GENERAL TERMS OF SALE

Elanco Tiergesundheit AG ("Elanco")

1 Basic Principle

1.1 The following general terms and conditions of sale apply to sales by Elanco Tiergesundheit AG, Mattenstrasse 24a, 4058 Basel, Switzerland, a company of Elanco Animal Health Inc. having its business seat in the USA, hereinafter referred to as "Elanco".

1.2 Elanco's contractual partner for the purposes of these General Terms and Conditions is hereinafter referred to as the "Buyer". Together, Elanco and the Buyer are referred to as the "Parties". The underlying business ("Transaction") between the parties is governed by these General Terms and Conditions of Sale ("GTS").

1.3 This Transaction shall be governed exclusively by these GTS, unless otherwise expressly agreed in writing by the parties. Without limiting the above, Elanco shall not be bound by any standard or printed terms furnished by the Buyer or referred to in any documents of the Buyer.

1.4 The Terms and Conditions of Sale shall also apply to all future dealings with the Buyer.

1.5 Elanco shall be entitled to amend and supplement these Terms at any time at its discretion to reflect any change in the legal framework or market situation, without the Buyer being able to derive any claims from such. The changes shall be deemed approved in each case if the Buyer does not object in writing within four (4) weeks after receipt of a change notice. The amended or supplemented Terms shall apply to all business that Elanco enters into with the Buyer after the end of this four-week period.

1.6 In light of the fact that Elanco is a subsidiary of Elanco Animal Health Inc., USA, the parties agree that it is a condition of any sale that any terms that are inconsistent with U. S. laws, regardless of whether such terms appear in the purchase order, letter of credit (if applicable to the Transaction) or elsewhere, shall be void and of no effect.

2 Orders

2.1 Contracts as well as their amendments and supplements require the text form. They can also be completed by remote data transmission. Verbal orders or agreements, statements or information are only binding if Elanco confirms them in writing or sends the goods and invoice.

2.2 Contracts by online (internet) ordering are established when Elanco's acceptance of the offer to purchase is confirmed electronically. As soon as the Buyer can retrieve the confirmation of acceptance, the same shall be deemed to have been received. Alternatively, contracts are established when the goods and invoice are sent after an online order.

2.3 If a written order confirmation is sent, this is decisive for type and scope of Elanco's delivery and performance.

 $\ensuremath{\text{2.4}}\xspace$ Elanco's price lists, quotations and offers are subject to change and are non-binding.

3 Delivery Terms

3.1 The Products shall, unless otherwise agreed in writing, be deemed delivered as soon as the Products are made available to the selected transport/freight forwarding company (or to their contractors or agents).

3.2 The risk of loss or damage to the Products shall pass to the Buyer as set forth by the applicable Incoterms (2020) as specified in the invoice and/or commercial letter.

3.3 If delivery for transport is delayed at the request of the Buyer or if the Buyer is in default of acceptance, all risks shall pass to the Buyer upon Elanco's readiness for delivery.

 $3.4\ \text{Partial}$ deliveries are permitted to a reasonable extent at Elanco's reasonable discretion.

3.5 Whether and under what conditions the delivered goods can be returned depends on the individual agreement and/or the communicated return conditions.

3.6 If the goods delivered by Elanco will be resold, they should be resold in good condition and in original unopened packaging.

3.7 Elanco shall use reasonable endeavors to deliver the units of products (the "Products") as ordered by the Buyer and accepted by Elanco. If permissible by law, Elanco shall not be liable for any loss of profit, loss of goodwill, loss of anticipated savings, loss of business or any other consequential loss or damage suffered by the Buyer however caused in case of any delay in the delivery of the Products.

4 Price

4.1 Prices, currency, and payment terms of Products shall be as stated in Elanco's order confirmation, invoice and/or commercial letter. The Buyer shall remit payment of invoice to Elanco upon such terms and conditions. The Buyer shall pay any duties or tax imposed on the importation or sale of the Products.

4.2 The prices are calculated on the basis of the prices valid on the day of conclusion of the contract based on the price lists for the individual products of the specified shipping units minus (if any) an individual customer discount. The prices do not include sales tax payable by the Buyer.

