

# KYOWA KIRIN (UK)

## TERMS AND CONDITIONS OF PURCHASE (GOODS & SERVICES)

### 1. DEFINITIONS

"Affiliate" means an organisation which is directly or indirectly controlled by, in Control of, or under common Control with, either Supplier or Kyowa Kirin as applicable, in each case for the time being and from time to time.

"Agreement" means the agreement between Kyowa Kirin and Supplier consisting of the Purchase Order, these Terms and Conditions, the Specification, and any other documents (or parts thereof) specified in the Purchase Order or otherwise expressly incorporating these Terms and Conditions.

"Control" means the ownership of more than 50% of the shares of any organisation or the legal power to direct or cause the direction of the general management of either Supplier or Kyowa Kirin as appropriate.

"Goods" means all (or any) of the goods specified in the Purchase Order.

"Incoterms" means the Year 2020 edition of the official International Chamber of Commerce Rules for the interpretation of trade terms.

"Intellectual Property Rights" means any and all rights in and/or to; (a) patents; (b) inventions, discoveries, utility models and improvements whether or not capable of protection by patent or registration; (c) formulas, processes, compositions of matter, formulations, methods of use or delivery, data, reports, specifications and computer programs or models; (d) copyright and related rights; (e) moral rights; (f) design rights; (g) trademarks and service marks; (h) business or trade names, domain names, rights in get-up, rights to goodwill or to sue for passing off or unfair competition; (i) database rights; (j) confidential information, know-how, trade secrets; and (k) other intellectual property rights; in each case whether registered or unregistered and including all applications (or rights to apply) for, and renewals or extensions of, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world.

"Kyowa Kirin" means the company within the Kyowa Kirin International plc group of company which purchases the Goods and/or Services.

"Losses" means all losses, claims, liabilities, costs, awards, fines, penalties, expenses (including legal fees and other professional expenses) and damages of any nature whatsoever and whether or not reasonably foreseeable or avoidable.

"Packaging" means all packaging for or relating to the Goods, including, without limitation, all bags, cases, carboys, cylinders, drums, pallets and other containers.

"Purchase Order" means Kyowa Kirin's purchase order issued to Supplier setting out Kyowa Kirin's requirements for Goods or Services.

"Services" means the services specified in the Purchase Order.

"Specification" means the written specification for the Goods or Services that is supplied by Kyowa Kirin to Supplier or produced by Supplier and agreed in writing by Kyowa Kirin.

"Supplier" means the person, company or other legal entity to whom the Purchase Order is addressed.

"Terms and Conditions" means the terms and conditions set out in this document.

"VAT" means value-added tax.

### 2. STATUS OF THESE TERMS AND CONDITIONS

2.1. These Terms and Conditions apply to purchases made by companies in the Kyowa Kirin group which are incorporated in the United Kingdom (including, but not limited to, Kyowa Kirin International plc, Kyowa Kirin Services Limited, Kyowa Kirin Limited and Kyowa Kirin Pharmaceutical Development Limited).

2.2. These Terms and Conditions apply to the exclusion of all other terms and conditions, including any terms or conditions which are implied by trade, custom, practice or course of dealing or which Supplier may purport to apply or which are endorsed upon any correspondence or documents issued by Supplier irrespective of their date of communication to Kyowa Kirin. However, the terms and conditions in any separately negotiated and signed 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. The Purchase Order constitutes an offer by Kyowa Kirin to purchase the Goods or Services specified therein in accordance with these Terms and Conditions. The Purchase Order and these Terms and Conditions shall be deemed to be accepted by Supplier on the earlier of: (a) Supplier issuing a written acceptance of the Purchase Order; or (b) Supplier doing any act consistent with fulfilling the Purchase Order, at which point the Agreement shall come into existence.

2.4. Kyowa Kirin will not be liable in respect of any Purchase Order(s) or instructions other than those issued or confirmed on its official Purchase Order documents, whether issued in hard copy or by facsimile (in which case such documents shall be valid only when duly signed) or issued electronically in accordance with these Terms and Conditions.

### 3. DELIVERY OF GOODS AND PROVISION OF SERVICES

3.1. Unless otherwise instructed in writing by Kyowa Kirin's nominated representative, all Goods must be delivered and all Services must be performed at the time and place specified in the Agreement. Supplier shall supply Kyowa Kirin with details of the anticipated lead times between placing a Purchase Order and delivery of any Goods and Supplier shall keep Kyowa Kirin informed of progress. All deliveries of Goods must be accompanied by a delivery note (and any other delivery documentation specified in the Purchase Order or otherwise in the Agreement) showing the date of the Purchase Order, the Purchase Order number, the type and quantity of Goods being delivered, special storage instructions (if any) and, if the Goods are being delivered by instalment, the outstanding balance remaining to be delivered. If Goods or Services are incorrectly delivered Supplier shall be responsible for additional expenses incurred in delivering them to the correct point specified in the Agreement or subsequently advised in writing by Kyowa Kirin. The quantity of Goods or Services specified in the Agreement may not be changed without Kyowa Kirin's prior written consent. Quantities of Goods or Services delivered in excess of those stated in the Agreement may not be accepted.

