

#### **17. GENERAL**

171 Nothing in this Agreement shall create, or be deemed to create, a partnership, joint venture, or the relationship of principal and agent, between the Parties or any of them, and neither of the Parties shall have any right or authority to act on behalf of the other or to bind the other in any way.

172 Notices and other communications under or in connection with this Agreement may be given in writing by hand, by ordinary pre-paid post or by facsimile or by email, save that service of any notice of any claim,

dispute, termination, breach or legal proceedings in connection with this Agreement shall not be made by email. Any such notice, if so given, shall be deemed to have been served:

- (a) if sent by hand, when delivered;
- (b) if sent by post, one business day after posting;
- (c) if sent by facsimile, upon production by the sender's facsimile transmission system of a receipt confirming transmission of the communication to the correct facsimile number; and
- (d) if sent by e-mail upon production by the sender's email system of a delivery receipt (or equivalent) confirming delivery of the communication to the correct e-mail address.

The address, telephone number and facsimile number of each Party for the purpose of the giving of notices under this Agreement shall be that set forth in the Memorandum of Agreement in relation to that Party (or such other address or number or address (if any) as has, for the time being, most recently been stipulated by the addressee concerned in a notice to the other Party given in accordance with this Clause).

173 Each Party shall (at its own cost) do and execute, or arrange for the doing and executing of, each necessary act, document and thing as may be reasonably requested of it by any other Party to implement this Agreement.

174 If the whole or any part of a provision of this Agreement is or becomes illegal, invalid or unenforceable, that shall not affect the legality, validity or enforceability of the remainder of the provision in question or any other provision of this Agreement

175 The Parties recognise that printed purchase orders, invoices and other commonly used form documents relating to the performance of any obligations hereunder may contain terms which conflict with one or more terms of this Agreement. In case of any such conflict, the relevant terms of this Agreement shall prevail.

176 This Agreement contains the sole and entire agreement between the Parties in relation to its subject matter and supersedes all prior written and oral arrangements, understandings, representations, warranties and agreements between them in that regard. Each Party acknowledges that it is not relying, and will not seek to rely on any arrangement, understanding, representation, warranty, agreement, term or condition which is not expressly set out in this Agreement. Nothing in this Clause 17.6 shall be construed as excluding liability for fraud, or death or injury caused by the negligence of either Party.

177 Each of the rights of each Party under this Agreement may be exercised as often as is necessary, is cumulative and not exclusive of any other rights which that Party may have under this Agreement, law or otherwise; and may be waived only in writing and specifically. Delay by a Party in exercising, or the non-exercise by a Party of, any such right will not constitute a waiver of that right.

178 Any amendment to this Agreement must be in writing and duly signed for and on behalf of each of the Parties to this Agreement.

179 This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

17.10 This Agreement and any non-contractual obligations arising out of or in connection with this Agreement shall be governed by, and construed in accordance with, the laws of Ireland.

17.11 The Irish courts have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement and the Parties submit to the exclusive jurisdiction of the Irish courts.

## 18. INTERPRETATION.

181 In this Agreement:

“**Affiliate**” means, in relation to a person, any other person which controls, is controlled by or is under common control with that first person; and for this purpose “control” means possession of the power to direct or cause the direction of the management and policies of a person whether by membership, ownership, contract or otherwise;

“**Confidential Information**” means any and all information relating to Lilly or its Affiliates or licensors which is disclosed to the Contractor and/or to which the Contractor has access, whether in oral, written or electronic form or by way of model or in other tangible form and whether before, on or after the date of this Agreement including (without limitation): (i) technical, commercial, scientific and other data, processes and information relating to, amongst other things, products developed or being developed by Lilly or its Affiliates and research and development proposals or projects of Lilly or its Affiliates; (ii) information relating to the business affairs and activities of Lilly or its Affiliates (including, without limitation, all information relating to, or comprised in, customer and supplier information, business, financial, customer, product and service development plans, forecasts, strategies, names and expertise of employees and consultants); and (iii) information and data relating to Lilly's or its Affiliates' compounds, drug substances and chemical and biological compositions, and all results, information and other data arising out of or in any way connected with the analysis of these substances;

“**Contractor Background**” means any materials or Intellectual Property Rights created by the Contractor or any of its Personnel prior to the Commencement Date or independently of the Services which are otherwise owned or licensed by the Contractor as at the Commencement Date;

“**Data Protection Acts**” means the Data Protection Acts 1988 and 2003 of Ireland;

“**date of this Agreement**” means the date first written on the Memorandum of Agreement;

“**Deliverable**” means any good, equipment, information, material, technology or other deliverable to be supplied by the Contractor to Lilly under or in connection with this Agreement;

“**Event of Force Majeure**” means an act of God including but not limited to fire, flood, earthquake, windstorm or other natural disaster; act of any sovereign including but not limited to war, invasion, act of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation, nationalisation, requisition, destruction or damage to property by or under the order of any government or public or local authority or imposition of government sanction embargo or similar action; law, judgment, order, decree, embargo, blockade, labour dispute including but not limited to strike, lockout or boycott (save where such labour dispute is induced by the Party so incapacitated); interruption or failure of utility service including but not limited to electric power, gas, water or telephone service;

“**Good Industry Practice**” means the exercise of such reasonable skill, care, prudence, efficiency, foresight and timeliness as would be expected from a reasonably and suitably skilled, trained and experienced person engaged in the same type of undertaking and for the same or similar circumstances;

“**Intellectual Property Right**” means any and all intellectual property rights including without limitation, patents, inventions, copyright (including but not limited to all rights in respect of software), trade marks, database rights, design rights, topography rights, whether or not any of these is registered and including any applications for registration of any such rights, know-how, confidential information and trade secrets (including designs, processes or products that are to become or may become the subject of an application as aforesaid) and all rights or forms of protection of a similar

nature or having similar effect to any of these that may exist anywhere in the world;

“**Lilly Materials**” means all materials, samples, drawings, specifications provided by Lilly to the Contractor;

“**Loss**” includes any demand, claim, proceeding, suit, judgement, loss, liability, cost, expense, fee, penalty or fine;

“**Personnel**” means in respect of a person, any of that person’s employees, servants, agents or sub-contractors;

“**Relevant Personal Data**” means personal data (as defined in the Data Protection Acts) delivered to the Contractor by or at the direction of Lilly, or collected by the Contractor, for the purposes of this Agreement;

“**Site**” means Lilly’s premises at 11 Eastgate Avenue, Eastgate Business Park, Little Island, Co. Cork, or such other locations as may be requested by Lilly;

“**Work Order**” means any work order issued by Lilly in connection with this Agreement; and a specimen of a work order is set out in Schedule 4.

