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The Red Book

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Code of Business Conduct – General and Administrative

The Red Book

The Lilly logo is a stylized, cursive script of the word "Lilly" in white, positioned in the bottom right corner of the page.

Answers That Matter.

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Introduction

Important Information about *The Red Book*

What is *The Red Book*, and why is it important to the company?

The Red Book – Code of Business Conduct provides direction for conducting business consistent with the company's legal obligations, global policies, and core values. *The Red Book* is our guide to living the Lilly brand in our dealings with our peers, supervisors, and subordinates, as well as our customers, suppliers, government agencies, and other third parties. It sets the standard for behavior we must meet or exceed every day.

What is in *The Red Book*?

The Red Book summarizes, through the window of our company's values, policies that impact all employees. In addition, *The Red Book* gives highlights of policies that apply to employees in certain situations. *The Red Book* also provides examples of situations to guide employees as they apply company policies to their decisions and actions.

Why are compliance and ethics, as stated in *The Red Book*, important to the company?

It is easy to focus on compliance and think we are finished, but patients expect and deserve more. We must go beyond compliance and behave ethically and in a manner above reproach.

What are my obligations regarding *The Red Book*?

You are obligated to read *The Red Book*, complete associated training in a timely fashion, and then certify that you have received *The Red Book*, read it, understand it, and agree to follow the policies outlined in it.

What are the benefits of following *The Red Book*?

- Enables confidence in decision-making
- Helps you know when to seek help from others
- Supports long-standing company values
- Promotes our brand: reliable and trustworthy!
- Enhances external relationships
- Eliminates costs of noncompliance

What are the costs of disregarding our *Red Book* responsibilities?

Noncompliance may result in serious safety, legal, and brand consequences. Employees must be aware that a failure to follow legal requirements may result in serious personal injury to customers, coworkers, or members of the community; fines, court action, delay of product approvals, rejection of clinical trial results, seizure or recall of our products, or shutdown of our facilities; or loss of company reputation or public trust. In extreme situations, criminal fines and other serious penalties may also be imposed on the company and/or on individual employees.

What if I do not understand my obligations as stated in *The Red Book*?

If you do not understand your obligations, you are responsible for seeking help from either your management, human resources representative, compliance representative, company attorney, or through the Compliance and Policies website or the hotline.

What if I need more information?

In addition to reading *The Red Book* and completing the associated training, employees are expected to read and understand the company's global policies and to seek advice from policy experts when needed. Employees may also ask specific questions electronically at the Compliance and Policies website by clicking on Contact Us.

What should I do if the country, state, or other local law where I live is more restrictive than the policies outlined in *The Red Book*?

The Red Book reflects a blend of U.S. legal requirements and those of other countries in which the company operates. If your local laws are **more** restrictive than *The Red Book* provisions or global company policies, you **must** conduct your activities in accordance with the more restrictive local requirements.

Do I have to complete training on *The Red Book* and certify that I will follow it? What happens if I don't?

Yes, you do. Failure to complete the training and certification in a timely manner may result in disciplinary action.

Message from the Chairman

Dear Lilly Colleague:

Even as we work to transform our company to meet the challenges of the future, our values remain constant, including our efforts to bring the highest standards of business ethics to everything we do. This responsibility is crucial to all the people who depend on Lilly: customers and patients, partners and vendors, our shareholders, our communities, and, of course, you and our colleagues.

As you well know, companies today are under intense scrutiny—and Lilly is no exception. As a result, we must work to create competitive advantage not only by delivering on our priorities but also by obeying all laws, regulations, and other legal requirements that apply to Lilly business; avoiding conflicts of interest; and protecting the company's assets.

The Red Book is designed to help us understand our responsibilities, uphold the Lilly values, maintain the company's reputation, and excel in a challenging global marketplace. Although the information in the following pages cannot anticipate every situation we might face as we do business, it provides practical guidance for identifying issues, obtaining advice, making decisions, and—most importantly—doing the right thing as we implement our strategy and support our brand.

People's confidence in our company and our products begins with their trust in Lilly people. Consequently, we all need to read, understand, and agree to follow what is in *The Red Book*. The most current edition is available through the Compliance and Policies website. If we need help with an issue, we are also responsible for asking questions. There are no exceptions.

Again, the company's reputation is in our hands—mine and yours. We are very fortunate to be guided by values that have stood the test of time.

Sincerely,



Sidney Taurel
Chairman of the Board and Chief Executive Officer



Message from the President



To All My Lilly Colleagues:

At Lilly, we have the extraordinary privilege of being part of an enterprise with a strong and visionary foundation and long-established core values: respect for people, integrity, and excellence.

These values haven't changed for the better part of a century, and I'm convinced that they are more relevant today than ever before.

First of all, **RESPECT FOR PEOPLE**. Respect for people embraces ALL the people who touch—or are touched by—our company: employees, customers, shareholders, partners, suppliers, and communities.

Second, **INTEGRITY**. Each of us must expect from one another and from the company the highest standards of honesty, truthfulness, and ethical behavior in all that we do. Our accomplishments mean little if we don't have integrity—it's the underpinning of our business and our individual performance.

Last but not least, **EXCELLENCE**. We work relentlessly to provide our customers with high-quality innovative products and information as if people's lives depend on them, because they do!

In 1976, on the occasion of the company's 100th anniversary, Eli Lilly, grandson of the firm's founder, sent a special message to shareholders. He stated, "Values, as my father understood so well, are really the heart of the matter. They tell us who we are, how we should behave, where we should be going. They help us to interpret the world and thus, ideally, to anchor the self in a larger reality. Values are, quite simply, the core of both men and institutions." I would add—men and *women*, too.

Today, in 2007, our values must continuously guide our actions and our decisions. In fact, they represent the core principles that underpin *The Red Book*, our Code of Business Conduct.

I expect each of us to follow and adhere to the policy summaries and guidance provided in *The Red Book*, as WE continue to build and extend our company's great legacy.

Sincerely,

A handwritten signature in dark ink that reads "John C. Lechleiter". The signature is written in a cursive, flowing style.

John Lechleiter, Ph.D.
President and Chief Operating Officer

Obligation to Report Possible Violations

Unless prohibited by local law, all employees are required to report known, suspected, or observed violations of the law, *The Red Book*, company policies, or government or court orders or decrees applicable to Lilly business, or if they are asked to do something that might be a violation. Failure to report may result in serious consequences for the company and/or individuals.

You may submit reports or raise concerns as follows:

- Contact your supervisor, human resources representative, or a company attorney.
- Contact the Vice President – Compliance and Enterprise Risk Management by telephone at 317.276.7581, by fax at 317.655.1921, or by mail sent to Drop Code 1224 and marked “Confidential – for the Vice President – Compliance and Enterprise Risk Management.”
- Contact the **Compliance and Ethics Hotline**.

The hotline is staffed by an independent firm and is available 24 hours a day, 7 days a week. You may report anonymously.

