Lilly

2024

Sustainability Report

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Our Sustainability site always contains the latest information about our sustainability strategy, goals, progress and data. This file is provided as an archive of Lilly's 2024 Sustainability Report.

A Message from Our CEO

David A. Ricks

Chair and CEO

To Our Stakeholders:

For nearly 150 years, Lilly has been at the forefront of creating breakthrough medicines that improve human health. Our most profound global impact is reflected in the millions of people who benefit from our medicines each year.

Key to our progress on behalf of patients is our long-standing commitment to sustainability, as we work to strengthen communities, responsibly steward natural resources, and empower our global workforce. We continue to pursue ambitious, measurable sustainability goals, which are embedded in our business strategy and operations. Highlights in 2024 include:

- Advancing toward our 2030 climate goals of being carbon neutral in our own operations and purchasing all our electricity from renewable sources. In 2024, we secured 58% of our purchased electricity from renewable sources and reduced our Scope 1 and 2 greenhouse gas emissions by 37% from 2020 to 2024, while our overall business has grown.
- Implementing a new on-site solar array at our corporate headquarters in Indianapolis, with on-site solar present at Lilly facilities in eight countries.
- Reaching an estimated 58 million people with our medicines in 2024.
- As part of our goal to improve healthcare for 30 million people in resource-limited settings by 2030, we reached 24 million people in 2024.
- Providing $4.2 billion in medicines in 2024 to charitable organizations that offer medicines at no cost to qualifying patients around the world. This included more than $30.9 million in medicines to humanitarian organizations that support disaster preparedness, disaster relief and humanitarian aid.
- Introducing LillyDirect®, a direct-to-consumer digital healthcare experience for patients in the U.S., expanding access to millions of adults with obesity, diabetes and migraine.

Guided by our values of integrity, excellence, and respect for people, we will continue to tackle the most critical medical challenges in ways that transform human health and make a lasting contribution to humanity. We appreciate your interest in our work and support of our progress.

Sincerely,

David A. Ricks

Chair and CEO

See important information about our Sustainability Report.

My signature above affirms our company's ongoing commitment and our intent to support and advance the United Nations Global Compact's ten universally accepted principles in the areas of human rights, labor, environment, and anti-corruption, in addition to the United Nations Sustainable Development Goals.

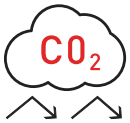
Sustainability Highlights

Introduced **LillyDirect**®, **a direct-to-consumer digital healthcare experience** for patients in the U.S., expanding access to millions of adults with obesity, diabetes and migraine directly from a secure, trusted source

Partnered with EVA Pharma to **expand access to insulin and baricitinib in Africa**

Donated $6.5 million to the U.S. Fund for UNICEF to enhance health outcomes for at-risk children and youth in resource-limited settings in India

$4.2 Billion in Free Medicines Provided in 2024, including $30.9 million in disaster relief and humanitarian assistance[1]



Reduced Scope 1 and 2 Greenhouse Gas Emissions by 37% from 2020 to 2024, while our overall business has grown

Purchased 58% of our purchased electricity from renewable sources in 2024, doubling our renewable energy purchasing compared to 2023

KEY NOTES

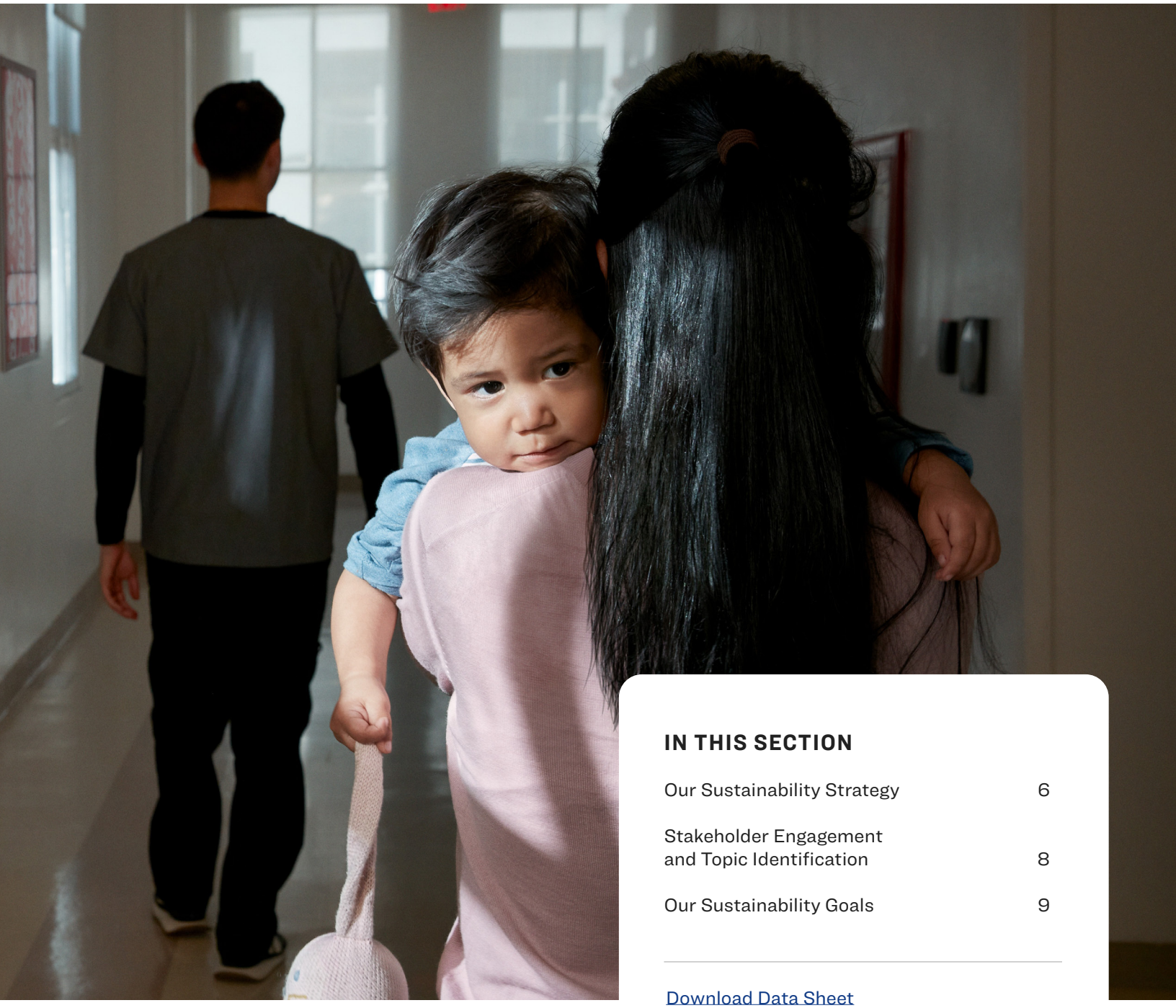
1. Includes value of medicines provided by Lilly and its affiliates to charitable organizations that offer free Lilly medicines to qualifying patients. Product donations valued at wholesale acquisition cost.

Recognitions

At Lilly, we strive to make life better for our own workforce, for people touched by our medicines, and the communities in which we operate. We've received recognition from several distinguished organizations for our efforts.

See our recent recognitions.

Our Strategy



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Our Sustainability Strategy

Lilly unites caring with discovery to create medicines that make life better for people around the world. For nearly 150 years, we've developed and delivered trusted medicines that help people get better, feel better and live better. We remain committed to continuous progress and improving our positive impact on people, the planet and society.

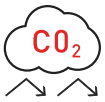
Our sustainability strategy and efforts directly support Lilly's purpose to discover and develop medicines that make life better. We are striving to:

Expand access to medications globally

Improve healthcare for individuals in resource-limited settings

Strengthen communities globally, including where we live and work

Foster a workforce that leverages various perspectives to innovate and deliver medicines



Minimize our environmental impact across the lifecycle of our products and our supply chains

Operate ethically and responsibly, guided by our core values of integrity, excellence and respect for people.

Governance

Our CEO and Board are actively engaged in strategic sustainability matters at Lilly. We also involve global employees in sustainability efforts for individual and collective impact. Learn more about our Sustainability Corporate Governance.

Goals

Our sustainability goals are embedded within our business strategy and operations. We establish ambitious, quantifiable targets and communicate our progress through this report and other stakeholder communications. Explore our Sustainability Goals.

Lilly's Sustainability Topics

ENVIRONMENTAL	SOCIAL	GOVERNANCE
Climate	U.S. Access & Affordability	Business Ethics
Water	Global Access & Health	Corporate Governance
Waste	Community Engagement	Supply Chain Management
Product Stewardship	Inclusion	
Biodiversity	Employee Experience	
	Patient Safety	
	Human Rights	

Stakeholder Engagement and Topic Identification

Lilly has solicited input from internal and external people and organizations to better determine the sustainability issues that matter most to our company and stakeholders. We obtained input and prioritization from:

- Shareholders
- Customers
- Lilly Board and Executive Committee
- Employees
- Students and prospective employees
- Advocacy organizations
- Non-governmental organizations
- Industry organizations
- Community organizations

In addition to engaging with stakeholders, we frequently conduct peer benchmarking and integrate industry and sustainability trends, leveraging relevant sustainability reporting frameworks, including the Sustainability Accounting Standards Board (SASB) and Task Force on Climate-related Financial Disclosures (TCFD).

Through this process, we have focused on the 15 sustainability topics noted above, which represent important issues to internal and external stakeholders and are key to our company's long-term success. These topics are aligned with the SASB standards for the Biotechnology and Pharmaceutical industry, and environmental issues addressed by TCFD. Our sustainability strategy is dynamic, and we review these priorities periodically to align our approach with topics relevant for Lilly, our stakeholders and our industry.

Sustainability Goals

We strive to set measurable goals to track the progress and performance of our sustainability strategy. Our goals help drive accountability and are grounded in our purpose to create medicines that make life better.

Carbon Neutrality

We strive to be carbon neutral in our own operations (Scope 1 and 2 emissions) by 2030 and enhance our full value-chain emissions reporting.

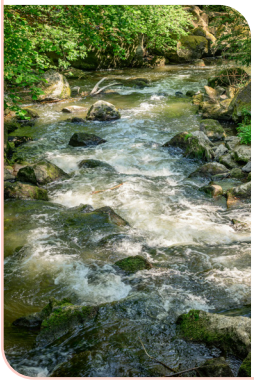
Renewable Electricity

We strive to source 100% of purchased electricity from renewable sources by 2030.

Waste and Plastics

We strive to have zero waste go to landfills from routine operations and have 100% of plastic waste repurposed for beneficial use, with at least 90% recycled or reused. We're also committed to integrating sustainability-focused design principles into product and packaging design processes.

Water Security

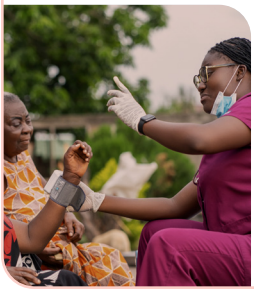


We strive to maintain that 100% of Lilly sites meet predicted no-effect concentrations (PNEC) for Pharmaceuticals in the Environment and establishing and conforming to water management plans for Lilly sites in water-stressed areas.

Zero Injuries

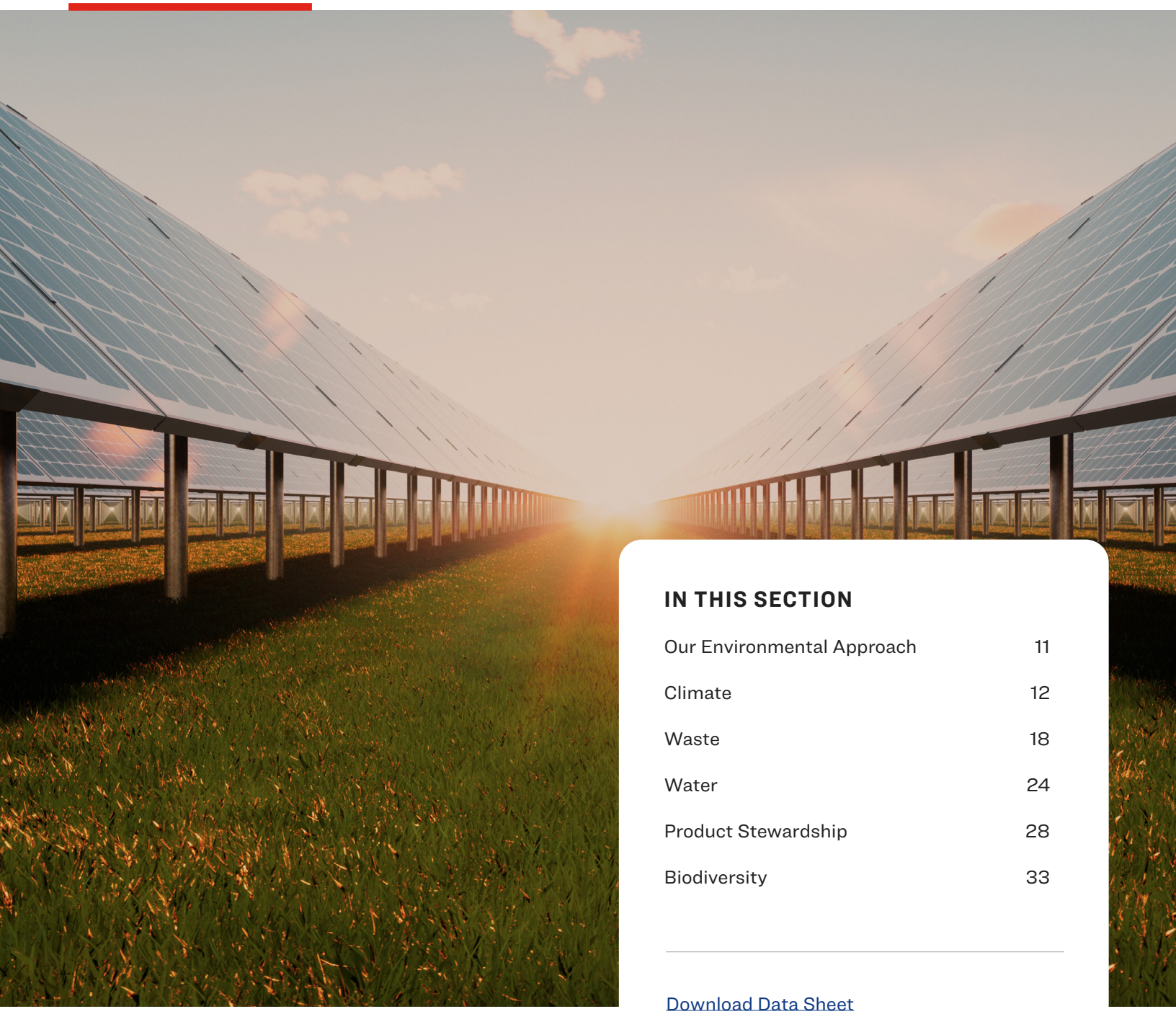
We strive to achieve zero severe injuries, with a focus on continuous improvement. We monitor and respond to leading and lagging metrics connected to our safety priorities and improving safety culture.

Reach 30 Million People by 2030



Through investments in people, medicines and health systems, we strive to improve access to quality healthcare for 30 million people living in resource-limited settings annually by 2030.

Environmental



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Download Data Sheet

Our Environmental Approach

Our purpose, to make life better, includes protecting and preserving the world we live in. Making medicines requires the use of valuable resources including energy, water and raw materials. We're committed to reducing our environmental footprint. To track our progress, we measure and manage energy and water use, greenhouse gas (GHG) emissions and the generation of waste and wastewater throughout our operations. Lilly manages health, safety and the environment (HSE) under a unified governance structure.

Our 2030 Environmental Goals

Climate

Carbon neutral
in our own operations

100%
renewable electricity

Enhance
full value-chain
emissions reporting

Waste

Zero
waste to landfill from
routine operations

100%
of plastic waste repurposed for
beneficial use with at least
90% recycled or reused

Integrate sustainability
into product and
packaging design

Water

No adverse impact
to water-stressed areas

No adverse impact
from pharmaceuticals
in the environment

Climate

IN THIS SECTION

Management Approach

Lilly acknowledges that climate change is negatively impacting human and environmental health. Action against climate change is required to achieve the goals of the Paris Climate Agreement and to avoid the most detrimental effects of climate change by limiting the global temperature rise to 1.5 °C. Lilly is taking action to reduce greenhouse gas emissions within our operations and along our value chain. We have assessed our Scope 3 emissions and progressed in our journey to identify climate related risks and opportunities in our business.

As a global medicine company, we recognize our responsibility to reduce our carbon footprint and manage climate-related risks and opportunities to do our part. Lilly supports the Paris Climate Agreement, discloses information according to recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and strives to implement these recommendations across the TCFD categories of Governance, Strategy, Risk Management and Metrics & Targets. For more information, see our TCFD Metrics.

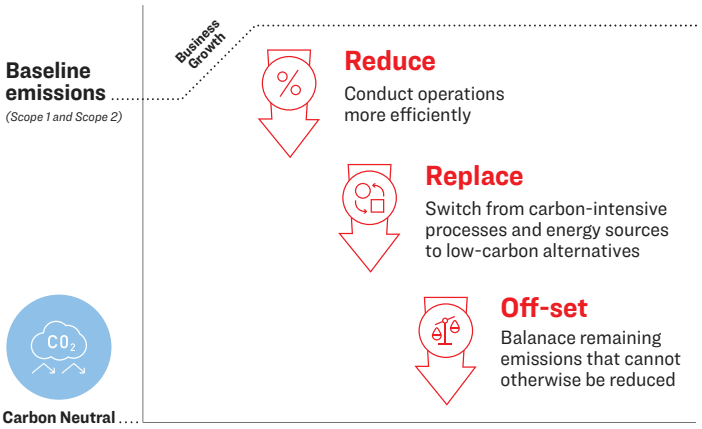
As Lilly continues to expand its global presence and innovate in the pharmaceutical sector, we recognize the importance of aligning growth with our sustainability goals. Our projected growth trajectory entails careful consideration of its impact on our carbon footprint, resource consumption and waste generation. At Lilly, we are committed to implementing a range of initiatives to advance environmental sustainability across our operations and value chain. This includes initiatives to enhance energy efficiency across our operations and investments in renewable energy sources to reduce reliance on fossil fuels and decrease greenhouse gas emissions. These efforts are aimed at reducing environmental impacts while fostering sustainable business growth.

Climate Action Strategy

To mitigate the impact of Lilly's business operations on the environment and achieve our 2030 goals, described below, we are applying a three-pronged approach:

1. **Reducing** our energy and emissions by making our overall operations more efficient
2. **Replacing** carbon-intensive processes and energy sources with low-carbon alternatives
3. **Offsetting** remaining emissions and energy sources that could not be reduced or replaced, by purchasing emissions offsets from high-quality, third-party verified carbon reduction projects (note: it is not currently possible to eliminate all emissions sources or transition all direct energy supplies to renewable sources).

See our 2025 CDP Climate Response for more information regarding our governance and approach to climate change and related risks and opportunities.



2030 Climate Goals and Our Progress to Date

Lilly is committed to reducing our greenhouse gas emissions, and prioritizing energy efficiency to become a more climate-resilient organization. We have set climate goals for 2030 as we work toward contributing to a low-carbon economy:

Secure 100% of our electricity from renewable sources

Through the end of 2024, 58% of our electricity demand – 399,000 MWh – came from renewable sources.

We are focusing our efforts on securing renewable electricity using a three-pronged approach:

- **On-Site Generation -** The first, and most effective effort, is implementing direct renewable electricity through on-site solar installation. We have established on-site solar arrays at our sites in the United States, France, Ireland, India, Italy, Spain, China and Puerto Rico. We aim to expand our use of on-site solar generation where possible at existing sites and implement on site solar arrays at our new manufacturing sites as we expand our footprint to support business growth.
- **Purchased Renewable Electricity -** We are actively purchasing renewable energy from our utility providers across numerous sites globally.
- **Renewable Energy Certificates (RECs) -** We also purchase renewable energy certificates (RECs) that support clean energy generation in certain regions where we operate. Our REC purchases align with globally recognized standards, such as the Greenhouse Gas (GHG) Protocol guidelines, ensuring credibility and regional environmental benefits.

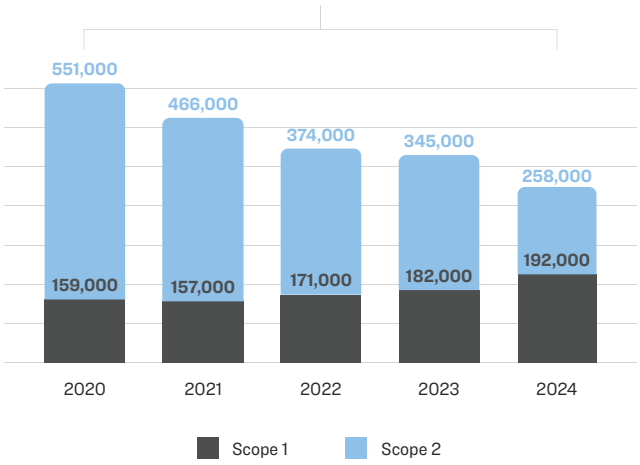
Become carbon neutral in our own operations (Scope 1 and 2 emissions)

Lilly strives to be carbon neutral in our own operations by 2030, and we are working to reduce greenhouse gas emissions throughout our operations. Our strategy is to first reduce emissions as much as possible internally before we consider offsets to cover the remaining emissions. From 2020 to 2024, we achieved a 37% absolute emissions reduction in our own operations and 15% year-on-year reduction from 2023 to 2024. This reduction was driven by energy efficiency improvements and increased use of our renewable electricity, which was partially offset by business growth at existing sites and the startup of new manufacturing facilities.

Lilly's 2024 Scope 1 and Scope 2 data received limited assurance by Ernst & Young, LLP (EY).

Scope 1 and Scope 2 Emissions (tonnes of CO2e)

37%
absolute emissions reduction from 2020 to 2024



Enhance tracking and reporting of emissions from our Scope 3 (value-chain)

In 2025, we assessed our Scope 3 (value-chain) emissions for the 2024 calendar year. This complex assessment was completed, assured via limited assurance and reported in Q3 2025. The emissions associated with our value chain account for approximately 93% of our total GHG emissions, with Category 1 (Purchased Goods and Services), Category 2 (Capital Goods) and Category 4 (Upstream Transportation and Distribution) being the largest contributors. Lilly's 2024 Scope 3 data received limited assurance by Bureau Veritas.

Performance Highlights

37%
reduction in emissions from 2020 to 2024

15%
reduction in emissions from 2023 to 2024

58%
of our electricity secured from renewable sources

Memberships and Investments

UN Global Compact
member since 2009

Over $50 Million
invested into our Energy, Waste and Water Reduction Fund since 2006

Reducing Energy and Emissions

In 2024, our energy consumption increased compared to 2023 due to the start-up of new Lilly manufacturing facilities and increased manufacturing production at existing sites. Although our energy consumption increased, we were able to reduce our carbon emissions by transitioning to cleaner and more efficient technologies that help reduce greenhouse gas emissions associated with this energy. We continue to emphasize energy efficiency at our facilities, including:

- Utilizing Leadership in Energy and Environmental Design (LEED) principles as a framework for healthy, efficient and more sustainable buildings in new and updated facilities, facilitating the use of advanced energy monitoring and control solutions, conducting energy assessments, and evaluating and incorporating alternative energy sources.
- Participating in local, regional and national forums to understand and integrate energy management best practices, and to support responsible and cost-effective decision-making and policy development. Examples of participation include the U.S. Environmental Protection Agency's ENERGY STAR Pharmaceutical Focus Group, the Association of Energy Engineers, and the American Society of Heating, Refrigerating, and Air-Conditioning Engineers.
- Providing an Energy, Waste and Water Reduction Fund which provides capital funding to encourage projects that demonstrate the greatest potential for reduction in energy consumption, greenhouse gas emissions, waste generation or water consumption. Projects supported by this fund have led to meaningful energy efficiency improvements and reductions in greenhouse gas emissions each year.
- Actively recognizing innovation and excellence in Health, Safety and the Environment (HSE) management by granting annual HSE awards. Nominations represent a significant accomplishment, and the awards recognize our employees for helping Lilly achieve energy and greenhouse gas emissions reduction goals and other HSE improvements. Projects are also assessed on their potential to scale in other areas across the company.