3.2. Supplier shall not deliver the Goods in instalments without Kyowa Kirin's prior written consent. Where it is agreed that Goods are to be delivered in instalments, they may (at Kyowa Kirin's option) be invoiced and paid for separately. However, failure by Supplier to deliver any one instalment on time or at all or any defect in an instalment shall entitle Kyowa Kirin to the remedies set out in Section 7 (without prejudice to Kyowa Kirin's other rights and remedies).

3.3. Time shall be of the essence in relation to the performance of any and all of Supplier's obligations pursuant to the Agreement.

#### 4. PASSING OF TITLE AND RISK IN GOODS

- 4.1. Unless Incoterms are agreed (in which risk shall pass to Kyowa Kirin in accordance with the agreed Incoterm), title and risk in the Goods shall pass to Kyowa Kirin on completion of delivery at the place specified in the Agreement.
- 4.2. Neither payment by, nor passing of title or risk in the Goods or the Services to, Kyowa Kirin shall be deemed to constitute acceptance of the Goods or the Services.

#### 5. PRICE AND PAYMENT TERMS

- 5.1. The price (which shall be a firm fixed price) for the Goods or Services shall be the price set out in the Purchase Order. The price is exclusive of VAT and, unless otherwise agreed in writing, inclusive of the costs of all packaging, delivery and insurance. Any increase in the price for any reason shall be subject to the express prior written consent of Kyowa Kirin.
- 5.2. Provided the Goods and/or Services have been delivered to Kyowa Kirin, payment will be made by Kyowa Kirin to Supplier for those Goods and/or Services which comply with the Agreement. Unless otherwise agreed between the parties, Supplier may invoice Kyowa Kirin for the Goods on or at any time after the completion of delivery and, in respect of Services, may invoice Kyowa Kirin upon completion of the Services. Payment will be made within 30 (thirty) calendar days of the end of the month in which the invoice is received by Kyowa Kirin. VAT (or any other equivalent tax), where applicable, will be shown separately on all invoices. Kyowa Kirin reserves the right to set off any amount owing at any time from Supplier to Kyowa Kirin against any amount payable by Kyowa Kirin to Supplier under the Agreement.
- 5.3. Invoices must be addressed using the full name of the relevant Kyowa Kirin entity. The correct Purchase Order number must be quoted on all invoices, and Kyowa Kirin will accept no liability whatsoever for invoices, delivery notes or other communications which do not bear the correct Purchase Order number.
- 5.4. Supplier acknowledges and agrees that Kyowa Kirin normally requires invoices to be submitted electronically, and Supplier will, accordingly, issue all invoices under the Agreement such that they will be delivered to Kyowa Kirin via email to ukaccounts@kyowakirin.com. If Kyowa Kirin agrees that Supplier is not required to issue invoices electronically (until such time as Supplier is able to submit such invoices electronically in accordance with this Section 5.4), in paper format, to: Kyowa Kirin Accounts Payable, Galabank Business Park, Galashiels, Selkirkshire, TD1 1QH, United Kingdom, or to such other address as may be specified in the relevant Purchase Order, and in each case with a copy of the relevant invoice being sent to any additional Kyowa Kirin contact specified on the Purchase Order and, for the avoidance of doubt, Supplier shall bear all or any implementation or operating costs incurred by it in complying with this Section 5.4.
- 5.6. In the event Kyowa Kirin reasonably considers that any invoice submitted by Supplier is defective or relates to Goods supplied or Services performed otherwise than in accordance with Supplier's obligations under the Agreement, Kyowa Kirin shall be entitled to withhold payment of the disputed amount (without prejudice to any other rights or remedies it may have) pending resolution of the dispute between the parties (each acting in good faith).
- 5.7. Any payment for an undisputed bona fide invoice not received by the due date shall be subject to an interest charge of 2% per annum above the Bank of England base rate from time to time.

#### 6. QUALITY AND FITNESS FOR PURPOSE OF GOODS

- 6.1. The Goods and Services must comply in all respects with their description and the Specification (or any modifications to the Specification that may be agreed in writing by Kyowa Kirin). The Goods and Services supplied must also comply in all respects with the Agreement and the implied conditions, warranties and terms contained in the Sale of Goods Act 1979, the Supply of Goods and Services Act 1982, related statutes and any statutory re-enactment(s) or modification(s) thereof.
- 6.2. Without prejudice to Section 6.1, 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. Supplier shall ensure that the Goods comply with all applicable statutory and regulatory requirements relating to the manufacture, labelling, Packaging, storage, handling and delivery of the Goods.