“**Work Product**” means all drawings, designs, reports, specifications, calculations or other documents including all information stored on any computer or disk whatsoever generated, obtained or provided by or on behalf of the Contractor (or any of the Contractor’s Personnel) in connection with the Services (other than Contractor Background).

182 In this Agreement, unless the contrary intention is stated, a reference to:

- (a) the singular includes the plural and vice versa;
- (b) either gender includes the other;
- (c) a person shall be construed as a reference to any individual, firm or company, corporation, governmental entity or agency of a state or any

association or partnership (whether or not having separate legal personality) or two or more of the foregoing;

(d) a person includes that person’s legal personal representative, permitted assigns and successors;

(e) time shall be construed by reference to whatever time may from time to time be in force in Ireland;

(f) any agreement document or instrument is to the same as amended, novated, modified, supplemented or replaced from time to time;

(g) a Recital, Clause or Schedule, is a reference to a recital, clause or schedule of this Agreement;

(h) a statute, by-law, regulation, delegated legislation or order is to the same as amended, modified or replaced from time to time, and to any by-law, regulation, delegated legislation or order made thereunder;

(i) ‘including’ means comprising, but not by way of limitation of any class, list or category;

(j) ‘writing’ shall include a reference to any electronic mode of representing or reproducing words in visible form (other than by short messaging service); and

(k) ‘business day’ shall be construed as a reference to a day (other than a Saturday or Sunday) on which the banks are generally open for business in Ireland.

183 Headings are to be ignored in the construction of this Agreement.

184 References to ‘this Agreement’ shall be mean clauses of, and schedules, appendices and attachments (if any) to this Agreement, all of which shall be read together as one document. [ends]



**SCHEDULE 2- PRICING**

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As per Schedule 3 agreed by both the Contractor and Eli Lilly Cork Limited

**SCHEDULE 3– SPECIAL TERMS AND CONDITIONS**

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**1. Contractor Insurances**

<b>Description</b>	<b>Indemnity Limits</b>	<b>Other conditions<sup>1</sup></b>
Employer’s liability insurance for any one event [and unlimited in the aggregate]	€13,000,000 [thirteen million Euro]	[For example -Lilly shall be noted as a principal and such policy shall contain a indemnity to principals clause]
Professional Indemnity insurance for any one event [and unlimited in the aggregate].	€13,000,000 [thirteen million Euro]	
General third party insurance including public liability and Product Liability for any one event [and unlimited in the aggregate].	€6,500,000 [six million five hundred thousand Euro]	
Maximum permitted deductible/excess limit for the Contractor’s public liability insurance unless specifically disclosed in respect of:  (a) property damage  (b) personal injury	[€10,000]  [ €10,000]	
Automobile insurance:  (a) for personal injury / death  (b) for third party property damage	Unlimited  €1,000,000 [one million Euro]	

**2. Other Special Terms & Conditions<sup>2</sup>**

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<sup>1</sup> Lilly should check with their own insurance provider as to what insurances they should insist on a Contractor holding before they enter into a contract with a Contractor.

<sup>2</sup> Lilly to include any special terms particular to the service in question which may require.

## SCHEDULE 4 - WORK ORDER

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### **1. Service Description**

Please refer to the Quotation agreed by both the Contractor and Eli Lilly Cork Limited for a detailed description of the Services/Materials being provided

### **2. Service Team**

As agreed by both the Contractor and Eli Lilly Cork Limited

### **3. Service Management**

As agreed by both the Contractor and Eli Lilly Cork Limited

## SCHEDULE 5 – SUPPLIER PRIVACY STANDARD

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### 1. Purpose

This Supplier Privacy Standard (or "Standard") sets forth confidentiality and privacy requirements with respect to Personal Information Processed by Supplier on behalf of Lilly to ensure that the Processing by Supplier is compliant with applicable privacy and data protection laws globally and the requirements of Eli Lilly's Global Privacy Program.

### 2. Definitions.

For the purposes of this Standard:

(a) "Agreement" means the entire agreement between the Supplier and Lilly under which the Supplier performs services including the Processing of Personal Information on behalf of Lilly.

(b) "Applicable Laws" means any statute, law, treaty, rule, code, ordinance, regulation, permit, interpretation, certificate, judgment, decree, injunction, writ, order, subpoena, or like action of a governmental authority that applies, as the context requires to: (i) the Agreement and this Standard; (ii) the performance of obligations or other activities related to the Agreement; and (iii) a party, a party's affiliates (if any), a party's subcontractors (if any), or to any of their representatives. Applicable Laws, includes A) the Health Insurance Portability and Accountability Act of 1996, B) The Health Information Technology for Economic and Clinical Health (HITECH) Act, and the Privacy and Security Rule regulations of HIPAA and the Modifications to the HIPAA Privacy, Security, Enforcement, and Breach Notification Rules under the HITECH Act and the Genetic Information Nondiscrimination Act (the "Omnibus Final Rule") and all amendments to and further regulations of the HIPAA and HITECH Acts (collectively, "HIPAA"), C) Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the Processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation), and any implementing, derivative or related national legislation, rule, or regulation enacted thereunder by any EU Member State subject to its jurisdiction.

(c) "Consent" means any freely given, specific and informed indication of the individual's wishes by which he/she, by a statement or by a clear affirmative action, signifies agreement to the Processing of his/her Personal Information.

(d) "Data Transfer Program" means EU-US Privacy Shield, Swiss-US Privacy Shield, or any other framework for lawfully transferring Personal Information from the European Economic Area ("EEA") or Switzerland to the U.S.

