

PO Language for Novartis s.r.o. and Sandoz, s.r.o.

General Purchasing Terms and Conditions (“GTC”)

Please insert the following text into your Purchase Order (PO) terms and conditions:

This purchase order (“PO”) is Novartis’ acceptance to your offer and this acceptance is expressly limited to the terms contained herein without additions, deletions, or other modifications. No standardized general terms and conditions contained on a quote, bid, proposal, subsequent invoice or other similar documentation will change nor shall any modification to the following GTC be binding on the Novartis, s.r.o. and Sandoz s.r.o. (“Novartis”) unless explicitly agreed to in writing.

Your commencement of the performance of any of your contractual obligations pursuant to this PO shall be deemed your acceptance of GTC.

If you have entered into a separate written agreement (“Framework Contract”) with a Novartis entity that is identical with the issuer of this PO, the written Framework Contract shall prevail over GTC.

If no separate written Framework Contract between you and Novartis exists, you acknowledge that this accepted PO concludes a legally binding Purchase Order Contract which is valid without signature (“Purchase Order Contract”; Framework Contract and Purchase Order Contract hereinafter jointly referred to as “Agreement”).

1. General Terms

Please note that it’s mandatory to receive an Internal PO Number prior to engaging in the provision of services or goods that create financial liability for Novartis and that are the subject of the Agreement (“**Services**” or “**Goods**” accordingly). You are obliged to ensure compliance with Novartis internal regulations, in particular with the relevant Novartis codes, policies and guidelines in accordance with Section 3 of GTC. All Internal PO Numbers are issued in accordance with Novartis Conditions of Purchase, which are set out in GTC.

In addition, the maturity period of invoices shall be 60 days following the receipt of the due tax document – invoice in Novartis third party cloud network solution or Novartis scanning/processing center by sending it to the e-mail address below. The taxable supplies date of each invoice shall always be the day of delivery of the last task in the given period of time.

Your invoices will be released for payment as soon as the Novartis Requestor has booked a Goods or Services receipt confirmation via the Novartis ordering tool. All invoices will be send electronically in pdf format to invoices.cz@novartis.com or submitted through Novartis designated third party cloud network solution (e.g. SAP Ariba Network).

All invoices (tax documents) must be submitted in accordance with Novartis Conditions of Purchase for POs. Upon Novartis request, within 30 days, you shall establish an electronic supplier account through Novartis designated third party cloud network solution (e.g. SAP Ariba Network) through which you will receive an Internal PO Number, submit invoices and any other relevant documents. Novartis will not pay any invoice unless you has submitted the invoice electronically through the network.

All invoices, shipping evidence (delivery note) or other documents confirming the delivery/receipt of Goods or Services as well as any other corresponding documents must quote a valid Internal PO Number. In case the Internal PO Number is missing, Novartis reserves the right to reject any such invoice and return it to you unpaid.

To allow timely processing and payment of invoices, please assure that, the correct invoicing address, Internal PO number, Novartis contact person, and line item details are mirrored as illustrated on the Agreement, in particular on the Purchase Order Contract. Invoices made out improperly are returned to the issuer, the terms of payment shall then begin upon receipt of the correct invoice at Novartis.

Novartis shall not be responsible for any liabilities, losses and damages arising out of or relating to the returning of invoices that do not meet the above and other legal requirements, including but not limited to invoices containing wrong Internal PO Numbers or no Internal PO Number at all, to you.

Unless otherwise agreed, Novartis shall be the owner of, and shall be entitled to exclusively use and commercially exploit at its sole discretion, all work product prepared by you, including but not limited to any intellectual property, arising out of or relating to the performance of activities, delivery of Goods or provision of Services in pursuance of the Agreement.

If the Goods and Services are being procured through a reference to the terms and conditions of the Agreement that exists between you and a Novartis entity that is different from the issuer of this PO (the party to the Purchase Order Contract), you understand that you are entering into a separate legal relationship by accepting this PO (by entering into the Purchase Order Contract), and you will look to no other Novartis entities for fulfillment of any payment or other obligations.

Except as may be required by applicable law, neither contracting party shall disclose the terms of the Agreement or the part thereof, in particular the term of the PO/GTC or issue a press release in connection with the subject matter of the Agreement, in particular in connection with the subject matter of the Purchase Order Contract, or use the other contracting party's company name or brand without prior written consent of the other contracting party.

The contracting parties agree to sign any Agreements and any amendment to the Agreement by means of electronic signature (in particular DocuSign Signature).

2. Special Terms

Unless expressly stated otherwise, the Goods shall be delivered subject to DAP Incoterms 2010. The Goods shall be delivered with all related documentation, including but not limited, technical documentation, manuals, scripts etc.

You undertake to ensure that the thing being the subject of purchase of Goods hereunder shall be qualified for use for its common purpose or that it retain its common qualities during the warranty period of 24 months or, as the case may be, for the time to be individually agreed.

For Goods whose origins lie in one of the non-EU country such as Switzerland, Iceland or Norway, and that exceed the value of 6000 Euro, a movement certificate EUR.1 must be completed.

You shall not be authorized to assign your rights and obligations pursuant to the provisions of the Agreement to any third party without a previous written consent of Novartis, granting of which

consent shall depend upon the exclusive consideration of Novartis. Any subcontracting agreement is subject to prior written approval by Novartis in particular by the person on Novartis' side who acts as the requester and who is listed above in the Agreement, in particular in the Purchase Order Contract, as such Novartis Requestor.

