

**GLAXOSMITHKLINE – HONG KONG
TERMS AND CONDITIONS OF PURCHASE
(GOODS & SERVICES)**

1. DEFINITIONS

- 1.1 “**Affiliate**” means an organisation which is directly or indirectly Controlled by, in Control of, or under common Control with, either Vendor or Purchaser as appropriate.
- 1.2 “**Agreement**” means the agreement between Purchaser and Vendor consisting of the Quotation, 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.
- 1.3 “**Control**” means the ownership of more than 50% of the voting stock of any organisation or the legal power to direct or cause the direction of the general management of either Vendor or Purchaser as appropriate.
- 1.4 “**Data Privacy Legislation**” means applicable legislation relating to the protection of individuals with regard to the processing of individual data and the free movement of such data.
- 1.5 “**Goods**” means the goods covered by the Agreement including without limitation raw materials, processed materials or fabricated products.
- 1.6 “**Incoterms**” means the Year 2000 edition of the official International Chamber of Commerce Rules for the interpretation of trade terms.
- 1.7 “**Information**” means information of a commercial or technical nature disclosed to Vendor by Purchaser for the purpose of the Agreement including, but not limited, to information relating to Intellectual Property Rights and the Specification.
- 1.8 “**Intellectual Property Rights**” means patents, registered designs, trade marks and service marks (whether registered or not), domain names, copyright, database right, moral right, design right and all similar property rights including those subsisting (in any part of the world) in inventions, designs, drawings, computer programs, confidential information, business names, goodwill and in applications for protection of the above rights.
- 1.9 “**Loss**” means all loss, damages, liability, claims, costs and expenses (including legal costs and expenses) but excluding any incidental or consequential damages.
- 1.10 “**Packaging**” means bags, cases, cylinders, drums, pallets and other containers.
- 1.11 “**Purchaser**” means the GlaxoSmithKline legal entity specified in the Purchase Order as organisation or buyer.
- 1.12 “**Purchase Order**” means Purchaser’s purchase order submitted to Vendor setting out Purchaser’s requirements for Goods or Services.
- 1.13 “**Quotation**” means a written document and offer issued by Vendor to Purchaser with details of the scope of Services to be rendered or details of Goods to be supplied and the relevant commercial terms in relation thereto.
- 1.14 “**Services**” means the services covered by the Agreement.
- 1.15 “**Specification**” means the specification detailed in the Purchase Order or in a schedule to be attached to these Terms and Conditions or the Purchase Order or as separately documented by Purchaser in writing which sets out the performance required of the Goods and Services.
- 1.16 “**Vendor**” means the person, firm (or any individual partner thereof), or company to whom the Purchase Order is addressed to and who will be supplying Goods or providing Services to Purchaser under the Agreement.
- 1.17 “**Terms and Conditions**” means the terms and conditions set out in this document.

2. STATUS OF TERMS AND CONDITIONS

- 2.1 These Terms and Conditions shall be effective from the date of issuance of the Purchase Order by the Purchaser and shall remain in full force and effect and binding on both parties unless terminated in accordance with the provisions of these Terms and Conditions or supplemented or revised with a new version of terms and conditions agreed by both parties in writing. Any termination of the Agreement shall not affect any Purchase Order(s) that exist and are unperformed as of the effective date of termination of the Agreement.
- 2.2 These Terms and Conditions and other matters appearing on the Purchase Order shall apply to all contracts

for the purchase of Goods or Services by Purchaser from Vendor to the exclusion of all other terms and conditions, including any terms or conditions which Vendor may purport to apply or which are endorsed upon any correspondence or documents issued by Vendor irrespective of their date of communication to Purchaser. However the terms and conditions in any separately negotiated written contract entered into by the parties in respect of the Goods or Services identified in the Purchase Order shall overrule these Terms and Conditions.

- 2.3 In the event of inconsistency between these Terms and Conditions and the provisions appearing on the face of the Purchase Order, the former shall prevail, unless expressly provided otherwise on the Purchase Order.
- 2.4 Where appropriate, interpretation of the Purchase Order shall be governed by the provisions of Incoterms.
- 2.5 Purchaser will not be liable in respect of any Purchase Order(s) or instructions other than those issued or confirmed on its standard prescribed form (i.e. under official letterhead or other official stationary of the Purchaser), and duly issued under the electronic system of the Purchaser and signed by its authorized person (if applicable).
- 2.6 Vendor shall submit Quotation(s) to Purchaser for the respective Services and/or Goods to be offered by the Vendor. In the event that Purchaser finds the Quotation(s) acceptable, Purchaser may submit Purchase Order(s) to Vendor for the Services and/or Goods. Each Purchase Order shall make reference to these Terms and Conditions and the Quotation (if applicable) and specify, among other things, the details of Services and/or Goods, the Prices, and other terms for the Services and/or Goods. Vendor hereby specifically acknowledges that a binding contract shall be formed and established by the issuance of a Purchase Order by the Purchaser to Vendor pursuant to a Quotation or the terms of the Agreement.
- 2.7 Upon receipt of a Purchase Order, Vendor shall acknowledge receipt of the Purchase Order and perform the Services or deliver the Goods (as the case may be) as set forth in the Purchase Order in accordance with the Agreement.

3. DELIVERY OF GOODS AND PROVISION OF SERVICES

- 3.1 Unless otherwise instructed in writing by Purchaser's nominated representative, all Goods must be delivered and all Services must be performed at the time and place specified in the Agreement.
- 3.2 Vendor shall supply Purchaser with details of the anticipated lead times between placing a Purchase Order and delivery of any Goods and Vendor shall keep Purchaser informed of progress. If Goods or Services are incorrectly delivered, Vendor shall be responsible for additional expenses incurred in delivering them to the correct point specified in the Agreement or subsequently advised in writing by Purchaser. The quantity specified in the Agreement shall not be changed without Purchaser's prior written consent. Quantities delivered in excess of those stated in the Agreement may not be accepted.
- 3.3 Time shall be of the essence in relation to the performance of any and all of Vendor's obligations pursuant to the Agreement.
- 3.4 Purchaser may, by notice in writing to Vendor, cancel any deliveries or Services which in Purchaser's opinion cannot be made within a reasonable time after the due date without incurring any liability on the part of Purchaser.