- In the United States, call toll-free **1.800.815.2481**.
- Outside the United States, dial your country access code (which you may find by contacting an AT&T operator or by checking <http://www.att.com/traveler>), wait for the tone, and then dial **1.800.815.2481**. Translation services are available.
- Make a web-based report by going to <http://www.nhsonlinereporting.com> and entering “ELL” for Lilly in the Company ID field and then following the directions. You may report anonymously.

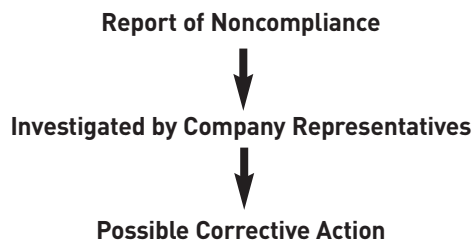
The key is to speak up and bring concerns out into the open, so that problems may be resolved quickly before serious harm occurs or gets worse.

What Happens When You Make a Report

- Lilly investigates all reports of noncompliance.
- Lilly takes corrective action when necessary.
- Corrective actions may include clarification of training on a policy or procedure; revision of a policy or process; and/or disciplinary action against an employee.
- All reports related to accounting, internal controls, or financial reporting will be investigated under the direction of the audit committee of the company board of directors.

Non-Retaliation

Lilly does not tolerate retaliation by any employee against another employee for good-faith reports of potential violations. Reporting an issue in good faith means you believe the information you submit is correct. Supervisors have a special obligation to prevent retaliation.



You Must Also Report

Lilly is committed to maintaining the quality and safety of its products. Therefore, all employees are required to report the following information to the appropriate Lilly contact (see below for contact information). If you are in doubt about whether to report something, it is better to make the report.

Adverse Event – any undesirable medical occurrence in a patient administered a Lilly product (drug or device), including side effects already listed in the package insert.

Product Complaint – a customer's written, oral, or electronic communication that alleges deficiencies related to the identity, quality, purity, durability, reliability, safety, effectiveness, or performance of a distributed drug product, drug/device combination product, medical device, animal health premix, API (active pharmaceutical ingredient), process intermediate, or fermentation product.

Suspected Counterfeiting or Tampering

- Counterfeiting – A counterfeit medicine is one that is deliberately or fraudulently mislabeled with respect to identity and/or source. A counterfeit drug, container, or label bears the trademark, trade name, or other identifying mark (e.g., shape or color), imprint, or device of a drug manufacturer, processor, packer, or distributor without authorization and with the intent to mislead purchasers into believing the product is authentic.
- Tampering – Manipulating or tainting any distributed consumer product or rendering materially false or misleading the label or container of a distributed consumer product with the intent to cause serious injury.

WHEN TO REPORT

Any event involving a known or suspected death, counterfeiting, or tampering must be reported immediately (within 24 hours of receipt). All other reports must be made within one business day.

"Accountability and decision making are critical. We need to divide and conquer when it comes to our work, be clear about responsibilities, and execute. Ours is a noble mission—with the patient in focus, and hence an awesome responsibility. Lilly employees globally are up to this challenge."

Deirdre Connelly,
President, U.S. Operations

HOW TO REPORT:

For Human Products:

In the United States:

- Any suspected death, counterfeiting, or tampering must be reported **immediately** by calling the Lilly Answers Center, **800.LILLYRX** or **800.545.5979**.
- Any other adverse event or product complaint must be reported within one business day by calling the Lilly Answers Center, **800.LILLYRX** or **800.545.5979** OR using any alternative reporting method approved by your functional area or affiliate.

Outside the United States:

- To report an adverse event, contact the responsible product safety (pharmacovigilance) representative according to your local process.
- For product complaints or suspected counterfeiting or tampering, contact the responsible complaint person for your affiliate according to your local process. The contact list is available at the Consumer Product Quality website.

For Elanco Products:

In the United States:

- Within one business day, call 1.800.428.4441 or fax to 317.655.3464 for events in the United States.

Outside the United States:

- For events outside the United States, call your local Elanco pharmacovigilance office or fax to 317.655.3464.

Companion Animal Products:

- Within one business day, call the Lilly companion Animal Support Center, 1.888.LillyPet (1.888.545.5973) or fax to 317.433.0753 for adverse events, product complaints, or suspected counterfeiting, diversion, or tampering involving Lilly Companion Animal products.

HOW TO REPORT:

Animal Welfare Concerns:

Employees are also required to report concerns involving the care and use of animals at a Lilly research facility, affiliate, Elanco, or a facility that conducts business with Eli Lilly and Company.

- Immediately call either the attending veterinarian at 317.277.1431 or
- Contact the Compliance and Ethics Hotline at 1.800.815.2481 as outlined above.

For further information see the Global Policy on Care and Use of Animals in Research.

Employee Penalties for Violations

Employees who violate the law, *The Red Book*, company policies, or government or court orders or decrees that apply to Lilly business may be disciplined up to and including termination of employment. Disciplinary action also may be taken for:

- authorizing or participating in a violation
- failing to report a violation or suspected violation
- refusing to cooperate with the investigation of a suspected violation
- retaliating against an individual who reported in good faith a suspected violation
- failing to complete required training or failing to complete such training in a timely fashion.

Supervisors may be disciplined for failing to detect a violation in their respective areas if the failure results from inadequate supervision of the employees.

In addition to penalties imposed by the company, employees are also subject to potential civil or criminal consequences that may be imposed on them by government authorities.

Our Values – Acting Ethically

Because of our long and successful history of operating in the context of our company's values, *The Red Book* presents the company's expectations for you framed by our values of respect for people, integrity, and excellence.

"We must conduct ourselves in a manner beyond reproach. *The Red Book* is our guidepost for building and maintaining a reputation of being reliable and trustworthy in all that we do. However, earning and maintaining public trust demand that we do even more. We must conduct business consistent with our values and the highest ethical standards. We have a special responsibility to keep the interests of patients as the focus of everything we do. The behaviors outlined in *The Red Book* tell us how to put our values and our brand into action, keeping the patient at the forefront."

**Anne Nobles
Vice President –
Compliance and Enterprise Risk Management**

Respect for People

Fair treatment of our coworkers and others is an important part of our corporate culture. We are committed to developing and using the diverse talents and energies of our employees. We must respect our employees for the diverse perspectives that come from their differences and similarities. We must also guard the privacy of patients, consumers, healthcare providers, and employees.

Our commitment to good corporate citizenship reflects our fundamental concern for the well-being of people and their quality of life. To ensure that Lilly maintains its value of respecting people, you must adhere to the following principles.

"Success for our company comes when we focus on the things that really matter—our true priorities—and do those things in a manner consistent with our values and our brand. In this regard, *The Red Book* is our roadmap."

John Lechleiter, Ph.D.
President and Chief Operating Officer

Conduct in the Workplace

Employees must behave so that the workplace is free of improper conduct and harassment, and other inappropriate forms of discrimination.

