

GLAXOSMITHKLINE CONSUMER HEALTHCARE ULC. ("GSK") - CANADA
PURCHASE ORDER TERMS AND CONDITIONS

1. **Term.** The term of this Purchase Order ("PO") shall commence as of the effective or start date stated on the face of this PO, or if no effective or start date is stated, then as of the order date of this PO, and shall terminate when (a) all goods covered by the PO have been delivered and accepted or (b) all services have been fully performed, unless earlier terminated in a manner provided in this PO.

2. **Acceptance.** The goods and services specified in this PO shall be furnished by Supplier subject to all the terms and conditions set forth herein, which Supplier, in accepting this PO, agrees to be bound by and to comply with. Written acceptance or shipment of all or any portion of the goods, or the performance of all or any portion of the services, covered by this PO shall constitute unqualified acceptance of all of its terms and conditions. Supplier is an independent contractor and neither Supplier nor any individual performing the services or delivering goods to GSK is an employee of GSK as per applicable laws, nor are they entitled to any rights or remedies available to employees under applicable laws. Supplier has no authority to assume or create any obligation in the name of GSK. Notwithstanding any legal rule of construction to the contrary, in the event of any inconsistency between the matters on the face of this PO and the pre-printed terms and conditions of the PO, the latter shall prevail. In the event of any inconsistency between the terms and conditions of this PO and the provisions of another written agreement between the parties pertaining to the same subject matter, the latter shall prevail. Subject to the terms set forth herein, Supplier acknowledges that GSK shall have no obligation to purchase any minimum level of goods or services from Supplier.

3. **Price.** Supplier warrants that prices shown in this PO shall be complete, and no additional charges of any type shall be added without GSK's express written consent. In the event Supplier reduces its price for such goods or services during the term of this PO, Supplier agrees to reduce correspondingly the price of those goods delivered after the date of the reduction and/or of those services performed after the date of the reduction.

4. **Taxes.** All applicable taxes which might be levied as a result of the production, sale or shipment of any goods or performance of any services to GSK are specified in this PO, unless otherwise indicated.

5. **Invoices.** All invoices shall be submitted in duplicate and be accompanied by a copy of the bill of lading, if on collect freight shipments or if otherwise required by law, and by a prepaid freight bill if all or any part of the freight is included on the face of the invoice. In addition to any other information specified elsewhere herein, invoices and packing slips shall contain the following information: PO number; item number; description, sizes, quantities, weight, and unit prices of goods and services; and extended totals.

6. **Payment.** Supplier shall invoice GSK for the goods and services provided pursuant to this PO. Supplier shall submit invoices to GSK, and where possible use GSK's electronic invoicing system (i.e., Ariba); attached with a properly supported, complete audit worthy itemized, detailed summary invoice for goods and services provided. If billing is at an hourly rate, Supplier shall not include time travelling to or from work, or travelling in the course of work, unless explicitly authorized in advance in writing by GSK. Each invoice shall certify that the stated goods and services were performed and shall be signed by Supplier. Each invoice shall distinctly charge GST or HST, and any provincial sales tax required by law and any provincial number relating to sales tax. Supplier shall remit taxes collected to the proper authorities. Subject to the terms herein, GSK shall make payment for goods and services within the first five (5) calendar days of the following month after the expiry of sixty (60) calendar days from the date of receipt of a complete, correct, and audit-worthy invoice with the appropriate supporting documentation and delivery and acceptance of the goods or complete performance of the service, unless different payment terms have been specifically stated on the face of this PO. All payment for goods and services shall be in Canadian dollars unless otherwise specified in the PO or agreed to in writing by GSK and Supplier. Payment of an invoice shall not constitute acceptance of goods or services and shall be subject to adjustment for errors, shortages, defects in the goods or services, damage to GSK for which Supplier is partially or wholly responsible, or other failure of Supplier to meet the requirements of this PO. GSK has the right to refuse payment for any invoice received from the Supplier after 120 days from the end date of the delivery of the goods or provision of the services. Supplier is not entitled to any compensation for fees or expenses for any goods or services that: (i) do not conform to the agreed job specifications, in GSK's sole, reasonable discretion, and Supplier fails to correct such work or work product within ten (10) days after receiving written notice from GSK specifying what GSK has found not to be acceptable; or (ii) is