(e) "EU-US Privacy Shield" means the EU-US framework of privacy principles agreed on February 2, 2016 and formally adopted by the European Commission implementing decision C(2016) 4176 final of July 12, 2016.

(f) "Personal Information" means any information provided by Lilly and/or its affiliates or collected by Supplier for Lilly and/or its affiliates relating to an identified or identifiable natural person ("Data Subject"); an identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person. Personal Information can be in any media or format, including computerized or electronic records as well as paper-based files. Personal Information includes: (i) a first or last name or initials; (ii) a home or other physical address, including street name and name of city or town; (iii) an email address or other online contact information, such as an instant messaging user identifier or a screen name that reveals

an individual's email address; (iv) a telephone number; (v) a social security number, tax ID number, identification number, individual number or other government-issued identifier (such as a driver's license); (vi) an Internet Protocol ("IP") address or host name that identifies an individual; (vii) a persistent identifier, such as a customer number held in a "cookie" or processor serial number, that is combined with other available data that identifies an individual; (viii) birth dates or treatment dates; or (ix) coded data that is derived from Personal Information. Additionally, to the extent any other information (such as, but not necessarily limited to, case report form information, clinical trial identification codes, personal profile information, other unique identifier, or biometric information) is associated or combined with Personal Information, then such information also will be considered Personal Information. For the avoidance of doubt, Personal Information that has been pseudonymized, meaning that the Information may not be attributed to a natural person without the use of additional information, will also be considered Personal Information.

(g) "Processing of Personal Information" (or "Processing") means any operation or set of operations which is performed upon Personal Information, whether or not by automatic means, such as collection, recording, organization, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination, structuring, restriction, or otherwise making available, alignment or combination, blocking or erasure, or destruction.

(h) "Personal Data Breach" means:

- (i) A breach of security leading to the accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to, Personal Information transmitted, stored or otherwise Processed; and
- (ii) Any substantially similar term to the above as defined by Applicable Law.

(i) "Sensitive Personal Information" is a subset of Personal Information, which due to its nature has been classified by law or by Lilly policy as deserving additional privacy and security protections. Sensitive Personal Information consists of:

- (i) All government-issued identification numbers (including US Social Security numbers, EU Social Security numbers, Canadian Social Insurance numbers, Japanese My Number Social Security/Tax numbers, driver's license numbers, and passport numbers);
- (ii) All financial account numbers (bank account numbers, credit card numbers, and other information if that information would permit access to a financial account);
- (iii) Individual medical records and biometric information, including any information on any worker or consumer's health, disability, disease or product interests, as well as all data relating to an individual person's health;
- (iv) medical, health or genetic information derived from biological samples, such as tissue, blood, urine or other samples, which can directly or indirectly be attributed to an identified or identifiable individual;
- (v) Reports of individual background checks and all other data obtained from a U.S. consumer reporting agency and subject to the Fair Credit Reporting Act;
- (vi) Data elements revealing race, ethnicity, national origin, religion, philosophical beliefs, trade union membership, political orientation, sex life or sexual orientation, criminal records, histories of prosecutions or convictions, or allegations of crimes; and
- (vii) Any other Personal Information designated by Lilly as Sensitive Personal Information (for example (but not limited to), "special care-required personal information" as defined and stipulated in Japan's Personal Information Protection Act shall be included as part of Sensitive Personal Information).

(j) "Services" means the particular services that Supplier performs for Lilly under this Agreement.

(k) "Swiss-US Privacy Shield" means the Swiss-US framework of privacy principles approved by the Swiss Federal Council on January 11, 2017, as providing for adequate protection for personal data

transferred from Switzerland to the U.S.

### 3. General Obligations.

(a) All Supplier's obligations under the Agreement are in addition to the requirements of this Standard, including those that are similar in nature. Supplier will not Process or otherwise use any Personal Information for any purpose other than performing the Services for Lilly and in accordance with the documented instructions of Lilly; including with regard to transfers of Personal Information to a third country or an international organization, unless required to do so by Applicable Law to which Supplier is subject; in such a case, the processor shall inform the controller of that legal requirement before processing, unless that law prohibits such information on important grounds of public interest. In the event Supplier believes that it cannot satisfy its other obligations under the Agreement while complying fully with the requirements of this Standard, Supplier shall notify Lilly immediately and shall not proceed with any act that would violate this Standard until the conflict is resolved.

(b) At appropriate intervals or as otherwise requested by Lilly, Supplier will provide a copy of its written privacy policies and procedures to Lilly.

(c) Supplier shall immediately (no later than 24 hours) inform Lilly, in writing:

- (i) of any request for access to any Personal Information received by Supplier from an individual who is (or claims to be) the a Data Subject, or a request from such Data Subject to cease or not begin Processing, or to rectify, block, restrict, erase or destroy any such Personal Information;
- (ii) of any request to receive Personal Information in a structured, commonly used and machine readable format and/or transmit the data to another controller received by Supplier from an individual who is the subject of the data;
- (iii) of any other request by a Data Subject exercising their rights under Applicable Law;
- (iv) of any request for access to any Personal Information received by Supplier from any government official (including any data protection agency or law enforcement agency), or a request from such government official to cease or not begin Processing, or to rectify, block, erase or destroy any such Personal Information;
- (v) of any inquiry, claim or complaint regarding the Processing of the Personal Information received by Supplier;
- (vi) of any other requests with respect to Personal Information received from Lilly's employees or other third parties, other than those set forth in the Agreement or a request to cease or not begin Processing, or to rectify, block, erase or destroy any such Personal Information, (each a "Privacy Communication").

Upon receipt of a Privacy Communication from an individual claiming to be a Data Subject, Supplier shall use reasonable endeavors to confirm if the individual is the Data Subject.

Supplier understands that it is not authorized to respond to a Privacy Communication, unless explicitly authorized by the Agreement or by Lilly in writing, except for the request received from a governmental agency or any third party with a subpoena or similar legal document, made under Applicable Laws, compelling disclosure by Supplier. To the maximum extent permitted by Applicable Laws, Supplier shall, at its own cost and expense, promptly disclose such Privacy Communication to Lilly, provide Lilly with all assistance it may reasonably request, and comply with the directions of Lilly in responding to Privacy Communication. In the event that Lilly receives a Privacy Communication, upon Lilly's request, Supplier shall promptly provide Lilly with all information and assistance as Lilly may reasonably request and comply with Lilly's reasonable directions in respect of such Privacy Communication.