Reducing Emissions through Cleaner Energy

We continue to evaluate how to improve our energy resiliency and expand our use of renewable electricity consistent with our goal to diversify our energy sources and decrease our greenhouse gas emissions over time.

Enhancing the Use of Renewables

In 2024, 58% of our electricity was secured from renewable sources, doubling our renewable electricity compared to 2023. We have reduced greenhouse gas emissions at key facilities by leveraging on-site solar generation. See locations and examples below.

Lilly signed a renewable power purchase agreement to procure approximately 450,000 megawatt hours per year of renewable electricity from a newly constructed wind farm. We anticipate the new wind farm will be online in 2025. This is expected to provide a significant portion of Lilly's renewable electricity needs as we expand our manufacturing footprint to meet the global demands for our medicines while progressing toward our goal of achieving 100% renewable electricity by 2030.

Global Solar Installations

Solar array at Lilly's Carolina, Puerto Rico facility.

Parking canopy solar array at Lilly's Fegersheim, France location.

Solar array at Lilly's Kinsale, Ireland location.

Rooftop solar arrays at Lilly's Corporate Center in Indianapolis, Indiana

Energy Resiliency

Energy resiliency is about ensuring our facilities have a reliable supply of energy and contingency measures in place in the event of a power failure.

Combined heat and power systems provide energy resilience by supplying electricity and thermal energy to facilities on a continuous basis with the ability to operate independently from the grid. This reduces the risks associated with energy supply disruptions or climate-related events.

Fleet Fuel Economy

Our GREENDirections program, which applies to Lilly's sales and marketing affiliates around the world, focuses on carbon emissions reduction, office energy conservation and waste reduction. Each year, our affiliates maintain a current roadmap to deliver on these priorities and look for opportunities to enhance their environmental performance.

Lilly affiliates have demonstrated a commitment to reducing carbon emissions by setting ambitious goals and have begun fleet transitions to electric vehicles (EVs). In geographies where EVs and infrastructure are not readily available, affiliates will continue offering fleet vehicles with more efficient fuel economy (e.g., hybrids and plug-in hybrids) and emphasizing sustainable driving and work practices in training programs.

Scope 3 Emissions and Supply Chain Engagement

The Greenhouse Gas Protocol Corporate Standard classifies Scope 3 emissions as indirect greenhouse gas emissions (not included in Scope 2) that occur in an organization's value chain. There are 15 categories in Scope 3 divided into upstream emissions (activities related to manufacturing of our products) and downstream emissions (activities related to distribution and use of our products). The emissions associated with our value chain account for approximately 93% of our total GHG emissions, with Category 1 (Purchased Goods and Services), Category 2 (Capital Goods) and Category 4 (Upstream Transportation and Distribution) being the largest contributors.

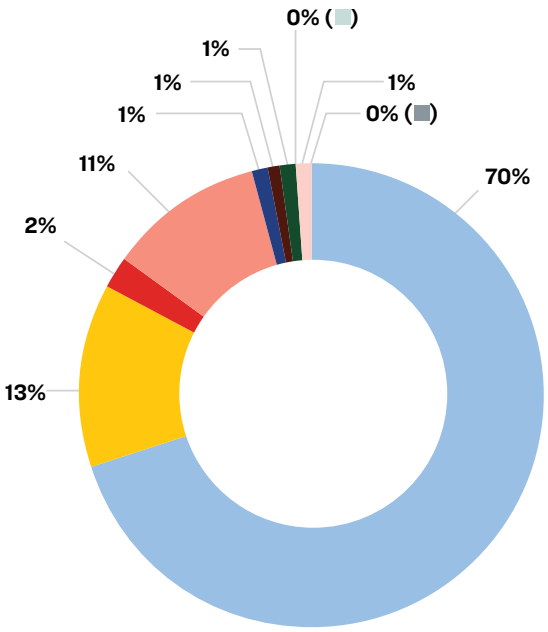
In 2024, Lilly's total Scope 3 emissions were 6,174,000 metric tonnes CO_2e. Our increase in Scope 3 emissions versus the prior year is primarily attributed to the increased spend on purchased goods and services driven by the company's accelerated growth during this period. Additionally, other contributing factors include external updates to the US Environmentally-Extended Input-Output (USEEIO) codes and the associated emission factors, and other evolutionary methodology changes that further influenced the overall increase in Lilly's calculated Scope 3 emissions. In an evolving Scope 3 data capture and calculation environment, we expect to consider best practices each year to provide best estimates where possible.

We are working to advance transparency across our value chain, including in our Scope 3 emissions. We have begun to engage with key suppliers and identify areas of our value chain where we could potentially drive emissions reductions. We intend to use the data gathered through our supplier engagement efforts to inform our evolving supply chain strategy related to climate change.

Our aim is to find ways to collaborate across our industry peers and supply chain sectors to advance our understanding of our entire value chain, their activities and impact on our Scope 3 emissions. We are also investigating opportunities to engage with suppliers to better track and analyze our supply chain emissions. Lilly's 2024 Scope 3 emissions breakdown is shown in the figure below.

2024 Scope 3 Emissions Breakdown

Note: Bureau Veritas was engaged by Eli Lilly and Company to provide limited assurance over Lilly's 2024 Scope 3 emissions data.



Total Scope 3 emissions (metric tonnes CO_2e) =

6,174,000

Upstream Activities

Category 1: Purchased Goods and Services
4,345,000 tonnes CO_2e

Category 2: Capital Goods
779,000 tonnes CO_2e

Category 3: Fuel- and Energy-Related Activities
109,000 tonnes CO_2e

Category 4: Upstream Transportation and Distribution
708,000 tonnes CO_2e

Category 5: Waste Generated in Operations
39,000 tonnes CO_2e

Category 6: Business Travel
47,000 tonnes CO_2e

Category 7: Employee Commuting
51,000 tonnes CO_2e

Downstream Activities

Category 9: Downstream Transportation and Distribution
100 tonnes CO_2e

Category 12: End-of-Life Treatment of Sold Products
86,000 tonnes CO_2e

Category 15: Investments
10,000 tonnes CO_2e

Categories 8, 10, 11, 13 and 14 are not relevant.

Off-Setting through Carbon Removal Projects

While our primary strategy is to directly reduce emissions and replace carbon-intensive sources with clean energy sources where possible, to achieve carbon neutrality we recognize the remaining emissions will need to be offset by purchasing carbon offsets from climate protection projects with recognized quality standards. To date, we have not purchased any carbon offsets. The decision to purchase offsets will be made based on the remaining emissions that cannot be eliminated. Information related to our California Voluntary Carbon Markets Disclosure (AB 1305) can be found here.

Climate Performance Data

Greenhouse Gas Emissions (Market-Based)[1]	2020	2021	2022	2023	2024
Scope 1	159,000	157,000	171,000	182,000	192,000
Scope 2	551,000	466,000	374,000	345,000	258,000
Greenhouse Gas Emissions (Scope 1 and Scope 2) (metric tonnes CO_2e)[2]	710,000	623,000	545,000	527,000	450,000
Emissions Intensity (Scope 1 and Scope 2 Market-Based greenhouse gas emissions per US dollar of revenue)[2]	0.000029	0.000022	0.000019	0.000015	0.000010

Value-Chain Greenhouse Gas Emissions	2020	2021	2022	2023	2024
Scope 3 Emissions (metric tonnes CO_2e)[3]	176,000 (limited data scope)	2,987,000	3,179,000	5,139,500	6,174,000

Energy	2020	2021	2022	2023	2024
Total Energy Consumption (million BTUs)	6,200,000	6,100,000	6,130,000	7,240,000	7,293,000
Direct Energy Consumption (million BTUs)[4]	1,700,000	1,600,000	1,950,000	2,910,000	2,964,000
Indirect Energy Consumption (million BTUs)[5]	4,500,000	4,500,000	4,180,000	4,330,000	4,329,000
Renewable Electricity	7%	9.6%	14.4%	28.4%	58.3%

Climate Goals	2030 Goal	2024 Performance
100% Renewable Electricity	100%	58.3%
Carbon Neutral (Market-Based Scope 1 and Scope 2)	Carbon Neutral	450,000 tonnes CO_2e
Enhance Tracking and Reporting of Full Value Chain Emissions (Scope 3)	N/A	On track

Footnotes

Note: Data may be revised compared to prior reports due to changes in calculation methodology and other factors. Some segments do not add up to totals due to rounding.

Note: Lilly's 2024 Scope 1 and Scope 2 data received limited assurance by Ernst & Young, LLP (EY) and Scope 3 data received limited assurance by Bureau Veritas.

[1] Presented in alignment with Lilly's basis of reporting for key environmental sustainability indicators. A **location-based** method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data). A **market-based** method reflects emissions from electricity that companies have purposefully chosen (or their lack of choice). It derives emission factors from contractual instruments, which include any type of contract between two parties for the sale and purchase of energy bundled with attributes about the energy generation, or for unbundled attribute claims. See GHG Protocol Scope 2 Guidance. In 2020, Lilly did not differentiate between market-based and location-based emissions calculations.

[2] Includes Scope 1 emissions and energy from onsite fuel combustion, refrigerants, process emissions and mobile combustion sources; and Scope 2 emissions and energy from site-purchased energy (i.e., electricity, steam and chilled water). For smaller locations not billed directly to Lilly, data are estimated based on square footage.

[3] For Scope 2, production mix emission factors from carbonfootprint.com are used to calculate emissions for all electricity usage outside the US except for Canada, UK, and Australia. The production mix emission factors account for both scope 2 and scope 3 FERA emissions, which is aligned with what was used in the 2022 inventory.

[4] All 15 categories within the Scope 3 emissions have been assessed, assured via limited assurance and reported starting in 2021.

[5] Data includes energy from combustion of coal, fuel oil, natural gas and liquid propane. 2023 onwards, this data also includes energy used by aircraft, sales fleet and on-site generated renewable electricity.

[6] Data includes energy from purchased electricity, steam and chilled water.

Waste

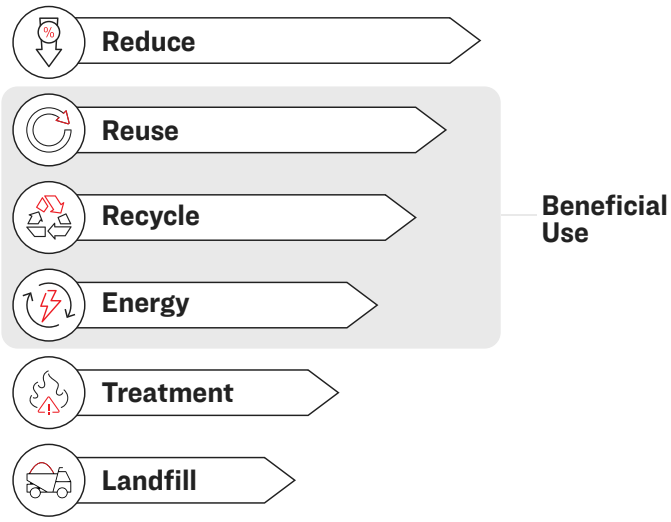
IN THIS SECTION

Management Approach

At Lilly, we are committed to minimizing waste to conserve energy, resources and landfill space. We understand that the most effective way to reduce waste is to not create it in the first place. We are committed to green chemistry and efficiency and endeavor to reduce waste at the source, including minimizing the use of hazardous materials that can often become hazardous waste at the end of the manufacturing process. We explore ways to reuse materials from our processes and send waste for recycling when feasible. For the remaining waste, where feasible, we strive to recover energy and treat waste to reduce toxicity and volume. We strive to only send waste to landfills as a last resort or when legally required. We also recognize that plastic waste is one of our world's most pressing issues and are taking steps to reduce our footprint.

Waste Strategy

Our waste strategy follows a hierarchy that prioritizes eliminating waste (reduce), followed by reuse, recycling and consuming our waste for energy as illustrated by the graphic.



2030 Waste Goals and Our Progress to Date

We have established waste goals to reduce landfill waste, address plastic waste from our operations and support integration of sustainability into the designs of our products.

Zero waste to landfill from routine operations

In 2024, 20 out of Lilly's 32 facilities achieved the zero-landfill target, resulting in 1.1% of our waste from routine operations being sent to landfill. The number of our facilities reaching the zero-landfill target increased and there was an overall decrease from 2023 in the aggregate percentage of routine operational waste being sent to landfill.

100% of plastic waste repurposed for beneficial use, with at least 90% recycled or reused

In 2024, we were able to repurpose 95.7% of plastic waste for beneficial use (reuse/recycle/waste-to-energy), primarily driven by the recycling of plastics from our manufacturing processes and incoming packaging material. Of this plastic waste, 86.6% was recycled or reused. The plastic waste recycling percentage in 2024 decreased compared to 2023 primarily due to a single event at the Japan manufacturing facility where non-recyclable plastic packaging material was received.

Integrating sustainability-focused design principles into product and packaging design processes

We continue to build on efforts to incorporate sustainability into the lifecycle of our products, delivery devices and packaging with waste reduction in mind. We strive to develop products that are inclusive, trustworthy and sustainable. Learn integrating sustainability into our product and packaging designs.

Recent Achievements

1.1%
of waste from routine operations sent to landfill

95.7%
beneficial use of plastic waste

86.6%
of plastic waste recycled or reused

Managing Waste Across Our Operations

In 2024, Lilly generated 125,000 metric tonnes of waste, representing a 4% reduction in total waste versus 2020. This reduction was achieved while increasing manufacturing production rates across the same period. Most of the waste generated by Lilly is considered non-hazardous by relevant regulatory authorities. The remaining waste we generate that is considered hazardous is carefully stored, packaged and shipped to approved treatment facilities, some of which recover energy from the waste. We strive to send hazardous waste to landfills when there is no other option or when required by law.

Plastic Waste Reduction Efforts

We are focused on minimizing our plastic waste footprint. To do this, we reduce the generation of plastic waste where possible, identify where recycled plastic materials are suitable for use in our processes and maximize the reuse and recycling of plastic waste. When reduction, reuse and recycling are not viable, we send plastic waste to a facility that converts waste into energy.

We were able to repurpose 95.7% of our plastic waste for beneficial use (reuse/recycle/waste-to-energy) in 2024, primarily driven by the recycling of plastics from our manufacturing processes and incoming packaging material. Of our total plastic waste, approximately 86.6% was recycled or reused. While we are close to achieving our established plastic waste goals, we anticipate that it will take significant efforts – such as new technologies and innovative external capacity – to achieve 100% beneficial use and at least 90% reused or recycled plastic waste.

Plastic Reuse and Recycling at Manufacturing Facility

As part of our commitment to continually improve our environmental impact, we optimize plastic use at our manufacturing facilities through reuse and recycling programs. As part of these programs, packaging from incoming materials can be recycled and used as feedstocks for other products such as composite decking, furniture and carpet padding.

Reducing Waste from Our Cafeterias

At our headquarters in Indianapolis, Indiana, we have eliminated nearly all polystyrene foam materials from our cafeterias and transitioned to biobased to-go containers and other more environmentally friendly materials.

We have transitioned the majority of our plastic bottled drinks to aluminum cans. The shift to aluminum, which boasts higher recycling rates than plastic, aligns with our environmental sustainability goals. Additionally, we collect and recycle food-related cardboard packaging and compost kitchen prep food waste, which can be used to augment fertilizer needs for a commercial farm.

At many of our facilities in Europe, our food service providers have focused on elimination of single-use plastics for items such as cutlery, plates, drink accessories (stirrers and straws) and take-away bags.

Integrating Sustainability into Our Product and Packaging Design Processes

To support our 2030 waste goals, we continue to build on efforts to incorporate sustainability into the lifecycle of our products, delivery devices and packaging, with waste reduction in mind. Our goal is to integrate sustainability-focused design principles into future product and packaging design processes, while identifying and evaluating opportunities to enhance our current portfolio, including labeling in some markets that will better inform the patient on disposal. We aspire to develop products that are inclusive, trustworthy and sustainable.

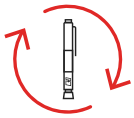
Inclusive

We strive to design intuitive experiences that are inclusive of the unique capabilities and changing conditions of people around the world and that meet their diverse abilities and needs.

Trustworthy

We demonstrate care and compassion for people and aim to create devices and packaging that are consistent, reliable and easy to learn and use across all touchpoints.

Sustainable



We strive to design our therapies, devices, packaging and experiences for longevity and minimal environmental impact.

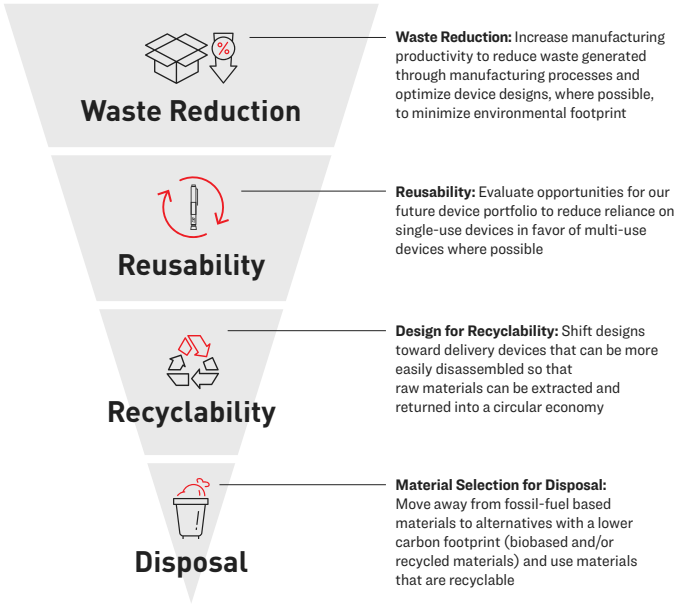
We aim to make our products more sustainable without sacrificing safety, regulatory requirements, user experience or patient outcomes. We strive to position our products at the top of our “reduce, reuse, recycle” waste hierarchy, and design for recyclability while also reducing medical waste and electronic waste. We are investing in research to identify renewable/bio-based materials to make our future packaging and devices more sustainable. We are also exploring collaborations and partnerships with our key materials suppliers to evaluate the feasibility of improving the sustainability of existing devices.

Lilly has developed a Design for Sustainability Guidebook to support the design of our next generation of delivery devices to meet Lilly’s environmental goals. The guidebook is used internally to provide insights into sustainability approaches in device and secondary packaging design, materials, and recycling. It aims to increase knowledge in this space and explore best practices when designing our devices and packaging in a regulated environment.

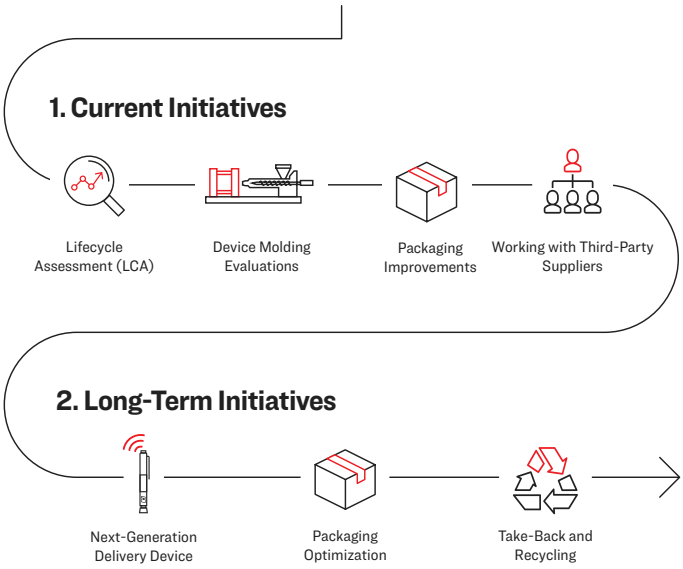
Drug Delivery Devices

For Lilly’s existing drug delivery devices, we focus on the selection of materials and waste reduction and recyclability strategies to improve sustainability. We strive to incorporate additional sustainable design elements into future platforms.

Sustainable Design Strategy



Sustainability Roadmap

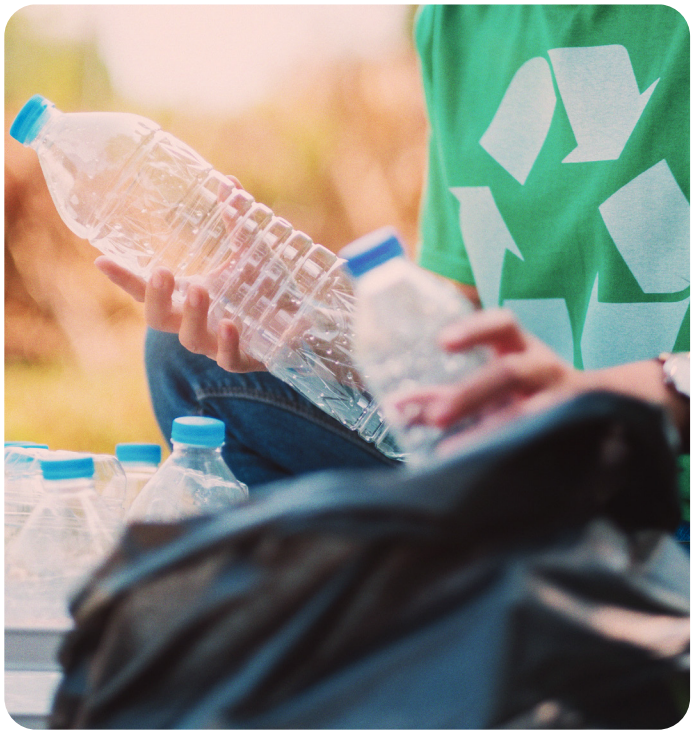


Current Initiatives for the Sustainability Roadmap

- **Lifecycle Assessment (LCA) –** We have advanced our understanding of the carbon footprint for multiple devices, including both existing devices and devices in development, by conducting detailed lifecycle analyses of these devices. The lifecycle analyses were conducted in accordance with ISO 14040, which is a recognized international standard for assessment of the environmental aspects of a product or service in its entire lifecycle. Lifecycle analyses help identify key opportunities for reducing our carbon footprint using alternative materials, secondary packaging, transportation and manufacturing. We will continue to evaluate these opportunities, without impacting the supply of medicines to our patients. In addition, we have developed in-house LCA expertise to drive analysis of our next generation devices during the innovation stages. The effort is aimed at integrating sustainable principles into the next generation devices right from the start.
- **Device Molding Evaluations (Proof of Concept) –** We started evaluating and identifying renewable materials that could be used as alternatives to existing plastic materials used in our devices. We conducted proof-of-concept (PoC) trials to make plastic components using renewable materials. Additionally, we continue to investigate energy efficient ways of molding the plastics used in our devices with the goal of reducing energy consumption.
- **Packaging Improvements –** We strive to optimize the size of our product packaging. We have also developed alternatives for packaging used throughout our manufacturing processes, from in-process to final packaging, which allows for reuse or recycling and improves efficiency as we transport products globally. In addition, we are working to better inform our patients about recyclability or appropriate disposal of our products' packaging materials.
- **Working with Third-Party Suppliers –** We continue to engage with our key suppliers of device and packaging components to better evaluate alternate low-carbon material and recycling options to reduce waste.

