

GLAXOSMITH KLINE PAKISTAN LIMITED
TERMS AND CONDITIONS OF PURCHASE (GOODS AND / OR SERVICES)

1. DEFINITIONS

1.1 "Affiliate" means an organization, which is directly or indirectly, controlled by, in Control of, or under common control with, either Supplier or Purchaser as appropriate.

1.2 "Agreement" means the agreement between Purchaser and Supplier consisting of the Purchase Order, these Terms and Conditions, the Specifications, and any other documents (or parts thereof) specified in the Purchase Order or otherwise expressly incorporating these Terms and Conditions or any other agreement between the Purchaser and the Supplier agreed in writing.

1.3 "Goods" means all (or any) of the Goods covered by the Agreement including without limitation raw materials, processed materials, fabricated products, as well as any other materials, supplies, items, and equipment.

1.4 "Incoterms" means the Year 2000 edition of the official International Chamber of Commerce Rules for the interpretation of trade terms.

1.5 "Intellectual Property Rights" means any and all rights in and/or to; (a) patents; (b) inventions, discoveries, utility models and improvements whether or not capable of protection by patent or registration; (c) formulas, processes, compositions of matter, formulations, methods of use or delivery, data, reports, specifications and computer programs or models; (d) copyright and related rights; (e) moral rights; (f) design rights; (g) trademarks and service marks; (h) business or trade names, domain names, rights in get-up, rights to goodwill or to sue for passing off or unfair competition; (i) database rights; (j) confidential information, know-how, trade secrets; and (k) other intellectual property rights; in each case whether registered or unregistered and including all applications (or rights to apply) for, and renewals or extensions of, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.

1.6 "Losses" means all losses, claims, liabilities, costs, awards, fines, penalties, expenses (including legal fees and other professional expenses) and damages of any nature whatsoever and whether or not reasonably foreseeable or avoidable.

1.7 "Packaging" means bags, cases, carboys, cylinders, drums, pallets and other containers or materials used to pack or contains the Goods as covered by this PO.

1.8 "GSK" means GlaxoSmithKline Pakistan Limited, but shall, where rights or benefits are granted or Services provided, also include its Affiliates.

1.9 "Purchaser" means GlaxoSmithKline Pakistan Limited or any subsidiary thereof as specified in the Purchase Order.

1.10 "Purchase Order" means Purchasers purchase order issued to the Supplier by the Purchaser which is either attached or overleaf and includes these Terms and Conditions. It shall be abbreviated as "PO." herein.

1.11 "Services" means the work and/or services covered by the PO.

1.12 "Specification" means the specification detailed on the face of the PO or in a schedule to be attached to the P.O, or as separately documented by Purchaser in writing which sets out the details of the Goods and/or Services required.

1.13 "Supplier" means the person, firm (or any individual partner thereof), or company designated on the face of this Purchase Order to provide the required Goods / Services and

shall also include its employees, subcontractors, independent contractors and all other persons performing any type of work under the Agreement.

1.14 "Supplier's Personnel" mean Supplier or Supplier's employees, agents, sub-contractors or any other person appointed by Supplier to provide Goods and/or Services, whether in part or whole, under Agreement.

1.15 "Terms and Conditions" means the terms and conditions appearing on this PO. and a part thereof.

2. ACCEPTANCE

2.1 This PO must be accepted in writing by the Supplier. If the Supplier fails to accept the same in writing, any conduct by the Supplier which recognizes the existence of an Agreement pertaining to the subject matter hereof shall constitute an acceptance by Supplier of this PO in its entirety. Any terms proposed by the Supplier's which add to, vary from, or conflict with these Terms and Conditions are hereby rejected and shall not apply unless agreed to by the Purchaser in writing.

2.2 If this PO has been issued by Purchaser in response to an offer and if any of these Terms and Conditions are additional to or different from any terms of such offer, then the issuance of this PO by Purchaser shall constitute a counter offer as per the terms herein contained. The Supplier shall then have the option of accepting these additional and / or different Terms and Conditions, and Supplier shall be deemed to have so accepted unless the Supplier notifies Purchaser to the contrary in writing within 10 days of receipt of this PO. If the Supplier wishes to impose additional and/or different terms and conditions from the Terms and Conditions herein contained, making a further counter offer, acceptance of such additional/different terms and conditions as proposed by the Supplier shall be at the discretion of the Purchaser and shall only be considered accepted after due notice in writing to that effect is issued by the Purchaser.

3. ENTIRE AGREEMENT

3.1 This PO, together with the terms contained herein and on the face as well as any specifications, exhibits or amendments which may be referred to or attached hereto, sets forth the complete and final agreement between the parties with respect to the subject matter hereof, and supersedes any and all prior or contemporaneous oral or written communications relating thereto.

3.2 If this PO is used as a release for Goods and/ or Services under a pre-existing master agreement, then the Terms and Conditions of this PO shall supplement the provisions of such master agreement to the extent they are not inconsistent. In the event of any inconsistency between the terms of any pre-existing master agreement, the terms on the face of this PO or these Terms and Conditions, the following shall be the order of precedence: (i) the terms of the master agreement, (ii) the terms on the face of the PO, and (iii) these pre-printed Terms and Conditions.

3.3 The failure of Purchaser to insist on performance of any provision hereof shall not be construed to be a waiver of such provision or any part thereof.

4. CONTRACT PRICE

4.1 The price (which shall be a firm fixed price), shall be exclusive of GST/VAT, and inclusive of all Packaging and other related charges, delivery and insurance and insurance charges (unless otherwise stated separately in writing). Any increase in the price for any reason shall be subject to the express prior written consent of Purchaser.