- In your daily work activities, observe normal standards of courtesy and consideration when interacting with other employees and people with whom the company has business dealings.
- Do not harass another employee or person who has business dealings with our company. Some examples of harassment are:
 - racial or religious slurs
 - racial or religious stereotyping
 - intimidating or aggressive acts or words based on gender
 - inappropriate humor related to disabilities
 - communication or display in the workplace of offensive material (written, graphic, or other tangible form)
 - unwelcome physical or verbal conduct (such as negative comments or humor) of a sexual or racial nature
 - derogatory jokes, gestures, or stereotyping related to sexual orientation or gender identity.

THE RED BOOK IN EVERYDAY LIFE

Q: A coworker sends e-mails to our work group with inappropriate jokes. I am offended by these jokes. What should I do?

A: You must let your supervisor or human resources representative know. You may also let your coworker know that the jokes offend you.

REFERENCES • Global Policy on Conduct in the Workplace • US Policy on Equal Employment Opportunity • US Policy on Substance Abuse

Equal Employment Opportunity

Employees must behave so that the workplace provides equal employment opportunities to all employees and applicants in all phases of employment, and is free of discrimination based on age, citizenship, color, disability, gender, gender identity, genetic information, national origin, race, religion, sexual orientation, veteran or uniformed military status, or any status protected by law. The company will also take appropriate steps to provide reasonable accommodation to qualified individuals with disabilities.

The obligation to provide equal employment opportunities applies to supervisors involved in decision-making at any stage of the employment process, as well as to any employee who participates in activities at any stage in the employment process regarding other employees and applicants for

employment. The employment process includes advertising, recruiting, hiring, placement, promotion, demotion, transfer, selection for training, active employment, and termination.

REFERENCES • Global Policy on Conduct in the Workplace • US Policy on Equal Employment Opportunity

Health, Safety, and the Environment

Employees must work in a safe and responsible manner, protecting themselves, coworkers, guests, the community, and the environment.

The company has established health, safety, and environmental policies, procedures, and programs that apply worldwide to promote safe and healthful working conditions, protect the environment, and support our commitment to compliance with applicable legal requirements.

Specifically, you should:

- conduct your work in a safe manner
- know and comply with the law and related company policies if you have responsibilities in areas that are subject to safety and/or environmental regulations
- report dangerous conditions, chemical spills, and other health, safety, or environmental conditions immediately, so that workplace accidents are minimized and/or corrective actions may be taken.

THE RED BOOK IN EVERYDAY LIFE

Q: Walking down the hall in your office building between meetings, you see an employee carrying several boxes. His view is obstructed and he seems to be straining under the weight of the load. What should you do?

- a. Keep going...you're already late for your meeting.**
- b. Stop the employee, and ask him to either (1) put down a few boxes and make two trips or (2) find a cart.**
- c. Offer to hold the elevator door open for him.**
- d. Offer to carry a couple of the boxes for him while reminding him why this was not a safe behavior.**

A: Both b and d are correct. The best thing to do is help him and also remind him why his actions are not safe. He may have run into someone and caused injury or he may have injured himself by running into something or by carrying a load that is too heavy.

REFERENCES • Health, Safety, and the Environment Policy and Principles

Personal Information Privacy and Security

Employees must protect personal information that could identify an individual (for example, information about patients, employees, healthcare providers, and consumers). Employees must comply with all legal requirements and policies that apply to the collection, use, and retention of personal information.

Personal information is information about an employee, consumer, patient, healthcare provider, customer, contractor, or vendor. A definition and examples of personal information can be found at the Virtual Privacy Office (VPO).

- You must collect, use, store, handle, and disclose individual personal information in accordance with the company's global and affiliate-based privacy policies.
- If you wish to consult with someone regarding appropriate actions to take regarding the collection, use, handling or disclosure of personal information, please contact your local privacy steward or the Virtual Privacy Office for information.

THE RED BOOK IN EVERYDAY LIFE

Q: You receive a phone call from a person asking for the Lilly person in charge of a particular area of the company. You know who this Lilly person is without even having to look the person up in LillyNet. What should you do?

A: Operation Screen Door training instructs us to gather the caller's contact information and then say that you will forward the request to the appropriate person. Do not give Lilly employee contact information to people over the phone.

REFERENCES • Global Policy on Personal Information Privacy and Security • Global Medical Policy on Human Subject/Patient Privacy • Virtual Privacy Office Website (LillyNet Keyword: "VPO")

Substance Abuse

To protect the safety of company operations, products, and employees, employees having the unauthorized presence of drugs or alcohol in their bodies are prohibited from being on company premises or performing services for the company.

REFERENCES • Global Policy on Substance Abuse • US Employee Handbook

Integrity

Integrity is vital to the success of our business. To operate with integrity, we must be honest in our dealings with coworkers, government and political representatives, customers, suppliers, competitors, shareholders, and the community. We must avoid even the appearance of conflicts of interest. We must not bribe or attempt to unduly influence government and political representatives, customers, or suppliers. We must compete fairly and openly while complying with all legal requirements applicable to Lilly business regarding competition. And we must go a step further—we must conduct business consistent with the highest of ethical standards.

Conducting business with integrity requires adhering to the following principles.

Anti-Corruption

Employees must act ethically in both the public and private sector. Employees must not bribe government or public officials or private individuals. Employees must not make, give, offer, promise, or authorize any payment, benefit, or gift to a government or public official, directly or through a third party, to obtain or retain any business or secure any improper advantage. These same prohibitions apply to employee interactions with private individuals and employees of companies with which the company has an existing or prospective business relationship.

Further, employees are responsible for making accurate and reasonably detailed entries in official records of the company, and must adhere to the company's system of internal controls. Employees must not:

- **make or arrange to have made, or fail to correct or report, any false or artificial entries in any company books or records, or in any books or records of other persons or companies with whom the company does business, or**
 - **omit, delete, or alter any entries in any company books or records without following appropriate company procedures applicable to that type of action.**
-

Under company policy, the U.S. Foreign Corrupt Practices Act (the "U.S. FCPA"), and the laws of various countries in which the company operates, company employees and third-parties acting on behalf of the company must not:

- give, pay, promise, offer, or authorize the payment
- of money or anything of value
- to a government or public official, or private individual or company with which the company has an existing or prospective business relationship, or their family members, or any other entity or individual on their behalf of or for their benefit
- directly or indirectly through a third party
- for the purpose of influencing an official act or decision of that person; inducing that person to do or omit to do any act in violation of his or her duty; inducing that person to use his influence to affect or influence any act or decision; or securing any improper advantage
- in order to obtain, retain, or direct business to any person.

A government or public official includes all of the following:

- any officer or employee of:
 - a government, or any department or agency thereof
 - a public international organization (such as the United Nations, the International Monetary Fund, and the International Red Cross), or any department or agency thereof
 - a government-owned or controlled company, institution, or other entity, including a government-owned hospital or university,
- any political party or party official or candidate for public or political party office, or
- any person acting in an official capacity on behalf of any of the foregoing.