related to correcting or changing any goods or services that GSK has rejected as not acceptable to GSK in the exercise of its sole, reasonable discretion. In addition, GSK may withhold all or part of any amounts due to Supplier in the event of: (a) Supplier's failure to make proper payments to its consultants, subcontractors or other third-party vendors for goods or services; (b) Supplier's failure to carry out and/or remedy goods or services; (c) Supplier's failure to provide documentation/receipts for expenses in the amount of \$25 or greater; (d) Supplier's breach of this PO; or (e) Supplier's failure to submit status reports and/or invoices to the designated GSK representative.

7. **Audit re Costs.** If any payment provided for hereunder is to be made on some basis other than a lump sum price, GSK shall have the right to inspect and audit Supplier's books, records and all associated documents relating to such costs (excluding, however, the basis for agreed-upon fixed rates). In the event that any such audit or audits reveal any error or discrepancy of any nature whatsoever, such error or discrepancy will be promptly corrected, and any monies owing and due either to GSK or to Supplier will be promptly paid by the other party.

8. **Delivery.** Time is of the essence and the goods must be received or services performed on the dates and at the destination(s) set forth on the face hereof. If Supplier fails to meet any such delivery date, GSK may, without limiting its other rights and remedies, direct expedited routing, charge excess costs incurred thereby to Supplier, and/or cancel all or part of this PO. All rejected or over-run goods and material with GSK's printing or identification must be destroyed by Supplier at Supplier's expense and not sold as surplus.

9. **Freight; Title and Risk of Loss.** (a) Unless otherwise specifically provided for herein, Supplier shall be responsible for freight and delivery to the destination specified on the face of this PO. All freight and delivery charges will be paid by Supplier.

(b) Notwithstanding anything else herein, Supplier shall bear all risks of loss and damage to the goods until final acceptance by GSK at GSK's "ship to" destination specified on the face of this PO. Further, Supplier shall bear the same risks with respect to any goods rejected by GSK, or as to which GSK has revoked its acceptance, from the time of such rejection or revocation.

10. **Inspection.** (a) Notwithstanding any prior inspections or payments hereunder, all goods and services shall be subject to final inspection, which may include measurement, testing or examination, and acceptance at GSK's facility within a reasonable time (but not less than 90 days) after receipt at destination. Any inspection by GSK does not relieve Supplier of any obligations or liabilities under this PO.

(b) If any goods or services delivered do not meet the requirements of this PO, GSK shall have the right to reject such goods or services and return such goods at Supplier's expense. GSK may elect to reject the entire amount of goods or services tendered even if only a portion thereof is nonconforming. If GSK elects to accept nonconforming goods or services, GSK, in addition to its other remedies, shall be entitled to an appropriate reduction in price. Payment for any goods or services shall not be deemed an acceptance thereof.

11. **Representations and Warranties.** (a) Supplier represents and warrants to GSK and its customers that all goods to be delivered under this PO will be of merchantable quality, free from any latent or patent defects, will conform to GSK's specification or samples, and will be safe, durable and fit for their intended use. Supplier warrants that title to all goods shall be free and clear of all liens, encumbrances, security interests or other claims. After a breach of this warranty by Supplier, GSK may "cover" by making in good faith and without unreasonable delay any reasonable purchase of or contract to purchase goods in substitution for those from Supplier. GSK may recover from Supplier as damages the difference between the cost of cover and the contract price together with any incidental or consequential damages, but less expenses saved in consequence of Supplier's breach.