(d) Supplier will promptly and thoroughly investigate allegations of any Personal Data Breach or use or disclosure of Personal Information of which Supplier is aware that is in violation of this Standard. Supplier will notify Lilly, at [privacy@lilly.com](mailto:privacy@lilly.com), immediately (no later than 24 hours) upon discovery of any suspected

Personal Data Breach or material violation of this Standard. Additionally in connection with the foregoing, Supplier will reasonably assist Lilly in mitigating any potential damage, conduct a root cause analysis, and upon request, will share the results of the analysis and its remediation plan with Lilly. Supplier shall bear all costs associated with resolving a Personal Data Breach or violation of this Standard, including conducting an investigation, notifying consumers and others as required by law or the Payment Card Industry Data Security Standard, providing consumers with one year of credit monitoring, and responding to consumer, regulator and media inquiries.

(e) Any Personal Information collected or accessed by Supplier in the performance of the Services contracted shall be limited to that which is necessary to perform such Services or to fulfill any legal requirements. Supplier shall limit the extent of Processing to that which is necessary to fulfill the intended purpose as set out in the Agreement and/or Work Order. Supplier shall only store the data for the amount of time necessary to fulfill the intended purpose. Supplier shall take reasonable steps to assure the integrity and currency of the Personal Information in accordance with document management provisions in the Agreement.

(f) If the Services involve the collection of Personal Information directly from individuals, such as through a registration process or a webpage, Supplier will provide individuals a clear and conspicuous, concise, transparent, intelligible, and easily accessible notice regarding the uses of the Personal Information, which notice shall be consistent with the provisions of the Agreement. For the collection of Sensitive Personal Information, Supplier will obtain Consent from individuals where required by applicable law. However, no terms of use, privacy statement or other provisions presented to individuals via a webpage or in any other manner shall alter the Supplier's obligations or rights under this Standard or the manner in which the Supplier may use Personal Information.

(g) Supplier shall not transfer the Personal Information across any national borders to, or permit remote access to the Personal Information by, any employee, affiliate, contractor, service provider or other third party unless such transfer or remote access is specifically permitted in the Processing instructions provided to it by Lilly or it has the prior written consent of Lilly for such transfer or access. Supplier agrees to execute and undertake such compliance mechanisms as may be required by Applicable Laws that apply to Lilly or its affiliates (including data protection laws in any of the members of the EEA and Switzerland) in order for Supplier to receive Personal Information from or send Personal Information to such countries.

Without prejudice to the above, before Supplier receives Personal Information directly from a member state of the EEA or Switzerland in a country that is not deemed to provide an adequate level of data protection by the EU Commission, Supplier must:

(i) Promptly cooperate with Lilly or its affiliates to duly complete, execute and comply with the Standard Contractual Clauses as provided by the EU Commission (set forth on Lilly's Procurement Portal as "EU Standard Contractual Clauses for Data Transfer") with respect to all transfers of or remote access to Personal Information from the EEA and/or Switzerland to or by Supplier, as the case may be; or

(ii) Notwithstanding the above, in the event that Supplier receives Personal Information from a member state of the EEA or Switzerland in the USA and Supplier is certified under a Data Transfer Program, Supplier hereby warrants that: (a) the certification in question covers the Services, and the intended Processing of the Personal Information, by Supplier as set forth in the Agreement; (b) Supplier will remain certified under such Data Transfer Program during such time as Supplier Processes the Personal Information; and (c) if at any time during such time as Supplier Processes the Personal Information, Supplier de-certifies or otherwise loses the certification in question or for some reason the Data Transfer Program becomes invalid, Supplier will comply with subsection (i) above; or

(iii) If the Supplier cannot comply with either subsection (i) or (ii) above for any reason, the Parties shall cooperate to promptly settle on and execute appropriate alternative compliance measures.

In all cases, each Party shall bear its own costs incurred in relation to such establishing and maintaining such compliance measures. In respect of data transfers from the EEA or Switzerland, Lilly and Supplier may, by mutual written agreement, terminate or modify data transfer agreements or other compliance measures should they become unnecessary following any European Commission positive adequacy decision under Article 45 of the General Data Protection Regulation being issued in relation to the country in question (or relevant sector thereof), or if the General Data Protection Regulation becomes directly applicable in such country, provided that Supplier shall first self-certify or take any other necessary steps as may be necessary to benefit from that adequacy determination.

If Supplier receives Personal Information originating in the EEA or Switzerland from Lilly or its USA affiliated entities that are certified to a Data Transfer Program, Supplier shall Process such Personal Information in a manner consistent with, and providing the same level of protection as, the Data Transfer Programs. If Supplier determines, for whatever reason and acting reasonably, that it cannot provide the same level of protection as is required by the Data Transfer Programs, it shall give Lilly immediate written notification of such determination and Supplier shall immediately remediate such Processing or, if it is unable to do so, cease any and all Processing of such Personal Information.

(h) Lilly generally authorizes Supplier to engage subcontractors to Process Personal Data provided that Supplier shall inform Lilly of any intended changes concerning the addition or replacement of other subcontractor and Lilly will have the right to object to such change and terminate the Agreement. Any subcontractors will be permitted to Process Personal Data only to deliver the Services Supplier has retained them to provide under this Agreement, and will be prohibited from Processing Personal Data for any other purpose. Prior to giving any Subcontractor access to Personal Data, Supplier shall ensure that such Subcontractor has entered into a written agreement requiring that the subcontractors abide by terms no less protective than those provided in this Agreement. Supplier shall be fully liable for the acts and omissions of any Subcontractor to the same extent as if the acts or omissions were performed by Supplier.

Any breach of the above provisions 3(g) and/or 3(h) by the Supplier shall be considered a material breach of the Agreement by Supplier and shall allow Lilly to immediately terminate the Agreement between the parties, by law, and if Lilly elects to terminate this Agreement, Lilly shall provide notice to Supplier as set forth in the notice section of the Agreement.

