

## **TERMS & CONDITIONS OF PURCHASE**

**1. GENERAL REMARKS:** The following 'Terms & Conditions of Purchase' are deemed to include the Supplier Code of Conduct, as amended from time to time ("Supplier Code of Conduct") and shall apply to all Purchase Orders ("Order") placed by **Mylan Philippines, Inc** (hereinafter referred to as "Buyer"), unless the order expressly specifies otherwise. The applicability of the Seller's general terms and conditions of business, including without limitation terms and conditions mentioned in the Seller's offer or order confirmation, shall be excluded under all circumstances, even if they do not contradict these Terms & Conditions of Purchase, unless they were explicitly accepted by Buyer in writing. However, in the event Buyer and Seller have concluded written agreement defining their rights and obligations in respect to subject matter of the order, the provisions of such concluded agreement shall prevail in the event of inconsistencies with the conditions set forth in this Terms & Conditions of Purchase. Any modifications and amendments of this Terms & Conditions of Purchase may only be made in writing and exclusively with respect to such individual Order in question. Unless repugnant to the context, the term "Goods" shall include both goods and/or services.

**2. ACCEPTANCE:** Unless otherwise waived / advised by the Buyer in writing, acceptance of this Order shall be communicated in writing by the Seller to the Buyer within Three (3) working days from receipt of the Order by the Seller. In the absence of a written acceptance hereof, the delivery of any material, equipment or services ordered thereunder by the Buyer, shall be at the sole discretion of the Buyer.

**3. PRICE:** Prices stated in the Order are final and will remain firm until the execution of the Order. No modifications therefrom will be accepted by Buyer without a specific agreement in writing signed by Buyer.

**4. DELIVERY:** Time is of the essence and in case the goods or services are not received by the Buyer within the stipulated delivery date. The Buyer reserves the right (without prejudice to any other rights it may have): (i) to cancel the Order or any part thereof without any penalty to the Buyer; or (ii) refuse to accept any subsequent delivery of the goods or services which the Seller attempts to make ; or (iii) return the goods part-delivered or services part-rendered to the extent practicable, at the expense of the Seller or (iv) recover from the Seller any expenditure reasonably incurred by the Buyer in obtaining the goods and services in substitution from another vendor; or (v) claim damages for any additional costs incurred by the Buyer which are in any way attributable to the Seller's failure to deliver the goods or services on the due date; or (vi) Unless higher liquidated damages are stated on the Order, recover from the Seller as liquidated damages at 1% of purchase order price for delay of each full week or part thereof, subject to a maximum of 10% of the Order price. When a date of delivery is stipulated in the Order or where an Order is placed for the supply of goods in accordance with a program, such stipulation shall be the essence of such Order.

**5. MATERIAL:** The Buyer reserves the right to accept / reject the whole or any part of the Goods if not found suitable for use due to discrepancies in quality, specifications, weight, dimensions etc., or due to delayed or irregular delivery. The rejected supplies shall have to be lifted by the Seller from the factory or such other place as maybe specified by the Buyer within 15 days from the date of rejection, at the Seller's risk and expense. The Buyer shall not be responsible for any loss and/or damages to the same. The Buyer assumes no obligation in relation to the supplies delivered in excess of those specially ordered. The Buyer will not be liable in respect of any Order not given or confirmed on its official printed forms duly signed by the Buyer or his authorized representative.

**6. CONFORMANCE TO THE TECHNICAL SPECIFICATION:** The goods or services as per the Order are to be supplied strictly in accordance with the specifications indicated in the Order. Any deviations, whatsoever, from the said specifications are liable to be rejected wholly or in part. However, the Buyer shall have the right to make changes to the designs, specifications and/or quantity, as applicable, covered by the Order any time, by written notice.

**7. INSPECTION:** Without prejudice to the Seller's obligations of supplying the goods that meet the specifications and conform to the warranties, the Buyer, or any third party nominated by the Buyer shall have the right to inspect the goods at any time before dispatch and require such tests as may be required to be carried out to their satisfaction. For this purpose, the Seller shall allow the Buyer's representatives reasonable access to the Seller's facilities and address, and notify the Buyer when the goods are ready for inspection or testing. Alternatively, all goods supplied shall be subject to inspection by the Buyer at the point of delivery. Goods not approved on inspection, either with regard to the quality or quantity shall be rejected by the Buyer within a reasonable time. If defective goods are shipped or Services rendered are deficient, without prejudice to other remedies available to the Buyer including but not limited to the indemnification obligations of the Seller, the Buyer may, at its sole discretion, demand the Seller to take any one or more of the following relief measures: (i) accept returns at its own risk and expense, within 15 days of notification of rejection by Buyer, and to replace some or all of the defective goods or services as Buyer deems necessary; and/or (ii) supply additional quantities of the goods or services in the event there is a shortfall in quantity; and/or (iii) refund of received for the non-

conforming Products or deficient Services; and/or (iv) reimburse the Buyer for all reasonable expenses incurred by the Buyer resulting from any rejection or correction of defective Goods or Services. Without prejudice to the Buyer's rights as stated herein, the Buyer shall also be entitled to sell or dispose off the supplies after expiry of the said '15 days notification period', on the account and risk of the Seller either by public auction or by private sale without any further notice to the Seller.