#### 7. REJECTION, REPAIR AND REPLACEMENT OF GOODS

- 7.1. In the case of Goods not conforming with the Agreement and, without limiting any of its other rights or remedies, Kyowa Kirin may, at its discretion:
- 7.1.1. reject the Goods (in whole or in part) and return them to Supplier at Supplier's own risk and expense; and/or
- 7.1.2. require Supplier as soon as reasonably practicable to either repair or replace the Goods at the site of delivery or Supplier's premises, whichever Kyowa Kirin shall so determine, or to refund to Kyowa Kirin any amounts paid in respect of any Goods which do not correspond with the Agreement (and repaired or replacement Goods shall themselves be subject to the obligations in the Agreement); and/or
- 7.1.3. in the case of incorrect delivery, require Supplier to promptly reimburse Kyowa Kirin in respect of any cost (Including but not limited to freight clearance, duty and storage charges) incurred by Kyowa Kirin; and/or
- 7.1.4. purchase Goods elsewhere which, as nearly as practicable, accord with the Agreement (and any extra expense thus incurred shall be paid by Supplier to Kyowa Kirin on demand), provided that before exercising such right to purchase elsewhere Kyowa Kirin shall give Supplier a reasonable opportunity to replace rejected Goods with goods which conform with the Agreement; and/or
- 7.1.5. claim damages for any other costs, losses or expenses incurred by Kyowa Kirin which are in any way attributable to Supplier's failure to carry out its obligations under the Agreement.
- 7.2. In the event of a rejection (in whole or in part) in accordance with Section 7.1 above Kyowa Kirin shall notify Supplier in writing, and the payment obligation in relation to any such delivery shall be suspended immediately.
- 7.3. The parties shall use their reasonable endeavours to resolve any dispute arising pursuant to Sections 6 or 7.1. If no agreement can be reached within 30 days, the parties shall agree on an independent expert (not an arbitrator) whose decision on whether or not the Goods in question comply with the Agreement and as to which party should pay his fees (the default result being that the fees shall be borne by the party against whom the expert's decision is given) shall be final and binding. Each party shall bear its own respective costs in relation to the dispute, notwithstanding the decision reached.
- 7.4. If the expert finds that any delivery of the Goods has not complied with the Agreement, Kyowa Kirin shall have the rights stated in Section 7.1.
- 7.5. If the expert finds that the Goods comply with the Agreement, Kyowa Kirin shall pay for such Goods in accordance with the payment provisions contained in the Agreement.

## 8. STANDARD OF SERVICES

- 8.1. Supplier warrants and represents to Kyowa Kirin that any Services performed by Supplier or its duly appointed sub-contractor:
- 8.1.1. shall be performed in a good and workmanlike fashion and with all due speed, care, skill and diligence; and
- 8.1.2. shall be carried out in accordance with the Agreement, with current industry standard codes of practice, and the highest standards prevailing in Supplier's industry.
- 8.2. Supplier 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.
- 8.3. If any materials which are required by Supplier for the provision of the Services are not delivered fully in accordance with any stipulations in the Agreement, Supplier shall immediately affect correct delivery and shall be responsible for any additional costs and expenses incurred by the parties in so doing.
- 8.4. Kyowa Kirin 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.
- 8.5. If the Services do not conform with the Agreement, Kyowa Kirin shall have the right to purchase Services from elsewhere which nearly as practicable conform to the Agreement and any extra expense incurred in doing so shall be paid by Supplier to Kyowa Kirin. Before exercising such right to purchase the Services from an alternative supplier Kyowa Kirin shall give Supplier an opportunity to replace the Services in respect of which payment was cancelled with Services which conform with the Agreement.

## 9. PACKAGING

At no cost to Kyowa Kirin, Supplier will package and label the Goods in a manner suitable for transit and storage so as to enable them to reach their destination in good condition. Kyowa Kirin will not pay for or return Packaging materials unless previously agreed between the parties and confirmed in writing. Supplier shall ensure that Packaging complies with all relevant legislative requirements, including those pertaining to environmental, and occupational health and safety standards. Supplier will investigate potential environmental improvements to Packaging and will, where practicable, use minimal Packaging, recyclable Packaging and recycled Packaging materials.