4. PASSING OF PROPERTY AND RISK IN GOODS

- 4.1 Unless Incoterms are agreed which provide otherwise, the title and risk in Goods shall remain with Vendor until they are delivered at the place specified in the Agreement and a nominated employee of Purchaser signs a delivery note at which point title and risk in Goods shall pass to Purchaser.
- 4.2 Neither payment by, nor passage of property or risk in the Goods or the Services to, Purchaser shall be deemed to constitute acceptance of the Goods or the Services by the Purchaser.

5. CONTRACT PRICE AND TERMS OF PAYMENT

- 5.1 The price stipulated in the Purchase Order as payable for the Goods and/or Services shall be in the currency stipulated on the Purchase Order, exclusive of VAT, and inclusive of all packaging and other related charges and (unless Incoterms are agreed) inclusive of delivery and insurance ("Purchase Price"). Any increase in the price for any reason shall be subject to the express prior written consent of Purchaser.
- 5.2 Provided the Goods and Services have been delivered to Purchaser in accordance with the Purchase Order and/or any Specification (if applicable), payment will be made by Purchaser to Vendor for Goods and Services which comply with the Agreement in accordance with these Terms and Conditions.

- 5.3 Subject to Clause 5.8, the date for payment of a correctly presented and complete invoice issued by the Vendor shall be on the 20th day of each month after sixty (60) days from the receipt of the invoice by the Purchaser. An invoice is only deemed to be complete if it meets all requirements under applicable tax and commercial law and any requirements specified in the Agreement or as notified by the Purchaser to Vendor from time to time. Value Added Tax, where applicable, will be shown separately on all invoices as a strictly net extra. For illustrative purpose,
- an invoice received by Purchaser on 20th January shall be paid by Purchaser on 20th March; and
 - an invoice received by Purchaser on 28th January shall be paid by Purchaser on 20th April.
- 5.4 Purchaser reserves the right to set-off any sums in respect of which Vendor may be in default to Purchaser. Payment of an invoice shall not constitute acceptance by Purchaser of Goods or Services and does not relieve Vendor of its obligations under the Agreement.
- 5.5 The correct Purchase Order number must be quoted on all invoices, and Purchaser will accept no liability whatsoever for invoices, delivery notes or other communications which do not bear such Purchase Order number.
- 5.6 To ensure payment in accordance with the above procedure, all invoices must be received at the invoice address shown on the Purchase Order. All invoices shall be submitted in duplicate and be accompanied by all necessary documentation as may be required by Purchaser from time to time or as may be required by law. In addition to any other information specified elsewhere herein, invoices and packing slips shall contain the following information: description of Goods and Services, sizes, quantities, weight, unit prices and extended totals.
- 5.7 Vendor acknowledges and agrees that where the Purchaser requires invoices to be received electronically, the Vendor shall work with Purchaser or Purchaser's nominated representative to ensure that Vendor installs appropriate electronic invoicing methods. If Vendor already has an electronic invoicing system installed, Vendor shall work with Purchaser or Purchaser's nominated representative to ensure such system is optimized.
- 5.8 In the event Purchaser reasonably considers that any invoice submitted by the Vendor is defective or relates to Goods supplied or Services performed otherwise than in accordance with the Vendor's obligations under the Agreement, Purchaser shall be entitled to withhold payment of the dispute amount without interest or penalty and without prejudice to any other rights or remedies it may have until resolution of dispute, whereupon the agreed amount shall be paid at an agreed date after the dispute is resolved. Purchaser shall notify the Vendor of any dispute within thirty (30) days of receipt of the invoice. Purchaser and the Vendor shall attempt to settle such dispute in good faith within fourteen (14) days of such notification, failing which the parties shall refer such dispute for dispute resolution.

6. QUALITY AND FITNESS FOR PURPOSE OF GOODS AND SERVICES

- 6.1 The Goods and Services must comply in all respects with the Specifications or any modifications that may be agreed in writing. The Goods and Services supplied must also comply in all respects with the Agreement and the implied conditions, warranties and terms contained in all applicable legislation relating to the sale or supply of goods and services.
- 6.2 The Goods must be supplied with adequate instructions as to use and use-by date, fit for the purpose for which they are intended, of satisfactory quality, and free from defects in design, material and workmanship.
- 6.3 Should any work be required which is not specified in the Purchase Order but which, in the reasonable opinion of the Purchaser is nevertheless necessary for the proper supply of the Goods and/or Services, the Vendor shall perform this work and such work shall be deemed to have been included in the Purchase Price.
- 6.4 Vendor represents, warrants and undertakes that title to all Goods and/or Services supplied shall be free and clear of all liens, encumbrances, security interests or other claims. In the event of a breach of this Clause, Purchaser may (without prejudice to any other rights or remedies) purchase from third party(s) goods/services which in Purchaser's opinion is an appropriate substitute for the Goods and/or Services to be provided under the Agreement and Vendor shall indemnify Purchaser for all Loss suffered or incurred by Purchaser as a result thereof, including, but not limited to, the difference between the Purchase Price and the price payable to such third party(s).