4.2 Invoices. All invoices raised by the Supplier shall contain the following information: PO number, item number, description of Goods and/or Services, sizes, quantities, weight, unit

prices, extended totals and delivery challan/LC No. The GST (where applicable) should be shown separately and should be accompanied by the GST invoice. The Purchaser will accept no liability whatsoever for invoices, delivery notes or other communications which do not bear correct or complete information as specified here-in-above.

4.3 To ensure payment in accordance with the above procedure all invoices must be received at the invoice address shown on the Purchase Order.

5. PAYMENT

5.1 Purchaser shall make payment for the Goods and / or Services after receipt of invoice and delivery and inspection of the Goods by our Q/C dept which may include measurement, testing or examination at the Purchaser's facility within a reasonable time (but not less than 90 days) after receipt at destination, or complete performance of the services or in case of import, after acceptance of documents, as applicable, unless different terms have been stated on the face of this PO.

5.2 It is clarified that acceptance of the Goods by our QC department does not tantamount to unconditional, absolute and irrevocable acceptance. Purchaser reserves the right to return any and all defective damaged and / or spoiled Goods which are discovered to be defective damaged and / or spoiled as a result of the Supplier's action and / or omission back to the Supplier at ANY TIME before the Goods reach their expiry date. As appropriate GSK will either seek refund of the spoiled, damaged and / or defective Goods or deduct the cost of the Goods from the amount payable to the Supplier, if any. The Supplier is unconditionally agreeable to the same. It is clarified that any defects discovered in the Goods subsequent to acceptance of the Goods by the Purchaser will be duly rectified if rectification thereof is possible by the Supplier at its own cost.

5.3 An invoice shall not constitute unconditional acceptance of price charged for the Goods and/or Services and shall be subject to adjustment for errors, shortages, defects in the Goods and/or Services, or damage to Purchaser for which Supplier is partially or wholly responsible, or other failure of the Supplier to meet the requirements of the PO,

6. DELIVERY OF GOODS AND/OR PROVISION OF SERVICES

6.1 Unless otherwise instructed in writing by Purchaser, all Goods must be delivered and Services must be performed at the time and place specified in the PO by the Supplier at Supplier's cost.

6.2 If Goods and/or Services are incorrectly delivered Supplier shall be responsible for additional expenses incurred in delivering them to the correct point specified in the PO or subsequently advised in writing by Purchaser. The quantity specified in the Agreement may not be changed without Purchaser's prior written consent.

6.3 Time is of the essence and the Goods must be received or Services performed on the date and at the destination(s) set forth in the PO. If Supplier fails to meet any such delivery date, Purchaser may, without limiting its other rights and remedies, direct expedited routing, charge excess costs incurred to it as a result of the delay by the Supplier to Supplier, or cancel all or part of this PO.

6.4 The Purchaser reserves the right to hold the Supplier liable for all damages caused by such delay. In case of non-delivery, Purchaser may at its discretion cancel the PO and the Supplier warrants that it shall indemnify the Purchaser for any loss and or damage suffered by the Purchaser including costs of defending legal proceedings etc. caused due to the Supplier's failure to deliver the Goods / Services in the specified time.

7. FREIGHTTITLE AND RISK OF LOSS.

7.1 Unless otherwise specifically provided for herein, Supplier shall be responsible for freight and delivery to the destination specified on the face of this PO or notified subsequently in writing. All freight and delivery charges will be paid by Supplier.

7.2 Unless Incoterms are agreed, the title and risk in Goods shall remain with Supplier until they are delivered at the "ship to" destination specified on the face of this PO. Further, the Supplier shall bear the same risks with respect to any goods rejected by Purchaser or as to which Purchaser has revoked its acceptance, from the time of such rejection or revocation.

7.3 In case of Import, the Goods shall be delivered by the Supplier to the nearest port of loading (Sea Port/Air Port). From the time of the dispatch from the Supplier's premises till the time that the Goods are loaded on to the vessel, the risk of and loss or damage to or deterioration of the Products from whatever cause arising shall be borne by the Supplier.

8. QUALITY AND FITNESS FOR PURPOSE OF GOODS

8.1 Goods and/or Services must comply with the Agreement and all express and implied conditions, warranties and terms must specifically comply with the Specifications/artworks or any modifications that may be agreed in writing. Drugs and Chemicals must comply with official standards (e.g. BP,BPC,USP etc) unless otherwise stated. Goods purchased against sample must conform in all respects with the previously approved sample.

8.2 Notwithstanding any prior inspections or payments hereunder, all Goods and/or Services shall be subject to an inspection as stated in clause 5 above, which may include measurement. Testing or examination at the Purchaser's facility within a reasonable time (but not less than 90 days) after receipt of Goods at the destination. Any inspection by the Purchaser does not relieve the Supplier of any of its obligations or liabilities under the Agreement.

8.3 The Goods must be, supplied with adequate instructions as to use and use-by date, be fit for the purpose for which they are intended, be of satisfactory quality and be free from defects in design, material and workmanship.