Long-Term Initiatives for the Sustainability Roadmap

- **Next-Generation Delivery Devices –** For our next generation of devices, we strive to apply learnings from our lifecycle analysis studies to better design and develop future devices with lower environmental impact. Our Design for Sustainability Guidebook aims to help our internal device teams to improve designs and develop more environmentally friendly devices. We are continuing to advance our efforts in this area and aspire to develop durable, reusable devices that help minimize reduce medical and electronic waste.



- **Packaging Optimization –** We are working to reduce packaging and transition to eco-friendly materials where possible. Additionally, the pharmaceutical industry has begun to evaluate the potential to move, as the default, to electronic patient information leaflets instead of printed materials. We recognize there are many aspects to consider, such as regulatory requirements, patient preference and access to technology. However, we are committed to working with stakeholders to assess and understand opportunities to reduce waste through technological advancements and digitization.
- **Take-Back and Recycling –** We are exploring new ways to address end-of-lifecycle product waste. We have initiated pilot programs for device take-back and recycling processes, however, these solutions are not yet available in all geographies or at large scale. Learn more about our Product Stewardship efforts.

Packaging

We consider many sustainability factors in selecting product packaging, including material use and recyclability. Pharmaceutical packaging must meet stringent regulatory and internal standards. In some cases, this prevents us from using recycled content, as is the case with container closure systems that come into direct contact with our products. However, we have started working with suppliers on the implementation of recycled content materials in our paper-based secondary packaging. We continually seek to improve packaging design to reduce the amount of packaging used, use lower-impact materials and promote recyclability.

- **Pulp-Based Clinical Trial Packaging Change –** Our efforts to improve the environmental impact of our packaging goes beyond our commercial products and extends to potential future products currently undergoing clinical trials. Our clinical trial organization has begun to implement pulp-based solutions for device packaging. We are one of the very early adopters to use this pulp packaging option that, like plastics, can be injection molded into a variety of shapes. Use of this eco-friendly packaging option has reduced the size of drug delivery device packaging cartons compared to the original packaging design. This reduction in size also translates to shipping and transportation savings.

Sales and Marketing

Lilly leverages technology to evolve our business and reduce our environmental footprint, such as digital media for promotional materials. In addition, systems to improve inventory management by reducing low-use printed materials and controlling print quantities are in place to reduce paper waste.

Visit our Product Stewardship page to learn more about our approach to sustainability throughout product life-cycles.

Waste Performance Data

Total Waste Generation[1]	2020	2021	2022[4]	2023[4]	2024
Total Waste Generation (metric tonnes)	130,000	118,000	121,000	116,000	125,000
Non-hazardous Waste (metric tonnes)	110,000	98,000	99,000	97,000	98,000
Hazardous Waste Generation (metric tonnes)	20,000	20,000	22,000	19,000	27,000

Total Waste Disposition[1]	2020	2021	2022[4]	2023[4]	2024
Beneficial Use (includes recycled, reused and waste-to-energy)	120,000	108,000	109,000	103,000	112,000
Treated (includes combustion without energy recovery) (metric tonnes)	7,300	7,100	8,000	9,200	10,600
Landfilled (metric tonnes)	2,700	2,300	4,000	3,500	2,700

Waste Metrics for Goals[1]	2020	2021	2022[4]	2023[4]	2024
Waste generated from Routine Operations (metric tonnes)	Not previously reported	107,000	108,800	99,700	112,900
Waste to Landfill from Routine Operations (metric tonnes)	Not previously reported	600	1,800	2,000	1,200
Plastic Waste from Routine Operations (metric tonnes)	Not previously reported	8,600	10,600	10,500	10,900
Plastic Waste Repurposed for Beneficial Use (includes recycled, reused and waste-to-energy) (metric tonnes)	Not previously reported	8,400	10,300	10,100	10,400
Plastic Waste Recycled or Reused (metric tonnes)	Not previously reported	7,600	9,300	9,100	9,400

Waste Goal Performance[2]	2030 Goal	2022[4]	2023[4]	2024
Percent of Waste from Routine Operations Sent to Landfill[3]	Zero (Less than 0.5%)	1.8%	2.0%	1.1%
Percent of Routine Plastic Waste Repurposed for Beneficial Use	100%	97.7%	96.6%	95.7%
Percent of Routine Plastic Waste Recycled or Reused	Greater than or equal to 90%	88.1%	86.3%	86.6%
Integrate Sustainability-Focused Design Principles into Our Products and Packaging	N/A	On Track	On Track	On Track

Footnotes

Note: Certain figures may contain rounding differences.

Note: Bureau Veritas was engaged by Eli Lilly and Company to provide limited assurance over the specified 2024 environmental performance data presented in alignment with Lilly's basis of reporting for key environmental sustainability indicators.

[1] Total waste includes all waste generated from Lilly facilities, routine waste and non-routine waste. Non-routine waste is defined in footnote 2.

[2] Waste goals exclude waste from the following categories: non-routine construction and demolition debris (e.g., building construction or demolition); uncontaminated soil, rock, concrete, bricks, etc., used for clean fill; waste generated as a result of remediation of surface or underground areas (e.g., soil, rock, water and personal protective equipment); vegetation (e.g., landscaping debris), wastewater that is conveyed offsite through piping (i.e., not shipped offsite in container or tanker) for treatment or discharge; and biosolids or other residue from wastewater or stormwater collection and treatment.

[3] For the purpose of our landfill goal, "zero landfill" is defined as elimination, reuse, incineration, reclamation or recycling to the point that routine waste as generated will no longer be placed in a landfill. A site may achieve "zero landfill" status if less than 0.5% of its generated routine waste is sent directly to landfill. Lilly will meet "zero landfill" status if less than 0.5% of Lilly's routine waste as generated is sent directly to landfill.

[4] Updates to the Waste Performance data tables for 2022 and 2023 were made to correct for two business areas which reported duplicate plastic waste recycling data. These corrections have been made to the following metrics: total waste generation, total waste disposition, waste metrics for goals and waste goal performance.

Water

IN THIS SECTION

Management Approach

Water is essential to our operations and the facilities where we discover and manufacture our medicines, and we're committed to using this critical resource efficiently. We aim to manage water more sustainably by reducing our water footprint and avoiding potential risks related to pharmaceuticals in the environment (PiE).

We assess our water risks, and while we generally operate in locations where the risk of water scarcity and poor quality are low, we continue to focus on conserving and reducing water use and improving the quality of the water we discharge from our facilities. We work with our sites around the world to identify water-saving opportunities and wastewater treatment technologies to support our environmental goals. We have reported on our water programs through CDP, including through our latest 2025 CDP Water Security response.

2030 Water Goals and Our Progress to Date

We have established water-related goals that include establishing and implementing water management plans for all Lilly sites in water-stressed areas, as well as maintaining our internal and external manufacturing operations to meet predicted no-effect concentrations (PNEC) for Pharmaceuticals in the Environment.

Establishing and implementing water management plans for Lilly sites in water-stressed areas

100% of our manufacturing sites located in water-stressed areas have developed water stress management plans. Each water stress management plan includes localized targets and initiatives with specific delivery dates related to reducing water stress where these sites operate. Each site continues to progress their water management plans.

100% of Lilly sites meet predicted no-effect concentrations (PNEC) for Pharmaceuticals in the Environment

In 2024, 100% of Lilly manufacturing sites met pharmaceutical PNEC values established by the Lilly Aquatic Exposure Guideline (LAEG) program. Furthermore, all our manufacturing sites achieved wastewater discharges less than 10% of PNEC-based limits established for pharmaceuticals.

Ensured appropriate controls were in place with Lilly contract manufacturers to prevent discharge of pharmaceuticals in wastewater above applicable PNEC-based limits for Pharmaceuticals in the Environment

Through the end of 2024, Lilly completed assessments of 100% of our contract manufacturers. All contract manufacturers were found to have appropriate controls in place to meet the established PNEC-based limits.

Recent Achievements

Performance Highlights

100% of Water Management Plans

have been established and implementation is underway.

100% of Lilly Sites

met predicted no-effect concentrations (PNEC) for pharmaceuticals in the environment (PiE).

100% of Lilly's Contract Manufacturers

have been assessed and found to have appropriate controls to meet established PNEC-based limits.

Water Use

Manufacturing operations account for most of our water use. The production of injectable medicines requires exceptionally high-quality water, and our sites rely on utility operations to produce purified water and water for cooling systems and steam boilers. To reduce our water consumption, we use reclaimed water when possible and have optimized our cooling systems to reduce water usage. In 2024, our facilities recycled or reused 290 billion liters of water, representing 97.5% of our total water demand.

In 2024, 7.5% of our total water intake occurred at sites in geographies that are defined as "water stressed." Potential future regional water risk, unpredictable costs and climate change concerns have further strengthened our commitment to using water more efficiently and improving water quality based on local needs. Hence, we have established water management plans for Lilly sites located in water-stressed geographies.

Managing Water-Stressed Geographies

The water stress management plans were developed based on guidance in the Alliance for Water Stewardship International Water Stewardship Standard V2.0 (AWS Standard). The AWS Standard has five outcomes that represent fundamental aspects of water. The intent of these outcomes is to act as fundamental "pillars" of water stewardship – or themes that are reflected in all water stewardship efforts.

1. How humans are responsible and accountable for water (governance)
2. Quantities and timing of water (water balance)
3. Properties of the water (water quality)
4. Spatial aspects of areas that may or may not contain water at a given time, but that are critical to maintaining the human-derived benefits of water including the ecosystem services from Important Water-Related Areas (IWRAs)
5. Provision of safe water, sanitation and hygiene for all.

Pharmaceuticals in the Environment (PiE)

Pharmaceuticals, the active ingredients of medicines, have been found in surface waters, groundwater, sediment, and soil. Reported concentrations of pharmaceuticals detected in the environment are usually extremely low. Pharmaceuticals may enter the environment through effluents from pharmaceutical manufacturing or through excretion by patients after therapeutic use of a medicine. They may also enter the environment through improper disposal of unused medicines. There are various public and stakeholder concerns regarding pharmaceuticals in the environment (PiE). The detection and biological potency of pharmaceuticals raise questions about potential risks to the environment. Additionally, there are concerns about the impact of the pharmaceutical supply chain on human health, especially in countries that may lack rigorous environmental protection standards. The World Health Organization, the U.S. Environmental Protection Agency and the U.S. Geological Survey have all concluded that the presence of pharmaceuticals in drinking water is unlikely to have a direct impact on human health. Recent publications by Gunnarsson et al. (2019) and Wilkinson et al. (2022) conclude that for most pharmaceuticals, presence in surface water presents a low risk to environmental species, whether based on predicted or measured environmental concentrations.

We believe the discharge of pharmaceuticals into the environment should be minimized. We strive to ensure our internal and external manufacturing operations do not adversely impact waterways due to discharges of pharmaceuticals.

PiE Governance

Due to the importance of the topic of pharmaceuticals in the environment (PiE) to Lilly and our stakeholders, Lilly has a PiE Governance Committee that sets strategic direction related to PiE and provides long-term oversight of Lilly's Aquatic Exposure Guideline (LAEG) program that controls the discharges of pharmaceuticals from manufacturing sites. The PiE Governance Committee reports directly to our Global HSE Committee. Read more about our HSE Governance.

PiE Risk Assessment

We assess the pharmaceuticals in our medicines for potential environmental impacts before introducing a medicine to market. To do this we use environmental risk assessment procedures that are aligned with several global regulatory agencies.

We assess the environmental risk posed by patient use of our medicines as part of the approval process for new medicines in the U.S. and Europe.

We also assess the environmental risk posed by the manufacturing of our medicines as part of our internal Lilly Aquatic Exposure Guideline (LAEG) program. The results drive appropriate treatment and containment strategies at our manufacturing sites to protect aquatic species in downstream surface waters and the communities and wildlife using these waters. The LAEG program has been in place for more than three decades at Lilly facilities, and we are now fully implementing LAEG assessments at contract manufacturers across our supply chain. Lilly has committed to compliance with LAEG requirements at our manufacturing facilities and to ensure controls are in place at our contract manufacturers to prevent harmful discharge of our active pharmaceutical ingredients.

Collaborations and Partnerships for Understanding and Mitigating PiE

We continue to partner with industry, academia and governments to improve both our understanding of and response to PiE. Lilly scientists and technical experts have been engaged in the following efforts:

- **Collaborating on Novel PiE Assessment –** We are currently engaged in a second Innovative Medicines Initiative consortium project, the Prioritization and Risk Evaluation of Medicines in the EnviRonment (PREMIER). This six-year project aims to deliver a novel assessment system for characterizing the environmental risks of pharmaceuticals while addressing several of the actions stated in the EU's published Strategic Approach to PiE. As part of this project, we are collecting environmental data on prioritized legacy pharmaceuticals and contributing to the evaluation of the relationship of external and internal concentrations of pharmaceuticals in fish.
- **Assessing the Potential for Designing Environmentally Biodegradable Pharmaceuticals –** We participate in the American Chemistry Society's Green Chemistry Institute Pharmaceutical Roundtable, a consortium of companies that is considering pharmaceuticals environmental biodegradation potential.
- **Advancing the Science of PiE –** We continue to support efforts to advance PiE-related research by authoring papers, serving as journal reviewers, presenting at conferences and workshops, and participating in meetings concerning the safety of pharmaceutical residues in water.
- **Partnering on Take-Back Programs –** In collaboration with regulators and other pharmaceutical companies, we are key partners in take-back programs for unused medicines such as MedsDisposal in Europe and Med-Project in the U.S.
- **Engaging in Industry Initiatives –** We participate in several industry PiE initiatives, such as Eco-Pharmaco-Stewardship, a multi-faceted program developed with several pharmaceutical trade organizations (EFPIA, AEGSP, MFE).
- **Developing PiE Tools and Resources –** We are also actively engaged in creating tools and resources to share with industry peers, including in-person and online training on risk-based approaches to managing effluents, a user-friendly tool to calculate discharge limits for pharmaceuticals, an industry guidance document on controlling pharmaceutical discharge and audit protocols to evaluate PiE supply chain risks.

Water Performance Data

	2020	2021	2022	2023	2024
Water Intake (billion liters)[1]	6.10	5.92	6.52	7.35	7.60
Water Recycle Rate (%)[2]	98.4%	98.0%	97.7%	97.5%	97.5%
Percent of Water Use in Water-Stressed Areas	8.1%	8.9%	7.7%	7.4%	7.5%

Water Goals	Target	2024 Performance
Establish and implement water management plans for sites in water-stress geographies	Develop and implement water management plans for sites in water stressed geographies	100% of plans were developed on time, and the implementation phase has started
Ensure 100% of Lilly sites meet predicted no-effect concentrations (PNEC) for pharmaceuticals in the environment	100%	100%
Ensure appropriate controls are in place with Lilly contract manufacturers to prevent discharge of pharmaceuticals in wastewater above applicable predicted no-effect concentrations (PNEC)	100%	100%
Percent of assessed external partners meeting PNEC limits	100%	100%

Footnotes

Note: Bureau Veritas was engaged by Eli Lilly and Company to provide limited assurance over the specified 2024 environmental performance data presented in alignment with Lilly's basis of reporting for key environmental sustainability indicators.

[1] "Water intake" is the total amount of water coming into a site, including water pumped from bodies of surface water and groundwater, as well as water provided by a utility. It includes water used in processes, utilities and other ancillary operations, such as irrigation. The term does not include groundwater pumped solely for treatment to satisfy regulatory actions or requirements (e.g., remediation activities where the water is not used for another purpose). Values do not include the water extracted from wells solely for the purpose of lowering the groundwater table(s) to maintain the physical and structural integrity of building foundations. Totals include a small amount of rainwater intake not included in other water intake subcategories. Lilly does not generally collect water data from small locations that house primarily administrative activities such as sales and marketing offices unless they are co-located at a Lilly manufacturing or research facility.

[2] "Water recycle rate" is calculated as the total annual volume of water recycled/reused divided by the sum of total annual water intake plus the total annual volume of water recycled/reused.

Product Stewardship

IN THIS SECTION

- Managing Environmental Performance Across the Product Lifecycle
- Green Chemistry
- Global Chemical Management
- Product End-of-Life

Management Approach

Each stage of the pharmaceutical product life cycle includes distinct environmental considerations and opportunities. We take a broad approach to understanding and managing potential environmental issues across our value chain, from development of new medicines to product end-of-life and disposal considerations. As the phase of research and development significantly influences the environmental footprint of pharmaceutical manufacturing, we integrate sustainability-focused design principles – such as green chemistry and end-product engineering – early in product development. These design principles help identify and reduce health, safety and environmental impacts from production processes when possible. As our product portfolio evolves and grows, we continue to search for new and better ways to reduce our environmental footprint across the life cycle of our products.

Managing Environmental Performance Across the Product Life Cycle

Our circularity-based strategy includes integrating sustainability across the value-chain toward the ultimate goal of fostering a positive impact on patients and the planet.

Patient Use

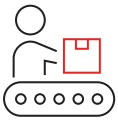
The work we do starts with the patient in mind. We are committed to making a positive impact on people, society and the planet. We aspire to develop products that are inclusive, trustworthy and sustainable to achieve the highest level of safety, user experience and patient outcomes with all of our products.

Research and Development

We consider environmental factors beginning with the earliest stages of design and development. We use the 12 principles of green chemistry, environmental risk assessments, packaging manufacturing reviews and an environmental development review process to evaluate potential environmental impacts during the scale-up of production to manufacturing levels.

Materials and Natural Resources

Our stakeholders, including customers, governments and suppliers worldwide, are increasingly focused on the materials and chemicals used to make pharmaceutical products. A key component of our sustainability strategy is to reduce our carbon footprint by continuing to increase the use of environmentally friendly materials and processes. Additionally, through our chemical management program, we work to reduce our use of materials, water and other natural resources when possible.



Manufacturing

We recognize that our manufacturing processes require the use of valuable natural resources. Our priorities include compliance with applicable HSE regulations, policies, procedures and standards as we work to continually improve our environmental performance related to energy efficiency, waste minimization and water management. We strive to reduce Lilly's environmental impacts associated with our own manufacturing processes as well as our contract manufacturing organizations.

Product Transportation and Logistics

We consider many factors when selecting product packaging, including sustainability aspects such as materials reuse and recyclability. We have formed a green logistics team that seeks to optimize both shipment volumes and transportation methods to reduce packaging materials and greenhouse gas (GHG) emissions.

Product End-of-Life

Our product journey is circular and always comes back to where it started – the patient. We work with stakeholders to ensure cost-effective approaches are available for product end-of-life disposal that balance environmental protection, patient safety and privacy, legal compliance and security.

We commit to understanding the potential effects of pharmaceuticals in the environment (PiE). We support using science-based evaluations to assess and reduce the environmental risks of our pharmaceutical products. Through collaborations with industry partners, academic researchers and regulatory agencies, we continually work to further understand and proactively address any potential impacts from our products.

Green Chemistry

Green chemistry has been a focus at Lilly for many years. From the selection of candidate molecules through the identification of manufacturing processes, our development teams engage in a variety of activities during research and development to design sustainably, including:

- Eliminating or reducing the hazardous materials or chemicals of concern used to make a product
- Focusing on removal of substances of very high concern (SVHC) as classified by the European Chemicals Agency
- Shrinking the waste profiles of certain molecules through reduced solvent and water use
- Increasing the overall efficiency of material use
- Advancing the underlying green chemistry of medicine development and making production both safer and more environmentally friendly through a commitment to continuous process improvement
- Implementing new manufacturing technologies that minimize environmental impact, including continuous flow processes, which Lilly has worked to advance in the pharmaceutical industry.

By employing green chemistry, we strive to enhance the safety profile of manufacturing processes by reducing the risk of the most hazardous manufacturing steps. We are also focused on the adoption of greener and safer solvents where possible. For example, we have replaced several hazardous solvents and hazardous air pollutants with safer alternatives in our chemical synthesis operations.

Lilly Research

We continue to advance green chemistry through our own research, and several of our findings were published in scientific journals. Highlights include:

- **Synthetic Molecule Design & Development –** Co-authored a paper which captures the first systemic metrics study for synthetic peptides that warrants more environmentally friendly processes in peptide manufacturing.
- **Patent for Greener Medicine –** Developed improvements in solvent efficiency and published a process patent and manuscript describing continuous chemistry for Lilly's once-weekly dual glucose-dependent insulinotropic polypeptide (GIP) and glucagon-like peptide-1 (GLP-1) receptor.

External Collaborations

Lilly actively pursues broader industry collaborations to help advance green chemistry through a combination of dialogue and leadership with peer companies, scientific partnerships and research sponsorships. We are actively engaged in collaborations with the American Chemical Society (ACS) Pharmaceutical Roundtable and the IQ Consortium's Green Chemistry Working Group to promote the Green Aspiration Level (GAL) tool and support ongoing development of industry standards. Lilly currently holds a leadership role within the ACS Pharmaceutical Roundtable, which has recently grown to over 50 member companies and serves as the primary organization advancing pre-competitive sustainability initiatives.

In collaboration with industry peers, we have worked to improve the iGAL metric. Yield, and convergence have been added as new key sustainability indicators, including introduction of a new convergence formula with potential applicability in computer assisted synthesis planning (CASP) algorithms. The improved statistical model of iGAL 2.0 represents a valuable extension to the common API process waste metrics, process mass intensity (PMI) and complete E factor (cEF). We believe that iGAL 2.0 can readily be adopted by pharmaceutical firms around the globe and thereby empower and inspire their scientists to make meaningful and significant contributions to sustainability.

Global Chemical Management

Governments around the world and across many of the regions where we operate have developed chemical management legislation, such as the REACH regulation in the EU that requires companies to collect and register information about certain chemicals they manufacture or use, unless those chemicals are exempt.

These regulations may require replacing chemicals identified as hazardous with safer alternatives, when available. To address these concerns, we have implemented a formal program and screening process to evaluate designated "chemicals of concern" throughout the pharmaceutical research and development process. Our process also addresses mitigation steps where new restrictions may impact our existing operations. This assists us with ensuring that our facilities and supply chain remain in compliance with chemical management laws.

During the scale-up of medicine production to manufacturing levels in our pharmaceutical business, we use an Environmental Development Review process to evaluate other potential environmental issues and opportunities. This process identifies and addresses potential impacts arising from manufacturing, suggests process improvements and facilitates learning as new medicines transition from the laboratory to the manufacturing facility.

Ensuring that our medicines have a smaller impact on the environment does not stop with green chemistry. We also focus extensively on water use, waste and Pharmaceuticals in the Environment (PiE). Learn more about our waste and water efforts.

Product End-of-Life

Unlike many consumer products that can be recycled or are composed of materials that can be reclaimed at the end of their usefulness, many of our medicines are, by nature, different. Public health regulations often prohibit the use of recovered materials from pharmaceutical products like those produced by Lilly. We continue to work with customers, industry partners and public health officials to address these product end-of-life issues.

We promote policy decisions that are efficient, effective and protect both human health and the environment. We also support educating patients and caregivers on proper disposal of medicines and syringes, needles and other sharps used in home settings. We communicate this information to patients through product user manuals and Lilly medicine resources, a hotline that answers frequently asked questions about our products.

We are a member of the Pharmaceutical Product Stewardship Work Group (PPSWG), a U.S.-based membership association that coordinates pharmaceutical manufacturer efforts to respond to state and local household medicine and sharps takeback laws. We are a participating company in MED-Project USA and MED-Project LLC ("MED-Project"), owned by PPSWG, which serve as the stewardship organization designated by PPSWG members to implement and operate mandated household unwanted medicine and sharps take-back programs. The MyOldMeds.com website is provided by PPSWG as an easy way for patients to find a site near them to dispose of unwanted, unused or expired medicines from households.

We also engage with other industry stakeholders on these matters in the EU, such as European Federation of Pharmaceutical Industries and Associations (EFPIA), and in Canada Health Products Stewardship Association.