Note that an employee or consultant of a state-owned hospital or institution, including health care providers, may be considered a government official under the U.S. FCPA.

In addition, the company is required to develop and maintain a system of internal accounting controls, and make and keep books, records, and accounts which, in reasonable detail, accurately and fairly reflect the company's transactions and the disposition of its assets.

All company employees must:

- comply with the company's accounting policies and procedures
- record all company transactions properly and correctly, regardless of magnitude
- never falsify or disguise transactions
- never pay expenses that are unusual, excessive, lack adequate description or supporting documentation, or otherwise appear to be improper.

THE RED BOOK IN EVERYDAY LIFE

Q: You are a U.S. employee traveling for company business to a country where, incidentally, a major cultural festival is taking place. You decide to bring along personal gifts for the doctors you will visit during his trip. You know this type of gift-giving is customary in the country during the festival, so you assume that the company will not have concerns. Are you correct in your assumption?

A: Not necessarily. Giving gifts to government or public officials and to doctors employed by a government institution may violate the U.S. Foreign Corrupt Practices Act (FCPA), which prohibits giving, offering, or promising things of value to government or public officials to gain any competitive advantage. Doctors employed by a state-owned institution are considered to be a "government official" under this U.S. law. You may also be violating local laws and company policies that limit the benefits that pharmaceutical companies and their employees may provide to doctors. Check with the local affiliates in the countries you plan to visit to make sure your gifts comply with local laws and company policies and to make sure there are no circumstances that could lead to an FCPA violation.

REFERENCES • Global Policy on Anti-Corruption • Global Policy on Compliance • Global Policy on Ethical Interactions with Healthcare Providers • Global Financial and Accounting Policies • US Policy on Compliance with Fraud and Abuse Laws and Whistleblower Pro-tections • US Policy on Healthcare-Related Grants and Contributions

Compliance

Employees must comply with *The Red Book*, company policies and procedures, and all laws and regulations that apply to company business operations, as well as with all applicable government and court orders and decrees. Employees must also, subject to limits of local law, report any known, suspected, or observed violations. Employees must not retaliate against others for making such reports.

Employees must:

- Know, understand, and follow all laws, regulations, company policies and procedures, and government and court orders and decrees that apply to their jobs.
- Complete *The Red Book* training
- Report any known, suspected, or observed violations of the law, *The Red Book*, company policies or procedures, or government or court orders or decrees (subject to limits of local law).

The company prohibits retaliation by any employee against another individual for making a good-faith report of a potential violation. (Reporting an issue in good faith means the reporter believed the information reported was correct.)

The company also takes appropriate corrective action against employees for substantiated violations of *The Red Book*, company policies or procedures, or government or court orders or decrees. This includes situations where the company has been made aware that retaliation may have occurred.

THE RED BOOK IN EVERYDAY LIFE

Q: During a conversation with a fellow worker, he tells you he is being paid for some consulting he is doing for another life sciences company. You know this violates the company's Global Policy on Conflicts of Interest. What should you do with this information?

A: You have an obligation to report any known, suspected, or observed violations of the law, *The Red Book*, company policies or procedures, or government or court orders or decrees. You may contact your management, a human resources or compliance representative, or a company attorney, or you may submit a report to the company hotline as outlined in *The Red Book* - Obligation to Report Possible Violations section.

REFERENCES • Compliance and Policies website • Global Policy on Compliance

Conflicts of Interest

Employees must avoid situations in which personal interests, outside activities, or relationships conflict or appear to conflict with company interests. Employees must not accept or provide gifts, payments, or entertainment that could appear to affect business judgment.

- You must avoid situations in which your personal interests, outside activities, or relationships conflict or appear to conflict with company interests.
- If you think you have a “conflicts” inquiry, see the Global Policy on Conflicts of Interest.
- Examples of potential conflicts include:
 1. **Outside employment** – Participating in a business similar to your job at Lilly, or that may conflict with your performing your job at Lilly, or working for an actual or potential competitor, supplier, or customer of Lilly
 2. **Boards, panels, consulting arrangements** – Acting as or accepting a position as an officer, advisor, consultant, or director of any business or organization involved in the pharmaceutical or health care industry or doing business with Lilly (such as a supplier or customer)
 3. **Payment for services** – Accepting payment, significant goods, or services for activities such as authoring or editing publications, serving on advisory panels or boards, making presentations, or participating in professional or technical forums that are work-related
 4. **Family members and close personal relationships** – Doing company business with a business managed or owned by a family member or unmarried partner
 5. **Gifts** – Accepting gifts, entertainment, payment, or services from parties conducting business with or seeking to do business with Lilly
 6. **Investments and Ownership Interests** – Investments in property (such as real estate, patent rights, or securities) that Lilly may have an interest in purchasing or companies that do or seek to do business with Lilly or are competitors.

THE RED BOOK IN EVERYDAY LIFE

Q: You have been asked to serve on the scientific advisory board for a small biotech company. The biotech company has asked you to sign a confidentiality agreement. You would like to participate because you think Lilly would benefit from the information you may learn about the biotech’s discovery efforts. May you accept the invitation to serve? What if the biotech offers to pay you?

A: Because the biotech company is in the health care industry, this situation may present a conflict of interest. Lilly may currently be conducting or be interested in conducting future research in this area, and the biotech company may now be considered, or later become, a competitor of Lilly. Before you accept this invitation and sign the agreement, the company must review your request as outlined in the Global Procedure on Conflicts of Interest Evaluations. You must initiate the process by sending a request to your supervisor with a copy to your human resources representative. If Lilly permits you to serve, Lilly will advise you of whether or under what conditions you could sign the agreement and whether you could accept any offer of compensation under the Global Policy on Accepting Honoraria, Payments, or Gifts.

Q: You have been asked to become an adjunct faculty member at the local medical school to teach a course on biology in your evening hours. Should you accept?

A: Because the subject matter of the outside employment opportunity is healthcare-related, or if it were for an institution with which Lilly does business, you must follow the Global Procedure on Conflicts of Interest Evaluations. Since the role is teaching a course, you would be allowed to accept the appointment and receive compensation for this secondary employment on the conditions that it does not interfere with giving Lilly your full-time best efforts; you do not use company resources; you do not disclose confidential Lilly information; and the course materials you develop are based solely on publicly available information and your general training in the field.

REFERENCES • Global Policy on Accepting Honoraria, Payments, or Gifts • Global Policy on Conflicts of Interest • Global Procedure on Conflicts of Interest Evaluations • Global Policy on Dealing with Suppliers • Global Policy on Information Asset Protection • Global Policy on Scientific Disclosure

Fraud and Abuse Laws and Whistleblower Protections

Employees must never give, offer, or promise anything of value to anyone in order to improperly influence that person or institution regarding the prescribing, registering, recommending, dispensing, promoting, purchasing, placing on a formulary, reimbursing, or facilitating of access to Lilly products. Such behavior may violate federal or state laws designed to prevent health care fraud and abuse, including the U.S. Federal False Claims Act (U.S. FCA). The company must not retaliate against any employees who report violations of these laws to the government.