9. REJECTION, REPAIR AND REPLACEMENT

9.1 In the case of Goods not conforming with the Agreement, either before or after acceptance of the Goods the Purchaser may, at its discretion:

- (i) Require the Supplier as soon as reasonably practicable to either repair or replace the Goods at the destination or at the Supplier's works, whichever the Purchaser shall so determine, or where repair is not appropriate refund to Purchaser all payments, if any, made to it under the Agreement for the Goods which do not correspond with the specifications. Repairs, replacements, and any refunds shall be subject to the same obligations as in the Agreement unless otherwise agreed by the Purchaser in writing.
- (ii) In the case of defective delivery, require Supplier to promptly reimburse the Purchaser in respect of any cost including but not limited to freight, clearance, duty and storage charges incurred by Purchaser; and
- (iii) Purchase Goods elsewhere which as nearly as practicable accord with the Specifications; and any extra expense thus incurred shall be paid by Supplier to Purchaser. Before exercising such right to purchase elsewhere Purchaser shall give Supplier a reasonable opportunity to replace rejected Goods with Goods which conform

with the Specifications failing which the Supplier shall refund to the Purchaser the costs of such Goods.

9.2 In the event of a rejection in accordance with (I) above Purchaser shall notify the Supplier in writing and the payment obligation in relation to any such Goods shall be suspended forthwith. If Purchaser elects to accept nonconforming Goods or Services, the Purchaser shall, in addition to and without prejudice to its other remedies in law, be entitled to an appropriate reduction in price. The Parties shall use their best endeavors to resolve any dispute arising pursuant to Clauses 8 and If no agreement can be reached within 30 days, the Parties shall agree on an independent expert (not an arbitrator) whose decision shall be final and binding as to the dispute. Fees for the independent expert shall be borne by the Party found to be in default of its obligations under the Agreement by the said independent expert.

9.3 If the independent expert finds that any delivery of the Goods or Services has not complied with the Agreement, Purchaser shall have the rights stated above.

9.4 If the Independent expert finds that the Goods or Service comply with the Agreement, Purchaser shall pay for such Goods or Service in accordance with the payment provisions contained in the Agreement.

9.5 All rejected Goods and material with Purchasers name and or identification appearing thereon will be destroyed by the Purchaser at any of its premises at the Supplier's expense and not sold as surplus. The Supplier shall not be entitled to claim any compensation for such destruction.

10. WARRANTY

10.1 Supplier warrants that all Goods furnished hereunder shall:

- (i) be free from latent and patent defects in workmanship, material, manufacture, and design (where design is Supplier's responsibility);
- (ii) comply with the requirements of this Agreement including all drawings and Specifications incorporated herein and samples and warranties furnished by Supplier as well as any other written instructions given by Purchaser and /or agreed in writing between the Parties;
- (iii) be merchantable and safe for consumer use, and fit and sufficient for the purpose/ use intended by Purchaser;
- (iv) be free and clear of any lien, security interest or other adverse claim against title which may result in loss and/or damage to the Purchaser;
- (v) comply with all relevant statutes, regulation and other legal requirements.

10.2 The Supplier's warranties shall be effective from the time of delivery of the Goods and shall continue till expiry of the Goods. For goods that are covered under an independent Supplier's warranties shall be effective for the period of time set forth on the face of this PO or one (1) year from the date of Purchasers acceptance, whichever is greater.

10.3 These warranties shall run to Purchaser's customers and end users of its products wherein the Goods are used. If any Goods furnished hereunder do not meet the warranties specified in this PO, the Purchaser may, at its option:

- (i) require the Supplier to correct/rectify, at no cost to Purchaser any defective or non conforming Goods by repair or replacement within seven (7) days of written notice regarding the defective or no conforming Goods or Services being sent to the Supplier;
- (ii) return such defective or nonconforming Goods at the Supplier's expense to the Supplier and recover from the Supplier the cost of the same;
- (iii) correct the defective or nonconforming Goods itself and charge Supplier with the cost of such correction;
- (iv) accept the defective or nonconforming Goods or services at a reduced price.

11. STANDARD OF SERVICES

11.1 Supplier warrants and represents to Purchaser that any Services performed by Supplier or duly appointed sub-contractor:

- (i) shall be performed in a good and workmanlike fashion and with all due speed, care, skill and diligence. Supplier shall furnish such programmes for the Services as Purchaser may reasonably require within 30 days of receipt of the PO and / or the Agreement. Suppliers programmes shall give details of its proposals for carrying out the Services within the time stipulated indicating the sequence and timing of all operations forming part of the Services.
- (ii) shall be carried out in accordance with the PO and / or the Agreement and in accordance with current industry standard codes of practice, and shall conform to the highest standards prevailing in Supplier's industry. Supplier shall ensure that all of its personnel and sub-contractors are suitably qualified to perform the Services and that all necessary licenses, work permits or other authorisations have been obtained by it.

11.2 If the Services do not conform with the PO or the Agreement, Purchaser shall have the right to have the Services performed from elsewhere which as nearly as practicable conform to the PO; and any extra expense incurred shall be paid by Supplier to Purchaser. Before exercising such right to obtain the Services from an alternative supplier Purchaser shall give the Supplier an opportunity to replace the services in respect of which payment was cancelled and /or withheld with Services which conform with the PO or the Agreement in case of Services the warranties shall be effective from the time performance of Service is initiated till such time at the end of the Service that the Purchaser deems the Service rendered to be satisfactory.

11.3 These warranties shall run to Purchaser's customers and end users of its products wherein or in relation to which the Services are used.

12. WORKERS/EMPLOVES OF SUPPLIER

12.1 The Supplier shall strictly abide by all provisions of law in force in Pakistan from time to time applicable to it generally and also respect of his employees/workers and shall maintain records of work done by the as required under law.

12.2 The Supplier warrants that it does not employ children, indulge in forced labor and does not discriminate against any employee/worker on all basis of race, gender, ethnicity, religion disability or cast.

12.3 At no point shall the Supplier's Personal be deemed to be employee(s) of the Purchaser and nothing in the Agreement shall be construed or have effect as constituting any relationship of employer and employee between Purchaser and Supplier's Personal or the Supplier. Supplier shall make all payments directly to Supplier's Personal and pay all related taxes including withholding tax.

