

**Merck Sharp & Dohme Peru SRL**  
**General Conditions of Contract for Suppliers**

(Revised February 1<sup>st</sup>, 2024)

The following details the General Conditions of Contract (hereinafter “GCC”) for suppliers (hereinafter, the “Supplier”) who offer services to Merck Sharp & Dohme Peru SRL (hereinafter, “MSD”). For the purposes of this document, it is understood that the provision of goods to any title (buying and selling, loaning, renting, leasing, etc.) shall also be named provision of Services.

By receiving a purchase order the Supplier acknowledges and accepts these GCC. If the Supplier is a legal person, the GCC must be signed by a representative with sufficient power to oblige the Supplier.

These GCC complement the Suppliers Registration request, contracts, orders of purchase, orders of service, budgets, proposals, offers, price quotes, etc., as the case may be, where specific contract conditions shall be established, such as the term, price, payment conditions, technical specifications, etc., that shall govern the commercial relationship between MSD and the Supplier. In the event of any discrepancy between the provisions of the contract and the GCC, the former shall prevail .

Once signed by the Supplier, the GCC shall come into full effect and validity and shall govern any contract that MSD could effect with the Supplier in the future, without the necessity to resign them. In this sense, it will be understood that the GCC will remain in effect while the commercial relationship between the Supplier and MSD exists.

**1. Exclusivity Agreement and Minimum Volumes**

The acknowledgment of this GCC does not provide exclusive rights in favor of the Supplier, nor does it oblige MSD to request Services, nor to purchase goods exclusively from the Supplier, nor to request a minimum volume of goods or provisions included in the Services.

**2. Payment Terms**

MSD shall make payment for invoices received within ninety (90) days from receipt of a properly prepared invoice. Where, however, other payment terms appear on the front of any purchase order, payment shall be made in accordance with those terms and conditions if these terms are previously agreed between the Supplier and MSD Procurement Department (previous approval of SLMT).

**3. Third-Party Intellectual Property**

The Supplier commits not to violating intellectual property rights of third parties, and in the event that this happens, it is obliged to defend and assure that MSD remains unharmed in any claim, damage, loss, act, trial or procedure put in place against MSD resulting as a consequence from the violation of the Supplier of the aforementioned rights, including but not limited to, the use by MSD of materials, projects, drawings, schematics, designs, photographs, texts, software, programs, or graphics provided by the Supplier.

**4. Confidentiality**

The Supplier commits and obliges itself to maintain and hold strict confidentiality and total discretion of all information that MSD distributes to them or that they have access to while executing the contracted services.

For no reason shall the Supplier disclose such information, either directly or indirectly, except for what should be disclosed to the appropriate person related to fulfilling the contract.

The Supplier agrees to take all necessary measures and precautions to extend the obligation for confidentiality and discretion of all MSD information to all those employees or officials who have access to it, as well as to any third party engaged in it.

It is clearly established that any information that MSD delivers to the Supplier is and shall be at all times exclusive property of MSD. The use of information is not allowed if not for the provided purposes, and is not given, nor is it intended to give, any disposal under any ownership right, including any implicit license or otherwise.

The obligation of confidentiality and discretion assumed by the Supplier shall remain in effect for the duration of the contractual relationship with MSD and up to an additional five (5) years.

If the information is disclosed by the Supplier, its employees, officers or third parties engaged by it, the Supplier must compensate MSD with a sum equal to twice the damage it caused, without prejudice to the power of MSD to terminate the contract.

## **5. Ethical Business Practice**

The Supplier acknowledges that MSD's standards and internal policies require that the services provided be developed within the letter and spirit of the law and other prevailing regulations. The Supplier must conduct business in a manner that is consistent with the standards and ethics in business.

The Supplier guarantees that it will not deliver any money or other property, either directly or indirectly, whether to natural or legal persons, government agencies, or persons acting on behalf thereof, when such deliveries violate law. Additionally, regardless of their possible legality, neither the Supplier may make such deliveries to the aforementioned persons if the purpose of such is to influence actions or decisions that will be related to the Services, or any other area of business of MSD. In addition, the Supplier guarantees that all transactions related to the business of MSD will be overturned accurately in the Supplier's books and records, and that no delivery of money or other goods to staff in any institution, or persons acting on their behalf in order to influence decisions or actions for the benefit of MSD.