Company employees must not engage in any sales, marketing, or other behaviors that would violate the U.S. FCA and/or any other federal or state law designed to prevent health care fraud and abuse. The U.S. FCA and some similar state laws include provisions under which individual citizens with evidence of fraud against the government may sue on behalf of the government. These laws also prohibit retaliation against persons who file whistleblower lawsuits.

REFERENCES • Global Policy on Anti-Corruption • Global Policy on Compliance • Global Compliance and Policies website • US Policy on Fraud and Abuse Laws and Whistleblower Protections • US Policy on Healthcare-Related Grants and Contributions

THE RED BOOK IN EVERYDAY LIFE

Q: An administrative assistant in your area has told you that she has filed a compliance hotline complaint about a past supervisor who she thought falsified expense accounts. How should you react?

- This makes you feel nervous and consequently you decide to do most administrative tasks yourself.
- Treat her just like you would any other administrative assistant and delegate to her as appropriate.
- Allow her to perform all administrative tasks, except expense reporting.

A: The correct answer is “b”. You should go about your business as usual. Lilly does not tolerate retaliation by any employee against another employee for good-faith reports of violations.

Interactions with Government and Public Representatives

Employees must be truthful and accurate and conduct themselves in a lawful and respectful manner when communicating and interacting with representatives of government agencies, ministries, and public entities. If an employee is contacted by such a representative, or has a need to initiate these communications, they should be channeled through appropriate company personnel.

- You must observe the highest ethical standards and comply with all applicable laws and regulations when conducting business with government and public representatives.
- You must submit accurate, complete information to government agencies or representatives.
- Generally, you should not contact government officials on behalf of the company unless it is your job.

REFERENCES • Global Policy on Anti-Corruption • Global Policy on Compliance • Global Policy on Interactions with Government and Public Representatives • Global Policy on Political Financial Support and Involvement

THE RED BOOK IN EVERYDAY LIFE

Q: What should I do if I am at a conference and a Food and Drug Administration official approaches me and requests information about Lilly and my job there?

A: Explain to the person requesting the information that while it is company policy to cooperate with government representatives, company policy also requires you to notify your supervisor and company attorney before any information may be provided. Ask to see the person’s credentials and obtain contact information so that the appropriate company representative may respond to the person promptly. Then immediately contact your supervisor and a company attorney.

Accepting Honoraria, Payments, or Gifts

Employees must not accept any honorarium, payment, or gift for participating in external activities, such as speaking, authoring, or publishing that relate to responsibilities and experiences at Lilly.

Applies When You:

- Author or edit publications
- Serve on advisory panels or boards
- Make presentations
- Participate in symposia or other professional or technical forums

REFERENCES • Global Policy on Conflicts of Interest • Global Conflicts Evaluation Procedure • Global Policy on Dealing with Suppliers

Antitrust and Competition Laws

Employees must not engage in anti-competitive activities and must seek advice from a company lawyer about any communications or situations that could potentially have an anti-competitive appearance.

Applies When You:

- Deal with suppliers on behalf of the company
- Deal with customers who sell Lilly products
- Interact with representatives of company competitors

REFERENCES • Global Policy on Antitrust and Competition Laws • Global Policy on Dealing with Suppliers • Global Policy on Financial Responsibility and Authorization (FRAP)

Dealing with Suppliers

Employees must avoid dealing with any suppliers or potential suppliers if personal interests, outside activities, financial interests, or relationships conflict or appear to conflict with the interests of the company, directly or indirectly.

Applies When You:

- Are involved in selecting or dealing with suppliers on behalf of the company
- Are offered a gift, entertainment, or favor from a supplier or potential supplier

REFERENCES • Global Policy on Anti-Corruption • Global Policy on Conflicts of Interest • Global Policy on Dealing with Suppliers • Global Policy on Financial Responsibility and Authorization (FRAP)

Financial Responsibility and Authorization (FRAP)

Employees must follow financial requirements regarding ordering, contracting, and paying for goods or services.

Applies When You:

- Are involved in purchasing activities or
- Are approving transactions involving agreements with third parties, the expenditure of company money, and/or the disbursement of company money to third parties.

REFERENCES • Global Policy on Antitrust and Competition Laws • Global Policy on Dealing with Suppliers

Healthcare-Related Grants and Contributions

Employees must never give, offer, or promise anything of value to anyone in order to improperly influence that person or institution regarding the prescribing, registering, recommending, dispensing, promoting, purchasing, placing on a formulary, reimbursing, or facilitating of access to Lilly products. Such behavior may violate federal or state laws designed to prevent health care fraud and abuse, including the U.S. Federal False Claims Act. Educational and charitable funding requests that are healthcare-related must be referred to the Lilly Grant Office (LGO). Only grant personnel who are authorized may participate in the evaluation process, and make decisions regarding funding these requests.

Applies When You:

Deal with any request to provide funding to support:

- healthcare professionals (HCP)
- HCP organizations
- healthcare-related institutions
- patient advocacy organizations
- organizations involved with healthcare or public policy issues or
- any other organization if the request is healthcare-related

REFERENCES • Global Policy on Anti-Corruption • Global Policy on Compliance • US Policy on Fraud and Abuse Laws and Whistleblower Protections • US Policy on Healthcare-Related Grants and Contributions

with respect to:

- charitable contributions
 - educational programs
 - scientific awards
 - scientific fellowships or
 - endowed chairs
-

Political Financial Support and Involvement

Employees must not use or authorize the use of any company funds, property, other resources, or employee services to support any candidate for political office, political party, official, or committee unless permitted by law and approved by the appropriate company representatives.

Applies When You:

- Wish to use any company funds, property, other resources, or employee services to support any candidate for political office, political party, official, or committee anywhere in the world

- Wish to participate in the political process

REFERENCES • Global Policy on Anti-Corruption • Global Policy on Interactions with Government and Public Representatives • Global Policy on Political Financial Support and Involvement

Securities Laws and Trading

Employees must take appropriate precautions to keep non-public information about the company confidential. Employees must also refrain from buying, selling, or trading company stock while in possession of important non-public information. These same restrictions apply with regard to the stock of any company with which Lilly has an existing or proposed business relationship.

Applies When You:

- Have access to “inside” information (information not readily available to the public that investors would consider important in deciding whether to buy or sell a company’s stock)

REFERENCES • Global Policy on External Communications • Global Policy on Information Asset Protection • Global Policy on Pre-clearance of Lilly Stock Trades by Executives and Key Financial Employees • Global Policy on Scientific Disclosure • Global Policy on Securities Laws and Trading

U.S. Travel and Expense Reporting

Employees must follow company requirements regarding spending, reporting, and reimbursement of company travel and business expenses.