13. CHANGES

Purchaser reserves the right at any time to change this PO or any term of the Agreement in writing, and if such change causes an increase or decrease in price or delivery of Goods or Services, a reasonable adjustment shall be made.

14. PACKAGING

Supplier will package and label the Goods in a manner suitable for transit and storage at no cost to Purchaser. Purchaser will not pay for or return Packaging materials unless previously agreed between the Parties in writing. Packaging must comply with all relevant legislative requirements, in force in Pakistan including those pertaining to environmental and occupational health and safety standards.

15. INSPECTION

15.1 Purchaser, and any third party it appoints on its behalf, shall have the right upon prior notice to inspect and/or carry out any tests, or batch sampling, as it wishes on all Goods at Supplier's premises and the premises of any sub-contractors of the Suppliers and on any Services provided.

15.2 Where pre-shipped inspection is specified, Supplier must, at its expense provide for the same and provide any or all relevant certificates of analysis.

15.3 Supplier shall, and shall ensure that its sub-contractors shall, grant a right of access to the Purchaser and any third party it appoints in order to inspect and test the Goods for compliance with relevant environmental, occupational health and safety legislation/regulations in force in Pakistan and other requirements such as the Purchaser policies, procedures and standards.

16. CONFIDENTIALITY AND PUBLICITY

The Supplier shall, and shall procure that Suppliers Personnel shall, keep secret any Intellectual Property Rights, Specification or other information of a commercial or technical nature disclosed to Supplier by Purchaser for the purpose of the Agreement, and shall not use or disclose such information to any third party without Purchaser's prior written consent. Supplier shall not without Purchaser's prior written consent disclose, copy, publicise or publish, the existence of the Agreement or any information related to the Agreement including the name of Purchaser, the Goods, Services, and the place of delivery or performance.

17. INTELLECTUAL PROPERTY RIGHTS

17.1 The Supplier shall, at its expense, defend any actions arising from infringements or alleged infringements of its Intellectual Property Rights in connection with the Goods or Services. The Supplier undertakes to indemnify the Purchaser against any costs which the Purchaser may incur in connection with such actions, provided that Purchaser gives the Supplier all appropriate information and assistance and shall be the sole authority to defend or settle any legal proceedings at Suppliers expense.

17.2 Purchaser retains Intellectual Property Rights in, and ownership of all materials, plans, drawings, Specifications, patterns and/or designs and artwork provided by Purchaser to Supplier, including any originals, copies, summaries and derivations thereof. The same shall all be returned at such time as the Purchaser demands in good condition to the Purchaser.

17.3 Where Goods are made to Purchaser's Specification, model, or plans, the Intellectual Property Rights in the Goods in so far as they relate to the Specification, model, or plans, and any improvements or developments thereof shall be the absolute property of the Purchaser, and it shall be assumed that all such Intellectual Property Rights have been assigned to the Purchaser by the Supplier as are necessary for appropriate and purposeful use of the Goods.

17.4 Intellectual Property Rights arising during or out of the provision of Services shall be and remain the property of Purchaser.

17.5 In the event that the Intellectual Property Rights relating to the Goods and/or Services are held by the Courts to infringe a third party's rights, and their use is enjoined by that third party, Supplier shall have the option at its expense to procure for the purposes of the Agreement for the Purchaser the right to continue using the Goods or Services for the duration of the Agreement, or replace the Goods with non-infringing Goods or Services, or modify the Goods or Services so that they become non-infringing without detracting from their overall performance and functionality.

18. WORK ON PURCHASERS' PREMISES; OCCUPATIONAL HEALTH SERVICES

18.1 In the case of Services the Supplier shall comply with all applicable safety and environmental laws in force in Pakistan from time to time and any and all policies, procedures and regulations of the Purchaser. Supplier shall provide the Purchaser with a complete list of all chemicals, hazardous materials, and ingredients used or produced in the composition of Goods or used in the performance of the Services hereunder. The submission of such list by the Supplier shall not relieve Supplier of exclusive responsibility for the safe transportation, use, storage, and disposal of such materials prior to acceptance by the Purchaser and or any liability arising from breach of any safety /environmental law in force in Pakistan from time to time. All chemicals and hazardous materials brought by Supplier to Purchaser's premises shall bear a label stating the identity of the chemical or material.

18.2 Supplier will indemnify Purchaser against all liability and loss related to any third party claims which arises from Supplier's or Supplier's sub-contractors' actions resulting in alleged release of any waste, hazardous substance or other pollutant.

19. RESPONSIBILITY FOR INFORMATION

Supplier shall be responsible for any errors or omissions in any drawings, calculations, Packaging details or other particulars supplied by Supplier, whether such information has been approved by GSK or not, provided that such errors or omissions are not due to inaccurate information furnished in writing by GSK.

20. LABOUR RIGHTS AND ETHICAL STANDARDS

Third Party represents and warrants, to the best of its knowledge, that in connection with the Agreement it: (i) respects the human rights of its staff and does not employ child labour, forced labour, unsafe working conditions, or cruel or abusive disciplinary practices in the workplace; (ii) does not discriminate against any workers on any ground (including race, religion, disability, gender, sexual orientation or gender identity); and (iii) pays each employee at least the minimum wage, provides each employee with all legally mandated benefits, and complies with the laws on working hours and employment rights in the countries in which it operates and will not use any employees to perform the Agreement who are employed under a zero hour contract. Third Party will be respectful of its employees' right to freedom of association and will encourage compliance with these standards by any

supplier that it uses in performing its obligations under the Agreement.