Device Take-Back and Recycling

We are also committed to investigating ways to mitigate plastic waste by exploring potential new options to reduce end-product waste. Lilly is exploring opportunities individually and with industry collaborations that include:

- Efforts led by pharmaceutical associations
- Collaborations with other pharmaceutical and device manufacturing companies
- Supplier-led sustainability collaborations.

In addition, we are providing financial and resource support to potential partners for the testing newer technologies that could lead to recycling and reuse of plastic after our devices are used by patients.

- **United States** - Lilly is working with several recyclers to assess the feasibility of their process for recycling Lilly devices. Once the feasibility is established, the goal is to scale up the technology for potential device recycling programs more broadly.
- **Germany** – Lilly is conducting a device take-back pilot program in Germany. This effort was initially launched with a limited number of hospitals in 2020 and has since been expanded to include more health care offices and hospitals in Germany. The collected

devices are being used in recycling studies to assess methods of recovering plastics and other materials. This program is a step in our efforts to increase the circularity of our devices and minimize their environmental impact.

- **Denmark** – Lilly has joined a collaborative effort with Novo Nordisk, Sanofi and Merck to pioneer the world's first cross-industry solution for recycling injection pens. This pilot program was launched in Denmark in May 2023, leveraging the country's existing recycling infrastructure. The ambitious target for the program is for 25% of all injection pens distributed by the four companies in Denmark to be recycled.
- **France** – Lilly, in collaboration with Sanofi, has joined RECYPEN, the first recycling effort for insulin injection pens in France. RECYPEN is an initiative led by DASTRI, the national eco-organization approved to collect and treat waste from health care activities. This pilot program for recycling insulin injection pens from Lilly and Sanofi launched in 2024 in four pilot regions: Auvergne-Rhône-Alpes, Grand Est, Hauts-de-France and Occitanie. The program will be tested for an initial one-year period and aims to collect 30% of the pens used by patients in these regions.
- **UK** – The Circularity in Primary Pharmaceutical Packaging Accelerator (CiPPPA) launched a new initiative with ambitions for waste reduction and environmental stewardship, such as the development of effective end-of-life product management of pharmaceutical packaging and diverting waste from landfill sites. Lilly, along with other leading pharmaceutical companies, global over-the-counter (OTC) brands and health care systems such as the NHS, has joined CiPPPA in this collaborative initiative focused on packaging solutions surrounding blisters, inhalers and injectables.

Biodiversity

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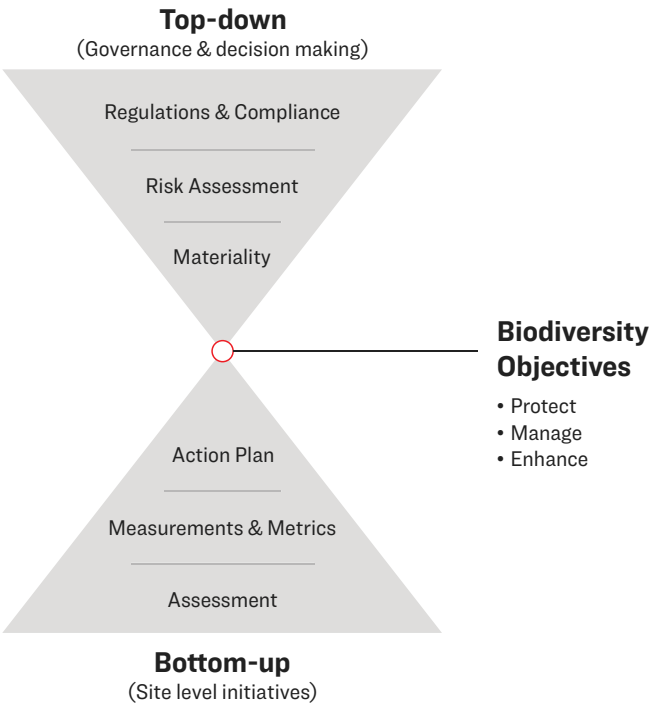


Management Approach

As a medicine company, we recognize our responsibility to protect and conserve nature while pursuing our purpose to make life better for people around the world. Biodiversity and nature conservation is not a new concept for Lilly. Lilly has been involved in environmental protection and nature enhancement projects across its global facilities for decades. Lilly recognizes the importance of biodiversity and its role in supporting health and well-being.

Lilly strives to protect designated biodiversity rich areas, manage existing biodiversity at our sites and enhance biodiversity within the communities where we operate. We collaborate with external partners, industry coalitions, and our employees to raise awareness and drive action on biodiversity conservation.

Biodiversity Strategy and Approach

Lilly's biodiversity strategy outlines our approach to managing risks related to biodiversity and ecosystems, promoting sustainable practices and contributing to the conservation and restoration of endangered habitats and species. Our strategy focuses on a top-down and bottom-up approach that funnels from governance and decision-making to site-level initiatives and implementation.

Case Studies

Kinsale Harbor Study

To study the impact of our manufacturing facilities on the local aquatic environment, our site in Kinsale, Ireland initiated a longstanding evaluation of aquatic habitat quality and benthic biodiversity in 1978. Managed by the National University of Ireland Galway, the Kinsale Harbour Study is one of the longest studies of marine coastline conducted anywhere in the world. The evaluation has not identified evidence of adverse impacts on habitat quality and benthic biodiversity in the study area due to wastewater discharge from the Kinsale site. Results have been published in peer-reviewed scientific publications and several project reports. This project continues to support academic research for university students.

Leading the Industry in Ecologically Sound Endotoxin Testing

Lilly continues to be an industry leader in using recombinant Factor C (rFC) testing, a scientifically proven, sustainable alternative to the horseshoe crab-sourced testing reagent, Limulus Amoebocyte Lysate (LAL). Both tests seek out the presence of harmful bacterial toxins in the injectable medicine manufacturing process.

Multiple peer-reviewed studies have evaluated and established comparability of rFC and LAL testing, using both standard and environmental endotoxins. This is especially important now given that several species of crabs are under threat or endangered from habitat loss and overharvesting, which negatively affects the ecosystems inhabited by horseshoe crabs and other species.

Currently, Lilly has converted 80% of our testing of medicines from LAL to rFC testing. We began to implement rFC testing in 2016. Lilly now uses rFC testing in all our injectable manufacturing facilities and for all our new injectable medicines. We have also implemented the method at several external partner sites and are actively working to convert additional sites. Lilly medicines using rFC testing for batch release have been approved by global health authorities and contribute to the health of millions of people around the world.

Lilly supports and is pleased to see broader use of rFC in the pharmaceutical industry. This is not new science – rFC is derived from recombinant biotechnology, which Lilly has pioneered since 1982. As more pharmaceutical companies move away from LAL and embrace rFC, the environment and ecosystems in key parts of the world will benefit – all while maintaining patient safety.

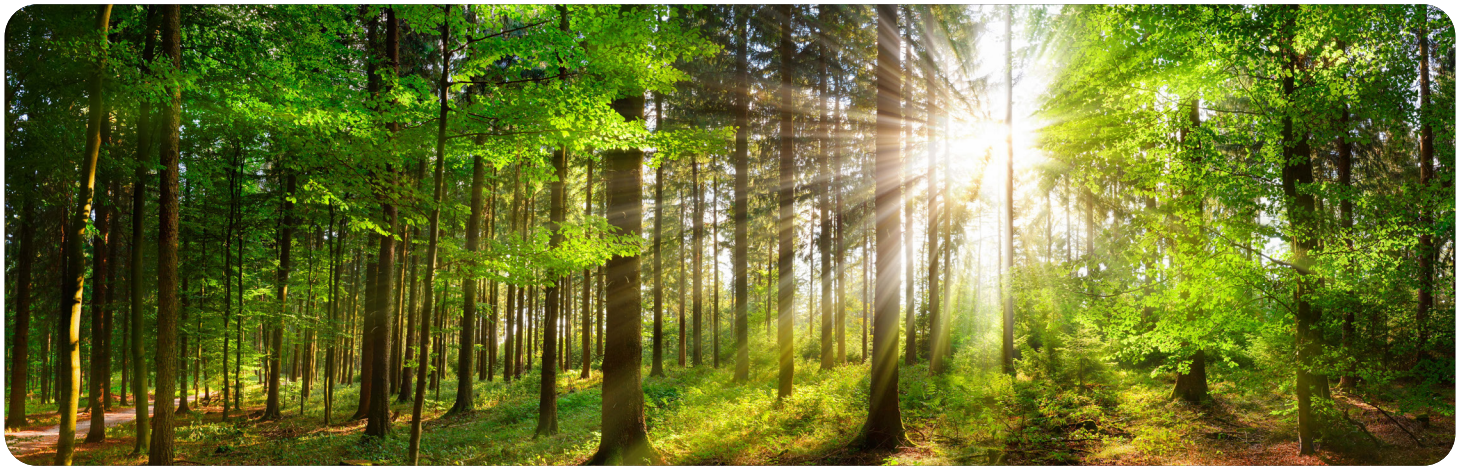
External Collaborations and Partnerships

Biodiversity is a broad topic, and it is important to understand where the pharmaceutical sector can make a difference. Recognizing this, Lilly is proactively engaged in collaborative efforts with external partners and industry working groups to assess and prioritize the risks to biodiversity.

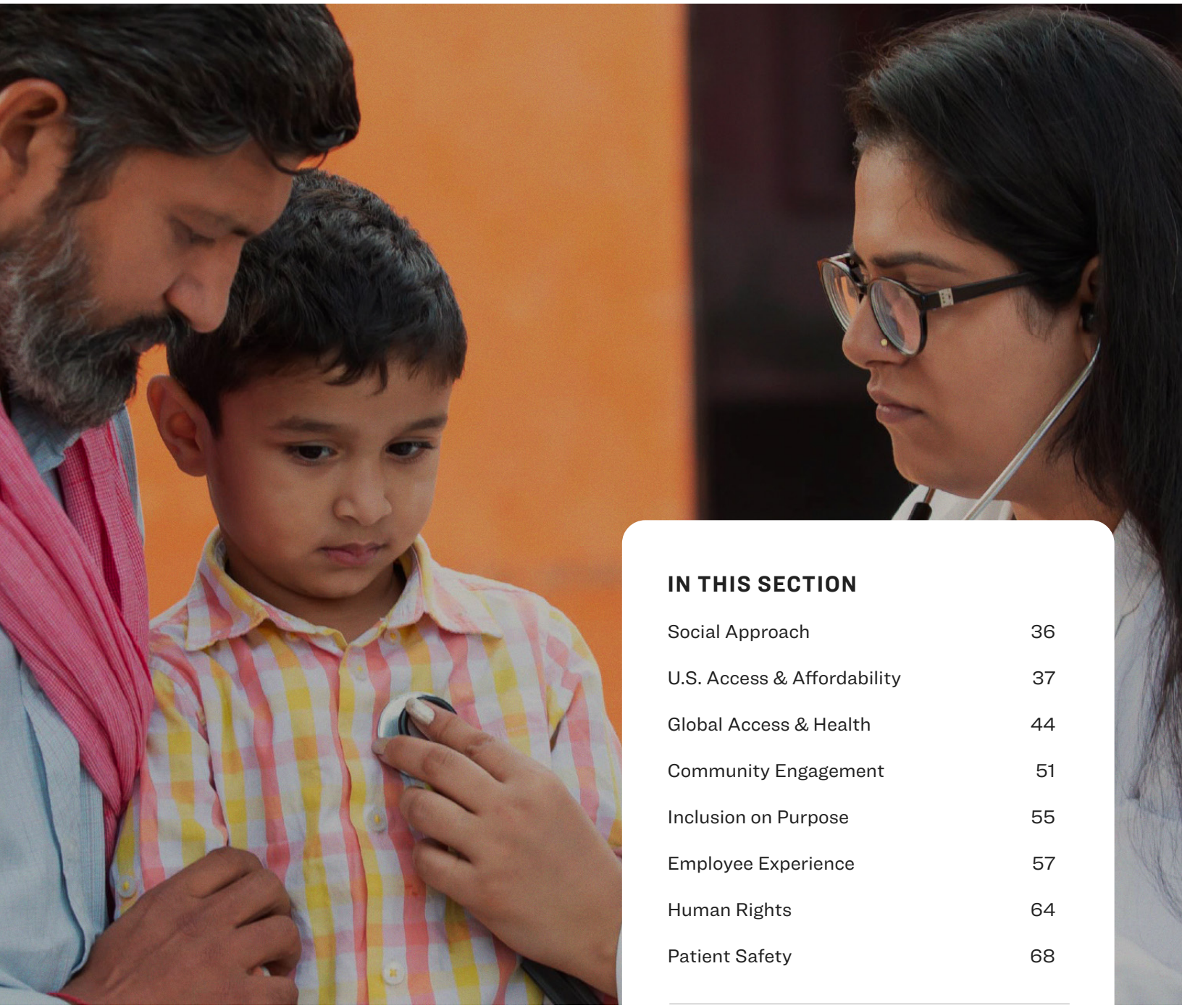
This collaborative approach is a critical element for refining Lilly's biodiversity strategy and implementation plan. By actively involving external stakeholders, including environmental organizations, research institutions and industry peers, we can better ensure that our strategies are informed by a holistic understanding of biodiversity-related risks and opportunities.

Biodiversity Research Collaboration

Lilly conducted a collaborative biodiversity project with the University of California, Santa Barbara (UCSB). This project assessed the implication of the Taskforce for Nature-related Financial Disclosures (TNFD) and Science Based Targets Network (SBTN) frameworks, which emerged following COP15, on sites where we operate. The collaboration also evaluated TNFD's LEAP (Locate, Evaluate, Assess and Prepare) approach for Lilly's global sites, excluding upstream operations. This analysis has helped inform prioritization of biodiversity-related projects.



Social



IN THIS SECTION

Download Data Sheet

Social Approach

Our approach to social impact starts with our medicines and our goal to expand access to quality health care. We work with global health systems and organizations to extend our reach by being part of the solution for complex global health challenges that disproportionately affect people living in settings with limited resources. We strive to provide an inclusive, high-performance workplace where our team members can bring their full authentic selves to work every day to grow and thrive. And in our communities, we invest our time, expertise and resources to drive social impact, with a focus on health. We also engage in targeted social issues that affect our business, employees and communities, with an emphasis on economic mobility and education.

Goals and Highlights

Access and Affordability

Reach 30 million people in resource-limited settings annually by 2030, through investments in people, medicines and health systems.

Community Engagement

Lilly employees and retirees, with matching funds from the Lilly Foundation, donated over $12.5 million to United Way in 2024.

Cultivating an Inclusive Workforce

Cultivating an inclusive culture enables us to attract and keep the best talent, fuels innovation necessary for the next breakthrough medicine, and strengthens our understanding of the patients who depend on us. We deeply value diverse backgrounds, skills and global perspectives, and will continue to be guided by our core values of integrity, excellence and respect for people.

Employee Safety

Achieve zero severe injuries; develop safety leadership capabilities, reduce our most significant risks that could have life-altering or fatal consequences and manage business continuity risk.

U.S. Access & Affordability

IN THIS SECTION

- Pricing in the U.S.
- Lilly U.S. Affordability Solutions

SASB Disclosures Covered:

Access to Medicines (HC-BP-240a.1, HC-BP-240a.2)

Affordability & Pricing (HC-BP-240b.2)

Management Approach

Throughout our nearly 150-year history, Lilly has worked to address some of the most pressing health challenges including infectious diseases, diabetes, depression, cancer and obesity. Today, more than 58 million people are estimated to use Lilly medicines.

But our commitment to patients and society goes beyond the medicines we make. We are focused on bringing affordable access to more people who can benefit from our medicines. This commitment includes our approach to pricing in the U.S. We're also committed to expanding our impact on society by addressing complex U.S. and global health challenges, with a focus on people living in communities with limited resources. Learn more about these efforts in Global Access & Health.

Pricing in the U.S.

At Lilly, we know that pricing our medicines is one of the most important decisions we make as a company. We use a value-based approach to pricing, taking into account the following:

- **Customer Perspective** – The unmet needs that medicines can fulfill for patients and caregivers and how people can affordably access the treatment.
- **Company Considerations** – The costs of research, development, manufacturing, distribution and support services for customers; business trends and other economic factors; and the medicine's potential market size and patent life.
- **Competitive Landscape** – The benefits of our medicine compared to alternative medicines and where our medicine is appropriate for treating conditions.
- **Contributing Factors** – Such as health system changes and policy guidelines.

Lilly also makes price adjustments over a product's lifecycle that are based on the factors above as well as post-approval clinical and patient outcome data.

We seek to educate stakeholders about the value of our medicines and to provide transparency about our prices. List prices for many of our medicines, as well as average out-of-pocket costs and financial assistance information, are published online.

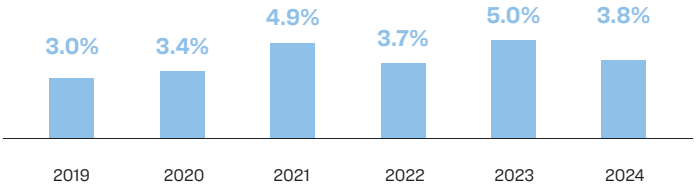
List Price vs. Net Price

A list price for each of our medicines is set using the considerations noted above.

We pay rebates, other discounts, and fees to payers, pharmacy benefit managers (PBMs), the U.S. government and other supply chain entities such as wholesalers and distributors. After paying these rebates, discounts and channel costs, the final dollar amount that Lilly ultimately receives is called the net price.

These rebates and discounts have continued to grow over the years for Lilly's U.S. portfolio while net prices for many of our medicines have continued to decrease.

Lilly List Price Changes for U.S.

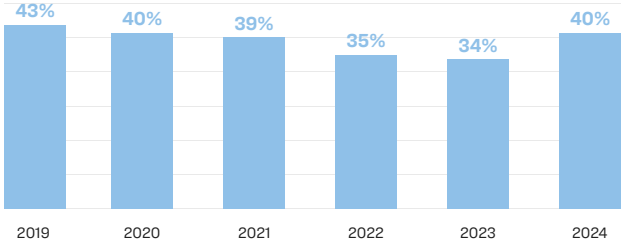


1 U.S. Product Portfolio excludes COVID therapies and revenue from divested products. Bamlanivimab and Etesevimab are not included because they are not marketed commercially. The U.S. Product Portfolio represents approximately 99% of our total U.S. human pharmaceutical revenue in 2024.

2 List Price represents the weighted average year-over-year change in the wholesale acquisition cost (WAC).

Average Lilly Net Price

(as a % of list price) after discounts across the U.S. product portfolio[1,2]



[1] U.S. Product Portfolio excludes COVID therapies and revenue from divested products. Bamlanivimab and Etesevimab are not included because they are not marketed commercially. The U.S. Product Portfolio represents approximately 99% of our total U.S. human pharmaceutical revenue in 2024.

[2] The average net price percentage is calculated by dividing net sales, the amount Lilly receives after rebates and discounts, by the annual gross sales (total sales at list prices, prior to all discounts).

The increase in net price as a percentage of list price in 2024 reflects actions Lilly has taken in the U.S. to improve patient access, including lowering the list price of our most commonly used insulins by 70%, reducing the list price of insulin lispro to $25 per vial, and introducing LillyDirect® Self Pay Pharmacy Solutions that removes some third-party supply chain entities and allows patients to access savings directly outside of insurance.

Lilly U.S. Affordability Solutions

We're a medicine company turning science into healing to make life better for as many people as possible. We work to improve access to our treatments and increase equity throughout the health care system. We actively advocate for and participate in the process of driving systemic positive changes.

We support the realignment of financial incentives for the entire pharmaceutical supply chain so that patients directly benefit from the net pricing we provide. We are also taking important steps within our own control to increase access to Lilly medicines today.

Lilly offers a variety of affordability solutions through patient support programs and copay assistance across the major products in our portfolio. For many of our migraine, immunology, diabetes and obesity medicines, we have copay assistance programs to bring eligible, commercially insured patients' monthly out-of-pocket costs to as little as $35 or lower. For cancer, the Lilly Oncology Support Center assists eligible patients in identifying affordability options related to their Lilly treatment. The Lilly Diabetes Solution Center is a resource for patients to learn about our insulin affordability solutions, which are outlined in Insulin Affordability below.

LillyDirect®

Lilly launched LillyDirect®, a digital health care platform, to ease the burden of navigating a complex U.S. health care system for patients living with obesity, diabetes, sleep apnea, migraine and Alzheimer's Disease. LillyDirect®offers people more choices as to how and where they access health care, including via home delivery of select Lilly medicines by licensed third-party dispensing providers and listing both in-person and telehealth independent care providers as options.

Through LillyDirect®Self Pay Pharmacy Solutions, patients with an on-label prescription from a licensed prescriber can access our obesity medicines at a discount if not using insurance. Our 2.5 mg and 5 mg single-dose vials are available at a 50% or greater discount compared to the list price of all other incretin (GLP-1) medicines for obesity. The 7.5 mg and 10 mg single-dose vials are available at $499 per month if certain conditions are met. This new option helps millions of adults with obesity access the medicine they need, including those not eligible for our savings card program, those without employer coverage, and those who need to self-pay outside of insurance. The self-pay channel removes some third-party supply chain entities and allows patients to access savings directly outside of insurance.

Insulin Affordability

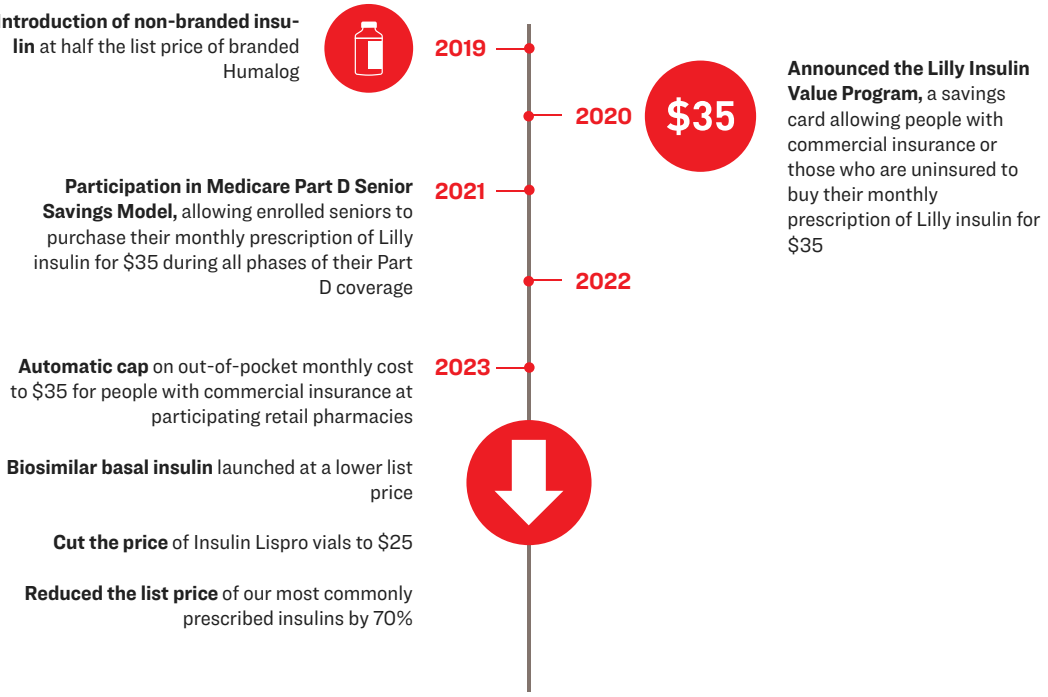
Over the past several years, Lilly has introduced multiple insulin affordability solutions, including our Lilly Insulin Value Program. As a result of our efforts, anyone — whether they are uninsured or use commercial insurance — is eligible to buy their monthly prescription of Lilly insulin for $35 or less, regardless of the number of pens or vials they are prescribed in a month (*terms and conditions apply*). Over the last number of years Lilly has taken additional steps to make it even easier for people to access Lilly insulin including:

- Reducing the list price of our most commonly prescribed insulins by 70%.
- Automating the $35 out-of-pocket monthly cap for people with commercial insurance at participating retail pharmacies.
- Cutting the price of our non-branded insulin, insulin lispro, which is the same molecule as Humalog, to $25 per vial, making it the lowest list-priced mealtime insulin available.
- Launching a biosimilar basal insulin, Rezvoglar™, at a lower list price.