(b) Supplier represents and warrants that it will perform all services in a professional, competent and workmanlike manner. After a material breach of Supplier's representations or warranties in this section resulting in Supplier's inability substantially to perform its obligations under this PO and Supplier's failure to cure such breach within a reasonable time after receiving written notice thereof from GSK, GSK may "cover" by making in good faith any reasonable contract for similar services in substitution for those specific services from Supplier which Supplier is substantially unable to perform. GSK may recover from Supplier as damages the excess of the cost of such cover over the contract price for such services Supplier is substantially unable to perform.

(c) Supplier represents and warrants that it has and will have all rights, titles, licenses, intellectual property rights, permissions and approvals necessary in

connection with its performance under this PO and to grant GSK the rights granted hereunder if applicable, and that none of the Services, nor the provision or utilization thereof as contemplated under this PO, do or will infringe, violate, trespass or in any manner contravene or breach or constitute the unauthorized use or misappropriation of any intellectual property rights of any third party.

(d) Supplier represents and warrants that any subcontractors or employees, agents or consultants of the Supplier who shall perform hereunder shall abide by the applicable provisions of this PO including, but not limited to, confidentiality.

(e) Failure of GSK to effect cover as specified above does not bar GSK from any other remedy. Furthermore, the election of cover is in addition to any other warranties provided for in law or equity. Supplier will indemnify and hold GSK and its customers harmless against all liability and expenses, including without limitation counsel fees, arising from any breach of the warranties given hereunder.

12. Changes. GSK reserves the right at any time to change this PO in writing, and if such change causes an increase or decrease in price or delivery of goods or services, an equitable written adjustment shall be made.

13. Confidentiality. (a) Supplier covenants and agrees to maintain all data, information, documentation and know-how relating to the products, operations and business of GSK and its affiliates, generally (the "Information"), provided by GSK, or encountered by Supplier while supplying the goods or performing the services hereunder, confidential. Supplier agrees to use the Information solely for the purpose of supplying goods and performing services hereunder and shall not use the Information for its own benefit or for the benefit of any other third party. Supplier acknowledges that disclosure of any Information in contravention of the terms contained herein, shall cause GSK irreparable harm for which damages alone will not be an adequate remedy and for which GSK shall be entitled to injunctive relief in addition to any other available remedies.

(b) The covenant set forth in subsection (a) does not apply with respect to: (i) information which, at the time of disclosure, is in the public domain; (ii) information which, after disclosure, becomes part of the public domain by publication or otherwise, except by breach of this PO by Supplier; (iii) information which Supplier can establish was in its possession at the time of disclosure and was not acquired either directly or indirectly from GSK; and (iv) information which is required by law to be disclosed.

(c) Upon GSK's request at any time, or upon termination of this Agreement, and in the absence of further agreement of the parties, Supplier shall: (i) cease any and all use of the Information; (ii) promptly return to GSK any and all tangible Information, including all copies, reproductions, summaries, memos, correspondence and compilations of the Information, so Supplier will no longer have any Information in its possession or under its control in either electronic or paper format; and (iii) cease any and all work hereunder and refrain from, directly or indirectly, using the Information.

(d) The provisions of this Section 13 shall survive termination of this PO.

14. Intellectual Property. (a) **Ownership.** Supplier agrees that all writings, drawings, designs, copyrightable material, inventions (whether or not patentable), improvements, discoveries, developments, and all works of authorship created by Supplier in performance of services hereunder, including all worldwide rights therein under patent, copyright, trade secret, confidential information, or other intellectual property right (collectively "Work Product"), are the sole property of GSK. Supplier assigns to GSK all right, title and interest in and to such Work Product, and hereby expressly waives any moral rights in or to all such Work Product, and shall perform such further acts needed to transfer, perfect, and defend GSK's ownership of the Work Product. Supplier shall require its subcontractors to execute written assignments of Work Product to effect such assignment.

(b) **License.** To the extent that Supplier or third parties retain ownership rights in materials delivered with the goods, or upon which the Work Product is based, Supplier hereby grants to GSK an irrevocable, worldwide, non-exclusive, royalty-free right and license to make, have made, modify, use, distribute, publicly perform or display, sell, offer to sell, and import such materials. Supplier hereby warrants that it owns or has acquired rights in all such intellectual property necessary to grant the licenses and intellectual property rights set forth in this Intellectual Property section.