Any information designated as confidential or is inherently confidential by its nature that was exchanged during the evaluation process preceding the Agreement and/or during the performance pursuant to the Agreement shall remain confidential.

You acknowledge and agree that Novartis (including any third parties, who are under adequate contractual obligations that have been retained to provide IT infrastructure services, transactions services, and other analysis services) will be storing basic supplier data in its internal transaction systems and related systems that support supplier activities. This information and data is used by Novartis to place orders, receive Goods and Services, and make payments. In addition, Novartis will organize, manage and utilize this data to develop strategies around its supplier spend. Novartis will retain this data consistent with applicable data retention regulations and laws.

3. Compliance with Laws, Policies and Codes, Third Party Risk Management

You shall comply with all applicable laws and regulations and comply with industry standards.

You will not, directly or indirectly, pay or accept bribes or participate in other illegal inducements in business or government relationships, or participate in any unfair competition activities.

Novartis expects you to adhere to ethical business practices and to observe the relevant Novartis codes, policies and guidelines. The codes, policies and guidelines of Novartis can be found at <https://www.novartis.com/our-company/corporate-responsibility/reporting-disclosure/codes-policies-guidelines>. You will familiarize yourself with these codes, policies and guidelines and provide information on request to Novartis associates concerning labor, health and safety, animal welfare, anti-bribery and fair competition, and data protection and privacy practices, in the form requested.

You shall perform your obligations under the Agreement with high ethical and moral business and personal integrity standards.

You shall be responsible for training your associates and any other employees who are involved with the activities set forth in the Agreement on anti-bribery at your own expense. Such training shall include the provisions of the applicable anti-corruption laws. Upon request from Novartis, you shall promptly provide a copy of the training materials and the training attendance sheets (including name and qualification of the trainer).

In addition, the you warrant that the information provided in the “*Questionnaire for Third Parties*” completed before entering the Agreement, in particular before entering the Purchase Order Contract, is accurate and complete. You agree and undertake to inform Novartis of any significant change to the information provided with the Questionnaire for Third Parties, as soon as the relevant change occurs.

Seven (7) days after the receipt of a written request from Novartis, you will allow Novartis associates (or any third party experts nominated by Novartis) adequate access to your premises and to any documents relating to the performance of activities, delivery of Goods or provision of Services in

pursuance of the Agreement and GTC for the purposes of auditing in accordance with Section 10.6 of the below mentioned Third Party Code. Upon written notice by Novartis that it wishes to conduct an audit, you will provide full cooperation and grant access to all relevant documents and materials as reasonably required.

Third Party Risk Management. Novartis has put in place a Third Party Risk Management framework which is aimed at promoting the societal and environmental values of the United Nations Global Compact with specific third parties that Novartis deals with. In connection with the above, you shall:

- 1.1. comply with the Third Party Code (and any published updates) which can be viewed and downloaded from <https://www.novartis.com/about-us/corporate-responsibility/resources-news/codes-policies-guidelines> (you may request a copy free of charge from Novartis);
- 1.2. having regard to Section 10.7 of the Third Party Code, provide information/documentation on reasonable request to Novartis, its affiliated companies and respective representatives to allow Novartis to verify compliance with the Third Party Code in the form requested;
- 1.3. to rectify identified non-compliances with the Third Party Code (where capable of remedy) and report remediation progress to Novartis, its affiliated companies and respective representatives on request;
- 1.4. ensure that where your affiliates and/or subcontractors/agents and/or their affiliates have been pre-approved by Novartis (in accordance with the Agreement, in particular in accordance with GTC) to provide the Services or the Goods, that such third parties also comply with the above requirements relating to the Third Party Code.

You acknowledge and agree that the Third Party Code forms an integral part of the Agreement and understand that failure to adhere to these standards and/or obstructing/refusing the audit rights of Novartis as stated in the Third Party Code shall constitute a material breach of the Agreement and entitle Novartis to immediately terminate the Agreement by written notice without compensation.

You confirm that you have read and understood GTC, all relevant Novartis codes, policies and guidelines.

4. Governing Law and Jurisdiction

The Agreement (including GTC) is construed in accordance with, and governed by, the laws of the Czech Republic, without regard to the conflicts of law provisions. The UN Convention on Contracts for the International Sale of Goods (CISG 1980) shall not apply. Any dispute arising out of or relating to the Agreement and GTC shall be submitted exclusively to the competent courts of Prague, Czech Republic, without restricting any rights of appeal.

5. Czech Civil Code References

The contracting parties expressly exclude sec. 1757 para 2 and 3, sec. 1765, sec. 1798 – 1800 and sec. 1950 of Act no. 89/2012 Coll., Civil Code, as amended (“Civil Code”). Additionally, sec. 1740 para 3 of the Civil Code shall not apply. The contracting parties agree that there are no further rights and obligations beyond the scope of the Agreement arising from the current or future practice established

between the contracting parties or business practice maintained in general or relating hereof. Sec. 558 para 2 of the Civil Code shall not apply. The contracting parties acknowledge and confirm that they are concluding the Agreement as entrepreneurs in the course of doing their business and that none of the contracting parties is the weaker party.