Under the Inflation Reduction Act (IRA), millions of Medicare beneficiaries who take insulin pay $35 per month or less for their insulin. Lilly was a strong supporter of this provision as it aligns with the affordability solutions we've had in-place years before the IRA became law.

See related graphic for an overview of the recent actions Lilly has taken to make insulins more affordable in the U.S.

U.S. Access and Affordability Journey

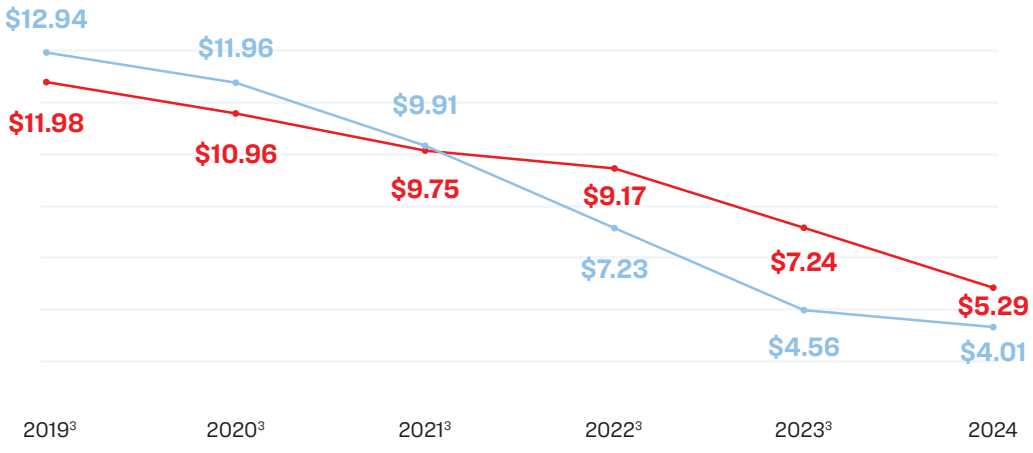


Terms and conditions may apply to certain of these programs. Savings or caps may be automatically applied at the majority of retail pharmacies for those with commercial insurance. Government restrictions exclude people enrolled in federal government insurance programs from Lilly's $35 solutions. However, federal law provides that Medicare Part D beneficiaries also pay no more than $35 per month for insulin.

All of these initiatives have made a real impact. The average monthly out of pocket cost for Lilly insulin has continued to decline. In 2024, the average monthly out of pocket cost for Lilly insulins was $14.86.

The average out of pocket cost per vial of Humalog (U-100) and Insulin Lispro (U-100) has also continued to decline.

Humalog® (U-100) and Insulin Lispro® (U-100) Average Out of Pocket Cost Per Vial (USD)



[1] Source: IQVIA, Commercial Analytics LAAD 2024.

[2] Lilly launched Insulin Lispro® (U-100) in 2019.

[3] Historical data has been restated to adequately reflect the number of vials dispensed per prescription and the average patient out of pocket cost

Lilly Affordability Programs

insulinaffordability.com

Lilly Diabetes Solution Center
at (833) 808-1234

Information about all of our insulin affordability solutions is available on insulinaffordability.com and through the Lilly Diabetes Solution Center at (833) 808-1234. The Solution Center is a call center staffed with experts who can help guide individuals to the affordability solution that best matches their needs, including connecting people with diabetes to charitable organizations that provide free Lilly insulin. Additionally, we are a financial supporter of getinsulin.org, a tool launched in 2020 by the patient advocacy group, Beyond Type 1, that helps people easily find the most affordable insulin options in their area – regardless of brand or manufacturer. Both web- and app-based, getinsulin.org is a convenient one-stop shop for people who use insulin and is available in both English and Spanish.

Long-Term Policy Solutions

Lilly is actively working with other stakeholders throughout the U.S. health care system, including Congress, to seek policy solutions to address systemic gaps in patient affordability. Some of these include:

- **Lower Out-of-Pocket Costs** – We support basing patient out-of-pocket costs for medicines on the lower net price that health plans and pharmacy benefits managers (PBMs) pay after subtracting rebates and discounts they receive from manufacturers. Payer negotiated discounts are typically passed fully to patients for other health care services, but not for medicines. Lilly believes any rebate it pays should be passed through to people at the pharmacy counter to offset the cost of their medicines.
- **Delinking** – We support basing PBM fees on the value of the services they provide rather than a medicine's price. Fees, rebates and other payments in the health care system are often calculated as a percentage of list price. By delinking PBM fees from list price, the incentive for high prices would be removed and could lower costs for patients.
- **First-Dollar Coverage** – We support exempting more health care items and services for chronic conditions – such as insulin – from patients' deductibles. This would improve patients' access to necessary treatment and provide consistent costs every month.
- **Insulin Out-of-Pocket Caps** – We support expanding the monthly $35 copay cap on insulin in Medicare to the commercial market, a federal solution that would make permanent for all insulin users what Lilly has already done on its own.
- **Transparency** – We support additional transparency in the system. We commend legislation like the Pharmacy Benefit Manager Transparency Act of 2023, which encourages fair and transparent practices that benefit local pharmacies and consumers.
- **Obesity Care Access** – We support ensuring that all patients can access evidence-based obesity care including nutrition and exercise counseling, medications, and surgical interventions, regardless of their insurance provider. We advocate for policies that recognize obesity as a chronic disease, deserving of comprehensive care and coverage, at parity with care and coverage of other chronic diseases.

We believe these necessary long-term reforms could provide lasting relief to patients struggling to access and afford their medicines regardless of manufacturer, moving the U.S. health care system from a series of patchwork solutions toward systemic change. In the meantime, Lilly intends to continue providing affordability solutions to people who need them.

Value vs Volume: Linking Cost to Patient Outcome

When a patient seeks medical care, the health care system's top goal should be to improve their health. Medical interventions, including medicines, should be evaluated based on how well the patient's health may improve. This seems obvious, but it's not how our current payment system works.

Under the existing fee-for-service model that is common in the U.S., payments are based on the number of treatments or services provided, not whether a patient sees improvements in their health. However, as health care costs and rates of chronic disease continue to rise, there has been increased urgency to deliver care that brings greater value to both the patient and the health care system.

We believe that innovative value-based arrangements (VBAs) are an important part of the solution. VBAs allow Lilly to stand behind the health outcomes we expect our medicines to deliver when the medicines are used appropriately. Such arrangements are designed to link the cost of our medicine more directly to patient outcomes.

A VBA includes predefined patient health outcomes and/or associated performance metrics based on the observed impact of a particular medicine on the person taking it. Such metrics can include favorable test results, improved medication adherence, reduced re-hospitalization rates or reduction in overall disease management costs. This approach can transform the health care system to one that is about delivering value versus one about the volume of services provided or medicines purchased.

Lilly has been committed to increasing the use of VBAs in the U.S. since 2014. In addition, we have alternative access contracts in other global markets, many of which are value-based. We use each VBA as an opportunity to learn more about the real-world data we need to gather to make these arrangements more effective.

In many cases, VBAs improve access to a medicine for eligible patients and many patients may also get more personalized care, given medicines in these arrangements are generally made available based on how well they work in specific subpopulations. For payers, VBAs can help them better maintain affordability in novel ways and pay for medicines that deliver outcomes. For companies like Lilly, these arrangements can increase access to their medicines and reinforce data from clinical studies with real-world evidence. And over the long term, the results from these arrangements may help inform and improve future research and development efforts.

We believe VBAs have the potential to improve patient outcomes while lowering costs for the entire health care system, but to be successful they require increased collaboration between payers, health systems, employers, patients and industry. At Lilly, we continue to advocate for legislative and regulatory changes that support this transition. We believe this is one of the most important long-term changes we can make as an industry.

Health Literacy

We strive to provide patients with helpful and easy-to-understand information about our medicines and devices. This gives patients the very best chance to benefit from our innovative treatments. We do this by using something called “health literacy” when creating and designing our patient materials.

What is Health Literacy?

Health literacy is how well someone can access, understand and use health information to make decisions about their, or a loved one’s, health. Health literacy is more than just reading level — it also targets health-related skills and understanding, like knowing exactly when and how to use a medicine prescribed by a doctor to help patients feel more confident in taking good care of their health.

Lilly has eight health literacy principles that help us empower patients through information that’s clear and easy to understand. When we communicate clearly to our patients, we help remove barriers that can prevent better health for patients. This includes helping to reduce confusion that may come from cultural or language differences, which can help improve health equity for everyone, including those in traditionally underserved communities.

In a quest to make health literacy a priority companywide, Lilly developed an internal health literacy resource website to help teams independently create content and design materials for their various audiences. The tools and resources on this site can help employees assess documents for readability and appropriateness for intended audiences, identifying any potential issues that would make the materials difficult to understand.

Our health literacy approach isn’t required by the FDA or any other legal or regulatory body. We do it because we believe it’s the right thing to do, and it helps us deliver on our promise to make life better for people around the world.

Lilly’s 8 Health Literacy Principles

Writing for Understanding

- Write in plain language
- Make it relevant
- Include action steps
- Use easy-to-understand numbers
- Choose culturally familiar language and examples

Visual Design

- Design for easy scanning
- Use type that’s easy to read
- Choose visuals that support your content

Making Health Care More Affordable for Employees

Employers are spending more than ever to provide health benefits to their workers in the U.S. Yet many people, especially those with chronic illnesses, struggle with affordability and access to the care they need. If more employers reduce cost-sharing for high-value therapies – especially large employers – they could change the insurance market in ways that could improve health and productivity while constraining costs.

Like all employers, Lilly works every year to reduce the rising costs of health care for our organization. For more than a decade, we've offered exclusively high-deductible plans to our employees. But we take certain steps to make sure our high deductibles don't lead our people to skip the care they need. We have implemented solutions in our own company consistent with the systemic changes for which we advocate.

We fund our employees' health savings accounts all at once at the beginning of the year. It shouldn't matter if someone gets sick around New Year's Day or Thanksgiving Day – we believe they should have money to help cover their health care costs. We provide first-dollar coverage for preventive and chronic disease medications by exempting them from our health plan deductibles. This means Lilly employees, retirees and their families pay only 10% to 20% of these medicines' prices instead of the full retail price.

For all medicines, Lilly's health plan has lowered costs by passing through rebates to patients at the point of sale. In addition, we provide all insulins to our eligible employees, retirees and family members at zero cost. This helps our health plan members stay fully adherent to their therapy. Employees and their eligible family members with diabetes can also receive a free connected glucose meter and related supplies, along with real-time support from trained diabetes educators. For anti-obesity medicines, our health plan has opted into coverage for these therapies and we maintain an open formulary for anti-obesity medicines to give our members the choice of which medicine is best for them.

We believe corporate leaders across the U.S. can make longer-term decisions and trade-offs to more effectively manage health benefits. Working together, employers can advance good ideas and help provide a better way to make U.S. health care and health insurance work for all Americans.

Medicine Donations

Beyond our affordability solutions, Lilly also donates medicines to tax-exempt organizations, including national relief organizations and the Lilly Cares Foundation, which provide Lilly medications for free to qualifying patients. Eligibility is determined by each tax-exempt organization.

The Lilly Cares Foundation, as a separate tax-exempt organization, helped more than 164,000 qualifying patients during 2024 obtain prescribed medications across the therapeutic areas of diabetes, immunology, neuroscience, cancer, pain, endocrinology, cardiovascular and bone, muscle and joint. Over the past 20 years, the Lilly Cares Foundation has helped more than 1 million patients with financial need receive medicines donated by Lilly.

Global Access & Health

IN THIS SECTION

SASB Disclosures Covered:

Access to Medicines (HC-BP-240a.1, HC-BP-240a.2)
Affordability & Pricing (HC-BP-240b.2)

Management Approach

Throughout our nearly 150-year history, Lilly has worked to address some of the most pressing health challenges facing humanity, including infections, diabetes, depression, cancer and obesity. In 2024, we estimate that more than 58 million people used Lilly medicines. However, our impact on health goes beyond the medicines we discover, develop and manufacture.

Through our global health efforts, Lilly is committed to addressing complex health challenges around the world. Our efforts focus on noncommunicable diseases (NCDs) and people living in resource-limited communities in the U.S. and low- and middle-income countries (LMICs). We are committed to expanding equitable and affordable access to our breakthrough medicines so that they can transform more people's lives.

We work across industry boundaries, providing catalytic support to leading health organizations at the global, regional and local levels. We also work with organizations that have the knowledge and capabilities to enhance education, diagnosis, treatment and care of people living with NCDs. To drive progress, we established Lilly 30x30, the company's global health model which aims to improve access to quality health care for 30 million people living in resource-limited settings annually by 2030.

Why NCDs?

The human toll of NCDs, including cancer and diabetes, is growing. According to the World Health Organization, NCDs are the leading cause of death worldwide, claiming the lives of at least 43 million people in 2021 with 73% of NCD deaths occurring in LMICs, where infrastructure and resources can be limited. Lilly's current portfolio of

medicines and pipeline are focused on NCDs. Beyond our scientific innovations, we believe our deep knowledge and expertise can help close healthcare gaps and help address the growing burden of NCDs for people living in resource-limited communities in the U.S. and LMICs.

Pricing Around the World

Our products are sold in approximately 95 countries around the world. Each country values medications and innovation differently and must balance competing demands for finite resources, including other healthcare products and services, as well as meeting social needs, such as education or infrastructure.

Pricing medicines to achieve the optimal balance between affordable patient access and sustained investment in innovative treatments is complex. How to price medicines is one of the most important decisions we make as a company. When pricing a medicine, we use a value-based approach, reflecting the value provided to patients, providers, payers, caregivers, health systems and society. The approach also considers competitive dynamics and other factors. Drawing from this information, we evaluate country-specific conditions when pricing medicines on a market-by-market basis to help ensure patients around the world have affordable access to the innovative medicines we develop.

We support public policies to meet this same end. We explore new pricing and reimbursement models in different markets, and we advocate for policy changes that help increase access to medicines while protecting and enabling development of new medicines. For example, we support value-based and outcomes-based reimbursement models that can deliver greater health and economic value to health systems.

As a global company, we are aware that patients in LMICs face economic circumstances that may limit their ability to pay for health services and medicines. In response, Lilly is deploying alternative business models (see Lilly 30x30 below) and innovative collaborations to help provide high-quality, affordable Lilly medicines in these markets. We also support efforts to decrease the final price of medicines to patients in these countries, such as minimizing out-of-pocket costs and limiting markups across the supply chain.

Lilly's Support of Universal Health Coverage

The need for resilient health systems that can handle emergencies while providing essential services, including for NCDs, is paramount. The global push for Universal Health Coverage (UHC) as part of the UN SDGs aims to ensure everyone has access to quality health services and medicines without financial hardship. Achieving this requires collaboration across sectors, including with the private sector, to address UHC financing and implementation gaps. Lilly plays a crucial role by developing new medicines, extending the reach of existing medicines, and supporting health systems improvements.

See our Transparency section for more on how Lilly's sustainability efforts support and advance progress on the UN Sustainable Development Goals.

Intellectual Property

Intellectual property (IP) protections play a central role in driving innovations that result in better patient outcomes. Additionally, IP protections provide the necessary incentives to enable the global health ecosystem to operate. At Lilly, we use patent rights to protect meaningful innovation that enables sustainable investment in the high-risk and costly research and development required to discover, develop, and deliver innovative medicines. At the same time, we respect that of those IP rights, patents are limited in scope and duration, and we support robust generic and biosimilar competition when patent protections expire. Lilly is deeply committed to promoting both world-leading innovation and lower out-of-pocket costs for patients.

Sustaining robust, reliable, predictable, and enforceable IP frameworks also promotes the pursuit of breakthroughs in areas of unmet need, such as Alzheimer's disease and antimicrobial resistance. By allowing some certainty in an otherwise high-risk, and high-investment endeavour like medicines development, IP protections keep the engines of innovation operating at full speed.

IP protections also improve patient access by expanding the innovation base, providing the pipeline for and driving entry of biosimilars and generics. Because of the limited duration of patent protections, expiration of those protections allows for shifts to generic and biosimilar medicines. These products create financial savings for patients and create budgetary headroom for health systems to expand access to newer medicines. Lilly supports healthy markets for generics and biosimilars, including removal of regulatory, pricing, reimbursement and access barriers when patent protections expire. In addition, Lilly continues to engage in approaches to patent in Least Developed Countries that takes into account their unique challenges. These may include voluntary licensing, non-assert policies or selective approaches to filing, in addition to supporting capacity-building initiatives which can foster a dynamic local innovation ecosystem.

In 2021, Lilly joined the IP PACT (IP Principles for Advancing Cures and Therapies), a multi-company initiative affirming the biopharmaceutical industry's commitment to innovation and keeping patients at the center of our work. The IP PACT includes ten principles guiding the way our industry uses IP, including to facilitate collaboration and partnerships, to act responsibly in patent proceedings and to support vibrant generic and biosimilar markets. The principles are intended to balance the needs of patients, society and our business — to further healthcare innovation and help patients live longer, healthier lives.

Lilly 30x30

Through investments in people, medicines and health systems, we strive to improve access to quality healthcare for 30 million people living in resource-limited settings annually by 2030. We call this global model Lilly 30x30. To achieve our goal, we are leveraging company resources and working with leading health organizations to increase access to medicines, including Lilly medicines and address complex global health challenges. We work to enhance health across three areas of impact:

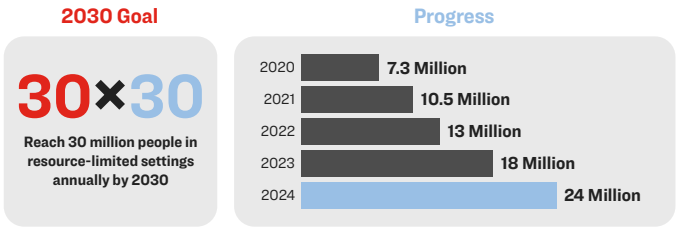
- **Pipeline** – discovering medicines, repurposing internal assets and supporting external pipelines
- **Programs** – strengthening and creating new programs that help improve access to Lilly medicines
- **Philanthropy** (and other initiatives) – supporting efforts that strengthen health systems, improve access to care and better health outcomes

In each of these areas, we are working to develop high-impact, scalable and sustainable solutions for people living in communities with limited resources, including by supporting and leveraging local and regional capabilities.

Governance of Lilly 30x30

To embed accountability throughout the company, Lilly 30x30 is governed by a steering committee of 14 senior executives, including six Executive Committee members and the Head of Social Impact. Reporting to the CEO, this committee oversees management of key priorities and operational milestones to measure our progress and help ensure Lilly 30x30 is strategically aligned with our business and core purpose of making life better for people around the world.

Progress toward Lilly 30x30



Measuring Patient Reach

In 2024, the estimated Lilly 30x30 reach was 24 million people, on track toward our goal of reaching 30 million by 2030. Continued progress towards the target is enabled by Lilly's continued global health support and implementing new ways of reaching people living in resource-limited settings.

To estimate the number of patients reached with Lilly medicines who live in resource-limited settings, we use a mix of internal and external data. Internal inputs include reach estimates for our marketed products commercially distributed in these regions and medicines the company provides to organizations that distribute it for free to patients who qualify. External inputs include patient reach estimates from health organizations we support and from companies receiving venture impact investments from Lilly.

Pipeline

As a medicine company, our greatest contribution to global health is the discovery and development of innovative medicines. We continue to engage external organizations with the goal of developing innovative solutions for diseases disproportionately affecting people living in resource-limited settings. Lilly has committed $50 million to investing in venture capital firms that specialize in near- and long-term healthcare solutions for patients in LMICs. Existing investments include but are not limited to:

- LeapFrog Emerging Consumer Fund IV. LeapFrog is an impact growth equity fund investing in South and Southeast Asian and African businesses that, among other priorities, provide innovative healthcare solutions to low-income consumers by offering relevant and affordable products to promote wellness and help prevent and manage chronic diseases.

- Global Health Investment Corporation's (GHIC) Global Health Security Portfolio. The Global Health Security portfolio is focused broadly on medical countermeasures that will better position the world to respond to or prevent public health emergencies, including vaccines, diagnostics, therapeutics, manufacturing platforms, and other critical technologies.

Lilly continues to be a top-tier investor in the Antimicrobial Resistance (AMR) Action Fund, with $100 million committed over the life of the fund. The AMR Action Fund was launched in 2020 by more than 20 leading biopharmaceutical companies, including Lilly. Joining forces with global charitable organizations and development banks, the AMR Action Fund aims to accelerate antibiotic development. To date, the fund has made investments in ten U.S., European, and Asian biotech organizations with pipelines targeting a range of infections.

In 2023, through Lilly 30x30, we launched a new process to systematically evaluate internal assets to identify product development and access planning strategies for LMICs with the goal of accelerating our reach and scale. We will continue to explore potential opportunities and business development models that further support the development of our Lilly 30x30 pipeline, including venture impact investing.

Programs

Through Lilly 30x30, we are strengthening our existing programs and developing new approaches to improve access to Lilly products and services for people living in resource-limited settings. These efforts include exploring alternative business models and expanding access strategies and patient support programs.

Patient Support Programs

Lilly offers a variety of affordability solutions through patient support programs and copay assistance across the major products of our portfolio, including medicines for Alzheimer's disease, diabetes, obesity, migraine, immunology and cancer. We offer these programs across the globe. Our patient support programs fall into three categories:

- Supporting patients through reimbursement and product access issues
- Answering questions related to living with disease and managing health
- Providing information on Lilly medicines and training on Lilly devices.

Alternative Access Programs

Lilly offers alternative access programs in addition to standard pricing, reimbursement and access models. These programs facilitate appropriate patient access to Lilly medicines by addressing specific challenges faced by patients, institutional payers, or channel partners.

We are also advancing manufacturing and public-private partnership-based solutions to expand access to our products in the countries where Lilly currently has no or limited presence.

An important program milestone is Lilly's collaboration with EVA Pharma, which was launched in 2022 to deliver a sustainable supply of high-quality, affordable human and analog insulin to at least one million people annually living with type 1 and type 2 diabetes in LMICs, most of which are in Africa.

In 2024, Lilly and EVA Pharma announced the registration and release of the first locally manufactured insulin glargine injection in Egypt.

Also, in 2024, Lilly and EVA announced a collaboration in which Lilly will license certain baricitinib manufacturing know-how to enable EVA Pharma to manufacture and supply the product across 49 LMICs in Africa. Discovered by Incyte and licensed to Lilly, baricitinib is for the treatment of rheumatoid arthritis, alopecia areata, atopic dermatitis, and COVID-19.

Philanthropy (and Other Initiatives)

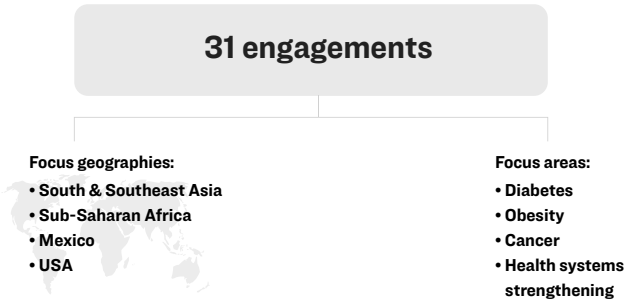
Lilly supports global health organizations in their efforts to strengthen local healthcare systems and improve access to quality healthcare in resource-limited settings across the world. We focus on championing innovative, sustainable, and scalable solutions to address pressing global health concerns for NCDs, particularly cardiometabolic health, including obesity, diabetes, and cancer care. We aim to facilitate collective cross-industry action to develop and test integrated models of care that achieve better health outcomes for more people.