Applies When You:

- Are a company employee working in the United States or for the Puerto Rico U.S. affiliate who travels on company business

REFERENCES • Global Policy on Financial Responsibility and Authorization (FRAP) • US Meetings Policy • US Travel and Expense Reporting Policy

U.S. Meetings

Employees must follow company requirements regarding planning and scheduling of meetings that have third-party expenditures and/or are located on non-Lilly property to achieve the best balance of quality and cost for the company.

Applies When You:

- Are a company employee based in the United States who requests, sponsors, or plans meetings

REFERENCES • US Meetings Policy • US Travel and Expense Reporting Policy and Procedures

Excellence

We must demonstrate our commitment to excellence by consistently delivering superior products and services. Quality must be built into everything we do. To achieve this goal, we must follow the laws that govern our business and operate ethically. We must protect our physical and information assets. We must provide accurate and consistent information to the public. We must continually search for new ways to improve everything we do because superior quality is the key to our continued success. To ensure that Lilly delivers quality products and services, we must adhere to the following principles.

“No business worthwhile can be built on anything but the best in everything.”

Colonel Eli Lilly,
Founder

“Because the patient is counting on us, there is no room for failing to follow the legal requirements and Lilly policies that govern our jobs. We can't afford to weaken the quality and reliability of the products and answers we provide.”

Robert Armitage,
Senior Vice President, General
Counsel

Drug, Device, and Biologic Laws and Regulations

Know and comply with the laws, regulations, company policies, and government and court orders and decrees that govern the discovery, development, manufacturing, and distribution of Lilly drugs, devices, and biologics.

Generally

- You are responsible for understanding and complying with legal and company requirements and company policies as they apply to your specific job.

Research

- If you are involved in laboratory or development research, you must know and comply with applicable laws and company policies, which may include Good Research Practices, Good Laboratory Practices, current Good Manufacturing Practices, and requirements with respect to the use and care of animals in research.
- If you are involved in clinical research, you must know and comply with current Good Clinical Practices as established by applicable laws and company requirements, including global and local medical policies and procedures.

Principles of Medical Research

Lilly carefully conducts medical research to generate important information regarding those medicines and promotes them for the indications for which they have been approved. Moreover, Lilly thoughtfully aligns its medical research and marketing activities to provide “Answers That Matter” to its customers. Lilly does not use its medical research as a means to circumvent laws regarding the promotion of its products and complies with the highest ethical principles regarding the proper relationship between medical research and marketing and sales. The following principles are derived from existing company policies and industry codes and define Lilly’s standard for conducting, funding, and communicating results from its medical research.

• Conduct of Research

Lilly sponsors and supports medical research for the purpose of answering scientific questions that are important and relevant to its customers.

The medical component of Lilly is accountable for the design, approval, conduct, and scientific disclosure of medical research sponsored by Lilly.

• Payments to Health Care Providers

Lilly makes payments to health care providers only for legitimate, reasonable, and necessary services and in amounts that are no more than the fair market value for the services performed.

• Communication of Research Results

Lilly discloses publicly all medical research results that are significant to patients, health care providers, or payers—whether favorable or unfavorable to a Lilly product—in an accurate, objective, and balanced manner, for our customers to make more informed decisions about our products.

Manufacturing

- If you are involved in manufacturing the company’s products, you must know and comply with government-approved processes and requirements in drug, device, and biologic registration documents. You must also know and comply with current Good Manufacturing Practices, industry quality regulations and standards, and company policies and procedures.

Substances of Abuse

- If you are involved in handling substances that have a potential for abuse and misuse, you must comply with company policies and local regulations regarding their handling to prevent diversion of these substances for illicit use.

REFERENCES • Company Product Research and Development Quality System • Company Medical Quality System • Company Product Quality System • Company Regulatory Quality System • Global Policy on Special Security Substances • Global Policy on Care and Use of Animals in Research • Lilly Principles of Medical Research

Ethical Interactions with Health Care Providers and the Promotion of Pharmaceutical Products

Employees must comply with all laws, regulations, industry codes of practice, company policies, and government and court orders and decrees that govern the promotion of Lilly medicines and medical devices. Employees must also behave ethically in dealings with health care providers.

Promotional and Educational Materials and Detailing

Employees involved in sales and marketing activities must:

- Use only promotional or educational materials that have been approved for use with customers through the local affiliate promotional materials approval process.
- Never create "homemade" promotional materials or alter approved materials.
- Follow local laws and policies on communication about reimbursement or formulary status.
- Promote Lilly products only for their locally approved indications.
- Not proactively discuss information about unapproved new products or off-label information.
- Follow local laws and company policies on responding to any unsolicited questions from customers for such information.

Gifts, Including Promotional Materials

- You must never give, offer, or promise anything of value to anyone in exchange for that person prescribing, purchasing, registering, recommending, dispensing, promoting, placing on a formulary, reimbursing, or facilitating access to a Lilly product. You must avoid any situation that could give even an appearance of impropriety or could otherwise cause embarrassment to the company, its employees, or its customers. Do not buy the business.
- You must follow your local affiliate's policies and procedures regarding gifts to health care providers. Each affiliate has monetary limits on the value of gifts based on local laws and industry codes.
- Gifts must be medical or educational in nature. Practice-related office items, such as pens and notepads branded with product names, are also acceptable gifts.

Meetings and Hospitality

- The local affiliate where any meeting and/or program takes place must:
 - be contacted and included early in the planning process; and

- give documented approval to all materials and activities planned, including scientific agenda, hospitality, and logistics to facilitate compliance with local laws, regulations, and professional codes of conduct, with particular attention to maximum spending limits and guest restrictions for non-healthcare providers.

- The principal focus of all meetings must be scientific or educational.
- Any hospitality or entertainment offered must be modest by local standards and comply with local law and affiliate policies.

Payments to Health Care Providers for Bona Fide Services

- You may make payments to a health care provider only for bona fide services, such as consulting, speaking engagements, medical research, etc. Such arrangements must comply with local laws, the laws of the country where the health care provider practices, and company policies.
- There must be a written agreement completed in advance that identifies the services to be delivered and the compensation, which must be reasonable and customary for the services to be provided.
- Each affiliate has established a maximum annual amount that can be paid to any health care provider who practices in its country for speaking and consulting services, excluding medical and market research activities. No payments may be made from any Lilly affiliate, department, or third party acting on Lilly's behalf that would exceed this maximum annual amount.

Interactions with Health Care Providers Who Are Also Government Employees

- Familiarize yourself with the U.S. Foreign Corrupt Practices Act and any local rules that govern your interactions with government officials or employees. Do not make direct or indirect payments to any government official or employee without seeking prior advice from company compliance or legal personnel or following your local policies and procedures. See section on Anti-Corruption.

Product Samples

- You may distribute product samples only to authorized health care providers if permitted by local laws. Follow local policies and procedures for control and accountability of samples. Store product samples according to labeled requirements.