21. PRIVACY SCHEDULE

21.1 DEFINITIONS

i. **“GSK Data”** means any data or information that is provided by or on behalf of GSK or obtained by Supplier or Supplier personnel in connection with the negotiation and execution of the Agreement or the performance of Supplier’s obligations under the Agreement, including any such data and information that either: (i) is created, generated, collected or Processed by Supplier personnel in the performance of Supplier’s obligations under the Agreement, or (ii) resides in or is accessed through GSK’s information systems or Supplier Information Systems, as well as any data and information derived from the foregoing.

ii. **“Processing”** (and its conjugates, including without limitation “Process”) means any operation or set of operations that is performed upon any information or data, including, without limitation, collection, recording, retention, alteration, use, disclosure, access, transfer, storage, or destruction of data.

iii **“Supplier Information Systems”** (SIS) means all hardware, software, operating systems, database systems, software tools and network components used by or on behalf of Supplier to receive, maintain, Process, store, access or transmit GSK Data.

21.2 RETENTION AND RETURN OF GSK DATA

i. Retention

Supplier shall retain GSK Data only for as long as specified in the Agreement or as otherwise necessary to satisfy the purposes for which it was provided to Supplier, except only to the extent longer retention is required by applicable law.

ii. Return

Supplier shall (at its sole cost) return, delete or destroy, as specified by GSK, all GSK Data then in its possession or under its control, including without limitation all originals and copies of such GSK Data, upon GSK’s request for any reason. Supplier shall certify compliance with this requirement by written notice to GSK received no later than thirty (30) days following such return, deletion or destruction of all GSK Data. Supplier will use destruction methods that meet or exceed current industry standards, to GSK’s reasonable satisfaction. Unless otherwise agreed in writing with GSK, Supplier shall return any GSK owned physical assets.

21.3 DATA HANDLING

i. Encryption

When transferring GSK Data, and in communications between GSK and Supplier, Supplier will use encryption when transmitted over non-secure channels including email and remote connectivity. Supplier will use solutions that meet or exceed current industry standards, to GSK’s reasonable satisfaction.

ii. Data Security Breach Reporting and Incident Response

Without limiting any other term of the Agreement, upon discovering any accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, GSK Data (a **Data Security Breach**) or a potential compromise of Supplier systems that could result in a Data Security Breach, Supplier will send an e-mail to csir@GSK.com notifying GSK without undue delay, and in any case within (6) six hours. Supplier shall work with GSK in good faith to identify a root cause and remediate a Data Security Breach.

iii. Information Protection Policies

The Supplier will implement mandatory security policies, standards, and procedures for staff and all subcontractors, vendors, or agents who have access to GSK Data. These policies and procedures will cover:

- a. measures, standards, procedures, rules and norms that will provide an industry-standard level of security;
- b. staff functions and obligations relevant to the protection of GSK Data, including mandatory training;
- c. procedures for reporting, managing and responding to security incidents relating to GSK Data; and
- d. procedures for backup and restoration of GSK Data. Unless agreed otherwise in writing with GSK, Supplier will ensure that offline backup copies of GSK Data will be kept for thirty (30) days.

The Supplier will perform periodic risk assessment to ensure that these policies, standards and procedures are kept up to date, continue to be aligned with industry standards, and are revised as necessary whenever relevant changes are made to the SIS that uses or houses GSK Data, or to how that system is organised.

iv. Physical and Environmental Security

- a. Supplier must ensure that GSK Data is physically secured against unauthorised access.
- b. Physical access to SIS must be restricted to authorized Supplier or approved sub-contractor personnel requiring access to perform their current role in line with access granting procedures and rules which provide security against unauthorized access, accidental or deliberate damage and interference. Environmental controls will be established to detect, prevent and control destruction due to environmental hazard.

v. Disposal of media

When media or storage devices are to be disposed of or reused, Supplier will implement industry-standard procedures to prevent any subsequent retrieval of GSK Data before devices are withdrawn from the inventory. When media are to leave the physically secured premises (compliant with 0 above) as a result of maintenance operations, Supplier will implement encryption of GSK Data stored on the media.

vi. Network Security

The Supplier will maintain industry-standard network security using equipment and techniques including firewalls, intrusion detection and prevention systems, access control lists and secure routing protocols.

vii. Access Control

Supplier will ensure that:

1. Technical mechanisms are designed and implemented to ensure that GSK Data within the SIS is logically segregated from other customers' data.
2. Procedures are implemented to define user roles and their privileges, how access is granted, changed and terminated; addresses appropriate segregation of duties; and to define the logging and monitoring requirements and mechanisms.
3. Access rights are implemented adhering to the "least privilege" approach (i.e., authorised staff will be granted the minimum access required to perform their roles).
4. All employees of the Supplier are assigned unique User-IDs that are not shared. Every account will be attributable to an individual.
5. Access to SIS is controlled through a defined system of user administration, identification, authentication and authorisation where only appropriately authorized persons can grant, modify or revoke access. Administrators granting or modifying access credentials for IT Systems perform appropriate identity proofing to ensure that access is granted to the proper person.
6. A strong password policy is documented, established, operated, and enforced. Passwords, personal identifying numbers (PINs) or passphrases and any data that can be used to derive

them must be encrypted in storage and transmission. Account credential secrets will be protected at all times from unauthorized disclosure, alteration, or use.