4.3 The minimum order value for orders is CHF 150.00 net (after deduction of all discounts and without shipping costs), unless Elanco has communicated a minimum order quantity to apply instead. For orders less than CHF 150.00, an additional fee of CHF 15.00 must be paid by the Buyer. A different minimum order value or minimum order quantity for orders can be agreed individually between Elanco and the Buyer.

4.4 Any discounts, rebates or other benefits agreed with the Buyer and the volume of orders taken into account shall only apply to sales of Elanco (Elanco Tiergesundheit AG) but not to sales of other Elanco Group companies.

5 Payment Terms

5.1 Invoices from Elanco are due for payment immediately after the performance obligation has been fulfilled and are payable within 30 days without any deductions. If a deviating payment term is agreed in writing, this payment term shall prevail. Such deviating payment term can be found in the underlying invoice and/or commercial letter.

5.2 In the event of payment default by the Buyer, the statutory provisions shall apply.

5.3 Without prejudice to Elanco's rights, in the event of partial payment, Elanco reserves the right to withhold delivery of any further Products until payment has been made in full.

5.4 Without prejudice to Elanco's rights, Elanco also reserves the right to immediately cancel any order if any invoice remains unpaid within the agreed payment period.

5.5 If the Buyer breaches material contractual obligations, i.e. those whose fulfilment is essential for the proper execution of the contract and on which compliance Elanco may regularly rely, and thus jeopardises the purpose of the contract, Elanco may withdraw from the contract at any time if the Buyer does not remedy the breach of contract within a reasonable period of time.

5.6 In the event of a material deterioration in the Buyer's financial circumstances, Elanco shall be entitled to withdraw from the Agreement prior to delivery. However, the Buyer may continue to request delivery if it offers payment or provides security on a rolling basis. In case of long-term debt relationships, Elanco's right of termination will be governed by law.

6. Collateral

6.1 Elanco reserves the right to ownership of the goods delivered by Elanco ("Reserved Goods") until all claims arising from the business relationship with the Buyer are paid in full (Retention of Title).



6.2 The Buyer must store the Reserved Goods with the care of a prudent businessman but is entitled to sell the Reserved Goods in the proper course of business. The Buyer is not authorised to make other dispositions of the Reserved Goods, in particular for pledging or security transfer. In the event of the sale of Reserved Goods on credit, the Buyer is obligated to retain ownership for itself.

6.3 The Buyer assigns its claims (including all ancillary rights and collateral) against its customers from the authorised or unauthorised resale of Reserved Goods to Elanco in advance with each order in order to ensure the fulfilment of all liabilities arising from the business relationship. Elanco hereby accepts the assignment. The Buyer shall be entitled to collect the claims assigned to Elanco in the course of proper business operations. The Buyer will immediately forward all payments to Elanco.

6.4 The Buyer will, upon unilateral request, provide Elanco with a written declaration of assignment in a customary form to inform its customers of the assigned claims and provide Elanco with all requested information about the assigned claims.

6.5 If resold Reserved Goods are transferred back to the Buyer for any reason, the title to such resale shall pass to Elanco upon the Buyer's acquisition of title to secure all claims from Elanco arising from the business relationship. The handover of the returned goods is replaced by the agreement that the Buyer shall store the goods for Elanco free of charge with the care of a prudent businessman. The goods so transferred are treated as Reserved Goods.

6.6 Insurance and indemnity claims that the Buyer acquires for loss or damage to Elanco's securities shall pass to Elanco upon their creation.

6.7 If the value of the collateral exceeds Elanco's total claims arising from the business relationship by more than 10%, Elanco shall be obligated to retransfer the excess portion to the Buyer. Elanco is entitled to select the collateral to be transferred back.

6.8 The Buyer shall notify Elanco immediately if its collateral is compromised or its rights to the collateral are impaired by attachment or other actions of third parties. In the event of attachment, Elanco shall be sent a copy of the attachment protocol as well as all other documents required to object to the attachment with written assurance that, or the extent to which, the attached goods are identical to Elanco's collateral; in addition, the Buyer shall immediately notify the attachment creditor in writing of Elanco's security right.