Employees must also follow company requirements regarding:

- Healthcare-related Grants and Contributions
- Adverse Events and Product Complaints
- Privacy.

REFERENCES • Global Policy on Anti-Corruption • Global Policy on Ethical Interactions With Health Care Providers and the Promotion of Pharmaceutical Products • Global Policy on Interactions With Government and Public Representatives • Global Policy on Political Financial Support and Involvement • Global Standards for Preparation, Review, Approval, and Use of Promotional Materials • Medical Quality System

Information Asset Protection

Employees must take appropriate precautions to protect and properly use and handle information assets of the company and those entrusted to the company by others. This includes following all copyright, trademark, privacy, and other legal and company requirements.

- Information assets include any information developed by employees relating to company business that is generally not known to the public. It may also include information that suppliers, customers, or partners have entrusted to us. Some examples of information assets include organizational charts; compounds and processes; manufacturing methods; clinical trial data; and marketing, advertising, and business development studies and plans.
- Safeguard all information assets by marking information appropriately, keeping it secure, and limiting access to those who have a business need to know it in order to do their jobs.
- Be careful not to discuss information in areas where you may be overheard. For example, do not discuss company confidential information in any public areas, including airports, airplanes, restaurants, elevators, and restrooms.
- If your job requires you to disclose information to third parties, you must obtain your supervisor's specific approval before disclosing the information. A confidentiality agreement may also be required, approved by the law division or a company attorney and signed by the outside party to whom you are going to disclose the information.
- Identify and evaluate the risks to the company as you make decisions that affect company information assets.
- Do not disclose records except as authorized by company policy or as a required response to legal or regulatory action upon the advice of a company attorney or other authorized individual.

THE RED BOOK IN EVERYDAY LIFE

Q: When on a flight to a business meeting out of town, you need to review some information on your laptop in preparation for a meeting. The plane is full. For what behaviors should you be watching out?

A: Other people can easily read the information on your computer screen. You need to protect from the view of others any company confidential information as well as individuals' private data. In addition, you need to protect not only the information but also the computer laptop itself from being stolen or damaged by having drinks or food spilled on it.

Q: You were networking with a non-Lilly colleague at a recent professional society meeting. At the end of your conversation, you agreed to e-mail her a copy of a presentation that you recently heard at one of your staff meetings. Are you allowed to freely share this information?

A: In general, Protect Lilly information asset protection requirements prohibit you from sharing information that you learn at work freely outside the company. However, if the information is not confidential, you may be able to share it. You will need to consider the source of the content, determine if it is Lilly-specific information or has been entrusted to Lilly by a third party, and whether it is confidential. You must also consider if any copyright limitations apply. In general, you must not freely share Lilly information with outside colleagues. Consult a company attorney if you have questions.

Protect Inventions

- Submit complete details about your inventions to the company's patent attorneys for study and review. You must cooperate fully in the protection of your inventions and ideas, either by maintaining them as trade secrets or by obtaining patents on them as decided by the company.

Publications, Presentations, and Scientific Disclosure

- If you are authoring a publication or making a presentation to third parties, you must obtain prior company approval of the content.

Third-Party Information

- Respect the intellectual property rights of others. Do not obtain confidential information of other parties by improper means or disclose it without authorization.

REFERENCES • Global Policy on External Communications • Global Policy on Personal Information Privacy and Security • Global Policy on Protecting People and Physical Assets • Global Policy on Scientific Disclosure • Global Policy on Use of Electronic Resources • Global Records Retention Schedule • Global Policy on Securities Laws and Trading

Protecting People and Physical Assets

Employees must take appropriate safety and security precautions to protect themselves, other employees, and guests. In addition, employees must protect physical assets, such as products, equipment, and facilities.

Protect People

Employees must take appropriate safety and security precautions to prevent harm to people by maintaining a secure work environment, including being compliant with health, safety, and environmental requirements.

Employees are required to provide personal contact information and are strongly encouraged to provide backup third-party contact information in company systems of record to facilitate prompt communication between employees and management in case of emergency situations impacting employees and/or the company.

Employees must provide business-travel itineraries to management. Employees are also encouraged to supply contact information when traveling for personal reasons. This may be required by line management for certain positions.

In the event of an emergency situation:

- Line management should take all reasonable steps to account for the safety of their employees.
- Employees should keep management informed of their safety and whereabouts.
- Employees must comply with evacuation and other orders issued by government authorities.

Protect Physical Assets

Physical assets include property such as company products, equipment, facilities, vehicles, computers and software, stocks, bonds, bank accounts, charge cards, telephones, files, and records.

Employees must handle physical assets appropriately to avoid loss, theft, or damage. For example, exercise caution when carrying or using laptop computers and other electronic handheld devices off company premises.

REFERENCES • Global Policy on Protecting People and Physical Assets • Global Policy on Information Asset Protection

THE RED BOOK IN EVERYDAY LIFE

Q: You are an administrative assistant and your work team is having an important meeting in another facility. This facility has entry access limits based on the work done there. You realize at the last minute that all of your employees may not have card-reader access to the building. You are concerned that a delay in starting the meeting may short-change critical agenda items you need to get through. What should you do?

A: You should call security and work with that group to have temporary badge access established for your work group. Management at each site is responsible for providing physical security for the site, including access controls to the perimeter, site, building, and restricted/sensitive areas.

Q: A vendor has sent its employees to Lilly for contract discussions. You are facilitating this meeting and since you've started a bit late you decide to forego the introduction section of your meeting, which included the information about safety and the evacuation plan in case of an emergency. Is this OK?

A: No. All employees are responsible for providing safety information for guests who visit the site.

Records Management

Employees must comply with all company records management and retention requirements, including the storage and disposition of company records in accordance with the Global Records Retention Schedule.

All company records are the exclusive property of the company and its affiliates.

- You are responsible for proper management, including retention and disposition, of company records, regardless of the media, under your control.
- You must store records in such a manner that the information is preserved for the period required by the global records retention schedule. It is equally important to appropriately dispose of material that no longer needs to be kept.
- You must not dispose of records that are subject to subpoena, litigation, or government investigation.

THE RED BOOK IN EVERYDAY LIFE

Q: Your area is scheduled to have a records clean-up day, but you feel that you have more pressing business to take care of on that day. Is this acceptable?

A: You should discuss this situation with your supervisor. Each employee is responsible for the proper management, including retention and disposition, of company records under his or her control.

REFERENCES • Global Policy on Records Management • Global Records Retention Schedule

Use of Electronic Resources

Employees must comply with company requirements for and restrictions on the use of electronic resources to protect information assets of the company and those entrusted to us by others.

Use electronic resources (such as computers, e-mail, and the Internet) responsibly and in line with the law and company values, policies, and rules. In particular:

- Use electronic resources securely (for example, do not share passwords or open suspicious e-mail attachments).
- Do not make changes to an electronic resource (such as disabling virus protection or installing non-company provided software or hardware).