15. Compliance with GSK rules. Supplier agrees to comply with all GSK rules, regulations, policies and requirements with respect to conduct and the health, safety and protection of persons and property.

16. Indemnity. (a) Supplier shall be liable for and agrees to indemnify and save GSK and any of its employees, officers, agents, representatives and affiliates (the "GSK Indemnitees") completely harmless against any and all liability, damages, demands, claims, actions, proceedings, suits, judgements and reasonable expenses that may be brought against or suffered by GSK Indemnitees as a result of: (i) any action or omission by Supplier in connection with the provision of goods and services hereunder by Supplier; (ii) the negligence or willful

misconduct of Supplier; (iii) non-compliance by Supplier of its obligations under this PO; and (iv) breach of the covenants, representations or warranties given in this PO.

(b) Without limiting GSK's right and remedies hereunder, if GSK believes that the goods 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, GSK may require Supplier to: (i) replace such goods or (ii) modify such goods to make them non-infringing.

17. Insurance. To the extent that Supplier's personnel may perform services at GSK's premises, Supplier shall, at its own expense, carry and maintain during the performance of services the following minimum amounts of insurance: (i) Workers' Compensation Insurance: Statutory; (ii) Commercial General Liability (also sometimes referred to as Public Liability) including premises and operations coverage, completed operations coverage, coverage for independent contractors, personal injury liability and blanket contractual liability: \$2,000,000; (iii) Professional Liability Insurance which covers errors and omissions by Supplier or independent contractors: Combined single limit of \$5,000,000; and (iv) Product Liability Insurance (if applicable): \$5,000,000. The above amounts should not be construed and are not meant, in any way, to limit the indemnity of Supplier under this PO. Supplier shall, prior to entry on GSK premises or at GSK's request, provide GSK with certificates of insurance or written evidence of self-insurance for the above coverage. Such certificate or written evidence shall also provide that, in the event such insurance coverage should be materially adversely changed or terminated for any reason, the insurer thereunder will give both parties at least thirty (30) days' prior written notice.

18. Termination. (a) GSK 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 GSK, stop all work on this PO, 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 GSK reimburse Supplier for goods, inventory or services in excess of those required to meet GSK's delivery schedule for binding forecasts. In no event shall such reimbursement include foreseeable loss of profits for undelivered goods or unperformed services.

(b) GSK may immediately terminate this PO, in whole or in part, upon written notice to Supplier, 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, (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, or (iv) becomes insolvent, files or has filed against it a petition in bankruptcy, or makes an assignment for the benefit of creditors.

(c) GSK shall be entitled to terminate this PO immediately, on written notice to the Supplier, if Supplier fails to perform its obligations in accordance with the applicable anti-corruption laws or GSK's "Prevention of Corruption – Third Party Guidelines", attached as Appendix A to this PO. Supplier shall have no claim against GSK for compensation for any loss of whatever nature by virtue of such termination of this PO. To the extent (and only to the extent) that the applicable laws provide for any such compensation to be paid to Supplier upon such termination of this PO, Supplier hereby expressly agrees to waive (to the extent possible under the applicable laws) or to repay to GSK any such compensation or indemnity.

(d) Any termination of this PO by GSK shall not relieve Supplier from any liability hereunder.

19. Remedies. GSK's remedies shall be cumulative and remedies herein specified do not exclude any remedies allowed by law or in equity. Waiver of any breach shall not constitute waiver of any other breach of the same or any other provision.

20. Assignability and Subcontracting. This PO shall be binding upon and enure 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, delegated or otherwise transferred by the

Supplier except upon the prior written consent of GSK, and any assignment or transfer without such consent shall be void and of no effect. Supplier shall not appoint any subcontractor or non-employee to carry out its obligations under this PO without the prior written consent of GSK. In any event, even with GSK consent, Supplier shall remain liable for the performance of all such obligations and shall ensure that any permitted subcontractor or non-employee reads and understands the terms of this PO. GSK may assign its rights or obligations under this PO to any GSK affiliate or successor without Supplier's consent.