7. Intrusion detection and prevention mechanisms are implemented on SIS. This will include logging, monitoring or blocking of unauthorized access attempts, modification of data, and unusual network activity indicating malware, unauthorized access or access attempts, or other unauthorized activities. Supplier will appropriately monitor and escalate detected issues to ensure the security of GSK Data.

viii. Virus and Malware Controls

- a. Supplier will securely configure and maintain malware protection through use of network devices and software.
- b. Supplier will apply security patches promptly following a change management process, with critical security patches implemented within thirty (30) days and non-critical security patches within ninety (90) days.
- c. Supplier will maintain all hardware and software used to Process GSK Data at supported version levels.
- d. Supplier will ensure that Independent Testing is performed at least annually to verify SIS is free of Known Vulnerabilities that may be used to gain unauthorized access to the SIS or GSK Data.
- e. "Known Vulnerability" means those vulnerabilities documented and compiled by independent third parties, including the NIST National Vulnerability Database, a U.S. government repository of standards based vulnerability management data found at the nvd.nist.gov website, and other sites such as the Open Web Application Security Project (OWASP) found at the www.owasp.org website, United States Computer Emergency Readiness Team (US-CERT) found at the www.us-cert.gov website, and UK National Cyber Security Centre (NCSC) found at the www.ncsc.gov.uk website;
- f. Independent Testing means testing via automated tools, by a qualified independent third party; or alternatively, by an internal group with expertise in security vulnerability assessment and independent from the development and support organization;
- g. When the Supplier is providing application software, including web application or code, the Supplier will test for Known Vulnerabilities prior to each delivery and provide the results of Testing with the plan for remediation to GSK upon request.

ix. Personnel

- a. The Supplier will implement a mandatory security training program for personnel. This program will include data classification obligations; physical security controls; security practices and security incident reporting.
- b. Supplier shall perform screening of Supplier Personnel at the time of hiring the Supplier Personnel that is, to the extent that permitted by such applicable laws in the country of hire, consistent with GSK's minimum required screening criteria:
 - i. An identity check.
 - ii. A criminal record check.
 - iii. Verification of education qualifications or other skills claimed.
 - iv. A debarment check, where required.
 - v. Verification of entitlement to employment through the use of work permits or similar documents.
 - vi. Verification of pertinent licenses including, motor vehicle licenses, certifications and operating documents that are required by law or required due to the nature of the position/job description and/or responsibilities.
 - vii. Previous employment reference check.
 - viii. Verification of dates of employment claimed for the previous five (5) years.

- ix. Check on participation in animal rights activism. GSK reserves the right to perform these checks if Supplier cannot perform them.
- x. Financial/credit check.

x. Business Continuity

- i. Supplier will maintain and test at least annually a comprehensive business continuity plan which is designed to ensure availability of Supplier's critical business activities in the event of major failures or disasters, including the loss of an office facility or a data centre.
- ii. Supplier's business continuity plan will address the services provided to GSK and must aim to achieve recovery of services to GSK within an appropriate period acceptable to GSK. Unless otherwise agreed in writing with GSK, the Business Continuity Plans will provide for recovery of services within forty-five (45) days with no more than loss of one (1) day of updates to GSK Data.

xi. THIRD PARTY DATA

All or part of the GSK Data may contain information that is licensed to GSK by third parties. At GSK's request, Supplier shall enter into any agreements with such third parties as may reasonably be required to enable the Processing of such information.

xii. Compliance with laws

The Supplier will comply with all laws, regulations, statute or ordinances ("Laws") applicable to its Processing of GSK Data, as such Laws may be revised from time to time. Upon GSK's reasonable written request, Supplier shall provide all information necessary to demonstrate compliance with such Laws.

xiii. GSK SECURITY REVIEW RIGHTS

GSK and its agents, auditors (internal and external), regulators and other representatives as GSK may designate may inspect, examine and review the systems, records, data, practices and procedures of Supplier (and any subcontractors it may use) that are used in rendering the services under the Agreement to verify the integrity of GSK Data and compliance with the confidentiality and security requirements of the Agreement.

22. SOFTWARE DEFECT

- a. Supplier warrants that any Goods comprising computer hardware or software, and supplied by Supplier to GSK (the "Products"):
 - i. are free from viruses, defects, disabling codes, software routines or hardware components designed to permit (either automatically or through externally applied controls) unauthorised access or allow the Products to be disabled, have content erased, or otherwise be harmed (collectively, "**Contaminants**"), have been duly tested to ensure that there are no such Contaminants, and are subject to recognised and appropriate release procedures including the latest version of a proprietary virus detection software package approved by GSK, and Supplier shall procure that corresponding obligations are imposed with its sub-contractors or agents;
 - ii. have been obtained from a reputable and reliable software developer and not through any interest group or multi-organisational software sharing scheme, and do not include any open source, freeware or shareware (unless otherwise agreed in writing in advance by GSK); and
 - iii. will comply and function substantially in accordance with any related user documentation.
- b. Supplier warrants that neither the performance nor the functionality of the Products will be adversely affected by any changes caused by the advent of the a particular calendar date.
- c. Supplier shall indemnify GSK and its Affiliates, and keep them indemnified, on demand from and against all Losses incurred or suffered as a result of or in connection with Supplier's breach of the warranties set out in Sections 22.1 and 22.2 above.