## **6. Audits / Monitoring**

MSD shall be authorized to monitor compliance on the Supplier's part to the incumbent obligations and current applicable laws, conducting general audit controls. With a reasonably prior notification, the Supplier shall grant MSD access to books and records, limited to the verification of information as it concerns the provision of services for MSD.

## **7. Personal / Work Obligations**

The provision of Services must be conducted: (a) if the Supplier is a natural person, by the Supplier; (b) if the Supplier is a legal person, under whatever legal form it was incorporated, by its own associates or by its employees considering their dependency from it.

In accordance with the civil nature of the services, the contract will be subject to the Civil Code and in particular to article 1764 and successively; therefore, in the development of their services, neither the Supplier nor the destined personnel for development of the services will be subject to subordination, fixed or minimum scheduling, daily or mandatory attendance that could bring with it consequences of inspection of social benefits or labor rights.

The Supplier will be completely responsible for labor obligations, taxable basis, temporary measures and social security obligations of the persons that provide the services, thus it must fulfill them in time and manner, and keep MSD unharmed in the case that it is subject to any claim, either judicial or extrajudicial, by a third party based in the incompleteness of the aforementioned obligations.

## **8. Independent Parties**

The Supplier shall only be allowed only for the provision of Services, thus it shall not conduct any act that generates obligations for MSD without prior written consent from the Supplier, or that they are not acts necessary for the provision of Services, so there is no contradiction of any provisions of the GCC and/or the Contractual Documents.

For this reason, the existing relationship between MSD and the Supplier shall not be considered, by the fact of the provision of services, as an association, nor a joint venture, nor the existing relationship between the grantor and the representative, nor could it surmise nor interpret the granting representation in any part from MSD to the Supplier to act as its commercial, judicial, administrative or legal representative, nor will there be another commercial relationship other than every case as specified in the Contractual Documents.

Neither the Supplier nor its dependents, contractors, agents, subcontractors and/or representatives shall be under a relationship of subordination and/or dependency of MSD. The Supplier exclusively assumes all labor, fiscal, commercial responsibilities, or other types in the presence of assistants or personnel who might be contracted for their services.

Likewise, each party is responsible to obtain its permission and necessary licenses for the normal development of its business and the devoted fulfillment of its contractual obligations.

## **9. Prohibition of Transfer**

The Supplier will not relinquish, overload or transfer, in any way, neither fully nor partially, the rights and obligations emerging from the Contractual Documents, nor shall they delegate to other physical persons or judicial bodies the obligations that they have contracted for this reason, without previous explicit and written authorization from MSD.

## **10. Personal Information**

“Personal Information” refers to any information or set of information in any format that identifies, or is used by or on behalf of MSD, to identify an individual or entity. Personal Information does not include information that has been encrypted so that individuals remain anonymous; information that is available publicly that has not been combined with non-public information.

The Supplier shall comply with all laws, regulations and applicable rules of data protection and privacy, including the occasional amendments that are made to such laws, rules and regulations in relation to the collection, use, processing, storage, transfer, modification, elimination and/or disclosure of any Personal Information.

Should the Supplier provide personal information to MSD, the aforementioned shall state and warrant that it does not violate any law, regulation or applicable standard, or the rights of any individual or entity, by providing such Personal Information to MSD.

#### **11. Business Changes**

Any change in the proprietors, administration, finances, or legal operations that happen in the Supplier must be informed by written to MSD within 48 hours of the initial change, pending authorization from MSD to determine any contract that is active within the parties, if considered convenient.

#### **12. Responsibility of Damage**

The Supplier shall be responsible before MSD and before any third party for the damages that, either directly or indirectly, are caused as a consequence of its errors, omissions, misconducts, negligence, culpable or fraudulent incidents, or anything derived from the provision of services in favor of MSD and agrees to defend and economically compensate them if MSD incurs damage from their fault.

#### **13. Conflict of Interest**

The Supplier declares that from the date of signing this document not a single employee, director, or executive of MSD possess economic links with the Supplier regarding the business property, loans, jobs, consultancy or similar positions, and that no employee, director or executive of MSD receives from the Supplier consultancy fees, mediation commissions, training or capacity expenses, or other gifts or forms of payment that could compromise their professional judgment.

