

## **Novartis - Terms and Conditions of Purchase Order**

### **1. Object**

1.1. All product supply and/or provision of services by the company's suppliers Novartis ("Supplier") are governed exclusively by the General Terms and Conditions established herein, an integral part of the Novartis Purchase Order ("Purchase Order").

### **2. Purchase Orders**

2.1. The parties hereby agree that the Purchase Order agreement will be prepared by Novartis based on the quotation sent by the Supplier.

2.2. The Purchase Order will be forwarded by Novartis to supplier via mail (e-mail), as set out in this Purchase Order.

2.2.1. The Supplier shall have a deadline of up to 01 (one) week from delivery of the Purchase Order to speak on the Purchase Order submitted by Novartis.

If supplier does not manifest itself in this period or if supplier accept, express or tacitly, the Purchase Order, it becomes mandatory and binding.

2.2.2. This Purchase Order is considered, by the parties, mandatory and binding.

### **3. Price and Payment Terms**

3.1. The price and other trading conditions specified in the Purchase Order ("Price") are final and binding, including all and any costs necessary for the supply of the product and/or provision of the service subject to the Purchase Order.

3.2. Unless otherwise expressly provided for in the Purchase Order, all costs concerning the transport and delivery of the product and/or provision of the service by the Supplier, in the address indicated by Novartis, are also included in the Price.

3.3. The Price shall be paid in accordance with the time and conditions described in the Purchase Order, upon receipt, by the Novartis, of the respective invoice to be issued by supplier. The invoice should be received within a maximum of 2 (two) working days, from the date of issue.

3.4. In the event of delay by supplier in sending the invoice, not meeting the deadline stipulated in clause 3.3 above, the payment will be automatically delayed by the number of days equivalent to the delay that occurred, without the incidence of any increase or application of any penalty

3.5. All taxes that may be levied due to the product supply or the provision of service provided in the Purchase Order should already be included in the price provided in the Purchase Order.

### **4. Delivery, Transportation and Execution**

4.1. The delivery time of the product or provision of the service indicated in the Purchase Order is mandatory and binding from the date of receipt of the Purchase Order by the Supplier.

4.2. The Supplier shall communicate immediately to Novartis in writing on any forecast of delay in the delivery of a product or in the provision of a service.

4.3. The possible acceptance by Novartis of product delivery or service delivery supplier, outside the deadline set out in the Purchase Order, shall not constitute a waiver of any right to indemnification for losses and damages that Novartis may plead in delay.

4.4. All documents relating to the product and/or the service provided by the Supplier, in accordance with the provisions of Purchase Order and, where applicable, as good manufacturing practices in the pharmaceutical industry (Current Good Manufacturing Practice - "cGMP"), should be provided to the Novartis at the time of delivery of the product and/or provision of the service by the Supplier. Every individual delivery will be governed by the applicable legislation.

4.4.1. If Novartis identifies, throughout audit process provided for in Clause 9 below, supplier's failure to comply with the Clause 4.4 above, Supplier shall be subject to payment of a fine, which will be equivalent to the 40% of the total price paid by Novartis for the hired service through the purchase order.

4.5. The Supplier will be responsible for packaging expenses, freight, reels and insurance, as well as the expenses incurred by the Novartis with any return, correction, or product recovery and/or provision of service which, because of production deficiency

and/or execution, damage to transportation, packaging inadequate, among others, is not, at the discretion of the Novartis, in perfect conditions of use.

4.6. They will run, also on account of the Supplier, all transport risks, and the conservation of the product, until its effective delivery and/or provision of the service to Novartis.

4.7. Supplier is depending on the assignment or transfer to third parties of the implementation of the object of the Purchase Order, either for partial or full compliance, without the prior written consent of the Novartis.

#### 5. Ownership, Exclusivity and Confidentiality

5.1. Ownership of the product shall be transferred to Novartis on an exclusive and unconditional, regardless of the amount paid. All and any possibility of enlargement or extension of the domain reserve will be considered extinct from the approval of the of this term.

5.2. Materials, technical specifications, drawings, samples, descriptions, or other indications submitted to the Supplier, by Novartis, should be used exclusively for this Purchase Order, and shall not, in any be used for applications for third parties, as well as any processing, mixing, or combination of materials made by the Supplier in Novartis name and in accordance with its direct instructions.

5.3. Any decrease in the value of the product subject to this Purchase Order or any loss to Novartis, due to supplier's violation of the obligation clause 5.2 above, will incur the Supplier to the provisions of clause 7.5 down.