23. INDEMNITY AND INSURANCE

23.1 Supplier shall defend, indemnify and hold the Purchaser, its affiliated companies, and their respective shareholders, officers, directors, employees, agents, successors, and assigns harmless from and against any and all claims, suits, actions, liabilities, losses, costs, reasonable attorneys' fees, expenses, judgments or damages, whether ordinary, special or consequential arising directly or indirectly from or in connection with ;

- (i) the acts, negligence, omissions or willful misconduct of Supplier;
- (ii) Goods or Services supplied hereunder;
- (iii) a breach of any of Supplier's warranties or any other term and condition of this PO and the Agreement;
- (iv) Suppliers negligent, unauthorized or wrongful acts or omissions with regard to the use or installation of hazardous material;
- (v) a claim that any Goods or Services furnished hereunder infringe upon or misappropriate any patent, copyright, trademark, trade secret or other intellectual property interest of another; or
- (vi) a claim of any lien, security interest or other encumbrance made by a third party.
- (vii) any injury sustained by Supplier's Personelle while providing any Goods or Services under the Agreement.

23.2 Without limiting the Purchaser's rights and remedies hereunder, if the Purchaser believes that the Goods and/or Services supplied hereunder are likely to be determined to be an infringement or misappropriation of a patent, copyright, trademark, trade secret, or other proprietary right, the Purchaser may require Supplier to:

- (i) replace such Goods or
- (ii) modify such Goods to make them non-infringing.

Supplier shall carry out and maintain insurance coverage satisfactory to cover its obligations under this PO and the Agreement.

24. TERMINATION.

24.1 The Purchaser may, at any time, terminate this PO, in whole or in part, without cause, upon written notice to Supplier. Upon any such termination Supplier shall, to the extent specified by the Purchaser stop all work on this PO and / or the Agreement, and cause its suppliers and subcontractors to stop work. Charges for any such termination of this PO shall be limited to actual non-recoverable costs incurred by Supplier, which Supplier can demonstrate were properly incurred prior to the date of termination. In no event will the Purchaser reimburse Supplier for Goods, inventory or services in excess of those required to meet the Purchaser's requirements, In no event shall such reimbursement include anticipated profits for undelivered Goods or unperformed services, Purchaser's liability is limited to Services in progress, and no further loss or liability will accrue to the Purchaser in this regard.

24.2 The Purchaser may terminate this PO, in whole or in part, if Supplier:

- (i) fails to make delivery of the Goods or perform the Services within the time specified herein;
- (ii) fails to replace or correct defective Goods or services in accordance with the provisions of this PO or the Agreement;
- (iii) fails to perform any other provision of this PO or so fails to make progress as to endanger performance in accordance with its terms;
- (iv) becomes insolvent, files or has filed against it a petition in bankruptcy, or makes an assignment for the benefit of creditors.

24.3 Termination or expiry shall not relieve either party from any liability or action accrued prior to such termination or expiry.

25. CONSEQUENCES OF TERMINATION

25.1 Upon termination of the Agreement Supplier shall, not later than seven days after Purchaser's request:

- (i) deliver to Purchaser at the destination all quantities of the Goods in its possession which comply with the Agreement;
- (ii) return to Purchaser all documents provided to Supplier by Purchaser, as well as all documents containing Intellectual Property Rights and/or any information of a technical nature relating to the Goods, the manufacture of the Goods and the provision of Services, or of a confidential nature and supplied/due to be supplied by Purchaser to Supplier.

25.2 With effect from termination of the Agreement Supplier shall not make any use for any purpose whatsoever of any Intellectual Property Rights which are the property of Purchaser.

26. PURCHASER PROPERTY

All drawings, artwork, data, material, supplies, equipment, tooling, dies, molds, fixtures, and patterns furnished or paid for by the Purchaser or which have had their cost amortized shall be Purchaser's exclusive property, and shall be used by Supplier only in performance of this PO and / or the Agreement. Such property, while in Supplier's custody and control, shall be held at Supplier's sole risk and, upon Purchaser's request, shall be returned to the Purchaser in good condition, normal wear and tear excepted.

27. ASSIGNABILITY AND SUBCONTRACTING

27.1 This PO and the Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns. Notwithstanding the foregoing, neither this PO nor any interest therein shall be assigned, or otherwise transferred by the Supplier except upon the prior written consent of the Purchaser and any assignment or transfer without such consent shall be void and of no effect.

27.2 Supplier shall not, without the prior written consent of Purchaser, appoint any sub-contractor or any person or persons to carry out its obligations under the Agreement. In the event that Supplier appoints a sub-contractor or other person to perform its obligations, the supplier shall remain liable to Purchaser for the performance of all its obligations and shall ensure that any such sub-contractor or other person reads and understands the implications of the Agreement.

27.3 Purchaser may assign its rights or obligations under this PO or Agreement to any Affiliate or successor without Supplier's consent.

27.4 Nothing in this Agreement shall be deemed to constitute an agency between the Purchaser and the Supplier except for any rights granted to GSK Affiliates, which the parties hereby designate as intended third party beneficiaries to the Agreement, no person who is not a party to the Agreement shall have any rights under the Contracts Act 1872 to enforce any term. The rights of the parties to terminate, rescind or agree any variation, waiver or settlement under the Agreement is not subject to the consent of any person that is not a party to the Agreement.

28. RELEASE INFORMATION.

Supplier shall not release any statement, advertisement, information, or publicity referring to Purchaser or its Affiliate, or use of the word "Glaxo", "SmithKline", or "GlaxoSmithKline" without the Purchaser's prior written approval.

29. FORCE MAJEURE

29.1 Neither party shall be liable for, nor be deemed to be in default, on account of any delay in completion or the performance of any other act under the Agreement due to circumstances which could not have been contemplated by the parties and which are beyond the party's reasonable control ("Force Majeure"), provided that the party claiming hereunder shall notify the other with all possible speed specifying the cause and probable duration of the delay or non-performance and shall minimise the effects of such delay or non-performance.