**8. PACKING:** The goods supplied must be sufficiently and properly packed and the Seller shall adhere to any special instructions given by the Buyer. Detailed specification of contents must be attached to each package in compliance with applicable laws (including but not limited to name of goods, gross and net weight, batch number and manufacturing and expiry date). Unless otherwise specifically stated, all packing cases, containers and other packing materials shall be supplied by the Seller free of any charge to the Buyer. Any loss arising due to improper packing will be to the Seller's account, and the Buyer will not be liable for any damage or loss in transit.

**9. PAYMENT:** The payment will be made as per the actual weight or quantity received by the Buyer. The Buyer's records shall be considered as final and conclusive on these points. The Buyer shall make the payment within such timelines as are stated in the Order, against the bills upon receipt of the Goods in good condition. The Buyer is unilaterally entitled to set off any payments due to the Seller against any claims of its affiliates against the Seller or its affiliates.

**10. SHIPPING DOCUMENTS:** Deliveries shall be accompanied by appropriate shipping documents including those specifically mentioned by the Buyer, if any. All shipping documents and/or invoices shall contain the Purchase Order Number and, where applicable, any additional identification numbers or information as to the specific goods or services.

**11. GUARANTEE / WARRANTY:** The Seller warrants that the Goods when delivered (1) would be of good material and workmanship, merchantable and free from any defect, legal or otherwise, (2) would conform strictly to the specifications, drawings or samples specified or furnished in purchase order, QA contract and all the relevant current Good Manufacturing Practice ("cGMP") regulations, and (3) would be fit for the intended use and purpose. All warranties shall survive any intermediate or final inspections, delivery, acceptance, or payment by purchase and shall continue in effect – in the case of Services- through a period of one year commencing from the date of rendering of such Services to the Buyer, and in the case of Goods, through the residual useful life of such Goods. The Seller agrees that he/it and his/its sub-contractors have, and will continue to possess all the licenses, permissions and certificates needed for the manufacture, sale and delivery of goods and perform the services required, hereunder, in accordance with the current cGMP regulations and applicable laws. The Seller agrees to comply with all applicable laws and adhere to ethical business practices.

**12. TRANSIT RISK:** The Goods shall be delivered by the Seller to the Buyer at the Buyer's place of business or at such other place of transportation as may be specified in the Order provided nevertheless that from the time of the dispatch thereof from the Seller's premises and until such delivery, the risk of any loss or damage to or deterioration of the supplies from whatsoever cause arising shall be borne by the Seller.

**13. SUBLICENSE/SUBCONTRACT:** The Seller is not entitled to sublicense or subcontract any of its obligations under the Order without the prior written consent of the Buyer, which consent may be granted at its sole discretion. In the event that the Buyer does grant any such approval: (a) the Seller will nonetheless remain fully liable for the performance of its obligations hereunder; and (b) the Seller will be exclusively responsible for all costs associated with any such sublicense or subcontract arrangement.

**14. LIABILITY FOR INJURY:** If the Seller is required by the terms of this Order to perform any work on the Buyer's premises, the Seller agrees that the Seller shall be responsible for any damages or injuries to persons or property, including the Buyer's employees and agents, workers or employees, in connection with the performance of such work, and that the Seller, shall hold harmless and indemnify the Buyer from and against any liability for such damages or injuries. Before commencing such work, the Seller shall furnish to the Buyer a certificate of insurance, for an adequate amount, covering risks under Public Liability and Property Damage Insurance and Workman's Compensation Insurance. The policies should cover all third party liability in respect of bodily injuries and death, property damage at the workplace, and work injury related compensation, whether or not suffered at the workplace, arising out of or in connection with the performance of such work. The Seller is required to furnish to the Buyer a certificate of insurance containing full particulars of such insurance policies

**15. NOTICE OF INSPECTION:** The Seller shall provide the Buyer with prior notice of, and the opportunity to attend (itself or through a representative of Buyer), any regulatory inspection of any facility at which any of the manufacturing, processing, testing or storage activities relating to the Goods are performed ("Covered Activities"); provided, that if prior notice of any such inspection is not possible, the Seller shall provide notice and a summary of the results of such

inspection to the Buyer within three (3) business days after such inspection. The Seller shall provide the Buyer with copies of any written inspection reports, requests, directives, or other correspondence or communications issued to the Seller by any regulatory authority relating to the Covered Activities, or the Goods ("Regulatory Communications") within three (3) business days of the Seller's receipt thereof. Prior to responding to any Regulatory Communications, the Seller will provide a copy of any such responses to Buyer for Buyer's review and comment.