THE RED BOOK IN EVERYDAY LIFE

Q: A guest is attending a presentation at Lilly, and while on site he/she wishes to bring a laptop to check e-mail or do other work that requires Internet access. How can the guest accomplish this?

A: Guests who bring their own non-Lilly laptops to the campus may not physically connect their computers to the Lilly network using a connector cable such as those provided in conference rooms or offices. They would not get the connectivity they are seeking and they would expose all Lilly computers to security risks. Guests who have laptops with the capability of connecting to widely available public wireless networks or "cell"-based wireless networks (e.g., Cingular, etc.) may use these means to connect to the Internet while visiting the Lilly campus.

Q: May I use Lilly electronic resources for personal reasons? By way of example, may I shop or trade stock online?

A: Yes, provided such use is minimal. Whenever possible, you should use your own personal electronic resources for personal matters. If this is not possible, your minimal use of Lilly resources must not interfere with business productivity and should generate only minimal costs for the company. Be aware that downloading non-business related files of any type increases company storage costs and could impede network performance. In addition, printing personal documents also generates costs for the company. If you are unsure whether something is acceptable, refrain from doing it. Note: any personal information stored on company resources may not remain confidential.

REFERENCES • Global Policy on External Communications • Global Policy on Information Asset Protection • Global Policy on Personal Information Privacy and Security • Global Policy on Records Management • Global Policy on Scientific Disclosure • Global Policy on Securities Laws and Trading • Global Records Retention Schedule

Care and Use of Research Animals

Employees who care for research animals and/or who are involved in the design and conduct of animal studies (i) must be appropriately qualified and (ii) must carry out their responsibilities in compliance with applicable country and local laws, regulations, and standards, and in accordance with the following widely-recognized principles of animal care and use:

- **with due consideration of the relevance of the study to human or animal health and the advancement of scientific knowledge**
- **using only the minimum number of animals required to obtain valid results**
- **using alternative methods instead of live animals when appropriate**
- **avoiding or minimizing discomfort and distress to the animals.**

Applies When You:

Work with or support company activities involving animals used in research, including:

- Designing or conducting studies for Lilly
- Providing veterinary care
- Supporting the living environment for animals
- Negotiating or providing support with respect to contracts with animal suppliers or third parties who conduct animal research for the company
- Supervising anyone involved in the above activities
- Observing any activities related to animals used in research.

REFERENCES • Global Policy on Care and Use of Animals in Research • Global Policy on Protecting People and Physical Assets • Global Policy on Health, Safety, and the Environment

External Communications

Employees must obtain appropriate company approval before communicating externally, in a public forum or any forum accessible by the public, any information related to the company, its products, policies, or activities, or those of its competitors. In some cases, employees must refer inquiries to others within the company for appropriate handling. The type of approval or referral required varies according to the type of information and the intended audience.

Applies When You:

- Receive inquiries from members of the U.S. or non-U.S. news media relating to company business, products, policies, or activities; or competitors or their products
- Wish to contact the U.S. or non-U.S. news media regarding any company-related matter
- Receive inquiries regarding investments in Lilly stock
- Wish to disclose company information in a public forum or any forum accessible by the public.

REFERENCES • Global Policy on External Communications • Global Policy on Information Asset Protection • Global Policy on Scientific Disclosure • Global Policy on Securities Laws and Trading

Import and Export

Employees must meet all legal and company import and export requirements that apply to (i) electronic or physical transfer of goods (whether sending or carrying), and (ii) disclosure of technology or software to individuals or between countries. These may include, for example, requirements regarding classification, valuation, country of origin markings, documentation, declarations to local government agencies, and obtaining government licenses as needed. Transfers between Lilly affiliates as well as transfers between Lilly and third parties are subject to these requirements.

Applies When You:

- Are involved in the shipment of products, equipment, clinical trial material, discovery or development compounds, laboratory specimens, laboratory samples, marketing materials, chemicals, feedstock, office materials, printed materials, and other miscellaneous items (regardless if payment is being exchanged)
- Are involved in transferring controlled software or technology to individuals or between countries
- Are involved in any transfer described above whether between Lilly affiliates or between Lilly and third parties

REFERENCES • Global Policy on Import and Export Controls • Global Policy on Transactions Involving Sanctioned Persons, Entities, or Countries • Global Policy on Transactions Subject to International Boycotts •

International Boycotts

Employees must not engage or agree to engage in activities or commitments that would support boycotts imposed by foreign countries against other countries that are friendly to the United States. Employees who receive any requests to support boycotts must report the requests and seek advice from a company attorney.

Applies When You:

- Receive a request to support a boycott

REFERENCES • Global Policy on Import and Export Controls • Global Policy on Transactions Involving Sanctioned Persons, Entities, or Countries • Global Policy on Transactions Subject to International Boycotts • Lilly Anti-Boycott Compliance Manual

Scientific Disclosure

Employees must obtain company approval through the Electronic Disclosure Approval Request (eDAR) process prior to disclosing publicly scientific information generated by or on behalf of the company, including, for example, any results of scientific research and any business process that describes how Lilly conducts and manages its scientific processes and information. Before submitting a proposed disclosure through eDAR, every employee who seeks to disclose scientific information is responsible for verifying that the intended disclosure is consistent with an applicable scientific data disclosure (SDD) plan.

Applies When You:

Author, present, or support the development or delivery of scientific disclosures such as:

- journal articles and supplements (both print and electronic)
- abstracts, posters, oral presentations
- slides, slide kits
- book chapters, lecture transcripts
- scientific symposia, symposia highlights/reviews
- editorials, perspectives
- book reviews, scientific reviews, invited reviews
- any type of brief, rapid or expedited scientific communication.

REFERENCES • Global Policy on External Communications • Global Policy on Information Asset Protection • Global Policy on Scientific Disclosure • Global Policy on Securities Laws and Trading

U.S. Trade Sanctions

Employees must not engage in or agree to engage in any company transaction with persons, entities, or countries against which the U.S. government maintains trade or economic sanctions without first seeking advice from a company attorney and obtaining prior U.S. government approval in the form of a license or by other means, as appropriate to the transaction.

Applies When You:

- Are involved in actual or potential company transactions with persons, entities, or countries against which the U.S. government maintains trade or economic sanctions

REFERENCES • Global Policy on Import and Export Controls • Global Policy on Transactions Involving Sanctioned Persons, Entities or Countries • Global Policy on Transactions Subject to International Boycotts • Global US Trade Sanction Compliance Standards

Patients who purchase Lilly products expect the best. We must always be mindful of our company's values and our brand attributes. We must act ethically as we follow the policies that govern our work if we are to provide for patients answers that really matter to them.



Answers That Matter.

The Red Book is reviewed annually and is updated as appropriate. The online version of ***The Red Book***, accessible through the Compliance and Policies website, supersedes all previously printed versions of ***The Red Book***.

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