(i) Without prejudice to any of the Supplier's obligations in this Agreement, Supplier shall cooperate with Lilly and with Lilly's affiliates and representatives in responding to inquiries, claims and complaints regarding the Processing of the Personal Information.

(j) Supplier shall secure all necessary authorizations from its employees and approved subcontractors to allow Lilly to Process the Personal Information of these individuals as necessary for the performance of the Agreement by Lilly, including information required to access Lilly systems or facilities, the maintenance of individual performance metrics and similar information.

(k) Notwithstanding anything in this Agreement to the contrary: (a) No action by Lilly expressly permitted by the Standard is a breach of this Agreement by Lilly, and (b) no such action excuses Supplier's performance under this Agreement.

#### 4. Confidentiality of Personal Information

(a) Supplier must maintain all Personal Information in strict confidence. Supplier shall make the Personal Information available only to its employees and onsite contractors who have a need to access the Personal Information in order to perform the Services and are subject to binding obligations to keep the Personal Information confidential. Supplier shall not disclose, transmit, or make available the Personal Information to third parties (including subcontractors), unless such disclosure, transmission, or making available has been explicitly authorized by Lilly in writing. In no event may Supplier provide Personal



Information (or any other Lilly information) to a subcontractor or sub-processor unless that entity has agreed in writing to terms no less protective than those contained herein, including the provisions regarding security and Lilly audit rights.

(b) When the Supplier ceases to perform Services for Lilly, at the choice of Lilly, Supplier shall return all Personal Information (along with all copies and all media containing the Personal Information) to Lilly or shall securely destroy all Personal Information and so certify to Lilly.

## 5. Security

(a) Supplier shall have documented and implemented appropriate operational, technical and organizational measures to protect Personal Information against accidental or unlawful destruction, alteration, unauthorized disclosure or access. Supplier will regularly test or otherwise monitor the effectiveness and resilience of the safeguards' controls, systems and procedures. Supplier will periodically identify reasonably foreseeable internal and external risks to the security, confidentiality, availability, and integrity of the Personal Information, and ensure that there are safeguards in place to control those risks (including, pseudonymisation and encryption of data). Subject to Applicable Laws, Supplier shall monitor its employees and contractors for compliance with its security program requirements.

(b) Supplier shall maintain all necessary documentation to show compliance with this Agreement and as may be required by Applicable Laws in respect of Supplier's Processing of Personal Data under this Agreement. At Lilly's request, Supplier shall submit its data Processing facilities for audit, which shall be carried out by Lilly (or by an independent inspection company designated by Lilly). Supplier shall fully co-operate with any such audit at Supplier's cost and expense. In the event that any such audit reveals material gaps or weaknesses in Supplier's security program or any breach of this Agreement, without prejudice to Lilly's other rights, Lilly shall be entitled to suspend transmission of Personal Information to Supplier and Supplier's Processing of such Personal Information, until such issues are resolved. Additionally, Supplier shall, at its own cost and expense, promptly implement such changes as are necessary to address any gaps in the Supplier's security program or rectify any breach and prevent recurrence of the same.

## 6. Compliance with Laws.

(a) Supplier must stay informed of the legal and regulatory requirements for its Processing of Personal Information. In addition to being limited to satisfaction of the Services, Supplier's Processing shall comply with all Applicable Laws.

(b) Supplier shall promptly assist and cooperate with Lilly to allow Customer to comply with all Applicable Laws, including in respect of cooperation with government, regulatory and supervisory authorities, and data protection impact assessments.

(c) Where required by Applicable Law, Supplier shall appoint a data protection officer, and shall inform, and keep Lilly updated in respect of, the name and contact details of its data protection officer.

## 7. EEA/Switzerland-Specific Terms.

(a) Unless otherwise notified, if Supplier is Processing Personal Information transferred to it (directly or indirectly) from the EEA or Switzerland on the basis of the Standard Contractual Clauses under provision 3(e)(i), Supplier must comply with the obligations imposed on a 'data importer' (or, as applicable, a 'subprocessor') under the Standard Contractual Clauses as provided by the EU Commission (set forth on Lilly's Procurement Portal as "EU Standard Contractual Clauses for Data Transfer") modified as necessary in respect of such Personal Information. Supplier hereby grants any applicable third party beneficiary rights referred to in the Standard Contractual Clauses.

(b) Where a Data Subject, or entity acting on his/her behalf, is entitled to bring a claim against Lilly or its affiliate(s) for breach of the Standard Contractual Clauses, and such claim arises from Supplier's Processing operations under this Agreement and Standard, Supplier shall indemnify Lilly or its affiliate(s) for all liabilities, costs, expenses, damages and losses (including any direct, indirect or consequential losses, loss of profit, loss of reputation and all interest, penalties and legal costs, calculated on a full indemnity basis, and all other reasonable professional costs and expenses) suffered or incurred by Lilly or its affiliate(s) arising out of or in connection with such claim, provided that:

- i. As soon as reasonably practicable, Supplier is given notice of such claim; and
- ii. Lilly or its affiliate(s) (as the case may be) shall not make any admission of liability, agreement or compromise in relation to such claim without the prior written consent of Supplier (such consent not to be unreasonably conditioned, withheld or delayed), provided that Lilly or such affiliate(s) may settle such claim (after giving prior written notice of the terms of settlement (to the extent legally possible) to Supplier, but without obtaining Supplier's consent) if Lilly or such affiliate(s) believes that failure to settle such claim would be prejudicial to Lilly or its affiliate(s) in any material respect.

(c) Promptly upon request from Lilly or its affiliates, Supplier shall return to Lilly or a requesting affiliate (if any) a completed Data Processing Information Form using the template set out in Exhibit A.