7. REJECTION, REPAIR AND REPLACEMENT

- 7.1 In the case of Goods not conforming with the Agreement, including, but not limited to, without limit non-conformance with quantity specified, time for performance, quality or any Specifications in respect thereof, without prejudice to Purchaser's other legal rights, Purchaser may, at its discretion:
- a) require Vendor as soon as reasonably practicable to either repair or replace the Goods at the site of delivery or Vendor's works, whichever Purchaser shall so determine, or refund to Purchaser the Purchase Price of all Goods which do not correspond with the Agreement. Repairs, replacements, and any refunds shall themselves be subject to the obligations in the Agreement;
 - b) in the case of defective delivery, require Vendor to promptly reimburse Purchaser in respect of any cost including but not limited to freight, clearance, duty and storage charges incurred by Purchaser; and/or
 - c) purchase Goods from elsewhere which nearly as practicable conform with the Agreement and all extra expense thus incurred shall be paid by Vendor to Purchaser. Before exercising such right to purchase the Goods from an alternative vendor, Purchaser shall give Vendor a reasonable opportunity to replace rejected Goods with Goods which conform with the Agreement or refund to Purchaser the Purchase Price of all Goods which do not conform with the Agreement.
- 7.2 In the event of a rejection in accordance with Clause 7.1, Purchaser shall notify Vendor in writing, and the payment obligation in relation to any such delivery shall be suspended forthwith.
- 7.3 The parties shall use their best endeavours to resolve any dispute arising pursuant to Clauses 6 and 7.1. If no agreement can be reached within thirty (30) days, the parties shall agree on an independent expert (not an arbitrator) whose decision shall be final and binding as to the dispute and that the fees for the independent expert shall be borne by the party against whom the expert's decision is given.
- 7.4 If the expert finds that any delivery of the Goods has not complied with the Agreement, Purchaser shall have the rights stated in Clause 7.1.
- 7.5 If the expert finds that the Goods in compliance with the Agreement, Purchaser shall pay for such Goods in accordance with the payment provisions contained in the Agreement.

8. STANDARD OF SERVICES

- 8.1 Vendor warrants and represents to Purchaser that any Services performed by Vendor or duly appointed sub-contractor:
- a) shall be performed in a good and workmanlike fashion and with all due speed, care, skill and diligence. Vendor shall furnish such programmes for the Services as Purchaser may reasonably require within thirty (30) days of receipt of the Purchase Order or such other duration as agreed by the Purchaser in writing. Vendor's 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; and
 - b) shall be carried out in accordance with the Agreement, with current industry standard codes of practice, and the highest standards prevailing in Vendor's industry. Vendor shall ensure that all of its personnel and sub-contractors are suitably qualified to perform the Services and that all necessary licences, work permits or other authorisations have been obtained.
- 8.2 If any materials which are required by Vendor for the provision of the Services are not delivered fully in accordance with any stipulations in the Agreement, Vendor shall immediately effect correct delivery and shall be responsible for any additional costs and expenses incurred by both parties in so doing.
- 8.3 Purchaser shall have the right exercisable during the performance of the Services to suspend any payment obligation in respect of the Services if the performance does not conform in quality with any stipulations in the Agreement or if the performance is delayed.
- 8.4 If the Services do not conform with the Agreement, Purchaser shall have the right to purchase Services from elsewhere which nearly as practicable conform to the Agreement; and all extra expense incurred shall be paid by Vendor to Purchaser. Before exercising such right to purchase the Services from an alternative vendor, Purchaser shall give Vendor an opportunity to replace the rejected Services with Services which conform with the Agreement or refund to Purchaser the Purchase Price of all Services which do not conform with the Agreement.

9. PACKAGING

Vendor shall 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 and confirmed in writing. Packaging must comply with all relevant legislative requirements, including those pertaining to environmental, and occupational health and safety standards. Vendor will investigate potential environmental improvements to Packaging and will, where practicable, use minimal Packaging, recyclable Packaging and recycled materials as appropriate.

10. INTELLECTUAL PROPERTY RIGHTS

- 10.1 The Vendor agrees to indemnify Purchaser and its employees, Affiliates, sub-contractors and agents in full and on demand and keep them so indemnified against all claims, demands, actions, proceedings and all Losses made against or incurred or suffered by each of them and whether wholly or in part resulting directly or indirectly from all claims by a third party that the Goods or the provision of the Services by the Vendor or the use by or behalf of Purchaser of the Goods or of any assets used by the Vendor in connection with the performance of the Services infringes the Intellectual Property Rights of that third party.
- 10.2 Vendor shall, at its expense, defend all actions arising from infringements or alleged infringements of its Intellectual Property Rights in connection with the Goods or Services and Vendor undertakes to indemnify Purchaser against all costs which Purchaser incurs in connection with such actions.
- 10.3 Purchaser retains Intellectual Property Rights in, and ownership of all materials, plans, drawings, Specifications, patterns and/or designs provided by Purchaser to Vendor, and they shall all be immediately returned by Vendor at any time in good condition to Purchaser at Purchaser's request.
- 10.4 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 upon creation and shall thereafter remain the property of Purchaser, and the Vendor hereby irrevocably assigns all such Intellectual Property Rights to the Purchaser at no fee to the Purchaser, consideration for such Intellectual Property Rights being deemed to be part of the Purchase Price.
- 10.5 Intellectual Property Rights arising during or out of the provision of Services shall be and remain the property of Purchaser.
- 10.6 In the event that the Intellectual Property Rights relating to the Goods and Services are held by the courts to infringe a third party's rights, and their use is enjoined by that third party, Vendor shall have the option and at its expense to procure for Purchaser the right to continue using the Goods or Services, 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.

11. CONFIDENTIALITY AND PUBLICITY

- 11.1 Vendor shall, and shall procure that its employees and sub-contractors shall, keep confidential all Intellectual Property Rights, Specification and/or Information, and shall not use or disclose such information to any third party without Purchaser's prior written consent.
- 11.2 Vendor shall not without Purchaser's prior written consent disclose, copy, publicise or publish, the existence of the Agreement or the Information including, but not limited to, the name of Purchaser, the Goods, Services, and the place of delivery or performance.
- 11.3 Upon Purchaser's request at any time, Vendor shall (a) cease any and all use of the Information; (b) promptly return to Purchaser any and all tangible information, including all copies, reproductions, summaries, memos, correspondence and compilations of the Information, so Vendor will no longer have any Information in its possession or under its control in either electronic or paper or other format; and (c) cease any and all work hereunder and refrain from, directly or indirectly, using the Information.