## **16. COMPLIANCE WITH ANTI-BRIBERY AND U.S. TRADE CONTROL LAWS**

### **(A) US TRADE CONTROL LAWS**

- 1) The Seller understands that Buyer is required to and abide by the UK Bribery Act (UKBA), U.S. Foreign Corrupt Practices Act (FCPA), and the export control and economic sanctions laws and regulations of the United States, including but not limited to the U.S. Export Administration Regulations (Title 15 of the U.S. Code of Federal Regulations Part 730 et seq.), and regulations administered by the U.S. Treasury Department's Office of Foreign Assets Control (Title 31 of the U.S. Code of Federal Regulations Part 500 et seq.) (collectively, "Trade Control Laws"), including those restricting trade with Crimea, Cuba, Iran, North Korea, and Syria, and with specified prohibited and restricted parties.
- 2) The Seller represents and warrants that it will not sell, export, reexport or otherwise transfer any Buyer Products to any person in a U.S. embargoed destination, currently including Crimea, Cuba, Iran, North Korea, and Syria, unless authorized under U.S. law.
- 3) The Seller warrants further that it is not identified on any U.S. or other Government list of prohibited or restricted parties, including without limitation:
  - 3.1 the Specially Designated Nationals List, Foreign Sanctions Evaders List, or other restricted parties lists maintained by the U.S. Treasury Department's Office of Foreign Assets Control;
  - 3.2 the Entity List, Unverified List, Denied Parties List, or other lists maintained by the U.S. Commerce Department's Bureau of Industry and Security; or
  - 3.3 restricted lists maintained by the European Union, or other cognizant U.S. or non-U.S. governmental authorities.
- 4) The Seller further warrants that it is not owned or controlled, directly or indirectly, by any person identified on such lists, and the Seller will not sell, export, reexport or otherwise transfer any Buyer Products to any person identified on any such lists, or their 50% or more owned subsidiaries, unless authorized under U.S. or other applicable law.

### **(B) ANTI-CORRUPTION LAWS**

- 1) Seller understands that Buyer is required to and does abide by the United States Foreign Corrupt Practices Act ("FCPA"), the United Kingdom Bribery Act ("UKBA"), the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, and all other applicable national and local anti-corruption laws (collectively, the "Anti-Corruption Laws"). Each Party represents and warrants that no one acting on its behalf will offer, promise, make, accept, solicit, authorize or provide, directly or indirectly, any payments, gifts, or anything of value to any person for the purpose of corruptly or improperly influencing or rewarding any action, inaction, or decision by such person, or for the purpose of obtaining or retaining business or securing an improper business advantage. This representation and warranty extends to bribery of government officials or government employees (including employees of government-owned and government-controlled corporations or agencies) and bribery of individuals or organizations operating in the private sector. Moreover, this representation and warranty extends to payments, even in nominal amounts, made to government officials to expedite or secure routine, non-discretionary actions (e.g. processing visas, licenses, or permits).
- 2) Each Party represents and warrants that no one acting on its behalf will offer, promise, make, accept, solicit, authorize or provide, directly or indirectly, any payments, gifts, or anything of value to any political party, official of a political party, or candidate (or to an intermediary of any such person) for the purpose of corruptly or improperly influencing or rewarding any action, inaction, or decision by such person.

- 2.1 Seller understands that Buyer may immediately suspend payment, in its sole discretion and without notice, if the actions or inactions of Seller become subject to an investigation of potential violations of the Anti-Corruption Laws. Moreover, Seller understands that if Buyer determines that Seller failed to comply with the provisions of any Applicable Law, including the Anti-Corruption Laws, Buyer may immediately terminate this Agreement, and any payments due thereunder, in its sole discretion and without notice.
- 2.2 Each Party warrants that all Persons acting on its behalf will comply with all Applicable Laws in connection with all work under this Agreement, including the Anti-Corruption Laws if any, prevailing in the country(ies) in which such Party has its principal places of business.
- 2.3 Each Party further warrants and represents that should it learn or have reason to suspect any breach of the covenants in this section 2, it will immediately notify the other Party.
- 2.4 Buyer shall be allowed to reasonable access to the Seller's books and records and shall have the right to audit the Seller on a periodic basis with respect to this section 2.