29.2 Purchaser shall have the right to suspend any shipment from Supplier hereunder without penalty or liability to Purchaser in the event of war, riot, flood, acts of God, fire, court order, strike, work stoppage, act of governmental authority.

30. SEVERABILITY

In the event that any provision of this PO and /or the Agreement is declared invalid by a proper tribunal or law, the remainder of the provisions shall not be affected thereby, and each term and provision not declared invalid or unenforceable shall be valid and shall be enforced to the fullest extent permitted by law,

31. AMENDMENT

The Agreement may only be amended in writing by authorized representatives of both Parties or the Purchaser.

32. ARBITRATION

32.1 If, at any time, any disagreement or dispute ("Dispute") arises between the Parties out of or in respect of this Agreement, the Parties in Dispute shall endeavor to settle such Dispute amicably failing which the Dispute shall be finally settled by arbitration in accordance with the Pakistan Arbitration Act, 1940 before a sole arbitrator who shall be a retired judge of the High Court of Pakistan as may be agreed by and between the Parties.

32.2 The award of the arbitrator shall be final and binding upon the Parties who shall give full effect there to. The arbitration shall be conducted at Karachi in the English language.

33. ANTI-BRIBERY & CORRUPTION:

33.1 "Government Official" (where "government" means all levels and subdivisions of governments, i.e. local, regional, national, administrative, legislative, executive, or judicial, and royal or ruling families) means any officer or employee of a government or any department, agency or instrumentality of a government (including public enterprises, and entities owned or controlled by the state); any officer or employee of a public international organisation such as the World Bank or United Nations; any officer or employee of a political party, or any candidate for public office; any person defined as a government or public official under applicable local Laws (including anti-bribery and corruption laws) and not already covered by any of the above; or any person acting in an official capacity for or on behalf of any of the above. "Government Official" will include any person with close family members who are Government Officials (as defined above) with the capacity, actual or perceived, to influence or take official decisions affecting GSK business.

- 33.2 Third Party will, and will take reasonable measures to ensure its subcontractors, agents or any other third parties subject to its control or determining influence will, comply with anti-corruption laws and will not, in connection with the performance of this Agreement, directly or indirectly make, promise, authorise, ratify or offer to make, or take any act in furtherance of any payment or transfer of anything of value for the purpose of influencing, inducing or rewarding any act, omission or decision to secure an improper advantage; or improperly assisting Third Party or GSK in obtaining or retaining business, or in any way with the purpose or effect of public or commercial bribery. For the avoidance of doubt this includes facilitating payments, which are unofficial, improper, small payments or gifts offered or made to Government Officials to secure or expedite a routine or necessary action to which GSK is legally entitled.
- 33.3 Third Party represents and warrants that, except as disclosed to GSK in writing prior to the commencement of the Agreement: (i) none of its significant shareholders (>25% shareholding) or senior management has influence over GSK's business; (ii) no significant shareholders, members of senior management, members of the Board of Directors, or key individuals who will be responsible for the provision of goods or services are currently or have been in the past 2 years a Government Official with actual or perceived influence which could affect GSK business; (iii) it is not aware of any immediate relatives (e.g. spouse, parents, children or siblings) of the persons listed above having a public or private role which involves making decisions which could affect GSK business or providing services or products to, or on behalf of GSK; (iv) it does not have any other interest which directly or indirectly conflicts with its proper and ethical performance of the Agreement; and (v) it will maintain arm's length relations with all third parties with which it deals for or on behalf of GSK in performance of the Agreement. Third Party will inform GSK in writing at the earliest possible opportunity of any conflict of interest as described in this paragraph that arises during the performance of the Agreement.
- 33.4 Unless requested by and with the prior written approval of GSK, Third Party will not contact, or otherwise knowingly meet with any Government Official for the purpose of discussing activities arising out of or in connection with the Agreement. Only where expressly authorised by GSK, Third Party will in all interactions with Government Officials identify that it acts on behalf of GSK and will at all times during the term of the Agreement maintain (separately from any of its business records not relating to the Agreement) a log documenting all interactions with Government Officials on behalf of GSK or in relation to the activities arising out of or in connection with the Agreement to include, at least, the following information: (i) the title of the Government Official with whom they interacted; (ii) the location and context in which such interaction took place; (iii) the subject matter of the interaction; and (iv) whether any transfer of value to the Government Official was made or offered and a description of the same. Third Party will provide a copy of the log referred to above to GSK upon request and no less frequently than every 6 months during the term of the Agreement.
- 33.5 Third Party, upon request by GSK, will certify that adequate anti-bribery and anti-corruption training has been provided to relevant Personnel.
- 33.6 Notwithstanding any other provision in the Agreement, if GSK terminates the Agreement due to Third Party breach of these Anti-Bribery and Corruption requirements, GSK will not be obliged to make any payments, indemnify, or otherwise provide compensation to Third Party subsequent to the termination of the Agreement.

34. APPLICABLE LAW

This Agreement shall be enforced in accordance with and governed by the laws of the Islamic Republic of Pakistan.

GLOSSARY

The terms defined herein should be construed broadly to give effect to the letter and spirit of GSK's ethical standards.

Anything of Value: this term includes cash or cash equivalents, gifts, services, employment offers, loans, travel expenses, entertainment, political contributions, charitable donations, subsidies, per diem payments, sponsorships, honoraria or provision of any other asset, even if nominal in value.

Facilitating Payments: otherwise known as "greasing payments" shall mean a payment to an individual to secure or expedite the performance of a routine government action by government officials.

Payments: this term refers to and includes any direct or indirect offers to pay, promises to pay, authorizations of or payments of anything of value.