12. ANTI-CORRUPTION PROVISIONS

- 12.1 Vendor agrees that it shall comply fully at all times with all applicable laws and regulations, including but not limited to anti-corruption laws, and that it has not, and covenants that it will not, in connection with the performance of the 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 it or Purchaser in obtaining or retaining business, or in any way with the purpose or effect of public or commercial bribery, and warrants that it has taken reasonable measures to prevent sub-

contractors, agents or any other third parties, subject to its control or determining influence, from doing so. 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 we are legally entitled. For the purpose of this Agreement, "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: (a) any officer or employee of a government or any department, agency or instrumentality of a government (which includes public enterprises, and entities owned or controlled by the state); (b) any officer or employee of a public international organisation such as the World Bank or United Nations; (c) any officer or employee of a political party, or any candidate for public office; (d) 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; and/or; (e) any person acting in an official capacity for or on behalf of any of the above. "Government Official" shall 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 Purchaser business.

- 12.2 Purchaser shall be entitled to terminate the Agreement immediately on written notice to Vendor, if Vendor fails to perform its obligations in accordance with this Clause 12. Vendor shall have no claim against Purchaser for compensation for any loss of whatever nature by virtue of the termination of the Agreement in accordance with this Clause 12.
- 12.3 If applicable, Vendor shall 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, without the prior written approval of Purchaser and, when requested by Purchaser, only in the presence of a Purchaser designated representative.
- 12.4 Vendor shall inform Purchaser in writing, if, during the course of the Agreement, it is convicted of or pleads guilty to a criminal offence involving fraud or corruption, or becomes the subject of any government investigation for such offenses, or is listed by any government agency as debarred, suspended, proposed for suspension or debarment, or otherwise ineligible for government programs.
- 12.5 Vendor represents and warrants that except as disclosed to Purchaser in writing prior to the commencement of this Agreement: (1) none of their significant shareholders (>25% shareholding) or senior management have influence over Purchaser's business; (2) no significant shareholders (>25% shareholding), members of senior management team, 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 two years a Government Official with actual or perceived influence which could affect Purchaser business; (3) it is not aware of any immediate relatives (e.g. spouse, parents, children or siblings) of the persons listed in the previous subsection (2) having a public or private role which involves making decisions which could affect Purchaser business or providing services or products to, or on behalf of Purchaser; (4) it does not have any other interest which directly or indirectly conflicts with its proper and ethical performance of the Agreement; and (5) it shall maintain arm's length relations with all third parties with which it deals for or on behalf of Purchaser in performance of the Agreement. Vendor shall inform Purchaser in writing at the earliest possible opportunity of any conflict of interest as described in this Clause 12 that arises during the performance of the Agreement.
- 12.6 Purchaser shall have the right during the terms of the Agreement to conduct an audit of Purchaser's activities under the Agreement to monitor compliance with the terms of the Agreement. Vendor shall cooperate fully with such audit, the scope, method, nature and duration of which shall be at the sole reasonable discretion of Purchaser.
- 12.7 Vendor shall ensure that all transactions under the Agreement are properly and accurately recorded in all material respects on its books and records and each document upon which entries such books and records are based is complete and accurate in all material respects. Vendor must maintain a system of internal accounting controls reasonably designed to ensure that it maintains no off-the-books accounts.
- 12.8 Vendor agrees that in the event that Purchaser believes that there has been a possible violation of the terms of the Agreement, Purchaser may make full disclosure of such belief and related information at any time and for any reason to any competent government bodies and its agencies, and to whomsoever Purchaser determines in good faith has a legitimate need to know.
- 12.9 Vendor shall provide anti-bribery and anti-corruption training to relevant personnel, including any

relevant sub-contractors, at Vendor's cost who act on behalf of Purchaser or interact with government officials during the course of any services provided to Purchaser. Vendor shall provide Purchaser the opportunity to evaluate the training to determine whether it abides by Purchaser's standards and shall conduct additional training, as requested by Purchaser. Vendor, upon request by Purchaser, shall certify that the anti-bribery and anti-corruption training has taken place.

- 12.10 Vendor shall in all interactions with Government Officials identify that it acts on behalf of Purchaser and shall at all times during the term of the Agreement maintain (separately from any of its business records not relating to this Agreement) a log documenting all interactions with Government Officials of behalf of Purchaser 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 said interaction; and (iv) whether any transfer of value to the Government Official was made or offered and a description of the same.
- 12.11 Vendor shall provide a copy of the log referred to above to Purchaser upon receipt of a request to do so from Purchaser and, in any event, no less frequently than every six (6) months during the term of the Agreement.

13. COMPLIANCE WITH STATUTES AND REGULATIONS

- 13.1 Vendor warrants that the Goods and Services delivered under the Agreement shall comply with the Agreement, relevant statutes, regulations and other legal requirements including, but not limited to, those relevant to the regulation of pharmaceutical, nutritional and cosmetic products, health, safety, environment, welfare, production, storing, handling and delivery of the Goods and Services.
- 13.2 Vendor shall provide evidence of compliance with such legal requirements (including, permits, inspection reports, certificates of analysis etc.) promptly on request and in any event within a reasonable time. Vendor shall ensure that its sub-contractors shall comply with this Clause.
- 13.3 Vendor shall comply with all reasonable requests of Purchaser to minimise Purchaser's compliance costs in respect of applicable data protection, health, safety, environmental and producer responsibility obligations.