6.9 Elanco is entitled to the following rights if the Buyer is in arrears with the fulfilment of its obligations towards Elanco, breaches another essential contractual obligation and thus jeopardises the purpose of the contract or its financial situation deteriorates significantly (in particular in the case of cessation of payments, filing for bankruptcy, the start of out-of-court settlement negotiations or foreclosures on the Buyer's assets that are not cancelled within two weeks). In cases where the Buyer is a partnership, it is sufficient that the deterioration in assets occurs in the person of a personally liable partner.

- a) Elanco is entitled to revoke the consent to the resale of Reserved Goods and the authorisation to collect claims assigned to Elanco as security. Upon revocation, all payment obligations of the Buyer shall become due for immediate payment, even if a payment term has been agreed. This also applies to payment by issuing bills of exchange.
- b) Elanco is entitled to demand the return of Reserved Goods and goods assigned to Elanco as security at the expense of the Buyer without withdrawing from the relevant purchase contracts.
- c) In the event of resale of Reserved Goods, Elanco shall be entitled to collect claims assigned to Elanco.
- d) Elanco is entitled to use the Reserved Goods and the goods assigned to Elanco as security upon withdrawal from the contracts at its reasonable discretion – also by private sale, without prior possession or in the name of the Buyer.
- e) Elanco is entitled to the proceeds from the realisation or

collection of the securities, including VAT; it will be offset against the Buyer's liabilities, at Elanco's discretion, after deduction of costs including any VAT liabilities. Any excess proceeds will be paid to the Buyer.

7. Obligation to examine and give notice of defects

7.1 The Buyer shall reasonably examine the outside packaging of the Products as well as the content of the shipment of the Products immediately following receipt, but at the latest seven (7) business days following receipt of said Products in its warehouse.

7.2 If the content of a shipment of Products differs from the information in the shipping documents, or if any Products are damaged, the Buyer shall notify Elanco of such fact in text form within seven (7) business days of the date of receipt of the Products in its warehouse.

7.3 If the Buyer fails to provide this written notification, the goods shall be deemed accepted in view of such defects.

7.4 If a defect is discovered at a later time that was not detectable during the inspection (hidden defect), the notification of the defect must be made immediately, at the latest within seven (7) business days after the discovery of the defect; otherwise, the goods are also deemed to be accepted in view of this defect.

8 Warranty for defects

8.1 Elanco warrants that, on the date of hand-over to the selected transport/freight forwarding company (or to their contractors or agents), the Products will conform to the specifications of the Products. Elanco further warrants that the Products are adequately contained, packaged and labeled and conform to the affirmations of fact on the container. Elanco warrants that it will convey good title to the Products free of all liens of any kind whatsoever.

8.2 Elanco's warranty is void if it concerns defects that solely result from improper or inappropriate handling of the goods, in particular improper storage, by the Buyer or if claims under Clause 8 of these Terms of Sale are excluded.

8.3 Elanco's warranty may take the form of a replacement or refund. A price reduction can be agreed in individual cases.

8.4 In case of a refund according to clause 8.3, Elanco shall reimburse the Buyer with the net invoiced price of the delivered goods. For the purpose of these GTS, "net invoice price" shall be the invoiced price for the Products less all amounts for discounts, rebates, credits, allowances, commissions, additional freight costs and similar customary reductions credited to the Buyer on the invoice or by separate credit note. The reimbursement of additional freight costs can be agreed in individual cases.

8.5 For the destruction of damaged Products, the Buyer shall strictly adhere to the written procedure provided by Elanco to the Buyer.

9 Liability of Buyer

9.1 The Buyer shall be liable for any loss or shortage of or damage to the Products of which Elanco is not properly notified as set forth above. If permissible by law, Elanco shall not be liable for any loss of profit, loss of goodwill, loss of anticipated savings, loss of business or any other consequential loss or damage suffered by the Buyer however caused.

9.2 Buyer shall hold Elanco harmless with respect to any claims by other persons who incur injury or loss as a result of any new products manufactured, sold, marketed, advertised or traded by the Buyer and containing the Products supplied by Elanco, or as a result of any other action of Buyer in violation of its covenants under these GTS.