5.4. The Supplier undertakes to maintain the confidentiality over all terms and conditions of this Purchase Order, as well as about all information transmitted and/or made available to supplier by the Novartis due to the Purchase Order, including, but not limited to, any and all oral and/or written information of a technical, operational, commercial, legal, know-how, business plans, techniques and accumulated experiences, documents, contracts, papers, studies, opinions, research, formulas, samples or products Novartis, which will be considered confidential, restricted, and owned by Novartis ("Confidential Information").

5.5. The supplier also undertakes to use the Confidential Information solely with the purpose of effecting the Purchase Order submitted by Novartis.

5.5.1. It will not be taken as Information Confidential any information that is publicly accessible or that has legitimately come to the knowledge of the Supplier prior to receipt of said information by Novartis, without any breach of the obligation of confidentiality.

5.6. Completed and processed the Purchase Order, if requested by Novartis, the Supplier shall immediately return any Confidential Information and destroy any copies of it.

#### 6. Data Privacy

6.1. The terms used in this Clause 6 should have the following meaning:

"Novartis Data" or "Data" refers to the Novartis Confidential Information that will be made available to supplier for processing by or on behalf of Novartis, pursuant to this Purchase Order; "Personal Information" means any information (as defined by legislation data protection site or, in the absence of specific standard, as established by the Novartis Internal Policies) related to an identifiable person; includes without limitation, electronic and paper data containing such information, such as name, address home, business address, e-mail, age, gender, family information, profession, education, professional affiliations, data salary, credit card data.

#### 6.2. Supplier Obligations:

(a) Supplier shall not access (including remote access), copy, use or other process any Personal Information to be less than expressly necessary for the provision of the services subject to this Purchase Order. Supplier will ensure that the Supplier that all its obligations in relation to the processing of Personal Information by force of this Purchase Order are applied employees and representatives.

(b) Supplier shall process the Data from the Novartis on your behalf only through the novartis' express instructions and will process such data exclusively for the purposes set out in this Purchase Order and in the form necessary for the implementation of the services contracted herein.

(c) Where supplier is obliged to disclose any Personal Information and/or Personal Information Novartis obtained under this purchase order, due to the request for competent authority, it shall communicate immediately to Novartis on this request and always get your consent to any disclosure.

(d) Supplier shall ensure strict confidentiality of Novartis Data and/or Personal Information to which you have had access

during the execution of the services now contracted and not transmit or otherwise disclose this Data and/or Personal Information to third parties.

(e) Supplier may not subcontract or transfer to third parties the rights and obligations assumed through this Purchase Order without the prior written consent of the Novartis. Novartis will authorize the subcontracting or transfer only if the Supplier to establish with the subcontractor a written agreement by assigning to the subcontractor the rights and obligations assigned to it, under this Purchase Order. No notwithstanding the foregoing, the Supplier will remain fully responsible for the fulfillment of its obligations and the subcontractor, under this Purchase Order.

(f) Supplier shall comply with all obligations relating to the Data Security of the Novartis and/or Personal Information to which have access, equivalent to those imposed on the Novartis, and shall adopt and implement all technical and organizational measures to adequately protect Novartis Data against any change, use and disclosure not accidental loss or destruction or illegal.

(g) Supplier shall, upon Novartis request or at the end of this Purchase Order, destroy or return to Novartis all Personal Information and/or Personal Data of Novartis collected, stored and processed in the scope of this Purchase Order as well as all materials or documents generated or used by supplier in the execution of the services subject to this Purchase Order information in which there is any information Novartis' ownership.

(h) Supplier shall inform Novartis immediately about any breakage or failure security or privacy of Novartis Data and/or Personal Information and supplier must cooperate with Novartis in the solution of such failures, including data recovery or any other form of remediation.

(i) Supplier shall indemnify Novartis for any loss, damage, or complaint arising out of or arising from the non-compliance obligations assumed under this Purchase Order related to processing or implementation of technical and safety measures related to collection, storage and processing of data Novartis and/or Personal Information related to this Purchase Order.

6.3. Without limitation of any right of Novartis under this Purchase Order, Novartis reserves the right to audit or inspect supplier's operations in relation to measures to protect the privacy and data security collected, stored and processed by force of this Purchase Order, by means of prior written notification forwarded supplier with at least 15 (fifteen) days in advance.

6.4. If Supplier notifies Novartis on any failure or breach of data security or privacy, Novartis will have the right to carry out an audit of facilities and procedures of the Supplier upon prior notification with 24 (twenty-four) hours in advance.