EXHIBIT A  
Supplier Privacy Standard Data Processing Information Form  
(to be completed by Supplier and returned to Lilly upon request from Lilly or its affiliates)

Supplier represents that the following is accurate to the best of their knowledge:

1. Supplier's Registered Name and Address:
  
2. Describe the nature and purpose of the data Processing to be undertaken by Supplier as set forth in the description of Services:
  
3. Select the categories of data of Data Subjects that will be Processed by Supplier as part of the Services:
  - Employee Data
  - Consumer Data
  - Healthcare Provider Data
  - Animal Healthcare Provider Data
  - Clinical Trial Subject Data
  - Clinical Investigator Data
  - Supplier and other Contractor Employee Data
  - Other Personal Information Processed (please list):
  
4. Select the categories of data of Lilly that will be Processed by Supplier as part of the services:
  - The following data of customers and business partners as well as contact persons at customers and business partners: name, company, location, address(es), contact person, communication data, preferred/excluded communication channels, desired information/ordered newsletters, dispatch, freight, and payment conditions, account advisers, activities, participation in events, campaigns, customer satisfaction, customer-value-score and data of prospective customers.
  - The following data of health care professionals, including thought leaders: name, institution, location, address(es), contact persons, communication data, CV-data, such as education, areas of expertise, skills and experience, cooperation during clinical trials or observational studies, potential conflicts of interests, participation in events, payment conditions.
  - The following data of visitors of websites: IP Address, date and time of visit of website, web pages visited, website visitor came from, type of browser visitor is using, type of operating system visitor is using, domain name and address of visitor's internet service provider, and, as the case may be, data manually entered by the visitor.
  - The following data of employees of Lilly (staff, freelancers, managing directors, and members of the executive board): in particular personnel master data, e.g. data derived from CVs, salary accounting data, data in relation to trainings and performance management, data in relation to company pension schemes, vacation times, absent times, travel expenses, data in relation to driver's licenses, accidents at work, system log data, as well as all data potentially collected in the personnel records.

- The following data of patients: patient master data , including data in relation to state of health, medication, information in relation to patient support programs, information in relation to the notification of adverse events and product complaints, etc.
  - Business communication with contact persons, in particular: traffic data of e-mail, facsimile, telephone and content of emails, facsimile, and postal communication.
  - Data and results deriving from surveys and other market research activities; accounts and sub-accounts (e.g. contact data, contact person/s, activities, dispatch, freight, and payment conditions), person in charge at Processor.
  - Contract master data, offers, prices, special conditions, order and delivery data, invoice data, payment data, bank account data, data in relation to outstanding payments, and in each case the history relating thereto.
  - Business documents and text as well as the related history with respect to individual business partners, customers, potential customers and business partners, contacts, accounts or other data records that are stored in the system.
  - Data accrued within the scope of use of services that are provided by Lilly (e.g. personnel identification derived from input and usage trails).
5. Supplier will Process the Personal Information in the following geographies (list countries where Processing operations will occur):

## SCHEDULE 6 – INFORMATION SECURITY STANDARD

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This Information Security Standard sets forth Eli Lilly and Company's ("Lilly") information security requirements for third parties/suppliers (each, a "Third Party/Supplier") with respect to the confidentiality, integrity and availability of Information (defined below). Any additional Third Party/Supplier obligations related to Information security under any agreement with Lilly are in addition to the requirements of this Information Security Standard.

As used herein, "Information" encompasses both Confidential Information and Personal Information that we use for business purposes (hereinafter independently and/or collectively referred to herein as "Information"). Personal Information means any information as defined in Lilly's Supplier Privacy Standard. Confidential Information means any confidential or proprietary information as defined as such (or with a similar designation) in any written agreement between Third Party/Supplier and Lilly.

For clarification, this Information Security Standard applies to all Information handled by a Third Party/Supplier including, handling by: (i) creating; (ii) editing; (iii) managing; (iv) processing; (v) accessing; (vi) receiving; (vii) transferring; (viii) destroying; (ix) storing; or (x) hosting, in any format, including, but not limited to: (a) systems; (b) cloud environments; (c) production and non-production environments; (d) electronic assets and devices (including company-provided and "bring your own device"); and (e) hard copy versions.

### 1. Information Security Policies and Procedures:

Third Party/Supplier must have and comply with documented information security policies, standards and procedures to establish its control environment related to the protection of confidentiality, integrity and availability of Information. Policies and procedures must be reviewed, updated, and approved by senior management on an annual basis.

If the use of personal devices to access Information or systems is allowed by Third Party/Supplier, a "bring your own device" policy must be implemented.

### 2. Governance and Training:

Third Party/Supplier personnel must complete relevant information security training with requirements for protection and secure handling of Information. A summary of completed training must be made available upon request.

Third Party/Supplier shall provide a representative as a single point of contact for all information security related items. In addition, the Third Party/Supplier shall have a representative assigned who is responsible for overseeing compliance with this Information Security Standard.

### 3. Human Resources Security Practices:

Pre-employment screenings, including criminal background checks, review of curriculum vitae or resume, review of credentials and experience, and interviews must be conducted prior to hiring.

Confidentiality, non-disclosure or equivalent agreements must be in place for all employees. Agreements include but are not limited to:

- a. Confidentiality obligations post-employment/engagement.

- b. Provisions governing acceptable use of electronic resources including but not limited to using electronic resources in a professional, lawful and ethical manner.

Processes must be in place to identify and collect assets (physical and electronic) from individuals when exiting the company or for those who no longer requires access.

#### 4. Access to Information:

Third Party/Supplier must have at a minimum the following account activation controls in place when Third Party/Supplier has Information belonging to or entrusted to Lilly that resides outside Lilly's environment and/or when Third Party/Supplier has a remote access connection to Lilly's environment:

- a. A formal approval process to grant access based on having a business need to perform job duties (i.e., least privilege, meaning the level of access needed but not more).
- b. Segregation between request, approval and granting of access.
- c. User accounts for access to systems, services and applications must be assigned to individual users and not shared.
- d. Privileged and administrative user accounts must be different than the standard user account and have unique user login ID's. Privileged accounts (elevated level of access, which grants powers within a computer system, which are significantly greater than those available to the ordinary user) must be restricted and only assigned to authorized users.

Password controls must be appropriately implemented, including the following requirements:

- a. History and periodic expiration.
- b. Temporary passwords securely communicated and prompted to change after first use.
- c. Change passwords immediately when there is reason to believe an account has been compromised.
- d. Shared system, service, and application accounts' passwords must be changed when anyone who knows the password, either leaves the Third Party/Supplier or changes to a different position that no longer requires the access.
- e. User's identity must be verified before a password is reset.
- f. All default passwords must be changed from default values.
- g. Password strength requirements must meet common security standard (e.g. ISO, NIST) length and complexity.