14. INSPECTION AND AUDIT

- 14.1 Purchaser, and any third party appointed on its behalf, shall have the right upon prior notice to inspect and carry out any tests, batch sampling or audit on all Goods and Services at Vendor's premises and the premises of any sub-contractors or such other location as appropriate. Where pre-shipped inspection is specified, Vendor must, at its expense facilitate the same and provide any or all relevant certificates of analysis.
- 14.2 Any inspection, test, approval or acceptance given on behalf of Purchaser in relation to the Goods or Services shall not relieve Vendor from its obligations or liabilities under the Agreement.
- 14.3 Vendor shall, and shall ensure that its sub-contractors shall, grant a right of access to Purchaser and any third party appointed by Purchaser in order to inspect and test the Goods and Services for compliance with relevant environmental, occupational health and safety legislation and other requirements such as Purchaser standards.

15. DATA PRIVACY

Each party warrants that it will not process the personal data of staff, employees and/or sub-contractors working for the other to which they have been granted access, or which have otherwise been made available for the purpose of the Agreement, except in accordance with any applicable law. Each party agrees to indemnify the other in consequence of any breach of this Clause or any claim by an employee or sub-contractor of the other party that his/her rights have been infringed.

16. ENVIRONMENT, COMMUNITY, HEALTH & SAFETY

Vendor shall:

- a) comply with all applicable laws, regulations, licenses, permits, information registrations and restrictions;
- b) implement, or already has implemented, an Environment, Health and Safety ("EHS") policy and risk-based management system with a commitment to provide a safe and healthy workplace and

- protect the environment;
- c) ensure there is at least one senior executive with responsibility for EHS and the organisation has access to technical expertise to support the company in meeting EHS legal obligations;
- d) disclose and report proactively to Purchaser on incidents requiring notification to EHS regulators and any associated fines, prosecutions or civil actions;
- e) provide relevant information, education and training to workers on the hazards, risks and controls associated with their job;
- f) provide the physical infrastructure and engineering controls necessary to ensure safe storage, handling and processing of materials and waste in order to protect people, the environment and local communities from harm;
- g) provide and maintain emergency detection systems and an effective response capability; and
- h) cooperate fully with the completion of an onsite EHS audit of the manufacturing facility/premises when requested by Purchaser.

17. RESPONSIBILITY FOR INFORMATION

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

18. VENDOR'S EMPLOYEES

For the duration of the period that any Services are being provided, the employment of any employee of Vendor shall remain with Vendor and shall not pass or otherwise transfer to Purchaser and nothing in the Agreement shall be construed or have effect as constituting any relationship of employer and employee between Purchaser and the employees and/or sub-contractors of Vendor. Vendor agrees that it is performing the Services as an independent contractor and will retain all responsibility for payment of any income tax, national insurance, pension or social security contributions, and any other taxation that may arise from the provision of the Services, and will indemnify Purchaser against all expenses incurred by Purchaser as a result of Purchaser having to pay any tax, income tax or national insurance, pension or social security contributions and/or make any deductions at source in respect of the Services.

19. SOFTWARE DEFECTS

19.1 Vendor warrants that any Goods and/or computer hardware or software supplied by Vendor to Purchaser (the "Products"):

- a) are free from defects and/or disabling codes, and have been duly tested to ensure that there are no hidden defects or disabling codes and are subject to recognised and appropriate release procedures including the latest version of a proprietary virus detection software package approved by Purchaser, and Vendor shall procure that corresponding obligations are imposed with its sub-contractors or agents;
- b) have been obtained from a reputable and reliable software developer and not through any interest group or multi-organisational software sharing scheme;
- c) will comply and function substantially in accordance with their related user documentation; and
- d) shall not breach any third party's Intellectual Property Right.

19.2 Vendor warrants that the Goods, Products and its own systems are capable of being used normally such that neither the performance nor the functionality of the Goods and/or Products will be adversely affected by any changes caused by the advent of a particular calendar date.

19.3 Vendor shall indemnify and hold Purchaser harmless against any and all Losses sustained or incurred directly and naturally, in the ordinary course of events, by Purchaser as a result of Vendor's breach of the above warranties.

20. LIABILITY AND INSURANCE

20.1 Vendor shall indemnify Purchaser against all Losses incurred and/or paid by Purchaser and its Affiliates howsoever arising from any defect in the Goods or Services or any breach by Vendor of its obligations hereunder or of any statutory duty or from any act or omission of Vendor's employees, agents or sub-contractors.

- 20.2 Vendor shall insure with a reputable insurance company its liabilities under the Agreement for an appropriate amount based on the value of the Goods and Services to be provided per event and in a minimum amount of ten (10) times the value of the Agreement (local currency) per event and if so required at any time produce the policy of insurance and the receipt for the current premium to Purchaser for its inspection. Vendor agrees that any monies received by Vendor from the insurance company in full or part settlement of a claim arising out of the Agreement and paid by or due to Purchaser shall be paid immediately to Purchaser without offset or counter claim.
- 20.3 Any limitation, monetary or otherwise in such policy shall not be construed as a limitation on Vendor's liability and Vendor shall, notwithstanding such limitation, remain liable in full for the matters and to the extent not covered by the policy.
- 20.4 Without limiting the foregoing, Purchaser shall be entitled to reject any and all Goods and Services delivered or performed if the quantity delivered is less than or in excess of those specified in the Agreement and Purchaser shall be entitled to at its sole discretion, reject the Goods and Services in its entirety even if only part of the Goods and Services is defective or do not comply with the Agreement.
- 20.5 If Purchaser elects to accept non-conforming Goods or Services, Purchaser, in addition to its other remedies, shall be entitled to an appropriate reduction in the Purchase Price.
- 20.6 Purchaser's remedies shall be cumulative and remedies herein specified do not exclude any remedies allowed by law or in equity.
- 20.7 In no event shall Purchaser be liable for 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, negligence or otherwise, even if Purchaser has been advised of the possibility of such damages.