## 10. INTELLECTUAL PROPERTY RIGHTS

- 10.1. Supplier shall indemnify Kyowa Kirin and its Affiliates, and keep them indemnified, on demand from and against all Losses incurred or suffered as a result of or in connection with any claim that the Goods or the provision of the Services by Supplier, or the use by or on behalf of Kyowa Kirin of the Goods or of any assets used or provided by Supplier in connection with the performance of the Services, infringes the Intellectual Property Rights or any other rights of any third party.
- 10.2. Supplier shall, at its expense, defend any and all claims or legal proceedings arising from infringements or alleged infringements of its Intellectual Property Rights in connection with the Goods or Services, provided that Kyowa Kirin gives Supplier all reasonable assistance and the sole authority to defend or settle any legal proceedings at Supplier's expense.
- 10.3. Kyowa Kirin retains Intellectual Property Rights in, and ownership of all materials, plans, drawings, tools, data, the Specification, patterns and/or designs provided by Kyowa Kirin to Supplier, and they shall all be returned at any time in good condition to Kyowa Kirin at Kyowa Kirin's request.
- 10.4. Where Goods are made to Kyowa Kirin'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 Kyowa Kirin, and Supplier will assign all such Intellectual Property Rights to Kyowa Kirin on demand.
- 10.5. Intellectual Property Rights arising during or out of the provision of Services ("Arising IP") shall be and remain the property of Kyowa Kirin. Supplier assigns to Kyowa Kirin (with full title guarantee and free of all encumbrances) all the Arising IP. This assignment shall take effect on the date of the Agreement in respect of any Arising IP then in existence, or as a present assignment of future rights that will take effect immediately on the coming into existence of the Arising IP, as appropriate. At its cost, Supplier shall do all such further acts and things, and execute all such other documents, as Kyowa Kirin may reasonably request to vest the Arising IP in Kyowa Kirin and/or to enable Kyowa Kirin to protect, perfect, enforce or enjoy the full benefit of the rights assigned under the Agreement.
- 10.6. In the event that any Intellectual Property Rights relating to the Goods and/or Services are held by the courts to infringe a third party's rights, and their use is enjoined by that third party, Supplier shall have the option and at its expense to procure for Kyowa Kirin 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

Supplier shall, and shall procure that its employees and sub-contractors shall, keep confidential all information of a commercial or technical nature disclosed to Supplier by or on behalf of Kyowa Kirin for the purpose of the Agreement, and shall not disclose such information to any third party without Kyowa Kirin's prior written consent. Supplier shall not without Kyowa Kirin's prior written consent disclose, copy, publicise or publish the existence of the Agreement or any information related to the Agreement including the name of Kyowa Kirin, any Kyowa Kirin Affiliate, the Goods, Services, or the place of delivery or performance.

## 12. FORCE MAJEURE

- 12.1. Neither party shall be liable for, nor be deemed to be in default of the Agreement, on account of any delay in completion or the performance of any other act under the Agreement due to circumstances which could not have been contemplated by the parties and which are beyond the party's reasonable control ("Force Majeure"), provided that the party claiming hereunder shall notify the other as soon as possible specifying the cause and probable duration of the delay or non-performance and shall minimise the effects of such delay or non-performance.
- 12.2. If the performance by either party of any of its obligations under the Agreement is prevented or delayed by Force Majeure:
- 12.2.1. for a consecutive period in excess of 5 (five) working days, the parties shall enter into bona fide discussions with a view to alleviating its effects, or to agreeing upon such alternative arrangements as may be fair and reasonable in the circumstances; and
- 12.2.2. for a period in excess of 60 days cumulatively or consecutively, then the other party shall in its discretion have the right to immediately terminate the Agreement upon written notice.
- 12.3. In the event of Force Majeure arising, Kyowa Kirin may, by notice in writing to Supplier, cancel any deliveries of Goods or Services (and the applicable Purchase Orders or parts thereof) which in Kyowa Kirin's opinion cannot be made within a reasonable time after the due date without incurring any liability on the part of Kyowa Kirin.

### 13. LICENCES AND COMPLIANCE WITH LAWS AND REGULATIONS

- 13.1. Supplier shall ensure that at all times it has and maintains all the licences, permissions, consents and permits that it needs to lawfully carry out its obligations under the Agreement and to grant the rights set out in the Agreement.
- 13.2. Supplier warrants that the Goods and Services shall comply with the Agreement, relevant laws, regulations and other legal requirements.

### 14. INSPECTION

- 14.1. Kyowa Kirin, and any third party it appoints on its behalf, shall have the right upon prior notice to inspect and carry out any tests, or batch sampling, it wishes on all Goods at Supplier's premises (and Supplier shall procure equivalent rights for Kyowa Kirin in relation to the premises of any sub-contractors and on any premises where the Services are provided). Where pre-shipped inspection is specified, Supplier must, at its expense, facilitate the same and provide any or all relevant certificates of analysis. If, following any such inspection or testing, Kyowa Kirin considers that the Goods or Services are unlikely to comply with the Agreement, Kyowa Kirin shall inform Supplier and Supplier shall immediately take such remedial action as is necessary to ensure compliance. Kyowa Kirin shall have the right to conduct further inspections and tests after Supplier has carried out its remedial actions.
- 14.2. Any inspections, tests, approvals or acceptance given on behalf of Kyowa Kirin in relation to the Goods or Services shall not relieve Supplier from its obligations or liabilities under the Agreement.
- 14.3. Supplier shall, and shall ensure that its sub-contractors shall, grant a right of access to Kyowa Kirin and any third party it appoints in order to inspect and test the Goods for compliance with relevant environmental, occupational health and safety legislation and other requirements such as Kyowa Kirin standards or any requirements set out in the Specification.