9.3 The parties acknowledge that Buyer assumes all responsibilities for the quality of any new products manufactured by Buyer containing any of the Products supplied by Elanco, except to the extent of Elanco's warranty set forth in Section 8.

10 Adverse Events

10.1 The Buyer shall inform Elanco within twenty four (24) hours of receipt of notification of any:

Suspected death in humans, adverse event or product quality complaint whether in humans or animals, counterfeiting or tampering or any enquiry related to the Products supplied by Elanco and/or any new product containing any Products supplied by Elanco.

10.2 The Buyer shall communicate such information, in English, by electronic mail to the following address: Adverse_Events_Elanco@elanco.com

The Buyer shall fully cooperate with Elanco in answering any questions that Elanco may have so that Elanco can take the appropriate measures related to such occurrence.

10.3 In the event of a recall (the rapid recovery from the market of any lot or batch of a known or suspected defective Product (Elanco product and/or any new product containing Elanco Product) ordered by a government agency or by Elanco of any of the Products) (the "Recall"), Elanco and the Buyer shall cooperate fully with one another in conducting the Recall. In case of recall of the Products, Elanco will be responsible for the Recall except as required by law and agreed upon in writing by Elanco. Where the Recall is caused by any action of the Buyer in violation of its contractual or legal obligations, the Buyer shall pay all costs and expenses of any Recall. If the Recall is caused by reasons other than an action of the Buyer in violation of its contractual or legal obligations, Elanco shall pay all of the costs and expenses for such a Recall.

11 Non-Disclosure and Confidentiality

11.1 Unless required by law, neither party shall release any information to any third person with respect to the terms of the Transaction without the prior written consent of the other party. This prohibition includes, but is not limited to, press releases, educational and scientific conferences, promotional materials, governmental filings, and discussion with lenders, investment bankers, public officials, and the media. Notwithstanding the foregoing, Elanco has the right to provide its affiliated companies with any information on the Transaction and these GTS.

11.2 Each party acknowledges that, as a result of this Transaction, each may acquire from the other certain confidential information of the other party (including information of a third party that a party is under an obligation to maintain in confidence), including trade secrets and know-how concerning the goods, processes or other products. Each party agrees to hold in confidence and not communicate or disclose to any other person nor use for its own benefit or the benefit of any other person, any confidential information received from the disclosing party without the prior written consent of the disclosing party. However, this obligation of confidentiality and non-use shall not apply to information that was known to the receiving party prior to its receipt from the disclosing party, is known to the general public prior to its receipt from the disclosing party or subsequently becomes known to the public through no fault of the receiving party or is obtained by the receiving party from a third party who is not under an obligation of confidentiality and has a lawful right to make such disclosure.

12 Use of Personal Information / Data protection

The Buyer's personal data, including but not limited to contact information, bank details and information provided to the business, will be stored electronically by Elanco or third parties acting on Elanco's behalf and used to conduct the business. The data will only be used for internal purposes.

For more information about Elanco's privacy practices and how Buyer's personal data will be handled, please see Elanco's Global Privacy Notice on available at https://privacy.elanco.com/en-us.

13 Legal Compliance

13.1 <u>Compliance with Laws</u>. In connection with these GTS, the Parties have complied with, and will comply with, all applicable local, national, and international laws, regulations, industry codes dealing with government procurement, conflicts of interest, corruption or bribery, the U.S. Foreign Corrupt Practices Act of 1977 ("FCPA"), as amended, the U.K. Bribery Act 2010 ("UKBA"), as amended, and any laws enacted to implement the Organisation of Economic Cooperation and Development ("OECD") Convention on Combating Bribery of Foreign Officials in International Business Transactions.