21. ASSIGNMENT

- 21.1 Vendor's rights and obligations under the Agreement may not be assigned in whole or in part without the prior written consent of Purchaser (acting in its sole discretion) and any such consent shall not be deemed to relieve Vendor of any of its obligations and liability to Purchaser pursuant to the Agreement.
- 21.2 Purchaser shall be entitled at any time by notice in writing to Vendor to assign the whole or any part of its rights and obligations under the Agreement to any Affiliate or to any successor in title to the whole or part of that part of Purchaser's business which relates to the Goods or Services.

22. SUB-CONTRACTORS

Vendor 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 Vendor appoints a sub-contractor or other person to perform its obligations it shall remain liable to Purchaser for the performance of all Vendor's obligations and shall ensure that any such sub-contractor or other person reads and understands the implications of the Agreement.

23. ETHICAL STANDARDS AND HUMAN RIGHTS

- 23.1 Unless otherwise required or prohibited by law, Vendor warrants that in relation to its performance of the Agreement:
 - a) 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;
 - b) it does not use forced labour in any form (prison, indentured, bonded or otherwise) and its employees are not required to lodge original identification papers or monetary deposits on starting work;
 - c) it provides a safe and healthy workplace, presenting no immediate hazards to its workers. Any housing provided by Vendor to its workers is safe for habitation. Vendor provides access to clean water, food, and emergency healthcare to its workers in the event of accidents or incidents at Vendor's workplace;
 - d) it does not discriminate against any workers on any ground (including race, religion, disability, gender, sexual orientation or gender identity);
 - e) 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;

- f) 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;
 - g) it complies with the laws on working hours and employment rights in the countries in which it operates; and
 - h) it is respectful of its employees right to join and form independent trade unions and freedom of association.
- 23.2 Vendor is responsible for controlling its own supply chain and shall encourage compliance with ethical standards and human rights by any subsequent supplier of goods and services that are used by Vendor when performing its obligations under the Agreement.
- 23.3 Vendor shall ensure that it has ethical and human rights policies and an appropriate complaints procedure to deal with any breaches of such policies. In the case of any complaints, Vendor shall report the alleged complaint and proposed remedy to Purchaser.
- 23.4 Purchaser reserves the right upon reasonable notice (unless inspection is for cause, in which case no notice shall be necessary) to enter upon Vendor's premises to monitor compliance with the provisions of this Clause 24, and Vendor shall, subject to compliance with applicable laws, provide to Purchaser any relevant documents requested by Purchaser in relation thereto.

24. TERMINATION

- 24.1 Subject to Clause 24.4, if either party to the Agreement is in breach of the Agreement and such breach is not capable of remedy or if capable of remedy, does not remedy the breach within thirty (30) days of notice from the other party so to do, the other party may terminate the Agreement immediately by notice to the party in breach.
- 24.2 If either party shall become bankrupt, dissolved, wound up, or shall compound or make any arrangement with its creditors or have a receiver, administrative receiver, liquidator or provisional liquidator appointed over all or any part of its assets or go into liquidation (whether voluntary or otherwise) save as part of a bona fide reconstruction not involving insolvency or shall take or suffer to be taken any similar action as a result of its liability to pay its debts or its insolvency it shall promptly so notify the other party in writing giving particulars of the circumstances whereupon the other party may terminate the Agreement immediately by notice. For the avoidance of doubt, either party may terminate the Agreement upon the occurrence of any of the circumstances described in this Clause 24.2 notwithstanding that the other party may not have given notice as required.
- 24.3 If at any time during the term of the Agreement there shall be any change in the legal or beneficial ownership or Control of the Vendor:
- a) the Vendor shall immediately so notify the Purchaser in writing; and
 - b) the Purchaser may, upon receiving notice or otherwise becoming aware of a change in the legal or beneficial ownership or Control of the Vendor, terminate the Agreement immediately by notice in writing to the Vendor if it considers in its sole discretion that such change of ownership or Control are prejudicial to its interests.
- 24.4 The Agreement may be terminated at any time by Purchaser for any reason whatsoever, by Purchaser giving Vendor thirty (30) days' notice in writing and without any liability to Vendor for such termination except as set out in Clauses 25.2 and 25.3 below.

25. CONSEQUENCES OF TERMINATION

- 25.1 On termination of the Agreement Vendor shall, not later than seven (7) days after Purchaser's request:
- a) deliver to Purchaser (or as Purchaser shall direct) all quantities of the Goods in its possession which comply with the Agreement;
 - b) comply with Clause 11.3; and
 - c) ensure that 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 by Purchaser to Vendor, are immediately returned to Purchaser or destroyed by Vendor at Purchaser's option.
- 25.2 A fair and reasonable price may be paid by the Purchaser at its sole discretion to the Vendor for the Goods and Services which comply with the Agreement and which have been delivered to Purchaser in full compliance with the Specifications and the terms of the Agreement and/or for all Services in progress that have been performed by Vendor. Purchaser's liability is limited to the said Goods and Services in

progress, and no further Loss or liability will accrue on their account.

- 25.3 Termination or expiry shall not relieve either party from any liability or action accrued prior to such termination or expiry.
- 25.4 With effect from termination of the Agreement, Vendor shall not make any use for any purpose whatsoever of any Intellectual Property Rights which are the property of Purchaser or of any Information.
- 25.5 Termination of the Agreement or withdrawal of any Goods or Services from the Agreement shall be without prejudice to the continuation in force of Clauses 1, 2, 6, 7, 10, 11, 12, 15, 20, 21, 22, 23, and 30. Vendor agrees to provide Purchaser with all reasonable support with respect to any investigation required by Purchaser or any regulator with respect to the Goods or Services carried out prior or after such termination or withdrawal.