### 15. DATA PROTECTION

- 15.1. To the extent that Supplier, in providing any Services under the Agreement, "processes" (where "processes" is as defined in the Data Protection Act 1998 and includes, without limitation, obtaining, organising, storing, accessing, using, disclosing or adapting, and "processed" and "processing" shall be construed accordingly) any Kyowa Kirin information that constitutes "personal data" within the meaning of the Data Protection Act 1998, Supplier shall ensure that all such personal data is kept secure, and in accordance with all relevant legislation, and shall:
- 15.1.1. ensure, before processing any such personal data, that adequate technical and organisational controls are in place to:
- (a) prevent unauthorised or unlawful processing of any such personal data it may hold; and
  - (b) protect any such personal data from accidental loss, damage or destruction; and
- 15.1.2. act only on the instructions of Kyowa Kirin when processing such personal data, including ensuring that such personal data is used only as authorised by Kyowa Kirin, or by the Agreement.
- 15.2. Supplier shall not process or transfer any personal data outside the European Economic Area, or transfer any personal data to any third party, without the prior written consent of Kyowa Kirin, which consent may be subject to Supplier (or the relevant third party) entering into a data transfer agreement with Kyowa Kirin, where Kyowa Kirin so requires, in a form substantially similar to the Standard Contractual Clauses issued from time to time by the European Commission, and entering into such other arrangements as Kyowa Kirin may reasonably require to satisfy its requirements as a data controller under the Data Protection Act 1998, as amended from time to time.
- 15.3. Supplier shall indemnify Kyowa Kirin and its Affiliates, and keep them indemnified, on demand from and against all Losses incurred or suffered as a result of or in connection with Supplier's breach of this Section 15.

### 16. HAZARDS

- 16.1. Supplier shall ensure that its staff and those of any sub-contractor shall, when working on any site in connection with the Agreement, comply with all relevant environmental, occupational health and safety legislation and any other appropriate standards, policies and procedures notified by Kyowa Kirin from time to time.
- 16.2. Supplier will provide applicable hazard information such as material safety data sheets and will inform Kyowa Kirin of all regulations and guidance (statutory or otherwise) which Supplier knows or believes to be associated with the Goods and any combination of the Goods with another product.
- 16.3. Supplier shall indemnify Kyowa Kirin and its Affiliates, and keep them indemnified, on demand from and against all Losses incurred or suffered as a result of or in connection with any third party claim arising from Supplier's or Supplier's sub-contractors' actions resulting in alleged release of any waste, hazardous substance or other pollutant.
- 16.4. Supplier will endeavour to exceed any statutory minimum environmental, occupational health and safety requirements in accordance with generally accepted best working practices and any specific standards or other requirements of Kyowa Kirin.

### 17. RESPONSIBILITY FOR INFORMATION

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

### 18. SUPPLIER'S EMPLOYEES

- 18.1. For the duration of the period that any Services are being provided, the employment of any employee of Supplier shall remain with Supplier and shall not pass or otherwise transfer to Kyowa Kirin or its Affiliates and nothing in the Agreement shall be construed or have effect as constituting any relationship of employer and employee between Kyowa Kirin (or its Affiliates) and the employees and/or sub-contractors of Supplier. Supplier agrees that it is performing the Services as an independent contractor and will retain all responsibility for payment of any income tax, national insurance contributions, and any other taxation that may arise from the provision of the Services, and shall indemnify Kyowa Kirin and its Affiliates, and keep them indemnified, on demand from and against all Losses incurred or suffered as a result of or in connection with Kyowa Kirin or its Affiliates having to pay any tax, income tax or national insurance contributions and/or make any deductions at source in respect of the Services.
- 18.2. Notwithstanding the provisions of Section 18.1, if and to the extent that the Transfer of Undertakings (Protection of Employment) Regulations 2006 or any other equivalent laws apply, such that Kyowa Kirin or its Affiliates (or a successor supplier to Supplier) incurs Employment Liabilities arising in relation to any Supplier personnel whose employment (or any claim arising out of such employment, or arising as a result of its termination) transfers to Kyowa Kirin (or its Affiliate) or to such successor supplier, Supplier shall indemnify Kyowa Kirin, its Affiliates and any replacement supplier, and keep them indemnified, on demand from and against all such Employment Liabilities. For the purposes of this Section 18.2, "Employment Liabilities" means any costs, claims, demands, fines, or expenses (including reasonable legal and other professional expenses) and all losses, damages, compensation and other liabilities incurred by, or attributed to, Kyowa Kirin or its Affiliates (and including those incurred by or attributed to any successor supplier or sub-

contractor of Kyowa Kirin), and shall include any incurred as a result of an indemnity or warranty given, or to be given, by Kyowa Kirin or its Affiliates to, or any claim made by, a successor supplier or sub-contractor, in each case relating to the employment contracts of such Supplier personnel, or any claim under the Employment Rights Act 1996 or similar,