6.4.1. If the Supplier has doubts about the processing of information arising from this Purchase Order should clarify them, immediately with Novartis.

## 7. Default, Quality, Inspection Obligations.

7.1. In the event of any defects or hidden defects and/or non-compliance with provisions of this Purchase Order and/or specifications, standards, drawings, samples, descriptions, or other indications submitted by Novartis to the quality or the ownership of the product and/or service provided, or any breach of obligation on the part of the Supplier, the rights of Novartis will be governed by the applicable legislation, except when expressly provided otherwise in this Purchase Order

7.2. The Supplier declares and warrants that the product covered by this Purchase Order and/or all products and materials used for the provision of the service contracted by the Novartis are free from any defect and will take account of all the specifications, standards, drawings, samples, descriptions, or other indications given by Novartis and agreed between the parties. Supplier ensures that the import, the storage, sale, and conventional use of the products will not infringe any patents or intellectual property rights of third parties.

7.3. Supplier shall comply with all and any legislation, standard, and/or regulation applicable to the subject-matter of this Purchase Order.

7.4. Novartis will be responsible for carrying out its inspection process (inspection by sampling) that will include inspection visual, inspection of delivery documents and quality control inspection.

7.4.1. If Novartis identifies any defect and/or hidden vice in the product object of this Purchase Order supplier will be subject to terms of clause 7.5 below.

7.5. The Supplier shall be subject to payment of damages to Novartis due to any defaults of this Purchase Order, defects and faults hidden and/or noncompliance with specifications and other technical indications checked.

## 8. Additional Supplier Obligations

### 8.1. Third Party Risk Management

8.1.1. Novartis expects Suppliers with whom work to respect the laws and adopt the ethical business principles set out in the Novartis Third Party Code.

The Novartis Third-Party Code and other codes, policies, and guidelines ("Novartis Third Party Standards") related to suppliers are available on the website:

<https://www.novartis.com/supplier-portal>

8.1.2. Suppliers should become familiar with the Novartis Third Party Standards and should provide all information required by Novartis in relation to its practices: Labor Rights, Health, Safety, Environmental, Animal Welfare, Anti-Bribery, Fair Competition, Data Privacy and Information Protection, Responsible Minerals, Quality GMP, Trade Sanctions and Export Controls in the required form. Novartis (or the third-party specialists that it has designated), will have sufficient and adequate access to audit the compliance of these Third Party Standards

8.1.3. Suppliers shall commit their best efforts to remedy cases of identified non-compliance and report to Novartis the progress of these cases, when required. At Novartis' sole discretion, the failure to comply with these Standards of Conduct by the Supplier will grant Novartis the right of terminating the business relationship of this Purchase Order, without the Supplier is, entitled to the payment of any compensation, fine or indemnity. The Supplier confirms having read and understanding all the Novartis Third Party Standards.

## 8.2. Anti-Bribery

8.2.1. In the exercise of their rights and in the fulfilment of its obligations under this Purchase order, supplier:

(i) Comply with all applicable laws and regulations, including those related to anti-bribery.

(ii) Comply with all industry standards, applicable to this contract.

(iii) Comply with all Novartis policies and guidelines related to the activities of this Purchase Order, including the Novartis Global Anti-Bribery Policy and any other guidelines or related policies, as well as amendments and periodic updates. In possibility of Novartis issuing guidelines or additional policies related to Supplier's activities under the Purchase Order, Novartis will provide to the Supplier with a copy of such documents, and the Supplier shall fully comply with such guidelines and policies thereafter.

The Supplier confirms via Purchase Order that has read and understood the Novartis policies and guidelines referred to above; and

(iv) It shall carry out its obligations in the scope of this Purchase Order, with high ethical and moral standards of business and personal integrity.

8.2.2. Supplier shall be responsible for the training in anti-bribery practices of all employees involved in the activities related to this Purchase Order, where applicable. The training should include anti-bribery legislation applicable and other standards set out in the Novartis Global Anti-Bribery Policy.

Upon request from Novartis, the Supplier shall make available, immediately, a copy of the training, as well as the attendance list of its employees in the training (including the name and qualification of the person responsible for the training).

8.2.3. The Supplier certifies that the information provided in the "Third Party Questionnaire", filled in before the execution of this Purchase Order, if applicable, is accurate and complete.

Supplier undertakes to inform Novartis all changes relevant in the information provided in the "Third Party Questionnaire," once a relevant change occurs.