26 POLICIES AND PROCEDURES

- 26.1 Purchaser shall notify Vendor of relevant policies/procedures which may be applicable from time to time and which Vendor should follow in the supply of Goods and/or Services in the Agreement. Purchaser shall provide copies of such policies/ procedures where appropriate.
- 26.2 Notwithstanding any other provision of the Agreement, Vendor agrees to comply with all Purchaser's rules, regulations and requirements with respect to conduct and the health, safety and protection of persons and property, while on Purchaser's or its Affiliate's premises.

27. WAIVER

No waiver or forbearance by Purchaser in enforcing any of its rights under the Agreement shall prejudice or affect the ability of Purchaser to enforce such rights or any of its other rights at any time in the future. No waiver shall be effective unless in writing and signed by Purchaser. For the avoidance of doubt, it is agreed that a waiver of a right on one occasion shall not constitute a waiver of the same right in the future.

28. SEVERABILITY

Any provision of these Terms and Conditions which is declared void or unenforceable by any competent authority or court shall to the extent of such invalidity or unenforceability be deemed severable and shall not affect the other provisions of these Terms and Conditions, which shall continue unaffected.

29. AMENDMENT

The Agreement may only be amended in writing by authorised representatives of both parties.

30. GOVERNING LAW AND JURISDICTION

The construction, validity and performance of the Agreement shall be governed by the laws of the Hong Kong Special Administrative Region ("Hong Kong"), and both parties hereby submit to the non-exclusive jurisdiction of the Hong Kong Courts.

31. CRISIS & CONTINUITY MANAGEMENT

Vendor must have effective crisis management and business continuity (CCM) plans in place which reflect ISO 22301 standards that are ready for use and that include risk assessment and mitigation, authorised response and recovery strategies for impacts to workforce, facilities, technology, and key suppliers, key areas of responsibility and clear communication routes internally and with Purchaser before a business disruption occurs. Vendor must update its CCM plan to reflect significant business or organizational changes or every twelve (12) months or less and must test the plan through an exercise or activation every twenty-four (24) months or less. Vendor must ensure that employees responsible for crisis management and business continuity are trained to implement plans for their areas of responsibility. Vendor must allow Purchaser to conduct an assessment of the effectiveness of CCM controls and documents upon mutually agreed dates upon no less than two (2) weeks' notice. Following that assessment, Vendor shall provide their proposed remedial actions to any matters raised by Purchaser within two (2) weeks of Purchaser's initial written request. Vendor shall implement any agreed action, including an agreed time to recovery for contracted products or services, within two (2) months (or otherwise as mutually agreed). If any business interruption occurs, Vendor shall:

- a) communicate this to Purchaser as soon as reasonably practicable;
- b) implement its business continuity plan and/or crisis management plan (as appropriate);

- c) continue to undertake the affected Services in accordance with its business continuity plan and/or crisis management plan (as appropriate); and
- d) restore the affected Services to normal within the period laid out in its business continuity plan and/or crisis management plan (as appropriate).

32. SANCTIONS

- 32.1 Vendor represents and warrants that it is aware of and, in carrying out its obligations under the Agreement, will comply at all times with and not become exposed to penalties under Sanctions & Trade Controls (i.e., all sanctions, export control, and anti-boycott laws, regulations, orders, directives, designations, licenses, and decisions of the European Union, the United Kingdom, the United States of America, and of any other country with jurisdiction over activities undertaken in connection with this Agreement).
- 32.2 Vendor represents and warrants that at all times, in the performance of its obligations under the Agreement, it will not take any action that causes Purchaser to violate or otherwise become exposed to penalties under any Sanctions & Trade Controls.
- 32.3 Purchaser shall not be required to take or refrain from taking any action, nor shall it be required to furnish any information, that would be prohibited or penalizable under any Sanctions & Trade Controls.
- 32.4 Purchaser may terminate the Agreement with immediate effect if, in Purchaser's sole discretion, Vendor breaches any the foregoing clauses or, in Purchaser's sole discretion, Purchaser's performance of its obligations pursuant to the Agreement may breach or be penalizable under Sanctions & Trade Controls (whether or not in existence at the date of the Agreement and whether or not there have been any other changes in circumstance from those that existed at the date of the Agreement). If Purchaser terminates the Agreement pursuant to this Clause 32, it shall not be obliged to make any payments, indemnify, or otherwise provide compensation to Vendor subsequent to the termination of the Agreement.
- 32.5 Vendor represents and warrants that:
 - a) neither it nor any of its Affiliates nor any of its or their respective directors, officers, agents, or employees is a Sanctions Target (i.e., is (a) listed on the EU Consolidated List of Designated Parties, maintained by the European Union; the Consolidated List of Asset Freeze Targets, maintained by HM Treasury (UK); any other list of designated parties maintained by the EU or its Member States; the U.S. List of Specially Designated Nationals and Blocked Persons (the "SDN List") or the U.S. Foreign Sanctions Evaders List, maintained by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"); the U.S. Entity List or the U.S. Denied Persons List, maintained by the U.S. Commerce Department's Bureau of Industry and Security ("BIS"); or any list of parties subject to asset-freezing measures issued by the United Nations; or (b) is 50% or more owned or controlled, directly or indirectly, by any one or more parties on the foregoing lists);
 - b) it will not act, in connection with the performance of its obligations under the Agreement, for or on behalf of, or facilitate any activity of or with, any Sanctions Target; and
 - c) it will not engage or otherwise deal with, in connection with the performance of its obligations under the Agreement, (whether as a sub-distributor, a supplier, a service provider, a member of the team or otherwise), any person or entity which is a Sanctions Target, including but not limited to by: (i) making, directly or indirectly, any payments or other benefits available to any person or entity which is a Sanctions Target, or (ii) selling or otherwise supplying, directly or indirectly, any Products to any person or entity which is a Sanctions Target.
- 32.6 Vendor further represents and warrants that:
 - a) it has disclosed to Purchaser whether it is an EO 13599 List Party (i.e., is listed on the U.S. Executive Order 13599 List or is 50% or more owned or controlled, directly or indirectly, by any one or more EO 13599 List Parties) or an SSI Party (i.e., is listed on the U.S. Sectoral Sanctions Identifications List or is subject to EU sectoral sanctions targeting Russia, or is 50% or more owned or controlled, directly or indirectly, by any one or more SSI Parties);
 - b) it will not act, in connection with the performance of its obligations under the Agreement, for or on behalf of, or facilitate any activity of or with, any EO 13599 Party or SSI Party without consent in writing from Purchaser; and
 - c) it will not engage or otherwise deal with, in connection with the performance of its obligations under the Agreement, (whether as a sub-distributor, a supplier, a service provider, a member of the team or otherwise), any person or entity which is an EO 13599 List Party or an SSI Party without consent in writing from Purchaser.