The following deactivation controls must be in place:

- a. A formal process for timely deactivating accounts of those exiting and/or those who no longer have a business need to have access (e.g., with 24 hours of termination).
- b. Process to ensure notification to Lilly of Third Party/Supplier personnel changes, within 24 hours, when those personnel have accounts or are granted access to Lilly information systems.

The following access controls must be implemented:

- a. Periodic access reviews of all users, system accounts, test accounts, and generic accounts must be performed and documented at least annually.
- b. User accounts must be locked out after a defined number of failed attempts.
- c. Accounts without recent activity (e.g., the last 90 days, with the exception of those only used for quarterly, semi-annual and annual processing) must be disabled.
- d. Session controls, including account lockout and session timeout must be in place.
- e. Two-factor authentication must be in place for any applications that are internet facing.
- f. Two-factor authentication must be in place for any remote access methods (e.g., virtual private networks, remote desktop protocols).

#### 5. Network and System Security:

Third Party/Supplier must have, at a minimum, the following network and system security controls in place when Third Party/Supplier has Information belonging to or entrusted to Lilly that resides outside Lilly's environment and/or when the Third Party/Supplier has a remote access connection to Lilly's environment:

- a. Hardening standards for operating systems, applications, and network devices.
- b. All systems must be patched for operating system and major component updates upon security related patch release and evaluation in accordance with common security standards (e.g., ISO, NIST).
  - o High risk vulnerabilities for internet facing applications must be patched within 7 days.
- c. Systems must be maintained at levels to allow the latest security patches/service packs to be applied.

Network Security Controls:

- a. Information belonging to or entrusted to Lilly must not be stored in a demilitarized zone (DMZ).
- b. Firewall policies must be implemented on all network interfaces that restrict inbound and outbound traffic based on need.
- c. Intrusion detection or intrusion prevention systems must be implemented to detect and respond to unauthorized or malicious network traffic.
- d. The Third Party/Supplier must update the security configuration of its network devices in accordance with this Section 5.
- e. If an availability service level agreement exists on a system or application between Lilly and Third Party/Supplier, Distributed Denial of Access (DDoS) protection is in place.

Systems Security Controls:

- a. Endpoint devices must be encrypted and secured with a password.
- b. Mobile endpoints (smartphones, tablets) must be secured using a mobile device management system.
- c. Servers and endpoints must be secured using virus/ malware protection that are kept up to date.

6. Logging and Monitoring:

Logging activities must be documented and performed in accordance with common security standards (e.g., ISO, NIST). Monitoring for anomalies in activity is preferred.

7. Threat and Vulnerability Management:

Third Party/Supplier shall have continuous vulnerability assessment and timely remediation process for application, operating system and other infrastructure components. In addition, services and processes shall be designed to identify, assess, mitigate, and protect against new and existing security vulnerabilities and threats, including viruses, bots, and other malicious code.

Third Party/Supplier must have the following controls in place:

- a. Annual independent penetration tests on its networks and applications that handle Information.
- b. Quarterly vulnerability scans must be performed on its platforms and networks that handle Information to ensure alignment with common security standards specifically related to system hardening.
- c. A risk-based remediation program to resolve findings from penetration tests, vulnerability scans and compliance assessments.

- d. As needed, Third Party/Supplier will work to accommodate Lilly's network penetration test requests

8. Change Management:

Third Party/Supplier shall implement a documented change control policy that includes:

- a. Approval, classification, testing and back out plan testing requirements.
- b. Segregation of duties among request, approval and implementation.
- c. Management and review of emergency changes within a fixed time period (e.g., 24 hours).

9. Asset Management:

Third Party/Supplier must maintain an asset inventory, including system/device and software assets when Third Party/Supplier has Information belonging to or entrusted to Lilly that resides outside Lilly's environment and/or when Third Party/Supplier has a remote access connection to Lilly's environment.

The Third Party/Supplier must have asset disposal controls in place to ensure Information (hard copy and electronic) is disposed of according to common security standards (e.g. ISO, NIST) when no longer needed, and documented evidence of proper disposal must be maintained.

10. Information Handling:

Third Party/Supplier must ensure separation of Information from other customer information when Third Party/Supplier has Information belonging to or entrusted to Lilly that resides outside Lilly's environment and/or when the Third Party/Supplier has a remote access connection to Lilly's environment. In addition, Third Party/Supplier must be able produce a description of the flow of Information throughout their environments.

Communications between Lilly and the Third Party/Supplier (including email, file transfer, remote connectivity, etc.) must be secured using Lilly provided services.

Processes and tools shall be used to prevent, detect and respond to Information loss.

Information must not be stored or transferred using removable storage devices without documented approval from the Lilly business owner (obtained through the Lilly removable storage request process). If such devices are utilized, all Information stored on the device must be encrypted.

11. Encryption:

Encryption is required for Information in transit when Third Party/Supplier has Information belonging to or entrusted to Lilly that resides outside Lilly's environment and/or when the Third Party/Supplier has a remote access connection to Lilly's environment.

Encryption keys owned or managed by the Third Party/Supplier must be stored in a secure location with access managed, along with demonstrated key recovery capability.

Encryption procedures and practices shall meet common security standards (e.g. ISO, NIST).

12. Physical Security:

Process and physical controls shall be established and enforced to protect hard copies and information systems (e.g., hardware, software, documentation and data) when Third Party/Supplier has Information belonging to or entrusted to Lilly that resides outside Lilly's environment and/or when the Third Party/Supplier has a remote access connection to Lilly's environment.



Data centers must be under physical control, with access formally managed based on business need. Data Centers must have environmental controls (temperature, humidity, power backup) to prevent disruptions or loss.

Annual independent physical security assessment of facilities shall be required for Third Parties/Suppliers that transmit, store or process Information.

13. Resiliency / Continuity of Business / Information Backup and Recovery:

In addition to any agreement requirements for business continuity and disaster recovery in the event of a disaster or interruption in line with contractual business requirements and criticality of the Information, the Third Party/Supplier shall ensure the following controls are in place.