(C) Notwithstanding anything to the contrary herein, or in the Order, failure to comply with all applicable laws, including any anti- corruption laws applicable in any jurisdiction where the Order may be performed, shall result in the Buyer being entitled to summarily terminate the Order by providing written notice to this effect.

(D) The Seller further warrants and represents that (a) it shall, and procure that the its personnel shall, comply with all applicable laws when performing the Order, or any other services it may perform on behalf of third parties; and (b) should it learn or have reason to suspect any breach of the covenants of this clause, regardless of how remotely, it will promptly take appropriate remedial steps and notify the Seller, in writing, of the occurrence of same.

**17. SUPPLIER CODE OF CONDUCT:** The Seller undertakes to adhere to the Supplier Code of Conduct (as may be amended from time to time), a copy of which is available <https://www.viatris.com/en/about-us/corporate-governance>

**18. REMEDIES:** The remedies reserved in these Terms and Conditions and the Order shall be in addition to any other remedies provided in law or equity. No waiver of a breach of any provision of this Order shall constitute a waiver of any other breach or of such provision. Any waiver of the terms of this Order shall only be in writing.

**19. MODIFICATION OF PURCHASE ORDER AND NONASSIGNMENT:** These Terms and Conditions and the Order contain the complete and final agreement between the Buyer and the Seller. No agreement in the course of dealings between the Buyer and the Seller, or any usage or other understanding in any way purporting to modify the terms and conditions hereof shall be binding upon the Buyer unless made in writing and signed by the Buyer or the Buyer's authorized representative. The Seller shall not assign this Order or any money due or to become due hereunder without the prior written consent of the Buyer or the Buyer's authorized representative.

**20. CONFIDENTIALITY:** All Orders placed by the Buyer and drawings, documents, specifications, know how etc., given pursuant to any Order are strictly confidential. The Seller shall not dispose of any part of the Order or publish or cause to be published, any details of this Order without the Buyer's previous written consent.

**21. INTELLECTUAL PROPERTY:** The Seller represents, covenants, warrants and guarantees that: (1) the supplies and/or Goods specified herein and their importation, storage, use, manufacture, sale or supply, alone or in combination, do not violate any third parties rights, particularly infringement of any local or foreign intellectual property rights and agrees to indemnify the Buyer against all judgments, decrees, costs and expenses resulting from any such alleged infringements, and covenants that the Seller will, upon request of the Buyer, and at the Seller's own expense, defend, or assist in the defense of any action which may be brought against the Buyer, or those engaged with said Goods.

**22. TERMINATION:** (A) The Buyer reserves the right to cancel this Order, or any part thereof. (B) Notwithstanding anything contained hereto the Buyer shall be entitled to rescind the Order, in whole or in part, if delivery of the Goods is not made in accordance with these Terms and Conditions and of the Order.

**23. INDEMNIFICATION:** The Seller hereby agrees, at its sole cost and expense, to defend, hold harmless and indemnify(collectively, "Indemnify"), to the extent permitted by applicable law, the Buyer and its affiliates and their respective directors, officers and employees of such persons and the respective successors and assigns of any of the foregoing (the "Buyer Indemnitees") from and against any and all loss or losses, liabilities, damages, penalties, fines,

costs and expenses (including, reasonable attorneys' fees and other expenses of litigation) (collectively, "liabilities") resulting from a breach of the representations, warranties, guarantees or the covenants under these Terms and Conditions and the Order in addition to any suits, claims, actions and demands, in each case brought by a third party against the Buyer Indemnitees;

**24. GOVERNING LAWS:** Any dispute, controversy or claim arising out of, in relation to or in connection with this Order shall be, failing an amicable settlement, referred by the parties to be settled by arbitration. The arbitration fees shall be borne by the losing party. The award of the arbitrator shall be final and binding on the parties. The language of arbitration shall be English, and the venue of arbitration shall be in Metro Manila, Philippines. These terms and conditions shall be governed by, and construed in accordance with, the laws of the Republic of Philippines.

**25. THIRD PARTIES:** Save that the Buyer's and/or Seller's affiliates may enforce the terms in this Order where it is expressly identified to benefit from such term, nothing contained in this Order is intended to confer upon any person not a party to this Order, any rights, benefits or remedies of any kind whatsoever, and no person shall be deemed a third-party beneficiary under or by reason of this Order, or the Contract (Rights of Third Parties) Act.