Our support prioritizes the World Health Organization's six building blocks of health system strengthening with the goal to:

- Enhance training of the healthcare workforce, including community health workers
- Improve service delivery mechanisms and digital information systems
- Enable quality healthcare closer to patients by supporting community-led initiatives and leveraging community health workers.

This strategic approach allows us to address health access challenges in pursuit of our 30x30 goals. The data and lessons learned from the initiatives supported by Lilly can help inform public policy and advocate for the scale-up and replication of proven cost-effective solutions.

Global Health Efforts Overview



Lilly Global Health Highlights

UNICEF – In 2022, Lilly and UNICEF announced an initiative to improve health for 10 million children and adolescents living with or at risk of chronic NCDs through 2025. Lilly committed $14.4 million to UNICEF USA to support life-saving work to address NCD risk factors, strengthen health systems and enhance the ability of healthcare workers to care for people in Bangladesh, Malawi, Nepal, Zimbabwe and the Philippines. In 2024, Lilly expanded its charitable contribution to UNICEF USA by $6.54 million to include resource-limited settings in India and improve health for 6 million children and adolescents living with or at risk of chronic NCDs in India through 2030 along with $500,000 for implementation research projects. The selected countries have the potential to strengthen country-level health systems and models that provide care and support for children and adolescents with chronic conditions, including type 1 diabetes, congenital and rheumatic heart disease, sickle cell disease and chronic respiratory diseases (e.g., asthma). More than 6.6 million people have been reached through UNICEF's work during 2024 including clinicians, community health workers, district trainers, caregivers, children and adolescents.

Note: UNICEF does not endorse any company, brand, product, or service

AMPATH (Academic Model Providing Access to Healthcare) – Lilly product donations to Catholic Medical Mission Board have supported the AMPATH Kenya initiative which totals to more than $255 million – including more than $4.3 million in medicines in 2024 – helping people living with cancer, diabetes and mental health disorders. Most recently, Lilly provided more than $3 million donation to Indiana University Foundation to support efforts related to the AMPATH Mexico initiative. The charitable initiative aims to transform primary healthcare for NCDs through training and deploying community health workers and early-career healthcare providers to address diabetes and related NCDs, with potential reach of over 3 million people in resource-limited settings by 2030.

Life for a Child – Since 2009, Lilly has provided over 10.6 million vials and cartridges of insulin related to support of the Life for a Child program. The program supports children and youth with diabetes in resource-limited settings by providing insulin, delivery devices, monitoring supplies, medical care, diabetes education, complications screening and management, and advocacy. In 2021, Lilly announced plans to expand support for Life for a Child, aiming to reach approximately 150,000 children and youth annually by 2030. To enable this, Lilly increased contributions of mealtime and basal insulins, reusable pens, and financial support for storage, packing, and shipping costs in collaboration with Direct Relief. In 2024, more than 53,000 children and youth were supported by Life for a Child with Lilly insulin.

CEO Round Table (CEORT) in-country programs – The rise of NCDs emphasizes the need for multi-sector engagement to strengthen health systems and integrated service delivery using digital tools. Alongside separate support provided by the Gates Foundation and industry peers engaged through CEORT programs, Lilly provides donations to U.S. charitable organizations supporting the implementation of charitable programs on the ground in Sub-Saharan Africa:

- AYA Integrated Healthcare Initiative (AYA): Lilly is donating nearly $3 million to Panorama Global related to its support of implementation of the AYA project in Ghana, which aims to improve NCD care at the primary health level. It includes training, guidelines, and digital tools to reach an estimated 2.2 million people in resource-limited settings.
- Point of Care Ultrasound (POCUS): Lilly's $1.7 million donation to Panorama Global related to its support of the implementation of projects expanding POCUS capacity in Kenya for early diagnosis of NCDs like obstetrical complications, heart failure, and breast cancer, benefiting approximately 550,000 patients in resource-limited settings.
- Digital Mentor: This project in Kenya aims to train 20,000 frontline workers using AI tools to improve CHW productivity. It is estimated to reach 5 million people in resource-limited settings.

Lilly is donating $800,000 to Panorama Global to support the implementation of this project.

- Growth Accelerator for Integrated NCD Services (GAINS): Lilly's $500,000 donation to Touch Health aims to support its deployment of 140,000 Community Healthcare Workers in Tanzania by 2028, enhancing primary healthcare access through integrated community services and digital health systems.

Diabetes Impact Project – Indianapolis Neighborhoods (DIP-IN) – Lilly committed $12 million to the DIP-IN project, focusing on three Indianapolis communities with high diabetes prevalence. Launched in 2018, DIP-IN aims at diabetes prevention and control. The project leverages resident steering committees to lead neighborhood-based health promotion initiatives, expanding access to health-supporting resources and improving overall health. It includes neighborhood- and clinic-based community health workers (CHWs) to identify people living with or at risk of developing diabetes and connect them to quality care. Led by Indiana University Richard M Fairbanks School of Public Health and other organizations, more than 788 people with diabetes have worked with DIP-IN CHWs, resulting in a significant reduction in HbA1c levels.

See more details about the work and the organizations Lilly supports.

Multi-Stakeholder Collaborations to Advance the UN Sustainable Development Goals

We are members of several multi-stakeholder collaborations focused on tackling global health challenges, including:

- Access to Oncology Medicines Coalition (ATOM)– A global initiative to improve access to essential cancer medicines and increase the capacity to use these medicines appropriately in low-middle-income countries.
- Coalition for Access to NCD Medicines & Products – A global, multisectoral coalition dedicated to increasing access to medicines and health products for NCDs to reduce the impact of diseases such as diabetes, hypertension and cardiovascular disease.
- NCD Alliance – A global thought leader on policy and practice related to NCDs.
- Partnership for Quality Medical Donations (PQMD)– A global collaboration that brings together global medical-product companies and humanitarian organizations to promote sustainable access to quality health care in underserved communities during times of crisis.
- Access Accelerated– Unites leading biopharmaceutical and life science companies in a forward-thinking global collective dedicated to mounting a sustainable and scalable response to NCDs in LMICs.

Product Contributions

In 2024, Lilly and its affiliates provided more than $4.2 billion in medicines to charitable organizations that offer free Lilly medicines to qualifying patients around the world.** This includes product contributions used by third parties for patient assistance programs and humanitarian efforts and support of product donation programs, noted above.

As part of these efforts, Lilly donates medications to the Lilly Cares Foundation (Lilly Cares), a separate U.S. nonprofit organization. The Lilly Cares' Patient Assistance Program provides qualifying patients in the U.S. with financial need prescribed Lilly medications at no cost. In 2024, Lilly Cares helped more than 164,000 people obtain prescribed medications across the therapeutic areas of diabetes, immunology, neuroscience, cancer, pain, endocrinology, cardiovascular and bone, muscle and joint. Over the past 20 years, Lilly Cares has helped more than 1 million patients with financial need receive medicines donated by Lilly.

**Products valued at wholesale acquisition cost.

Global Health Highlights

58 Million
people around the world reached with Lilly medicines in 2024

$11 Billion+
investments in research and development in 2024

30 Million
people in resource-limited settings who Lilly aims to reach, each year, by 2030

$4.2 Billion
in free medicines provided in 2024[1]

$300 Million+
committed to global health 2016-2030[2]

10.6 Million
insulin vials and cartridges provided for Life for a Child program since 2009

[1] Includes value of medicines provided by Lilly and its affiliates to charitable organizations that offer free Lilly medicines to qualifying patients. Product contributions valued at wholesale acquisition cost.

[2] Includes financial commitments from Lilly and from the Eli Lilly and Company Foundation, a separate non-profit organization, commonly referred to as the Lilly Foundation.

Community Engagement

IN THIS SECTION

- Corporate Volunteering, Supporting and Giving
- Disaster Preparedness and Relief
- Community Engagement Highlights

Management Approach

For nearly 150 years, Lilly has developed life-changing medicines for people with chronic illnesses, advanced new breakthrough discoveries and redefined what it means to live with and manage chronic diseases. We recognize Lilly has a responsibility to look beyond our walls to help create a world where every individual has an opportunity to live the healthiest life possible.

We know that a person's ability to thrive is determined by several factors, so we take a holistic approach to investing in healthier futures. Lilly and the Lilly Foundation support organizations that address gaps in social determinants of health such as education, employment and income. Lilly strives to be at the forefront of tackling social determinants of health so that more individuals worldwide can lead a healthier life.

Extending Our Community Impact

Lilly is committed to extending the reach of our impact, including through:

- **Eli Lilly and Company Foundation –** Lilly provides financial donations to the Eli Lilly and Company Foundation, Inc., commonly referred to as the Lilly Foundation. Established in 1968, the Lilly Foundation is a separate tax-exempt organization that provides support to other qualifying tax-exempt organizations. Visit the Lilly Foundation to learn more.
- **Lilly Grant Office –** Lilly provides financial support to projects that promote excellence in patient care and provide valuable information to the medical and patient advocacy communities. Visit the Lilly Grant Office to learn more.

Corporate Volunteering, Supporting, and Giving

Volunteering
Empowering our workforce to give back to our communities

Supporting
Establishing strategic engagements to extend the reach of our impact

Giving
Raising funds to create lasting change in the areas of health, economic mobility and education

Volunteering

At Lilly, we actively encourage our employees to volunteer. We offer programs that help them serve their communities at home and abroad. We support employees' volunteerism interests and offer many opportunities for employees to engage.

Global Day of Service

For the past 17 years, Lilly has orchestrated an annual Global Day of Service. On the day, the collective passion of thousands of employees all over the world come together to make a tangible difference on a range of projects enhancing and creating better places and spaces for communities to thrive. These projects contribute to the larger goal of fostering healthier, more vibrant neighborhoods by focusing on health, education and community improvement.

Connecting Hearts Abroad

Lilly's signature global service program, Connecting Hearts Abroad, sponsors employees each year to participate in a two-week service project supporting global communities that have limited resources. Since 2011, over 2,000 Lilly global employees have volunteered in 21 countries to improve health outcomes. Lilly volunteers work alongside people in underserved communities and help address access and challenges in health care. The soul of this program is about fostering human connections and demonstrating the power of collective action. View this video to see how Lilly employees are volunteering around the world.

A Fresh Chapter

Connecting Hearts Abroad has engaged with a variety of non-governmental organizations over the years. Since 2016, Lilly has supported A Fresh Chapter (AFC) to deliver the Africa Elevate Fellowship Program, which brings together skilled volunteers from Lilly, and cancer survivors and advocates from Kenya, South Africa, Canada and the United States. The program is designed to scale AFC's innovative psychosocial support model in Kenya and beyond.

The project included both a virtual component and a two-week onsite experience in Kenya. Participants in the fellowship program reported a benefit to their sense of purpose, and connectedness, comfort working on a project with people from other cultures, and ability to employ culturally sensitive practices in their professional/work activities. In addition, the program helps reduce the stigma associated with cancer by encouraging open conversations and understanding among people from diverse backgrounds. AFC has had a direct impact on the lives of thousands of Africans impacted by cancer.

Participants at AFC's Africa Elevate Fellowship Program in Kenya.

Supporting the Community

To expand our reach, we support key organizations and groups that align with the vision to strengthen communities and have demonstrated results in driving social impact. In 2024, the Lilly Foundation provided funding for a range of non-profit organizations to improve educational opportunities, advance economic well-being, address health challenges, and to make Indianapolis a better place to live.

Improving Educational Opportunities

The Lilly Foundation aims to advance exceptional K-12 STEM (science, technology, engineering and math) education in Central Indiana to increase interest in and access to STEM careers.

Making Indianapolis a Better Place to Live

Headquartered in Indianapolis, Indiana, the Lilly Foundation works to make Indianapolis a better place to live and work by supporting select community development and cultural organizations.

Giving

Lilly nurtures a nearly 150-year-old culture of volunteerism and philanthropy. Our workforce is deeply committed to going beyond our business to help meet community needs and support those affected by disasters and other humanitarian crises.

As a purpose-driven culture, we strive to create spaces of giving in the communities where we live and work. Many of our employees are inspired and motivated to do the same globally.

In 2024, the Lilly Foundation matched over $5.1 million in eligible Lilly employee and retiree contributions. These contributions help address complex societal challenges, including in the areas of health, economic advancement and education.

United Way

For more than a century, Lilly has supported United Way of Central Indiana and hundreds of United Way chapters across the U.S. in the communities where we live and work. We remain committed to supporting United Way as a meaningful way to address the most pressing needs in our communities.

The Lilly Foundation matches Lilly employee contributions through the Lilly United Way campaign dollar for dollar. In 2024 , Lilly employees, retirees and the Lilly Foundation contributed more than $12.5 million to over 500 United Way chapters.

Disaster Preparedness and Relief

Disasters, whether natural or manmade, can change lives instantly. Lilly works with leading disaster and humanitarian relief organizations to provide medicines and support recovery. These initiatives include:

- **Disaster Preparedness Product Support –** Since 2009, Lilly has worked with Direct Relief to supply insulin and other medicines for Hurricane Prep Packs, which are distributed to health centers in hurricane zones throughout the U.S., Puerto Rico, and the U.S. Virgin Islands. Furthermore, we support the Direct Relief Global Strategic Emergency Stockpile initiative, providing urgently needed medical items following disasters. In 2024, we contributed $6 million in products to Direct Relief's disaster preparedness efforts.
- **Disaster Relief Product Support –** Lilly donates medicines and supplies requested by relief organizations such as Americares, Direct Relief and Project HOPE. These organizations work closely with clinics and hospitals to quickly assess and prioritize needs after a disaster.
- **Partnership for Quality Medical Donations –** Lilly is a charter member of the Partnership for Quality Medical Donations, a global program uniting medical-product companies and humanitarian organizations to promote sustainable access to quality health care in underserved communities during crises.
- **Diabetes Solution Center –** Lilly Diabetes Solution Center provides assistance to people in the U.S. with urgent diabetes care needs, including those affected by disasters and those needing help affording insulin.
- **The Lilly Foundation** donates cash to relief organizations and matches eligible employee contributions dollar for dollar. These donations address immediate crisis needs and support long-term rebuilding after severe disasters.

Learn more about how Lilly provides assistance in disaster preparedness and relief.

2024 Disaster and Humanitarian Relief

- **Hurricane Beryl in the U.S. –** Lilly provided insulin and mental health products prepositioned at Direct Relief's Santa Barbara, California warehouse as part of their Strategic Emergency Stockpile to assist communities in Texas impacted by Hurricane Beryl.
- **Hurricane Helene in the U.S. –** Lilly provided insulin and mental health products to communities affected by Hurricane Helene in North Carolina, Tennessee, and South Carolina. These items were prepositioned at Direct Relief's Santa Barbara, California warehouse as part of their Strategic Emergency Stockpile.
- **Humanitarian Aid for Haiti, Lebanon and West Bank –** Lilly supplied insulin prepositioned at Direct Relief's Santa Barbara, California warehouse as part of their Strategic Emergency Stockpile to support patients affected by humanitarian crises in Haiti, Lebanon, and the West Bank, and it provided insulin cartridges and reusable pens to Direct Relief to assist patients in Lebanon during the humanitarian crisis.
- **The Lilly Foundation** provided grants of $400,000 to the American Red Cross and $100,000 to Team Rubicon for hurricane Helene and Milton disaster relief.

Includes value of Lilly medicines provided to separate charitable organizations that offer free Lilly medicines to qualifying patients. Amounts are reflective of wholesale acquisition cost for the applicable product (or equivalent).

Community Engagement Highlights

2,000+ employees
have volunteered in 21 countries since Connecting Hearts Abroad, Lilly's global service program, launched in 2011

$12.5 Million
donated by Lilly employees and the Lilly Foundation for more than 500 United Way chapters

$30.9 Million
in disaster relief and humanitarian assistance in 2024

$44.1 Million
cash donations in 2024, including $27.8 million from the Lilly Foundation[1]

~$1.33 Billion
spent with more than 1,300 small suppliers in 2024

[1] Includes value of medicines provided by Lilly and its affiliates to separate charitable organizations that offer free Lilly medicines to qualifying patients. Product donations are valued at wholesale acquisition cost.

Inclusion on Purpose

IN THIS SECTION

Our Commitment

At Lilly, our mission is to create medicines that make life better for people around the world.

Cultivating an inclusive culture enables us to attract and keep the best talent, fuels innovation necessary for the next breakthrough medicine, and strengthens our understanding of the patients who depend on us.

We deeply value diverse backgrounds, skills and global perspectives, and will continue to be guided by our core values of integrity, excellence and respect for people.

Our Workforce

Our workforce remains a dynamic and diverse community. Our team spans the globe, with employees contributing to our success in various countries.

From the end of 2020 through the end of 2024, we have seen positive trends in representation across many areas of our workforce. Women in our global workforce, including in management positions, are approximately at parity with men.

At Lilly, we're committed to attracting and retaining the very best talent the market has to offer. We employ an inclusive recruiting process focused on finding qualified individuals with the skills, experience, and passion to drive innovation. We recognize the importance of proactive outreach and casting a wide net to find top talent. We believe that recruiting in this way ensures we build an inclusive and high-performing workforce that strives to understand and meet the needs of the diverse patients we serve.

Our Strategy: Empowering Inclusion and Removing Barriers

Our value of Respect for People, originally articulated by Eli Lilly as "compassion for others," has guided us for nearly 150 years. This value embodies our enduring commitment to Inclusion. By fostering a culture of inclusion where everyone feels valued and empowered, we are driving meaningful and lasting change. Our strategy is grounded in two areas that are essential to our journey:

Empowering a culture of inclusion for all to drive innovation and business outcomes

At Lilly, inclusion means everyone is respected and valued for their unique perspectives, feels they belong, and has access to the opportunities and resources needed to contribute their best. Our goal is to create an environment where diversity is truly embraced, and every person feels recognized and appreciated. We strive to make inclusion an everyday practice such that it becomes second nature in our workplace. By fostering a culture of inclusion, we empower our employees to bring their unique perspectives to the table, which we believe leads to increased innovation, stronger problem-solving, and ultimately, better business outcomes.

Removing barriers for employees, patients and communities

We are dedicated to identifying and removing barriers that prevent individuals from reaching their best health.

Inclusion for All

Building an Accessible and Supportive Workplace for All

Advancing disability inclusion remains a priority as we continue to create an accessible and supportive workplace. This includes recognizing the various resources that can contribute to individual and team success but also understanding employees may choose not to disclose a disability for various reasons, including concerns about privacy or stigma. This is why our continued work on creating a disability-confident culture is grounded in trust and respect for people.

Using assistive technologies, reasonable workplace adjustments and accommodations when requested and continuous education on disability inclusion for all employees, we continue to foster a workplace where everyone can contribute to our mission.

In 2024, we completed the EnAble Employee Journey, guided by feedback from employees with disabilities and caregivers, to deepen our understanding and design a strategy that promotes barrier-free experiences and empowers productivity for all employees and customers. This strategy resulted in significant advancements, including the incorporation of best practices learned from the EnAble Journey into our employee engagement initiatives, the embedding of "accessibility" into our Respect for People policy, and the creation of a new leadership role—Head of Disability Inclusion & Accessibility. This dedicated leader continues to develop and drive Lilly's strategy for advancing disability inclusion both within Lilly and beyond, championing our efforts and collaborating with external organizations to influence positive change in our communities.

Veterans have always been an integral part of our workforce, bringing invaluable skills, leadership and experience to our organization. Our dedication to supporting this community remains unwavering. We continue to focus on creating opportunities for veterans, providing them with access to meaningful professional development and resources to support their success.

In addition, we recognize the invaluable role of spouses and family members of veterans and active-duty personnel, who often bring their own experiences of resilience, adaptability and leadership, yet may not be counted in traditional self-identification metrics. By refining our veteran outreach efforts and enhancing recruitment strategies, we aim to attract and retain qualified people with military backgrounds. Our commitment to inclusion and diversity helps us honor their service while strengthening the fabric of our organization.

The **Skills First Apprenticeship** program provides career opportunities for qualified individuals who have not obtained a traditional four-year degree. Serving over 155 apprentices to date, this program provides education, training and mentorship to develop expertise in key areas, offering a pathway to meaningful careers. As the program evolves, we will introduce new training opportunities and explore the ways we can best connect apprentices with high-demand job roles, breaking down barriers and creating pathways to success.

Employee Experience

IN THIS SECTION

SASB Disclosures Covered:

Employee Recruitment, Development & Retention (HC-BP-330a.1; HC-BP 330a.2)

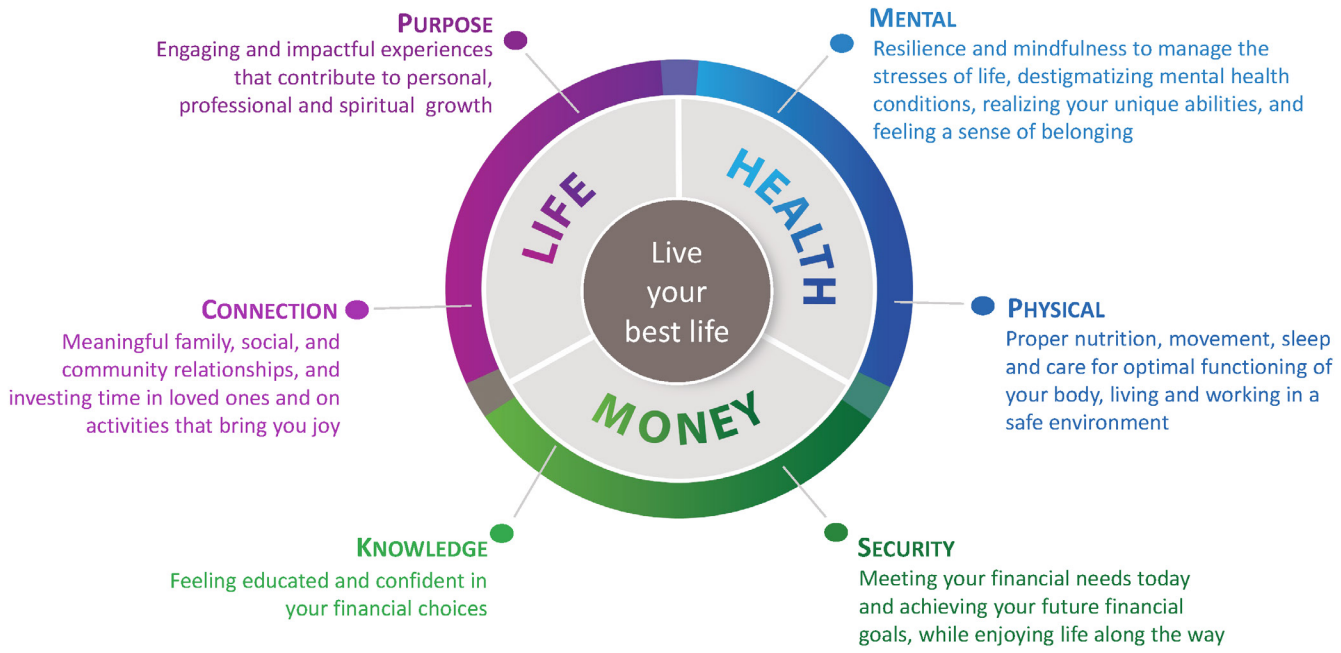
Management Approach

At Lilly, we make life better for people around the world – and it starts with our employees. Through our comprehensive pay and benefits programs – many at the forefront of the marketplace – as well as enrichment through learning and development opportunities, we empower our colleagues to live their best lives. We also strive to create a companywide culture where best-in-class safety practices support the well-being of our workforce and the communities where we operate. In caring for employees, we power our purpose.