21. Survivorship. Any and all provisions, promises and warranties contained herein which by their nature or effect are required or intended to be observed, kept or performed after termination of this PO will survive the termination of this PO and will remain binding upon and for the benefit of the parties.

22. Publicity; Release of Information. Any disclosure to a third party or other public announcement of any type whatsoever regarding the existence of this PO or the matters contemplated herein, will be made only with the prior written approval of both parties, except as may be required under applicable law and then only after notice and consultation with the other party to the extent reasonably possible.

23. Limitation of GSK's Liability. IN NO EVENT SHALL GSK BE LIABLE FOR AMOUNTS IN EXCESS OF THE AMOUNTS PAID TO SUPPLIER BY GSK PURSUANT TO THIS PO OR ANY CONSEQUENTIAL, (INCLUDING, WITHOUT LIMITATION, LOST PROFITS AND BUSINESS INTERRUPTION WHETHER OR NOT SUCH DAMAGES ARE FORESEEABLE) INCIDENTAL, INDIRECT, SPECIAL, ECONOMIC, OR PUNITIVE DAMAGES ARISING OUT OF OR RELATED TO THE BREACH OR REPUDIATION OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE OR OTHERWISE, EVEN IF SUPPLIER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

24. Compliance Laws. Supplier represents and warrants that all goods supplied and services performed hereunder will be produced or performed in compliance with, and Supplier agrees to be bound by, all laws, legislation, rules, regulations, and governmental requirements, including but not limited to applicable anti-corruption laws, with respect to the goods supplied and the services performed by Supplier hereunder, of any and all applicable jurisdictions, including without limitation obtaining and maintaining any and all export permits, import permits, consents, licenses, approvals, registrations, certifications and authorizations required for the manufacturing, sale and distribution of the goods hereunder and necessary for the services performed under this PO in such jurisdictions. Further, Supplier acknowledges receipt of the "Prevention of Corruption – Third Party Guidelines" (Appendix A to this PO) and agrees to perform its obligations under this contract in accordance with the principles set out therein.

25. Applicable Law. This PO shall be governed by and construed in accordance with the laws of the province of Ontario and the federal laws of Canada applicable therein without regard to principles of conflicts of law. GSK and Supplier attorn to the exclusive jurisdiction of the Courts of the Province of Ontario. The *United Nations Convention on Contracts for the International Sale of Goods* shall not apply to this PO.

26. Force Majeure. GSK shall have the right to suspend any shipment from Supplier hereunder without penalty or liability to GSK in the event of war, riot, flood, acts of God, fire, court order, strike, work stoppage, act of governmental authority, or other causes beyond GSK's control. GSK shall not be liable to Supplier for its failure to accept delivery of goods or services purchased hereunder if such failure arises from such above-mentioned causes.

27. Severability. If any provision or provisions of this PO shall be held to be invalid, illegal or unenforceable, such provision shall be enforced to the fullest extent permitted by applicable law and the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

28. Entire Agreement. This PO constitutes the entire agreement of sale and purchase of the goods or the performance of services specified. Any amendments to, or waivers of, terms of this PO must be in writing signed by GSK and Supplier.

29. Language. GSK and Supplier declare that they have requested and do hereby confirm their request, that this PO, and related documents, be in English. Les parties déclarent qu'elles ont exigé et par les présentes confirment leur demande que le présent contrat ainsi que les documents qui s'y rattachent, soient rédigés en anglais.