- 32.7 Vendor represents that it has provided to Purchaser complete and accurate details of the identities of the following parties:
- a) its legal and ultimate beneficial owners, including all intermediate and ultimate parent entities;
 - b) any parties that exercise legal control over it;
 - c) its directors;
 - d) its officers and other senior managers;
 - e) any financial institutions involved in activity covered by this Agreement;
 - f) its sub-distributors (if applicable under the terms of the Agreement); and
 - g) its subcontractors (if applicable under the terms of the Agreement).
- 32.8 Vendor will immediately notify Purchaser in writing of any changes in the information provided pursuant to Clauses 32.6 and/or 32.7.
- 32.9 Vendor further agrees that it shall:
- a) screen and conduct other due diligence, as appropriate, with respect to the persons and entities with which it intends to engage or otherwise deal in connection with the performance of its obligations under the Agreement to ensure that such persons and entities are not Sanctions Targets and to ascertain whether such persons and entities are EO 13599 List Parties or SSI Parties; and
 - b) immediately notify Purchaser in writing if any person or entity with which it intends to engage or otherwise deal in connection with the performance of its obligations under the Agreement becomes a Sanctions Target, an EO 13599 List Party, or an SSI Party.

33. VENDOR WHO ARE ALSO CUSTOMERS OF PURCHASER (IF APPLICABLE)

- 33.1 The fees paid under the Agreement are bona fide service fees for the Services provided under the Agreement. Vendor agrees that no fees paid by Purchaser for the Services pursuant to the Agreement shall be passed in whole or part, directly or indirectly, to any third party as a rebate or discount. Such action, should it occur, will result in the material breach of the Agreement. Notwithstanding the foregoing, commercially reasonable payments to a sub-contractor who is performing Services under the terms of the Agreement that meet the criteria for bona fide Services are not considered to be a pass-through rebate or discount payments (even if the sub-contractor is a Purchaser customer).
- 33.2 Fair Market Value. The parties acknowledge and agree that the compensation set forth in the Agreement and in any Project Authorization or Statement of Work issued pursuant thereto is, and shall be, the fair market value of the Services, and is not dependent on the volume or value of any referrals, purchases or business otherwise generated between Purchaser and Vendor or any of their respective affiliates and shall not obligate Vendor or any other person to purchase, use recommend or arrange for the use of the Purchaser's products or those of any organization affiliated with Purchaser.

34. HUMAN SAFETY INFORMATION

- 34.1 During the duration of the Agreement, if Vendor or any of its sub-contractors becomes aware of Human Safety Information ("HSI"), including Adverse Events ("AE") (together referred as HSI/AE)(whether the information relates to the Purchaser Product by reference to its generic name or by reference to its trade mark), it shall forward such information to Purchaser. "Purchaser Product" is defined as an investigational or licensed medicinal product, consumer healthcare product, vaccine, biological product or device whether under development by, or manufactured, marketed, supplied, or distributed by or on behalf of, any division or operating company of Purchaser and includes ViiV Healthcare, whether in Hong Kong or in any other country.
- 34.2 All HSI/AEs shall be reported to Purchaser within twenty-four (24) hours of initial receipt (or next working day if over a weekend) using Purchaser provided HSI/AE form. Reports for this engagement should be sent via secure email/fax to the contact details found on the reporting form.
- 34.3 "HSI" is defined as information relating to human health and/or wellbeing following exposure to Purchaser products, including AE information. "AE" shall mean any untoward medical occurrence in a patient, clinical investigation subject or consumer and is temporally associated with the use of a Purchaser Product, whether or not related to the product. HSI/AEs can include:
- a) any unintended sign (including an abnormal laboratory finding), symptom, or disease (new or exacerbated);
 - b) failure to produce expected benefits (i.e. lack of efficacy);
 - c) off-label use;

- d) medication errors or misuse, including drug overdose, whether accidental or intentional;
 - e) drug abuse or effects of drug withdrawal;
 - f) occupational exposure;
 - g) patients taking Purchaser products whilst pregnant or breastfeeding;
 - h) paternal exposure to a Purchaser product before and during pregnancy;
 - i) transmission of an infectious agent via a medicinal product;
 - j) safety information received as part of a product quality complaint;
 - k) drug interaction; or
 - l) unexpected therapeutic benefits (i.e. an unexpected improvement in a concurrent condition other than the one being treated).
- 34.3 Vendor confirms that the HSI/AEs that it sends to Purchaser were sent successfully without error. If a failure notification is received, Vendor shall immediately re-send the HSI/AE and take reasonable steps to ensure it does not occur again. Vendor is responsible to follow all local regulations for reporting of HSI/AEs. Vendor is required to keep records of successful confirmation and provide upon request by Purchaser. This information should be readily available in case of audit/inspection.
- 34.5 In no event will personally identifiable information of any patient be provided to Purchaser in connection with any HSI/AE without consent from the respondent. Personal data of a healthcare professional who has reported an HSI/AE under the Agreement may be disclosed to Purchaser only where that healthcare professional has given their consent for such disclosure.

END