Employee Well-Being

We take a broad view of well-being anchored in providing support for mental and physical health, financial knowledge and security, as well as a culture of rich connections and purpose to inspire all employees to be their best. While the local environment shapes program offerings in each of our affiliate locations around the world, our well-being framework is global. A global steering team, sponsored by Lilly leadership, actively guides our well-being strategy.

Global Well-Being Framework



Pay and Benefits

Our pay and benefits programs are designed to attract and retain an inclusive and highly motivated workforce while reinforcing our care for employees and shared purpose to make life better. Lilly's pay programs reward employee contributions and overall business success, and our benefit programs provide the flexibility to meet employees where they are in life and support overall well-being. We strive to deliver pay and benefits with a global mindset, differentiating programs where local business needs or markets necessitate.

Health

Our ability to deliver for patients begins with the good health of our employees and those they go home to each day. Through our robust suite of benefits, we support employees whether they are seeking to stay well, get well, or manage a serious illness. From comprehensive health and well-being benefits, mental health programs and services, fitness and health coaching benefits, to additional support such as onsite health clinics at various Lilly sites, we continuously strive to offer employees the health support they need.

Money

We understand the importance of taking care of one's finances, whether an employee is just starting their career or on their way to retirement. Our base pay program is designed to help employees meet their day-to-day needs while our bonus and stock programs deliver additional rewards aligned with our company mission of delivering medicines to patients worldwide. To further unite and motivate our workforce, from 2022-2024, we issued a special global stock grant known as Lilly Shares, giving all employees the opportunity to be shareholders in Lilly. In many countries, we also invest in financial benefits - pensions and/or savings programs —to support our employees in their retirement years,

disability benefits for financial protection, life insurance for peace of mind and educational support for continued learning and development. Collectively, our pay, stock, and benefits programs support our employees in reaching their financial goals.

We are committed to pay equity for all employees. We conduct pay equity studies on our workforce globally and believe that pay equity is critical to our success in supporting a global and inclusive workforce.

Life

Life is filled with moments that matter, and we offer support to employees to help balance the personal and professional aspects of life. While our employee benefits programs vary around the world, these may include flexible work arrangements, onsite conveniences, and time off to disconnect whether it's for vacation or in times of injury, illness or compassionate care emergencies.

Our global recognition program allows teammates to recognize one another regardless of their work location through supervisor-to-employee, peer-to-peer and service-based recognition. Employees may congratulate coworkers' successes through the companywide recognition feed, providing a consistent and meaningful recognition experience for all employees.

Learning and Development

We invest in employees' growth by providing resources for career and leadership development. We want every individual at Lilly to reach their full potential, which is why we offer tools and resources to support them on their journey and help them contribute at their highest level to fulfill our company's purpose.

Every employee has an individually tailored learning plan. We offer the specialized training our employees need to do their jobs in the highly regulated pharmaceutical industry. We also provide training about corporate policies, such as those contained in our code of business conduct. And we work to nurture a culture of lifelong learning by encouraging employees to seek ongoing education and growth experiences to help them build rewarding careers.

Lilly's work encompasses business areas and functions spanning discovery, development, manufacturing, marketing and global services. With broad technical and support functions, we offer employees opportunities to grow, develop their careers and pursue internal positions across areas of interest and geographies. We offer internal learning and development programs and resources to help employees navigate these opportunities, identify career objectives and acquire the right skills in a complex, dynamic environment.

These "upskilling" and "reskilling" offerings are often a win-win for employees and the company: employees can pursue exciting new skills and opportunities, and the company benefits from retaining engaged employees who are already knowledgeable about Lilly and our industry.

Continuing Education Support

Lilly supports employees' continuing education through several programs. To facilitate participation, Lilly has transitioned the tuition assistance program from an employee reimbursement model to a pre-pay model, removing the requirement for one year of service for eligibility. Academic coaching has also been implemented. These enhancements have led to more employees taking advantage of the benefits and pursuing further education, with the percentage of participating employees increasing year to year. Furthermore, Lilly provides training that meets the criteria for professional recertifications in various fields such as engineering and accounting.

Learning and Development Highlights

Employee Development

- Discover 12-Month Onboarding Program
- Individual Learning Plan
- Elevate AI.Lilly.com Platforms
- Instructor-Led Classes
- Lilly Data & Analytics Institute
- Lilly U: LinkedIn Learning, Skills Assessment, and On-Demand Resources
- Propel Employee Development Program
- Tuition Assistance
- reDiscover Development Resources

Leadership Development

- Discover Leading@Lilly Program
- Global Leadership Development Program
- Instructor-Led Classes
- Power of Choice
- Take the Lead Webinar Series
- REACH Leadership Development Programs
- Executive Leadership Development Program
- Aspire Leadership Development Program
- External Coaching
- Elevating Performance Workshops

Learning and Development Programs and Tools

Career Development and On-Demand Learning

Explore Your Career is Lilly's global framework and suite of resources designed to help employees grow and lead every day – and to help engage and retain talent. It provides the opportunity for employees to "raise their hand" to receive a talent assessment, which provides development suggestions for deepening skills and

taking on new or expanded leadership roles as well as tools and guidance for employees and their managers to assess career interests, map career plans and develop capabilities. We have had thousands of employees engage in the program since launch, signaling a healthy interest in career development. The program also shows encouraging results at the enterprise level, including improved engagement scores, improved retention rates for those who participate and positive perceptions of career development and investment.

Lilly U, featuring the LinkedIn Learning platform, offers a wide range of courses taught by practitioners worldwide. Available in ten languages, these courses are widely accessible to Lilly's global team of employees in an on-demand, learn-anywhere and -anytime format. The platform covers business, creative, and technology topics, including AI. LillyU also provides live classes to develop self-leadership, personal effectiveness, and communication skills, as well as a new skills-based assessment platform that provides personalized learning paths for building key skills in critical domains. In 2024 we launched reDiscover to connect employees celebrating milestone service anniversaries with targeted opportunities to further develop their skills, capabilities, and careers while reconnecting with our company purpose.

Data Analytics and Technology

Lilly has prioritized strengthening our data skills and technology capabilities. The Lilly Data and Analytics Institute was launched to upskill employees and leaders across the company. Through foundational courses, custom scenario-based simulations and hands-on tool-based programs, Lilly is deepening its culture of data-driven decision-making and equipping employees and leaders alike to tap more deeply into the power of analytics.

Lilly also advances employee development, inclusion and engagement through a global virtual platform, ELEVATE, designed to help all employees learn how to leverage technology to build connections and performance across the Lilly enterprise. Specifically, ELEVATE programming demonstrates how to use available tools and rapidly evolving technology resources to improve productivity, collaboration, inclusivity and well-being for employees who work on site or remotely. A complementary internal initiative, AI.Lilly.com, also connects all employees to contemporary, just-in time learning opportunities and live Tech Talks related to AI.

Leadership Development

Effective leadership is a critically important part of a thriving organization. We continue to expand our investment in leadership development programs, tools and resources for leaders at all levels of the company and across the globe. The aim is to help supervisors develop skills and strategies to lead increasingly inclusive, collaborative and high-performing teams.

Discover Leading@Lilly, our signature development program for leaders globally, offers a comprehensive curriculum for new Lilly leaders globally enabling them to build essential leadership skills through a variety of courses and experiences during an 18-month pathway.

In addition to the online LinkedIn Learning platform, we have further expanded our instructor-led offerings. Our REACH Leadership Development program expands its impact annually, reaching more leaders globally, with both company strategy and skill-building content. Additional initiatives have included training on inclusive leadership in a hybrid environment, effective communication in a dynamic, information-rich world, compassionate leadership, psychological safety, and elevating performance. We also maintain a "Take the Lead" live webinar series delivered by Lilly executives to all leaders globally. External coaching is now available more broadly to leaders at all levels across the world through an external technology-enabled coaching partner.

Inclusive Training Approaches

In addition to providing numerous learning programs across an array of topics, we continue to evolve design standards for training courses to improve accessibility for people living and working with disabilities and other access needs. Examples include ensuring courses are compatible with assistive technologies such as screen readers for employees with visual impairments and providing transcripts for individuals with hearing impairments. Across Lilly, we intentionally design learning experiences and other communications technologies to be more inclusive, and we have deployed a global training course called "Access Lilly: Building a Disability Confident Culture" in multiple languages to foster awareness and drive inclusive behaviors.

81 hours

Average of **81 total training hours** per employee on an annual basis (76 hours technical/compliance-focused and 5 hours development-focused)

14,300+ employees

14,300+ learners viewed development content on Lilly-provided employee development platforms in 2024

10 courses

On average, learners viewed **10 courses** and spent more than 2.5 hours learning

Top content

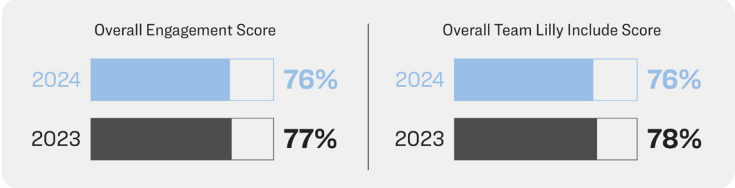
The most popular content categories in 2024 included **AI and GenAI (including prompting, ethics, and MS Copilot), digital marketing trends, and project management.**

Employee Engagement

Our employee engagement survey, the Pulse survey, has been administered in some form since 1995. The Pulse survey, which is available in multiple languages, is sent to all eligible employees. In 2024 this was completed quarterly with 25% of employees invited at random each quarter to participate.

Pulse data is used to help track how different Lilly initiatives are progressing, measure the engagement of Lilly employees, and inform changes that should be made in business units to improve aspects like innovation and productivity. Over the past five years, our response rate averaged around 60%, with more than 27,000 employees responding to the survey in 2024.

Lilly's Pulse survey continues to be a valuable tool in measuring employee engagement. The consistent performance with minimal decreases indicates a strong foundation of employee satisfaction and stability. The 2024 survey results, showcasing a favorable Engagement score of 76% and a Team Lilly Include score of 76%, reflect the company's ongoing commitment to fostering a supportive and engaging work environment. These figures underscore the resilience and positive sentiment among Lilly employees, demonstrating that the organization is well-equipped to maintain its high level of engagement and inclusivity.



Annual employee Pulse survey scores are subject to potential inherent year-on-year fluctuations depending on updates made to underlying question design.

Attrition Rate

Lilly's total attrition rate for 2024 was 7%. The total attrition decreased from the previous year, and we have consistently remained below industry averages.

Employee Safety

Keeping our people safe and healthy, whether at home or at work, is a high priority and aligns directly with our values. We realize the journey toward excellence in safety never ends, and we are constantly evaluating approaches to improve our safety programs and integrate injury prevention into everyday work.

We focus on creating a companywide culture where best-in-class safety practices are consistently followed. To do this, we assess and continuously strive to improve our safety performance to promote the well-being of employees and to help safeguard the communities where we operate.

All employees are required to complete routine training on health, safety and environmental programs. This includes general health, safety and environmental training, as well as training on industry-specific and job-specific programs and procedures. Employees are also trained on relevant emergency preparedness and response procedures.

At Lilly, we measure both leading and lagging indicators when assessing our overall safety performance. We have found that tracking leading – or predictive – indicators, such as ergonomic risk, safety culture scores and precursors for life-altering and fatality risks, contributes greatly to our company's safety performance. Using these indicators in conjunction with lagging indicators, such as our injury rates, we can paint a comprehensive picture of the areas that most affect employee safety across Lilly. This approach allows us to both influence change where needed and track our safety progress in concrete ways over time.

Employee Safety Goals

We set challenging employee safety goals and monitor performance to ensure we are making improvements in the most impactful areas.

We strive to achieve zero severe injuries – with a focus on continuous improvement. In 2024, our severe injury rate was 0.60 injuries per 500 employees, which represents a decrease over the 2023 rate of 0.69.

We track and report injuries as required by local regulations (e.g., OSHA); however, for internally tracked injury metrics, we utilize the severe injury rate metric, which is based on the ASTM Standard for Reporting

Injuries and Illnesses. This metric is applied globally and provides insights into our safety program performance. We also track the number of process safety deviations in our applicable sites and the number of life-altering injuries and fatalities globally.

Promoting a Culture of Safety at Lilly

Lilly has established safety metrics connected to our safety priorities and improving safety culture. Our priorities include developing safety leadership capabilities, reducing our most significant risks that could have life-altering or fatal consequences and managing business continuity risks, including those associated with process safety management. We know that to reach our goal for safety performance, Lilly must continue to instill and promote a best-in-class safety culture. We use a well-known model – the DSS+ Bradley Curve™ – to measure advancements in safety cultural maturity across the company. In addition, we evaluate and respond to the results from the safety leadership questions within our company's employee Pulse surveys.

Ergonomics

We prioritize employee safety, whether working from the office, in the field or remotely. Our ergonomics program includes educational resources and equipment, connects employees to ergonomic experts and shares ergonomic success stories and best practices. Employees can complete an online assessment tool to learn how to reduce their ergonomic risk, and we provide remote employees with home office equipment and ergonomic accessories. Additionally, we continue to promote the use of a computer software that prompts employees to take pauses and safety breaks based on computer use and enables employees and their supervisors to monitor ergonomic risk level.

Life-Altering Injury and Fatality Elimination

We continue to advance safety efforts and continuous improvement initiatives at Lilly facilities, with a focus on addressing injuries at every level, including life-altering injuries and fatalities and our areas of highest risk (e.g., manufacturing operations and motor vehicle collisions).

We are proud of our progress to reduce injuries to employees and contractors, but we recognize that lower injury rates don't necessarily correlate to fewer life-altering injuries and fatalities. Over the last several years, we have applied a concentrated focus on our Life-altering Injury and Fatality Elimination (LIFE) program. LIFE near-miss events and key learnings are shared broadly through our HSE Alert process and data are used to identify and implement risk reductions across the organization. We regularly benchmark with peer companies to share events and new methods for controlling LIFE risks and to continuously identify opportunities to improve safety.

Addressing Our Highest Risks

Consistent with the hierarchy of controls, significant effort has been made to expand on safety design criteria for new and existing Lilly facilities. To further minimize our highest risks, our manufacturing sites have continued to focus on implementation of advanced engineering and automation controls and process monitoring analytics for proactive event prevention. Near-miss data are collected and shared, and mitigation techniques are standardized where appropriate.

Managing Our Process Safety Risks

Some pharmaceutical manufacturing processes use hazardous chemicals subject to process safety management standards established by the U.S. Occupational Safety and Health Administration, U.S. Environmental Protection Agency, state agencies and EU directives and regulations. Over two decades ago, Lilly developed a globally integrated process safety management (GIPSM) program to manage process safety risks. Process safety management aspects are integrated within product development and manufacturing processes utilizing hazard analysis and risk elimination, procedural and training requirements, change management oversight and many other controls designed to minimize the risk of a catastrophic event.

By maintaining a sustained focus on process safety programs and HSE improvements, we believe we have significantly reduced the risk posed by the most serious potential process safety-related events.

Affiliate Motor Vehicle Safety

Many of our affiliate employees (i.e., office and field-based roles) have jobs that require significant time driving to interface with customers, exposing them to risks of collisions and injuries.

We have an internal motor vehicle safety program including driver training, collision monitoring and analysis, and coaching support for high-risk drivers. Additionally, we focus on driving without distraction,

supervisor-led safety coaching, country-specific driver safety programs, and vehicle safety requirements.

Collectively, these efforts have contributed to a decrease in collisions and motor vehicle-related injuries over time.

Safe Use of Mobile Electronic Device While Driving Procedure

At Lilly, we believe that no one should ever be hurt doing their job. The use of mobile electronic devices while driving increases the potential for motor vehicle collision and personal injury. For this reason, all employees across the company are subject to a global procedure that prohibits, with limited exceptions for brief and urgent scenarios, the use of mobile electronic devices while driving any company-owned or leased vehicle, while conducting company business driving any vehicle, or while driving on company property.

Contractor Safety

Our contractor safety management program starts with the objective of compliance with all regulations in the jurisdictions in which we work. However, our approach to safety goes beyond compliance with the belief that all accidents are preventable. We employ strict qualification criteria for contractors before they are awarded work and, once they are selected, we require ongoing job-specific training. Throughout all projects, we stress that safety is the top priority, before cost and schedule. We emphasize job-specific task planning, continuous recognition of changing conditions and safety observation reporting.

Lilly's Safety Progress and Performance Data

Safety Performance	2020	2021	2022	2023	2024
Fatalities (Lilly employees, Lilly-supervised contractors and other workers on site)	0	0	0	0	0
Severe injury rate[1]	0.51	0.41	0.55	0.69	0.60
OSHA total recordable injury rate, TRIR (US and Puerto Rico only)	0.92	1.00	1.00	1.18	1.18
OSHA lost time incident rate, LTIR (US and Puerto Rico only)	0.16	0.19	0.16	0.19	0.22

[1] Per 500 employees (ASTM E2920 standard for recording occupational injuries and illnesses). Data as of March 25, 2025.

Human Rights

IN THIS SECTION

Management Approach

One of our core values – respect for people – reflects our desire to maintain and uphold an environment built on mutual respect, openness and individual integrity. This includes our concern for all who interact with Lilly – patients, customers, employees, shareholders, partners, suppliers and communities. Our purpose of making life better guides our efforts for employees, partners and suppliers to uphold our values and respect human rights as we work together to improve lives.

Integrating Respect for Human Rights

We strive to embed respect for human rights throughout our business activities and relationships. Lilly joined the United Nations Global Compact in 2009 and is committed to the UNGC's Ten Principles on respecting internationally proclaimed human rights, labor, environment and anti-corruption. Each year we review and reaffirm our commitment to the 10 principles outlined by the UNGC and we provide an index of where to find information about our integration of the UNGC principles into our business strategy, culture and daily operations.

Human Rights in Business Conduct

Lilly believes in high standards of corporate conduct. We earn the trust and respect of our customers, regulators and the general public through the manner in which we conduct our business and their resulting experiences. We believe in the inherent rights of all people, regardless of where they were born, where they live, ethnicity, race, gender, sexual orientation or disability. Our code of business conduct, policies, compliance management systems, human resources performance and promotion systems, training programs and communications initiatives are designed to work together to reinforce a culture of integrity and ethical behavior, including various aspects of human rights.

Learn more in Business Ethics.

Human Rights Affecting the Workplace

We work to create an environment where people feel valued and where they can use their diverse backgrounds, experiences, skills and perspectives in support of our purpose. Across our own operations, we support human rights by:

- Offering fair and competitive employment practices, including wages and benefits.
- Promoting a safe and healthy workplace.
- Fostering an inclusive work environment, where discrimination, harassment and retaliation are not tolerated.
- Cultivating a workforce of people with wide-ranging backgrounds and experiences through recruitment, learning and development, advancement and retention processes, and programs.

Learn more in Employee Experience and Inclusion at Lilly.

Lilly's Support of Workers' Rights

Lilly fully supports standards, as reflected by the laws of the jurisdictions in which we operate, that both adults and children should be free from compulsory or coerced labor, and that people should have the right to associate freely and bargain collectively.

Forced and Child Labor

Lilly maintains a longstanding practice of complying with local minimum age laws and requirements and does not employ child labor, or forced or compulsory labor, in any of its facilities globally.

Freedom of Association and Right to Collective Bargaining

Lilly recognizes the importance of freedom of association in the workplace and respects the right of our employees to join associations of their own choosing. We interact with works councils and unions in several countries, and we support these bodies and work productively with them. The vast majority of our workers globally are not covered under traditional collective bargaining agreements.

In some countries where we operate, governments mandate working conditions such as salary increases, minimum wages, bonuses, number of weekly working hours, vacation time and overtime rates. These vary by country, and we follow these mandates wherever they apply.

Several of our affiliates have employee councils that meet regularly with management to discuss workforce-related issues that directly impact them, such as company policies and organizational changes. As laws and guidelines change wherever we operate, we will continue to work with employees, advocacy groups and governing bodies to maintain compliance and respect the right of free association.

Human Rights in Our Supply Chain

Lilly also expects our suppliers to uphold Lilly values and standards as outlined in our Supplier Code of Business Conduct. Our global standards and procedures include specific language about human rights, including our expectation that our vendors abide by Lilly's human rights standards. We rely on our suppliers and contract manufacturing operations to ensure the ongoing availability of our medicines. As our manufacturing base has grown, we've taken steps designed to reduce our exposure to risks inherent in managing a global supply chain. When it comes to quality and health, safety and environmental (HSE) risks in our supply chain, we have taken steps to educate and engage our suppliers directly on HSE issues and to help them build expertise around HSE topics. This includes our ongoing work as part of the Pharmaceutical Supply Chain Initiative (PSCI), which helps outline what the pharmaceutical industry expects from its supply chain. Lilly was an inaugural member of PSCI, which created and maintains the Pharmaceutical Industry Principles for Responsible Supply Chain Management. These principles address five areas of supplier performance standards: ethics, labor, health and safety, environment and management systems. Lilly's Supplier Code of Business Conduct reflects the PSCI principles. We require that our suppliers source materials responsibly and abstain from procuring materials from conflict areas or sources including the Democratic Republic of Congo.

See Supply Chain Management to learn more.

Human Rights in Health

From early discovery through drug development, as well as while a product is on the market, Lilly works to ensure the safety and effectiveness of our medicines. Our R&D efforts and clinical trials are developed and administered in ways that support our commitment to our patients, purpose and values.

Intellectual Property Principles for Advancing Cures and Therapies

Our scientists harness the power of biotechnology to advance new discoveries that have the potential to transform care, relieve suffering, and manage previously unmanageable conditions. Our ability to sustain investments to develop and deliver medicines depends upon an effective intellectual property (IP) system. We recognize that responsible use of IP protections promotes progress for people, health care systems, and society.

Lilly is a participant in the IP PACT (IP Principles for Advancing Cures and Therapies), a multi-company initiative affirming the biopharmaceutical industry's commitment to innovation and keeping patients at the center of our work. The IP PACT includes ten principles guiding the way our industry uses IP, including to facilitate collaboration and partnerships, to act responsibly in patent proceedings, to support vibrant generic and biosimilar markets, and to approach IP in the world's poorest countries in ways that take into account their unique socio-economic challenges. The principles are intended to balance the needs of patients, society, and our business — to further health care innovation and help patients live longer, and healthier lives.

Learn more about our approach to intellectual property as it impacts patient access and about our process to systematically evaluate internal assets to identify product development and access planning strategies for low- to middle-income countries, see Global Access & Health.

Bioethics

Lilly conducts clinical research and development activities consistent with bioethics principles and sound scientific methodologies, focusing on the safety and well-being of research participants.

Lilly established a standing bioethics committee in 1999. Our bioethics program is designed to address the increasingly complex and fast-paced ethical challenges of global pharmaceutical research, development and commercialization. Our focus is to protect and advocate for the rights and well-being of research participants and patients as well as the integrity of the scientific process and its applications for health care.

Our bioethics program provides Lilly employees with resources including the Lilly Bioethics Framework for Human Biomedical Research, position papers on major bioethical issues, and a consultation service addressing bioethics and research ethics questions. Learn more about our approach to Bioethics.

Clinical Trial Safety

One of the primary responsibilities of Lilly researchers and the medical professionals who conduct our clinical trials is the safety of study participants. Participant safety and well-being is monitored throughout each clinical trial. In addition, Ethics Review Boards, a team of people independent from the research, review every clinical trial to ensure appropriate steps are taken to protect the rights and welfare of participants before enrollment, and they maintain independent oversight over each clinical trial throughout its duration. Learn more in Patient Safety.

Lilly applies a single global standard to the conduct of medical trials involving human subjects. This standard is based on well-respected ethics guidance and other requirements. Learn more about our approach to continued access to investigational medicine and multinational clinical studies.