30. Ethical Standards and Human Rights. (a) Unless otherwise required or prohibited by law, the Supplier warrants, to the best of its knowledge, that in relation to the supply of goods or services under the terms of this PO: (i) it does not employ engage or otherwise use any child labour in circumstances such that the tasks performed by any such child labour could reasonably be foreseen to cause either physical or emotional impairment to the development of such child; (ii) it does not use forced labour in any form (prison, indentured, bonded or

otherwise) and its employees are not required to lodge papers or deposits on starting work; (iii) it provides a safe and healthy workplace, presenting no immediate hazards to its employees. Any housing provided by the Supplier to its employees is safe for habitation. The Supplier provides access to clean water, food, and emergency healthcare to its employees in the event of accidents or incidents at the Supplier's workplace; (iv) it does not discriminate against any employees on any ground (including race, religion, disability or gender); (v) it does not engage in or support the use of corporal punishment, mental, physical, sexual or verbal abuse and does not use cruel or abusive disciplinary practices in the workplace; (vi) it pays each employee at least the minimum wage, or a fair representation of the prevailing industry wage, (whichever is the higher) and provides each employee with all legally mandated benefits; (vii) it complies with the laws on working hours and employment rights in the countries in which it operates; and (viii) it is respectful of its employees right to join and form independent trade unions and freedom of association.

(b) The Supplier agrees that it is responsible for controlling its own supply chain and that it shall encourage compliance with ethical standards and human rights by any subsequent supplier of goods and services that are used by Supplier when performing its obligations under this PO.

(c) The Supplier shall ensure that it has ethical and human rights policies and an appropriate complaints procedure to deal with any breaches of such policies.

(d) GSK reserves the right upon reasonable notice (unless inspection is for cause, in which case no notice shall be necessary) to enter upon the Supplier's premises to monitor compliance by Supplier of the warranties set out in this Section 30 and Supplier shall, subject to compliance with law, furnish GSK with any relevant documents requested by GSK in relation thereto.

31. Record Retention and Audit of Records. GSK will have the right to audit Supplier once a year as related to the goods or services hereunder, at a mutually agreed time, to ensure activities are performed to agreed standards. Supplier will maintain all data, records, documents and other information relating to the goods and services and this PO in accordance with generally accepted accounting auditing principles and generally accepted accounting standards for the term of this PO and for a period of two years thereafter.

Appendix A

PREVENTION OF CORRUPTION – THIRD PARTY GUIDELINES

The GSK Anti-Bribery and Corruption Policy (POL-GSK-007) requires compliance with the highest ethical standards and all anti-corruption laws applicable in the countries in which GSK (whether through a third party or otherwise) conducts business. POL-GSK-007 requires all GSK employees and any third party acting for or on behalf of GSK to ensure that all dealings with third parties, both in the private and government sectors, are carried out in compliance with all relevant laws and regulations and with the standards of integrity required for all GSK business. GSK values integrity and transparency and has zero tolerance for corrupt activities of any kind, whether committed by GSK employees, officers, or third-parties acting for or on behalf of the GSK.

It is a material term of this PO that Supplier shall comply with the following:

1. Supplier agrees that it has not, and covenants that it will not, in connection with the performance of this PO, directly or indirectly, promise, authorise, ratify or offer to make or make any “payments” of “anything of value” (as defined in the glossary section) to any individual (or at the request of any individual) including a “government official” (as defined in the glossary section) for the improper purpose of influencing or inducing or as a reward for any act, omission or decision to secure an improper advantage or to improperly assist the Supplier or GSK in obtaining or retaining business.
2. Supplier agrees that it has not, and covenants that it will not, in connection with the performance of this PO, directly or indirectly, promise, authorise, ratify or offer to make or make any “facilitating payments” (as defined in the glossary section) to any individual (or at the request of any individual) including a “government official” (as defined in the glossary section).

GLOSSARY

The terms defined herein should be construed broadly to give effect to the letter and spirit of the ABAC Policy.

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”, are defined as payments to an individual to secure or expedite the performance of a routine government action by government officials to which one is already entitled.

Government Official shall mean:

- ☐ Any officer or employee of a government or any department, agency or instrument of a government;
- ☐ Any person acting in an official capacity for or on behalf of a government or any department, agency, or instrument of a government;
- ☐ Any officer or employee of a company or business owned in whole or part by a government;
- ☐ 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 person acting in an official capacity on behalf of a political party; and/or
- ☐ Any candidate for political office.

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