8.2.4. The Supplier's breach of any of the obligations established in this clause will be considered a material violation of this Purchase Order and, therefore, Novartis will have the right to immediately terminate this hiring agreement.

## 8.3. Compliance and Non-Existence of Bond Employment

8.3.1. During assembly or other works at Novartis' plant, the Supplier must comply with all standards and safety instructions from Novartis, as well as applicable legislation.

8.3.2. The Supplier shall ensure that all its employees who carry outwork on Novartis' facilities are properly trained, identified by badge, and uniformed with the supplier's name. The Supplier shall ensure, furthermore, that its employees use all individual protective equipment required by the applicable legislation, to be provided by the Supplier.

8.3.3. For all services provided, the Supplier commits to maintain only regular employees registered, in accordance with the conditions provided for by the applicable labor provisions.

8.3.4. Supplier shall replace, immediately, all their employees that Novartis considers inadequate for services, at exclusive discretion of Novartis, without the need of any justification.

8.3.5. It is not established, by virtue of this Purchase Order, any employment relationship or liability on the part of Novartis with the staff that supplier employs for product supply and/or provision of services now contracted, running on the sole account of the Supplier, solely responsible as an employer, all expenses with such staff, including charges for resulting from current legislation, whether labor, social security, security, or any other.

8.3.6. Regardless of the above, if Supplier's employees propose against Novartis a labor complaint or any other judicial measure or out-of-court proceedings, supplier is hereby obliged to request in court the exclusion of Novartis from done, assuming all the burden stemming from such possible proceedings, including the full payment of all portions to which Novartis may come to be convicted, including, but not limited to, the court and out of court fees and charges attorneys, under penalty of, by failing to do so, at Novartis' discretion, the present Purchase Order may be terminated, in addition to Supplier's Obligation to pay Novartis a compensatory fine equivalent to the amount claimed in court by the claimants or plaintiffs, in addition to the legal increments. The Supplier is considered as the sole and exclusive employer, responsible for any judicial claims or extrajudicial proceedings.

8.3.7. The Supplier, if it is a healthcare professional, declares, for all purposes, that this agreement in no way shall exercise any influence or will harm its independence regarding the exercise of its activities and professional capacity.

#### 8.4. Prohibition of subcontracting

8.4.1. Supplier may not delegate or subcontract any of its obligations resulting from this Purchase Order without the prior written consent of Novartis, such consent being at the sole discretion of the same. If Novartis grant such authorization:

- (i) The Supplier will continue to be fully responsible for the performance of its obligations established here in; and
- (ii) The Supplier shall be exclusively responsible for all costs associated with any delegation or subcontracting agreement.

#### 9. Right to audit

9.1. Novartis shall have the right, at any time and at its own expense, to audit the supplier's records to ensure the fulfillment of this Purchase Order, as well as legislation and confirm all the necessary payments made by Novartis.

9.2. Novartis may appoint an auditor to carry out the audit and, if so, the designated auditor will be subject to obligations of confidentiality regarding the analysis of all Novartis and/or Supplier Confidential Information.

9.3. Novartis to conduct the audit must send to Supplier in advance 15 (fifteen) days, a written notification informing its intention to carry out an audit ("Audit Notification"). Upon receipt of Audit Notification, the Supplier undertakes to provide full cooperation to Novartis and/or the designated auditor, as appropriate, by granting access to all documents and materials relevant to this contract, as reasonably requested. The refusal or obstruction by supplier to conducting the audit of its records will be considered a material violation of this Purchase Order, and assure Novartis the right to terminate immediately this Purchase Order.

#### 10. Intellectual Property

10.1. Whenever the Supplier gives and transfer to Novartis copyright, for image, voice and/or content, these may be used by Novartis in any way and in any media, existing or that will be created, including, but not limited to transmission, relay, display, without limitation in the number of executions in National Territory or abroad, free display to the public in general, for disclosure of any purpose; and use in whole or in part, along with other Novartis Institutional Materials, for use in any media or support.

10.2. All assignment and transfer of copyright, use of image, voice and/or content from supplier to Novartis will be made as a free of charge, unless expressly provided otherwise in the contract to be signed between Novartis and Supplier.

10.3. Novartis will ensure that Supplier is mentioned as content author disclosed, as well as guarantee the regular and ethical use of its image and voice, solely in the form provided in the contract to be signed between the Novartis and Supplier.

10.4. Supplier authorizes any changes in the graphic layout of the material disclosed, without modification of the content.