## 19. SOFTWARE DEFECTS

19.1. Supplier warrants that any Goods comprising computer hardware or software, and supplied by Supplier to G SK (the "Products"):

19.1.1. are free from viruses, defects, disabling codes, software routines or hardware components designed to permit (either automatically or through externally applied controls) unauthorised access or allow the Products to be disabled, have content erased, or otherwise be harmed (collectively, "Contaminants"), have been duly tested to ensure that there are no such Contaminants, and are subject to recognised and appropriate release procedures including the latest version of a proprietary virus detection software package approved by Kyowa Kirin, and Supplier shall procure that corresponding obligations are imposed with its sub-contractors or agents;

19.1.2. have been obtained from a reputable and reliable software developer and not through any interest group or multi-organisational software sharing scheme, and do not include any open source, freeware or shareware (unless otherwise agreed in writing in advance by Kyowa Kirin); and

19.1.3. will comply and function substantially in accordance with any related user documentation.

19.2. Supplier warrants that neither the performance nor the functionality of the Products will be adversely affected by any changes caused by the advent of the a particular calendar date.

19.3. Supplier shall indemnify Kyowa Kirin and its Affiliates, and keep them indemnified, on demand from and against all Losses incurred or suffered as a result of or in connection with Supplier's breach of the warranties set out in Sections 19.1 and 19.2 above.

## 20. INDEMNITY AND INSURANCE

20.1. Supplier shall indemnify Kyowa Kirin and its Affiliates, and keep them indemnified, on demand from and against all direct losses incurred or suffered as a result of or in connection with any defect in the Goods or Services or any breach by Supplier of its obligations hereunder or of any statutory duty or from any act or omission of Supplier's employees, agents or sub-contractors.

20.2. At all times during the term of the Agreement, Supplier shall maintain in force with a reputable insurance company insurance in respect of its liabilities under the Agreement and if so required at any time produce the policy of insurance and the receipt for the current premium to Kyowa Kirin for its inspection. Supplier agrees that any monies received by Supplier from the insurance company in full or part settlement of a claim arising out of the Agreement and paid by or due to Kyowa Kirin shall be paid immediately to Kyowa Kirin without offset or counter claim.

20.3. Any limitation, monetary or otherwise in such insurance policy referred to in Section 20.2 above shall not be construed as a limitation on Supplier's liability and Supplier shall, notwithstanding such limitation, remain liable in full for any matters and to any extent not covered by the policy.

## 21. ETHICAL STANDARDS AND HUMAN RIGHTS

21.1. Unless otherwise required or prohibited by law, Supplier warrants that in relation to the supply of Goods or Services under the terms of the Agreement:

21.1.1. 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;

21.1.2. it does not use forced labour in any form (prison, indentured, bonded or otherwise) and its employees are not required to lodge papers or deposits on starting work;

21.1.3. it provides a safe and healthy workplace, presenting no immediate hazards to its employees, any housing provided by Supplier to its employees is safe for habitation, and it provides access to clean water, food, and emergency healthcare to its employees in the event of accidents or incidents at Supplier's workplace;

21.1.4. it does not discriminate against any employees on any ground (including race, religion, disability, or gender);

21.1.5. 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;

21.1.6. 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;

21.1.7. it complies with the laws on working hours and employment rights in the countries in which it operates;

21.1.8. it is respectful of its employees right to join and form independent trade unions and freedom of association; and

21.1.9. it complies with the Kyowa Kirin Anti-Bribery and Corruption Requirements set out in Annex A.

21.2. Supplier agrees that it is responsible for controlling its own supply chain and that it shall encourage compliance with ethical standards and human rights by any subsequent supplier of goods and services that are used by Supplier when performing its obligations under the Agreement.

21.3. Supplier shall ensure that it has ethical and human rights policies and an appropriate complaints procedure to deal with any breaches of such policies.

21.4. Kyowa Kirin reserves the right upon reasonable notice (unless inspection is for cause, in which case no notice shall be necessary) to enter upon Supplier's premises to monitor compliance by Supplier of the warranties set out in Section 21.1 above and Supplier shall, subject to compliance with law, furnish Kyowa Kirin with any relevant documents requested by Kyowa Kirin in relation thereto.