13.2 Prohibited Conduct: In connection with a Transaction, Buyer has not made, or provided, and will not make or provide, any payment or benefit offered, given, promised to give, or authorized, and will not make, offer, give, promise to give, or authorize, any bribe, kickback, payment or transfer of anything of value, directly or indirectly, to Government Officials, customers, business partners, animal health professionals or any other person in order to (i) secure an improper benefit or unfair business advantage, (ii) affect private or official/government decision making, (iii) inducing the person or official to do or omit to do an act in violation of a lawful or otherwise required duty, (iv) inducing the person or official to improperly influence the act of any organization, including any government or government instrumentality, to assist you or Elanco in obtaining or retaining business, (v) affect prescribing or application of Elanco products, or (vi) induce someone to breach professional or ethical duties or standards. Buver confirms that it is are unaware of any improper benefit requested or received by any third party in connection with this Agreement. "Government Official" is any officer or employee or anyone acting in an official capacity on behalf of any of: (i) a government or any department or agency thereof; (ii) a public international organization, or any department, agency or institution thereof; (iii) a government-owned or controlled company, institution, or other entity, including a government-owned hospital or university; or (iv) any political party or party official or candidate for public or political party office.

13.3 The Buyer warrants that in performing its obligations it will comply with any applicable Elanco policies, standards or codes of professional or good practice applicable to the performance of the services or goods provided, in addition to any applicable laws. These will be amended by Elanco from time to time and posted at https://www.elanco.com/en-us/suppliers. These include, in particular, the Elanco Business Partner Code of Conduct.

13.4 The Buyer will notify Elanco of any animal welfare issues or concerns that may adversely affect animal welfare or the validity of any tests performed. Examples include animal diseases, outbreaks, or significant (i.e. reportable to a government agency) violations of national or local animal welfare laws, regulations or standards.

13.5 Buyer agrees that it will maintain accurate and complete records having to do with these GTS or the Transaction during the term of the Transaction and for a period of five (5) years thereafter. Buyer further agrees that it will maintain adequate internal controls. Buyer will make relevant documents available for review by Elanco, or an independent party nominated by Elanco, to show compliance with this requirement at Elanco's request.

13.6 Buyer agrees to cooperate in good faith to investigate the extent of any potential violations of law in connection with these GTS or the Transaction.

13.7 At any time, and without notice to Buyer, Elanco may disclose information relating to a possible violation of laws, or the existence of the terms of these GTS or the Transaction, including the compensation provisions, to a client, to a government or government agency, and to anyone that Elanco determines to have a legitimate need to know.

13.8 Buyer agrees that a breach of this section of these GTS shall be considered as a material breach of the GTS and that Elanco may immediately seek all remedies available under law and equity including termination of these GTS if it believes, in good faith, that a provision of this section of these GTS has been breached by Buyer.

14 Miscellaneous

14.1 Each party shall ensure that it will at all times have all necessary licenses, consents and authorizations in full force and effect to enable performance of its obligations related to this Transaction and that it will at all times comply with all relevant laws, regulations and codes applicable to the performance of the Transaction. In case any license, consent or authorization is revoked, Buyer shall immediately inform Elanco. Buyer shall within a period of three (3) working days, provide a copy of the valid license to Elanco upon request. Elanco shall have the right to



withhold the delivery of any Products if Buyer fails to provide the license as set forth above.

14.2 Nothing in these GTS shall prejudice any right or remedy which Elanco may be entitled to by law.

14.3 The Buyer may not assign or transfer any of the Buyer's rights or obligations under these GTS to a third party without Elanco's prior written consent.

14.4 A failure or delay by Elanco in exercising any rights under these GTS shall not operate as a waiver of that right, nor shall the single or partial exercise of any right preclude any other or future exercise of that right or the exercise of any other right.

14.5 Neither party shall be liable for failure to perform if the failure is attributable to any cause which is reasonably beyond the party's control ("Force Majeure"). In the event the actual period of non-performance by either party because of Force Majeure conditions exceeds one (1) month, the other party shall be entitled to terminate the Transaction based on thirty (30) days written notice to the non-performing party. Neither party shall owe to the other any damages, reimbursement, or indemnification as a result of such termination.

15 Law and Jurisdiction

Any dispute in the interpretation or the execution of these GTS shall be submitted to the exclusive jurisdiction of the Courts of Basel, Switzerland. These GTS shall be governed by the laws of Switzerland. The Parties expressly agree that the UN Convention for International Sale of Goods (Vienna Convention) shall not apply to these GTS.

16 Severability

Each provision of these GTS is severable and if any provision (or any part of any provision) is or becomes invalid under applicable law the remaining provisions (and, where applicable, the remainder of the provision in question) shall not be affected and shall remain in full force.

9th November 2023