10.5. There will be no sub-licensing by Novartis.

10.6. The Supplier declares, for all purposes, that this Purchase Order will not exert any influence or jeopardize its independence regarding the exercise of its activities and professional capacity.

10.7. The Supplier declares that this Purchase Order does not imply any conflict of interest related to the applicable Legislation.

10.8. Supplier declares and warrants that it is the sole and legitimate owner of all content that is making available to Novartis or that it owns the proper third-party authorization for the use of this content.

10.9. The Supplier is responsible for any claims or demands that may be lodged against Novartis founded on copyright object of this Purchase Order.

## 11. Termination

11.1. Novartis may terminate the purchase order, at any time. Time and with immediate effect, by written notification to Supplier, in the assumptions expressly provided in the purchase order, as well as in the cases of (i) supplier's violation of the clauses relating to compliance with the legislation and/or copyright; (ii) Change of Supplier Control; and (iii) bankruptcy or judicial recovery of Supplier.

## 12. General Provisions

### 12.1. This Purchase Order

12.2. Except as expressly provided in contrary in this Purchase Order, the fact that a party fails to request in time the compliance with any of this Purchase Order Provisions or any rights relating to this Purchase Order, or not exercise any of the powers provided for herein, shall not be deemed to be a waiver of such provisions, rights, or powers, nor does it shall constitute novation or affect in any way the future exercise of such right.

12.3. Each provision of this Purchase Order will be interpreted as valid in accordance with applicable law. Case any Purchase Order Provision is considered null or ineffective, the validity or effectiveness of the remaining provisions will not be affected, remaining in full force and effect and, in such a case, there should be a replacement of the null or ineffective provision by another which, either possible and in a reasonable manner, achieve stake in purpose and effects originally desire.

12.4. Supplier may not assign or transfer any right or obligation resulting from this Purchase Order without prior consent and by novartis. This Purchase Order obliges supplier and its successors to any title.

12.5. This Purchase Order constitutes the sole and agreement between the contracting parties, overlapping all discussions, documents, and covenants (verbal or written) between the parties regarding Purchase Order, in the respect of the exceptions provided for in clause 12.6 below.

12.6 Supplier declares and warrants that it will not have a relationship with public service and is not employed in Government companies, state-owned or controlled enterprises, public agencies or public bodies, including medical or healthcare institutions controlled by government, whose position or performance allows any kind of influence or undue promotion of Novartis' business, mainly related to public biddings and purchases

12.6.1. If the Supplier has occupied, in the last 6 (six) months, occupies and/or will hold public office in the manner above, during the term of this Purchase Order, supplier must inform immediately to Novartis, under penalty of termination of this instrument.

12.6.2. Supplier shall notify Novartis immediately if it moves to occupy position with power to influence decisions of purchasing and contracting in government entity or institution related to healthcare owned or controlled by public authorities.

12.6.3. If the event described above occurs, the Novartis will have the prerogative to terminate immediately this Purchase Order by means of a simple written notification to Supplier.

12.6.4. If Novartis chooses not to terminate the Purchase Order, or if the obligations already assumed by Supplier towards third parties make it impossible to immediately terminate this Purchase Order, the Supplier shall notify, immediately, the department responsible for their employment with the government entity in respect of this Purchase Order with the Novartis.

12.6.5. If the provision of services is subject to professional regulations that require approval by a professional organization and/or public entity, it will be up to Supplier ensure that such approval is obtained before providing any of the contracted services. At Novartis' request, Supplier shall provide written evidence of such approvals.

13. It is hereby expressly stated that the present Purchase Order will only be valid if there is a contract signed between the parties, for cases where it is necessary in the Novartis Contract Policy. In the case where Supplier and Novartis enter a specific contract to provide about the subject matter of this Purchase Order, the terms and conditions negotiated in the respective contract that may conflict with the terms and conditions of this Purchase Order shall prevail over the terms and conditions of this Purchase Order.

14. In the case of contracting healthcare professionals, including, but not limiting to hiring "Speakers", should the parties enter into a specific agreement for such provision of service, prevailing the terms and general conditions of the respective contract on this Purchase Order.

## 15. Jurisdiction and Applicable Law

15.1. All disputes arising out of this Purchase Order will be resolved exclusively by the competent courts according to the applicable laws, defined in section 15.2.

15.2. This Purchase Order and all legal relationships between the Supplier and Novartis shall be governed by the laws of the country where Novartis contracting entity has its domicile.