## 22. TRADE CONTROLS

Supplier represents and warrants and undertakes that it is not on any applicable official national or international sanctioned party lists and that performance of this Agreement will not violate applicable embargo regulations. Kyowa Kirin has the right, at Kyowa Kirin's sole expense, to conduct screening checks of Supplier, including verification of Supplier's identity, including full name, country location and address, against official national and international sanctioned party lists and embargo regulations. If the screening indicates that Supplier is an international sanctioned party or is in violation of embargo regulations, Kyowa Kirin may terminate this Agreement for breach as provided in Section 23 (Termination).

## 23. TERMINATION

23.1. Subject to Section 23.4, if either party to the Agreement is in breach of the Agreement and does not remedy the breach within 30 days of notice from the other party so to do (if capable of remedy) the other party may terminate the Agreement immediately by notice to the party in breach.

23.2. If either party becomes bankrupt, dissolved, wound up, or makes any arrangement with its creditors or has a receiver, administrative receiver, liquidator or provisional liquidator appointed over all or any part of its assets or goes into liquidation (whether voluntary or otherwise) save as part of a bona fide reconstruction not involving insolvency or takes or suffers 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 providing particulars of the circumstances whereupon the other party may terminate the Agreement immediately by notice.

23.3. If at any time during the term of the Agreement there shall be any change in the legal or beneficial ownership or Control of Supplier:

23.3.1. Supplier shall immediately so notify Kyowa Kirin in writing; and

23.3.2. Kyowa Kirin may, upon receiving notice or otherwise becoming aware of a change in the legal or beneficial ownership or Control of Supplier, terminate the Agreement immediately by notice in writing to Supplier if it considers in its sole discretion that such change of ownership or Control is prejudicial to its interests.

#### 24. CONSEQUENCES OF TERMINATION

24.1. Within 7 (seven) days after termination of the Agreement for any reason, Supplier shall;

24.1.1. at Kyowa Kirin's option and cost, deliver to Kyowa Kirin (or as Kyowa Kirin shall direct) all quantities of the Goods in its possession which comply with the Agreement;

24.1.2. at Supplier's cost, return to Kyowa Kirin all documents provided to Supplier by Kyowa Kirin; and

24.1.3. at Supplier's cost, 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 Kyowa Kirin to Supplier, are returned to Kyowa Kirin or destroyed by Supplier at Kyowa Kirin's option.

24.2. With effect from termination of the Agreement Supplier shall not make any use for any purpose whatsoever of any Intellectual Property Right which is the property of Kyowa Kirin.

24.3. Termination of the Agreement or withdrawal of any Goods or Services from the Agreement shall be without prejudice to the continuation in force of Sections 1, 2, 7,10, 11,15,18,19, 24, 25, 26.9 and 26.10. Supplier agrees to provide Kyowa Kirin with all reasonable support with respect to any investigation required by Kyowa Kirin or any regulator with respect to the Goods or Services carried out prior or after such termination or withdrawal. Kyowa Kirin will reimburse Supplier's reasonable costs in providing such assistance.

24.4. Termination or expiry shall not relieve either party from any liability or action accrued prior to such termination or expiry. A fair and reasonable price will be paid for all Services in progress that have been delivered to Kyowa Kirin and which comply with the Agreement. Kyowa Kirin's liability is limited to Services in progress, and no further loss or liability will accrue on their account.

#### 25. ASSIGNMENT

25.1. Supplier's rights and obligations under the Agreement may not be assigned in whole or in part without the prior written consent of Kyowa Kirin (acting in its sole discretion) and any such consent shall not be deemed to relieve Supplier of any of its obligations and liability to Kyowa Kirin pursuant to the Agreement.

25.2. Kyowa Kirin shall be entitled at any time by notice in writing to Supplier 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 Kyowa Kirin's business which relates to the Goods or Services.

25.3. If another company is created or a third party acquires Kyowa Kirin's assets through a divestiture or reorganisation of Kyowa Kirin's business or any part of it (such company or such third party acquirer being the "Divested Entity") such Divested Entity may use any portion of the Products provided under the Agreement for up to twelve months, on notice to Supplier, provided that the Divested Entity agrees to the terms and conditions of the Agreement. During this period, the Divested Entity may use the Products for either its business operations or Kyowa Kirin's business operations. If the Divested Entity wishes to continue to use any Product at the end of the time period specified above, the Divested Entity must execute a mutually agreeable contract with Supplier which will govern its subsequent use of the relevant Product.

#### 26. GENERAL

26.1. Supplier shall not, without the prior written consent of Kyowa Kirin, appoint any sub-contractor or any person or persons to carry out its obligations under the Agreement. In the event that Supplier appoints a sub-contractor or other person to perform its obligations it shall remain liable to Kyowa Kirin for the performance of all its obligations and shall ensure that any such sub-contractor or other person agrees to be bound by terms equivalent to those in the Agreement.