Redundant power and processing capability must exist within the primary data processing facility.

Ensuring an alternate processing site must be available to recover Lilly functionality within the specified time window of the agreement, if applicable.

Annual Resiliency testing to demonstrate an effective recovery ability must be in place.

Applicable systems and data must be backed up regularly based on criticality. Backups must be tested for viability on a periodic basis.

Backup tapes and/or transmissions must be appropriately secured.

14. Record Retention and Destruction:

Third Party/Supplier shall retain Information only for as long as specified within the applicable agreement, except to the extent that a longer retention period is required by applicable law or regulations.

At the conclusion of the engagement the Third Party/Supplier must return, delete or securely destroy Information as instructed by Lilly.

At the request of Lilly, the Third Party/Supplier must certify that Information has been destroyed as instructed.

15. Information Security Incident Response, Management and Reporting:

Third Party/Supplier must have security incident (e.g., exposure, breach, theft, etc.) management and response procedures that allow for reasonable detection, investigation, response, mitigation and notification of events that involve a threat to the confidentiality, integrity and/or availability of Information when Third Party/Supplier has Information belonging to or entrusted to Lilly that resides outside Lilly's environment and/or when the Third Party/Supplier has a remote access connection to Lilly's environment. The incident response and management procedures must be documented, tested, and reviewed at least annually. Lilly shall have the option to review such procedures upon request.

Third Party/Supplier shall notify Lilly within 24 hours of suspected or known security incidents that have potential impact to Information. In addition, Third Party/Supplier shall have a documented process, with defined Lilly and Third Party/Supplier contacts, to ensure compliance with this notification requirement.

The Third Party/Supplier shall fully cooperate with Lilly to understand the situation, root cause and determine necessary remediation in the event of a, actual or suspected security incident.

16. Subcontractor Management:

This Information Security Standard shall apply to all subcontractors utilized by the Third Party/Supplier that handle Information belonging to or entrusted to Lilly resides outside Lilly's environment and/or when the Third Party/Supplier has remote access connection to Lilly's environment. It is the responsibility of the Third Party/Supplier to ensure the Information Security Standard is communicated to and complied with by each subcontractor. For the avoidance of doubt, subcontractors include, but not limited to; reprographics third parties/suppliers, off-site storage third party/supplier, software developers, cloud hosting facilities and data center facilities.

Formal contracts between Third Party/Supplier and subcontractors must be executed that outline the controls to be provided, including controls to maintain the confidentiality, availability, and integrity of Information.

Initial and on-going assessments must be conducted to ensure subcontractors are adhering to the Information Security Standard and security incidents and problems are managed appropriately.

Third Party/Supplier must inform Lilly and obtain written approval prior to the use of subcontractors who will either handle Information or have access to Third Party/Supplier or Lilly systems in which such Information resides, as well as the country location(s) where any Information will be handled.

#### 17. Information Security Review Rights:

Third Party/Supplier shall allow Lilly and its agents, auditors (internal and external), regulators, and other representatives to inspect, audit, examine, and review the facilities, books, systems, records, access rosters, data, practices and procedures of the Third Party/Supplier (and any subcontractors that the Third Party/Supplier may use) to verify the integrity of Information and to monitor compliance with this Information Security Standard.

#### 18. System Development Life Cycle:

These requirements will be applicable only for Third Parties/Suppliers building systems, software or applications for Lilly.

##### Software Development Engineering Methodology:

- a. A defined systems development methodology must be formally implemented with policies, procedures and standards communicated and followed and must be aligned to industry standards. Programming standards must be developed and communicated to relevant workforce members. The standards include architecture and design specifications, business logic review, adoption of secure algorithms and libraries, removal of test code, and the remediation of common security flaws (e.g., OWASP top ten vulnerabilities).
- b. Code reviews must be performed to confirm adherence to the foregoing programming standards.
- c. The use of production data in non-production environments must be only done when necessary and the same security controls must be in place that exist in the production environment, or the production information used in testing must be sufficiently obfuscated.
- d. Software that is available in the public domain (e.g., Open-source software, shareware, freeware), if used, must be appropriately scrutinized for potential risk, including potential legal risk (e.g., copyright violation).
- e. Software that is available in the public domain (e.g., Open-source software, shareware, freeware), if used, must include controls to ensure that the introduction of this type of software will not have a negative impact (e.g. virus, Trojan horse, security breaches such as "backdoor").
- f. Source code must be maintained in an industry-accepted version control tool, with strict controls related to source code checkout. The Third Party/Supplier must have monitoring systems that monitor changes of environment code.

- g. Manage the security lifecycle of all in-house developed and acquired software

Code Release:

- a. Third Party/Supplier shall seek continuous improvement on their chosen model of development.
- b. The Third Party/Supplier must have a formal change/release management policy/procedure for planned software upgrades which demonstrates that releases are planned, managed, tested, approved, and communicated appropriately, and Lilly shall be notified in advance of scheduled changes.
- c. Change/release management cycles begin with requirements definition. Lilly impact, feedback and need must be appropriately factored into the requirements of planned releases.
- d. Regression testing must be performed during each release cycle. Testing must be conducted at various levels. (e.g., unit, integration and system, user). User testing must be based on formal test plans, performed by independent parties to those designing and developing the system.
- e. Formal approvals must be captured at each stage of the development lifecycle (Requirements, Design, Testing, User Acceptance, Production roll out, etc.). When approvals are captured, it must be clear who is approving, the date they are approving, and what they are approving.
- f. Releases and patches must be provided with sufficient instructions for deployment and/or use. This includes those solutions where Lilly is provided the release or patch to apply itself, as well as those where Lilly is notified of a change that the Third Party/Supplier has applied in a Lilly environment.
- g. System designs must be formally created to assist in translating requirements to code.

Interim Changes/Bug Fixes:

- a. A formal procedure for implementing emergency/ bug fix changes must be in place to confirm that these changes can be made in a timely yet controlled manner
- b. A formal process must be in place to communicate known bugs or defects to Lilly.
- c. Bug fix changes must be formally tested and demonstrate proper documentation and approvals. Approval must be granted by someone other than the individual(s) making the change.