In the case that after the signing date of this document some of the aforementioned circumstances are modified, the Supplier must immediately inform MSD of these new circumstances.

#### **14. Information completeness**

Any relevant documentation or information of the activities performed, including but not limited to any documentation of Good Manufacturing Practice (GMP), should be attributable, original, accurate, legible, complete, controlled, accessible and safe regarding any intentional or unintentional handling or loss. These conditions are required during the document retention term of such information.

#### **15. References**

It is MSD policy that no business refers to MSD as a client or refers to any MSD product, including but not limited to, advertising, interviews, presentations to possible clients, promotional articles or materials, without the prior written authorization by MSD.

## **16. Code of Conduct**

MSD endeavors to hold itself and its Supplier to the highest ethical and compliance standards, including basic human rights, encouraging fair and equal treatment for all persons, the provision of safe and healthy working conditions, respect for the environment, the adoption of appropriate management systems and the conduct of business in an ethical manner. Without limiting any of Supplier's other obligations hereunder, and without conflicting with or limiting any of the warranties, obligations or other provisions expressly set forth elsewhere in this GCC including without limitation its obligations hereof, Supplier agrees that it will abide by the letter and spirit of MSD's Business Partner Code of Conduct (the "Code"), as in effect from time to time, a copy of which is available at <http://www.msd.com/about/how-we-operate/code-of-conduct/home.html>

Supplier agrees that it will provide all documentation reasonably requested by MSD to demonstrate compliance with the Code. In the event of a conflict between the obligations in this Section 16 and the Code, on the one hand, and any other provision in this purchase order, on the other hand, such other provision of this purchase order shall control (but only to the extent of the conflict).

MSD reserves the right, in its sole discretion, to audit Supplier's operations, books and records to ensure compliance with the Code. MSD will provide reasonable advance notice of such an audit, and may conduct this audit on its own or using a third-party auditor of its choosing. Supplier shall acknowledge receipt of MSD's notice as promptly as practicable after receipt of such notice and will confirm the date on which the audit will occur within 14 days after receipt of such notice. MSD or its third-party auditor may interview Supplier's employees as part of or in connection with the audit. This audit right shall be in addition to any other audit rights granted in this GCC.

In the event an audit identifies a non-conformance by Supplier with the Code, Supplier will promptly take corrective action to remedy the non-conformance. MSD reserves the right to approve all corrective actions. Corrective actions shall be implemented by Supplier at Supplier's expense. MSD will endeavor, whenever practicable, to work with Supplier to remedy the issue and put in place a corrective action plan.

In the event Supplier refuses to allow an audit, or fails or refuses to take corrective action, then in addition to any other remedy available to it under this GCC at law or in equity, MSD reserves the right to terminate this GCC in the event Supplier fails to cure such refusal or failure within 90 days after written notice from MSD.

## **17. Supplier Expectations**

Without limiting any of Supplier's other obligations hereunder and without limiting any of the express warranties or obligations agreed to elsewhere in this GCC, including without limitation its obligations hereof, MSD expects that Supplier will abide by the letter and spirit of MSD's Supplier Performance Expectations, as in effect from time to time, a copy of which is available at <http://www.msd.com/about/how-we-operate/code-of-conduct/home.html>. In the event of a conflict between the obligations in this Section 17 and MSD's Supplier Performance Expectations, on the one hand, and any other provision in this GCC, on the other hand, such other provision of this GCC shall control (but only to the extent of the conflict).

## **18. Data Integrity**

Any documentation or data relevant to activities performed, including without limitation any GMP documentation, must be attributable, original, accurate, legible, complete, controlled, retrievable, and safe from intentional or unintentional manipulation or loss. These items are required throughout the retention period of such data / documentation.

## **19. Jurisdiction**

Any eventual conflict arising from this document, including that which deals with its disability or invalidity shall be settled through arbitration. The arbitration will be conducted according to the rules of the Center of National and International Arbitration of the Chamber of Commerce of Lima, to whose rules and auspice the parties submit unconditionally. The arbitration shall be carried out in the city of Lima and the official language shall be Spanish. There will be three arbitrators of which each party appoints one and those two arbitrators will appoint a third who shall act as chair to the arbitral tribunal. The arbitral tribunal's decision will be definitive and not subject to appeal.

**Reviewed and approved by: Gonzalo Videla and Pablo Costacaro**