26.2. The Agreement contains the whole agreement between the parties in respect of the subject matter of the Agreement and supersedes all prior written or oral agreements, arrangements and understandings between them relating to that subject matter.

26.3. Each party acknowledges that, in entering into the Agreement, it has not relied on, and shall have no right or remedy (other than for breach of contract) in respect of, any statement, representation, assurance or warranty made or given, or purportedly made or given, by or on behalf of the other party (whether made negligently or innocently) other than as expressly set out in the Agreement.

26.4. Nothing in the Agreement shall create, or be deemed to create a partnership, joint venture or other relationship between the parties other than the contractual relationship expressly provided for in the Agreement.

26.5. No failure or delay by a party to exercise any right or remedy provided under the Agreement or by law shall constitute a waiver of that (or any other) right or remedy and nor shall it preclude or restrict its further exercise. In addition, no single or partial exercise of any such right or remedy shall preclude or restrict the further exercise of that (or any other) right or remedy.

26.6. If any provision of the Agreement is held by any court or other competent authority to be invalid or unenforceable in whole or in part, the Agreement shall continue to be valid as to its other provisions and the remainder of the affected provision.

26.7. The Agreement may not be modified except by an instrument in writing signed by the duly authorised representatives of both parties.

26.8. Except for any rights granted to Kyowa Kirin Affiliates, which the parties hereby designate as intended third party beneficiaries to the Agreement, no person who is not a party to the Agreement shall have any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term. The rights of the parties to terminate, rescind or agree any variation, waiver or settlement under the Agreement is not subject to the consent of any person that is not a party to the Agreement.

26.9. The Agreement and any dispute or claim arising out of or in connection with it or its subject matter (including non-contractual disputes or claims) is governed by and shall be construed in accordance with English law. The United Nations Convention on Contracts for the International Sale of Goods (1980) shall not apply to the Agreement.

26.10. The parties irrevocably agree that the English courts shall have exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with the Agreement or its subject matter (including non-contractual disputes or claims).

## ANNEX A

### KYOWA KIRIN ANTI BRIBERY AND CORRUPTION REQUIREMENTS

Kyowa Kirin requires compliance with the highest ethical standards and all anti-corruption laws applicable in the countries in which Kyowa Kirin (whether through a third party or otherwise) conducts business. All Kyowa Kirin employees and any third party acting for or on behalf of Kyowa Kirin must ensure that all dealings with third parties, both in the private and government sectors, are carried out in compliance with all relevant laws and regulations and with the standards of integrity required for all Kyowa Kirin business. Kyowa Kirin values integrity and transparency and has zero tolerance for corrupt activities of any kind, whether committed by Kyowa Kirin employees, officers, or third-parties acting for or on behalf of the Kyowa Kirin.

It is a material term of this Agreement that Supplier shall comply with the following:

1. Supplier shall comply fully at all times with all applicable laws and regulations, including but not limited to applicable anti-bribery and anti-corruption laws, of the territory in which the Supplier conducts business with Kyowa Kirin.
2. Supplier agrees that it has not, and covenants and that it will not, in connection with the performance of this Agreement, directly or indirectly, promise, authorise, ratify or offer to make or make any Payments of Anything of Value to any individual (or at the request of any individual) including a Government Official for the improper purpose of influencing or inducing or as a reward for any act, omission or decision to secure an improper advantage or to improperly assist the Supplier or Kyowa Kirin in obtaining or retaining business.
3. Supplier agrees that it has not, and covenants and that it will not, in connection with the performance of this Agreement, directly or indirectly, promise, authorise, ratify or offer to make or make any Facilitating Payments to any individual (or at the request of any individual) including a Government Official.

### GLOSSARY

The terms defined herein should be construed broadly to give effect to the letter and spirit of Kyowa Kirin's ethical standards.

"Anything of Value": this term includes cash or cash equivalents, gifts, services, employment offers, loans, travel expenses, entertainment, political contributions, charitable donations, subsidies, per diem payments, sponsorships, honoraria or provision of any other asset, even if nominal in value.

"Facilitating Payments": otherwise known as "grease payments" shall mean a payment to an individual to secure or expedite the performance of a routine government action by government officials.

"Government Official" shall mean: (i) Any officer or employee of a government or any department, agency or instrument of a government; (ii) Any person acting in an official capacity for or on behalf of a government or any department, agency, or instrument of a government; (iii) Any officer or employee of a company or business owned in whole or part by a government; (iv) Any officer or employee of a public international organisation such as the World Bank or United Nations; (v) Any officer or employee of a political party or any person acting in an official capacity on behalf of a political party; and/or (vi) Any candidate for political office.

"Payments": this term refers to and includes any direct or indirect offers to pay, promises to pay, authorisations of or payments of anything of value.