Clinical Trial Inclusion and Accessibility

Every time someone takes a medicine—even if it's over the counter—they are benefiting from the results of a clinical trial, a scientific study where researchers apply rigorous testing to ensure the safety and effectiveness of a medicine.

Many factors impact how someone will respond to a treatment, including their genetic background, race and/or ethnicity, gender, lifestyle and physical environment. To ensure that medicines are safe and effective for the patients who bear the burden of disease, it is critical that the patient population in clinical trials reflect the prevalence of the disease in the community. At Lilly, delivering accessible community based clinical trials are a strategic business imperative that allows us to have greater impact in improving equitable health outcomes. Our approach to designing clinical trials is based on the principles of answering the important questions of safety and efficacy as well as ensuring that the inclusion/exclusion criteria enable the trial to enroll the intended study population.

To increase trial accessibility to more patients, Lilly has set clear and measurable goals to increase access for those most affected by the diseases we study. This approach allows us to gain a more comprehensive understanding of the safety and efficacy of the medicines we develop, ensuring they are effective for the patients who will use them. These goals include:

- Strategically designing trials to enroll participants who match the prevalence of the disease in the community.
- Intentionally selecting a range of investigators in regions with high disease prevalence where studies are being conducted.
- Tailoring reach through elevating the patient's voice, education activities, partnerships and collaboration.

Access to Medicine

We are committed to equitable and affordable access to our medicines so that our breakthroughs can transform more people's lives. We're also committed to expanding our impact on society by addressing complex global health challenges, with a focus on people living in communities with limited resources.

Learn more about Lilly's extensive efforts in both U.S. Access & Affordability and Global Access & Health.

Protecting People's Privacy

Lilly believes in the ethical management of personal information whether it is that of a customer, an employee or any other individual. Our privacy program reflects our commitment to being open and honest about how we collect, manage, use and disclose personal information, and we're intentional about protecting it. We take reasonable precautions to protect personal information against loss, theft, misuse, unauthorized access, disclosure, alteration or destruction.

Learn more about how Lilly respects privacy.

Speaking Up

Lilly policy encourages our employees and our suppliers to report known or suspected issues, concerns or behavior that could harm Lilly or those we serve. We foster a culture where all individuals are empowered to speak up and engage with management to identify and implement appropriate continuous improvement. We recognize that speaking up, even if anonymously, is our right and our responsibility, and that taking no action when action is warranted can have serious consequences. We encourage employees and suppliers to share concerns openly and honestly – including on issues of human rights – knowing that Lilly will not tolerate acts of retaliation for reporting inappropriate conduct, preventing unlawful practices or participating in an investigation.

Learn more about our approach to Business Ethics.

Patient Safety

IN THIS SECTION

- Global Patient Safety
- Safety of Clinical Trial Patients
- Upholding Product Quality
- Preventing Counterfeit Medicines

SASB Disclosures Covered:

Safety of Clinical Trial Participants (HC-BP-210a.1); Counterfeit Drugs (HC-BP-260a.1)

Management Approach

From early discovery through drug development, as well as while a product is on the market, Lilly prioritizes the safety and effectiveness of its medicines.

The safety and integrity of our products start with the procurement of materials and continue throughout the production process. This includes comprehensive health, safety, and environment (HSE) practices with suppliers who provide materials for research and development, as well as with contract manufacturers who produce medicines and other pharmaceutical products. Lilly also works to combat counterfeit medicines and partners with organizations committed to upholding patient safety and deterring counterfeiting.

Global Patient Safety

Beginning with the discovery of a potential new medicine, and for as long as it is available to patients, our goal is to ensure that the benefits and risks of a medication are continuously monitored and well-understood by regulators, health care providers and patients.

Our Global Patient Safety organization, with over 400 employees, is dedicated to collecting, monitoring, evaluating, and reporting safety information. Lilly collects adverse event reports and other safety data worldwide in an adverse event database. New safety findings are communicated to patients, caregivers, health care professionals and regulators through product labelling, patient information, and instructions for use.

Lilly Global Patient Safety physicians collaborate with Global Manufacturing and Global Quality colleagues to ensure the safety of our medicines by evaluating manufacturing specifications, changes, and potential issues. Additionally, the organization maintains a robust system to monitor and ensure our devices are safe and effective from development to end of life cycle.

For more information, read about our patient safety efforts.

Reliable Product Availability

Our Global Manufacturing organization's mission is to provide a reliable supply of high-quality medicines. As a medicine manufacturer, we understand our responsibility and the importance of protecting the materials needed for production and managing supply chain logistics to ensure they are available to those who rely upon them.

The Manufacturing Leadership Team oversees Lilly's inventory of essential materials. Before these materials are received, our material and component suppliers are assessed for technical competence and their capability to supply high-quality, effective materials. Learn more about our third-party risk management.

We have robust processes for drug product components, including the active pharmaceutical ingredient and other materials used in manufacturing. Our manufacturing, packaging, and distribution capabilities help ensure the supply of safe and effective medicines. Our product serialization solution, first implemented in the U.S. in 2018 and ongoing in other countries, adds an extra layer of security and tracking for Lilly products in the legitimate supply chain.

Safety of Clinical Trial Patients

We work to find new and improved medicines through rigorous research and clinical trials. Diverse representation in clinical trials is crucial as it helps researchers develop medicines that are effective for a wide range of patients. Various factors influence how an individual responds to a treatment, including genetic background, ethnicity, gender, and lifestyle. Thus, including a diverse group of participants in our clinical trials is essential. Learn more about how we approach diversity in our trials.

One of the primary responsibilities of Lilly researchers and the medical professionals who conduct our clinical trials is the safety of study participants. Participant safety and well-being are monitored throughout each clinical trial. Ethics review boards, along with independent research teams, are responsible for safeguarding the rights and welfare of clinical trial participants prior to their enrollment as well as ongoing oversight over each clinical trial throughout its duration.

Before enrolling in a clinical trial, participants are given information about the study through a process called informed consent, which continues throughout the duration of the study. This document describes the study's purpose, length, procedures, risks and benefits, and other information that all participants should know. Participants may withdraw from a study at any time for any reason. They are also informed if new safety information emerges during the study that may influence their decision to continue participation.

Lilly sponsors clinical trials and relies on various partners to conduct them. In addition to the medical professionals at research sites, known as clinical trial investigators, we collaborate with service providers, technology providers, research monitors, and other necessary entities to effectively carry out our research. These partnerships are crucial for ensuring appropriate oversight. For example, research monitors collaborate with investigator sites to validate and confirm clinical trial data, while technology providers supply items such as electronic trial diaries or digital devices to collect biomarker data (e.g., pulse, breathing rate, body temperature). We conduct robust evaluations of these partners to ensure they meet Lilly standards for research and data privacy, and we oversee their activities throughout the clinical trial to ensure quality and data integrity.

During the clinical trial, researchers monitor patient safety by collecting any information on adverse events that occur to identify potential safety concerns. Lilly reviews these adverse events across trial participants to help inform researchers, participants and regulators how to appropriately manage the care of the research volunteers, and to inform the benefit-risk profile of our products in development.

Upholding Product Quality

Lilly is deeply committed to manufacturing high-quality medicines and ensuring product safety. We take our obligations seriously and have rigorous quality systems in place to ensure compliance with regulatory requirements.

Our Global Quality team ensures independence and objectivity by reporting directly to our CEO. The team is involved throughout the product life cycle, working across all phases of drug development and manufacturing, providing guidance and quality oversight, and collaborating with colleagues in research and development and manufacturing to comply with regulatory and internal standards.

Global Quality is responsible for managing and updating the Lilly Quality System, which is an integrated framework of standards, business processes, organizational controls, and oversight designed to help ensure that high-quality medicines are delivered to patients. This system, which also includes U.S. sales

and marketing standards, supports delivering balanced, objective, substantiated and current information to our customers. It supports and reinforces the Lilly values and our commitment to operating ethically and responsibly.

In addition, Lilly emphasizes the culture of quality and has adapted a culture-focused program. Aspects of the program include leadership training and employee engagement. Lilly performs quality culture assessments of the manufacturing sites to reinforce cultural strengths and operational excellence. We work to create an environment where employees are empowered to speak up and share concerns. Learn more in our Business Ethics section.

Lilly hosts regular inspections by global regulatory bodies at manufacturing facilities, marketing affiliates and clinical areas. These inspections ensure adherence to regulations such as Good Manufacturing Practices (GMP), Good Clinical Practices (GCP) and quality standards. The successful outcome of these inspections supports continued reliable supply to patients while driving continuous improvement to meet regulatory expectations based on learnings from these inspections.

Lilly has a thorough process to assess potential quality defects and safety issues from internal testing, an event that potentially impacts product, quality or a complaint. Incidents posing patient risk are escalated, promptly investigated and triaged by technical subject matter experts, quality management, and safety physicians. Investigation outcomes are used for continuous process improvement.

If a market action, such as a product recall, is necessary, Lilly executes an established process with agreement from respective health authorities to promptly and efficiently remove affected material and communicate the decision to minimize the risk to patients. In some cases, incidents of suspected or confirmed counterfeit Lilly products within the legitimate supply chain can prompt a recall of authentic Lilly products. In these circumstances, the authentic Lilly product does not pose a risk. Lilly collaborates with health authorities and law enforcement agencies to determine if a recall of the material is needed to prevent counterfeit medicine from harming patients and to ensure the integrity of the legitimate supply chain.

Total Recalls

2022	2023	2024
0	0	1

Global Quality also oversees the following activities to safeguard product quality:

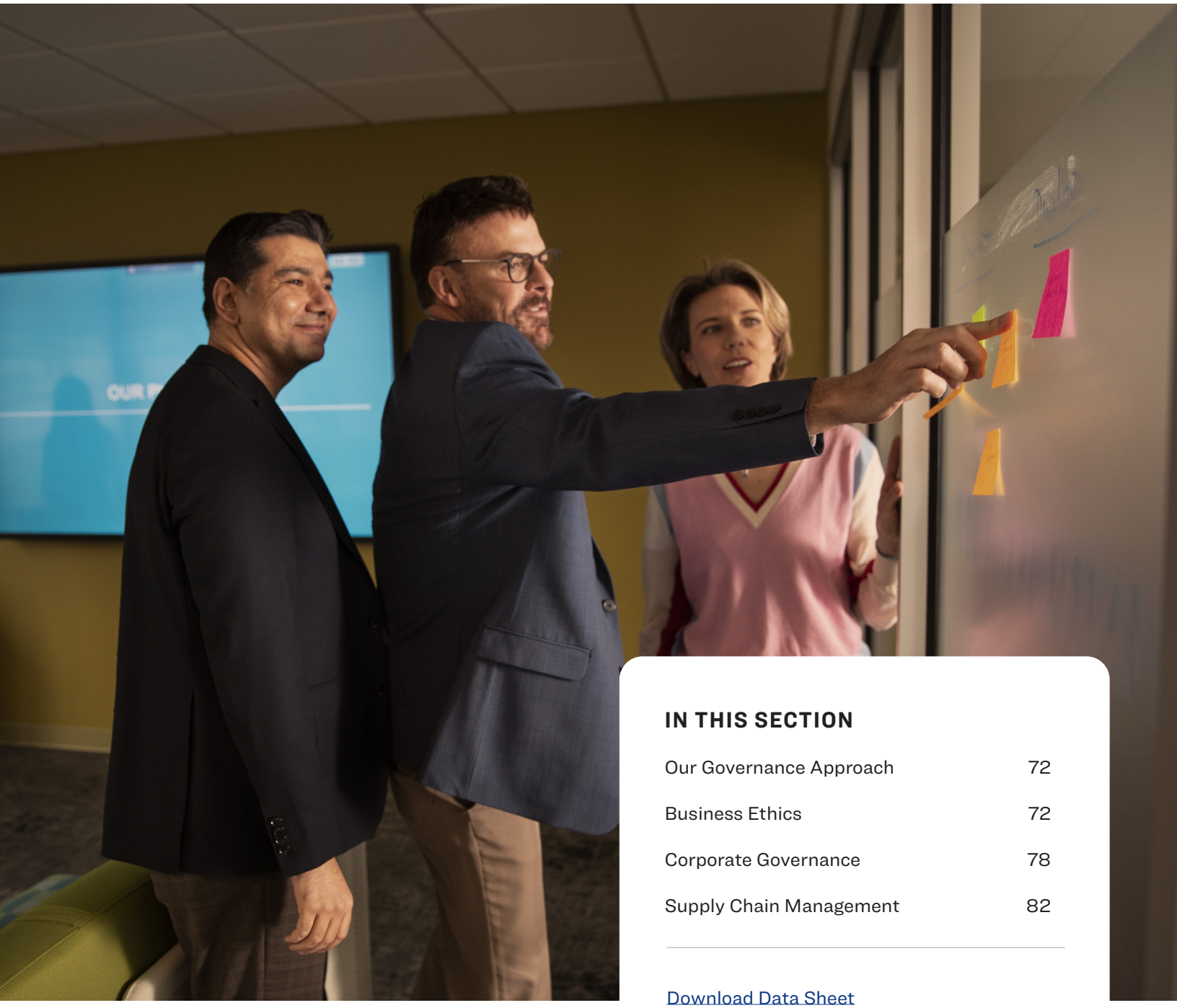
- **Testing and Assurance Checks –** Testing and assurance checks are performed throughout the manufacturing process, starting with testing raw materials and components, continuing through in-process testing of active pharmaceutical ingredients, and finally, testing final products to confirm compliance with regulatory and internal specifications.
- **Authorization and Regulation of Products –** The Lilly Regulatory Affairs organization is responsible for the content of product submissions and any communications related to submission review and approval. They also manage post-approval product registrations, labeling, promotional materials and associated regulatory policies.
- **Quality Management Training –** At Lilly, employees regularly undergo training to ensure compliance with relevant enterprise quality policies. For those working in GMP (Good Manufacturing Practices) areas, we have a comprehensive CGMP (Current Good Manufacturing Practices) training program designed to prepare them to fulfill their responsibilities effectively. This program includes an annual CGMP update training that addresses current quality-related topics, industry trends, and regulatory updates. See Business Ethics for more.
- **Medical Device Certifications –** For our medical devices, we maintain certification to the current ISO 13485 standard and participate in the Medical Device Single Audit Program (MDSAP). In this program, multiple regulatory authorities can accept the audit from a notified body on their behalf.

Preventing Counterfeit Medicines

Illegitimate or falsified medicines endanger patient safety and disrupt regulated supply chains. Lilly's product protection strategy has positioned us as a leader in safeguarding products against global threats like counterfeiting, tampering, theft, and diversion. We work closely with industry, government, and law enforcement agencies to protect our products.

Read additional details on the dangers of illegitimate/falsified medicine and the roles of Lilly, patients and governments in combating this issue.

Governance



IN THIS SECTION

Download Data Sheet

Our Governance Approach

Our company was founded nearly 150 years ago on the Lilly family's core values of integrity, excellence and respect for people, and these values continue to guide all that we do today. We are committed to upholding our high standards of corporate conduct in all business dealings around the world. We believe that a strong system of corporate governance is critical to promoting the long-term interests of our shareholders and other company stakeholders.

Business Ethics

IN THIS SECTION

SASB Disclosures Covered:

Business Ethics (HC-BP-510a.2);

Ethical Marketing (HC-BP-270a.2)

Management Approach

At Lilly, we are committed to upholding high standards of corporate conduct in our business dealings around the world. Our code of business conduct and our policies, compliance management systems, human resource performance and promotion systems, training programs and communications initiatives are designed to work together to reinforce a culture of integrity and ethical behavior.

As part of our commitment to operating ethically and responsibly, we continue to improve our ethics and compliance program. The program is designed to promote ethical conduct and instill a culture of integrity. Lilly's ethics and compliance function support our global anti-corruption, enterprise risk management, integrated risk management and business continuity efforts. These programs feature board-level and management oversight, written standards, training, communication, proactive risk assessments, processes for reporting concerns, internal investigations, auditing, and proactive monitoring designed to reduce risk, enhance proactive compliance, and prevent fraud and other regulatory or policy violations.

A key component of our culture of ethics and integrity is transparency about how we work. Lilly collaborates with health care professionals and organizations focused on improving the health and quality of patients' lives. We believe being transparent about our relationships with these external groups, advocacy organizations, and other stakeholders helps Lilly build trust and respect for how we work with others to benefit the people we serve.

Ethics and Compliance

We assess risks in our business functions and regions to help leaders understand, prioritize and mitigate ethics, compliance and fraud risks. We have a robust investigation process and develop corrective and preventive action plans as appropriate. We also use data to improve our programs and assist leaders in assessing their risks.

Lilly's chief ethics and compliance officer is responsible for developing and operating our ethics and compliance program. This includes reporting obligations to the CEO and regular updates to the Ethics and Compliance Committee and Audit Committee of the Board of Directors.

Integrated Risk Management

The Board reviews the company's prioritized enterprise risks, appropriate mitigation plans and the company's overall state of compliance. To provide a comprehensive review, the overall state of compliance report blends key information from various groups within Lilly, including corporate audit services, ethics and compliance, health, safety, environment and global quality.

Our Code of Conduct, Policies and Procedures

Our code of business conduct, policies and procedures are designed to reinforce our core values and provide guidance on how we expect business to be conducted. They include processes for interacting with health care providers, government officials and others, and they are designed to be consistent with codes issued by other relevant organizations, including the International Federation of Pharmaceutical Manufacturers & Associations (IFPMA), the Pharmaceutical Research and Manufacturers of America (PhRMA), European Federation of Pharmaceutical Industry Associations (EFPIA), and the Japan Pharmaceutical Manufacturers Association (JPMA).

Our global procedures and processes support the ethical marketing and promotion of our products and require the review and approval of this content by relevant subject matter experts. We investigate potential violations of these procedures and, as warranted, take corrective and preventive actions including reporting to regulatory authorities as appropriate.

In 2024, we received no warning letters or untitled letters from the Office of Prescription Drug Promotion (OPDP), U.S. Food and Drug Administration (U.S. FDA) Center for Drug Evaluation and Research (CDER) or the Advertising and Promotional Labeling Branch (APLB) and U.S. FDA Center for Biologics Evaluation and Research. Lilly applied the learnings from previous untitled letters to its review processes for future communications involving all marketed products.

We regularly update and disseminate our compliance-related expectations through The Red Book, our code of business conduct. Available in 20 languages, this document and associated trainings are designed to support a judgment-based approach emphasizing the company's values and the importance of ethical decision-making. The code of business conduct and associated training includes our 12 corporate policies:

- Our Ethical Foundation
- Conducting Research and Development
- Respecting People
- Assuring Quality
- Ethical Interactions: Communicating Honestly
- Ethical Interactions: Preventing Corruption
- Maintaining Financial Integrity
- Respecting Personal Information and Privacy
- Using Artificial Intelligence Responsibly
- Managing and Protecting Information
- Protecting People, the Environment and Our Assets
- Speaking Up: No Retaliation

Ethics Training and Communications

We recognize the impact of people and the role of human behavior on our organization's culture, and we aim to integrate these elements into our ethics and compliance program as part of our strategy to promote ethical behavior and decision-making. We believe all employees can play a role in the success of our ethics and compliance program, so we consider training and communications to be essential components of nurturing a culture of integrity and ethics throughout our business.

Training and Development

Each year, we require our employees to complete training in ethical business practices. This includes requiring all Lilly employees and key contractors to complete training on The Red Book and certify they have read, understood and will abide by its requirements. 100% of employees assigned training during the annual global retraining period in 2024 completed this annual training prior to the internal due date.

Most employees also receive additional targeted ethics and compliance training related to their specific role. Employees who do not complete required ethics and compliance training receive HR discipline, as appropriate.

As part of our focus on nurturing a culture of integrity, we supplement our ethics and compliance training with case studies. Our goal is to help our leaders and employees understand the role pressure can play in rationalizing poor decisions and techniques they can use to mitigate this risk for themselves and within their teams. Additionally, we share details of real situations to reinforce with employees the behaviors and best practices that have led to ethical decision-making, as well as the lessons learned from past missteps. We want to help employees apply our principles, policies and procedures in their day-to-day work.

In addition to having core ethics and compliance subject matter experts as part of the ethics and compliance function, we also regularly provide high-potential employees with development assignments within the ethics and compliance function. We gain valuable insights from these participants, and we believe they return to their roles in the business with a renewed understanding of our commitment to integrity and the programs in place to support it.

Communications

We strengthen our culture through robust communications to help ensure employees are aware of their responsibilities under our policies, know where to find resources and understand lessons we have learned as an organization. Leaders are provided with resources designed to help them recognize their vital role in creating an environment that encourages ethical behavior. We publish articles on our internal website to communicate and support our commitment to integrity and ethical decision-making.

We have worked to build and nurture a culture where people notice and speak up about mistakes or concerns, ask questions when they don't know the right course of action to take and listen when someone raises a concern or question. Our "Speaking Up: No Retaliation" policy supports this mindset, and we've created a comprehensive set of resources to help employees understand how we define retaliation, why we do not tolerate it in any form and the channels available to support speaking up.

Tracking Our Progress

We track our progress in many ways, including reviewing the results of our annual employee surveys. Results from the 2024 surveys show that approximately 95% of survey respondents say they would report a suspected ethical violation if observed, and 95% know how to access the proper channels to report a potential violation.

Reporting, Monitoring and Auditing

To help identify possible compliance issues, we maintain an internal disclosure system that includes a mechanism for anonymous reporting (where permitted by local law). We also review business actions through a system of monitoring and audits:

- **Internal Reporting –** Lilly employees are required to report known or suspected violations of the law, The Red Book, company policies or official orders or decrees applicable to our business. We recognize speaking up is our right and responsibility, and we encourage employees to report any ethical concerns or issues, including harassment and discrimination. The Lilly Ethics and Compliance Hotline is staffed by an independent firm, 24 hours a day, seven days a week and is available online to employees and the public globally (subject to local law). The hotline website also lists up-to-date local toll-free phone numbers for most countries, where available. Translation services are available, if needed, and reports may be made anonymously (subject to local law). In addition, employees or the public may submit reports of misconduct, inquiries or other allegations to Lilly via email. Employees are actively encouraged to bring concerns to supervisors, leaders and representatives of ethics and compliance, legal and human resources. As our Speaking Up: No Retaliation policy states: "We share concerns openly and honestly, knowing that Lilly will not tolerate acts of retaliation."
- **Monitoring –** We maintain a risk-based ethics and compliance monitoring program. Key components of the program include a global monitoring strategy, risk assessments, monitoring plans and standardized tools and processes for reporting metrics to our business and functional leaders. We are increasingly utilizing data and analytics to detect risks as a core element of our monitoring program.
- **Corporate Auditing –** Our internal corporate auditing functions conduct financial, nonfinancial and quality audits of Lilly affiliates, functions, manufacturing, research and certain third parties to evaluate compliance with our policies and procedures. Audits are determined based on prioritization of the risk landscape using a risk-based methodology, leveraging data analytics, and are influenced by the results of the annual Enterprise Risk Management (ERM) process aligned with the company's strategic

plan. Audits include reviews of our anti-corruption program, privacy and other policies related to ethical interactions (e.g., off-label promotion).

- **Assurance Governance –** To effectively align and integrate our companywide audit, assessment and monitoring activities to provide a focus on enterprise risks, we operate an Assurance Governance Forum. The forum is comprised of leadership from multiple assurance functions including ethics and compliance, audit, quality and information security. This objective is to provide integrated leadership to ensure that our risk and compliance programs meet the expectations of stakeholders and that our programs are integrated across the company to deliver maximum value and efficiency. The forum shares its learnings and insights with senior leadership and the Board of Directors.

Investigations and Corrective Actions

We take seriously reports of known or suspected violations of company policies and procedures, and we investigate claims of potential wrongdoing that are brought to our attention. We seek to identify and address inappropriate conduct as early as possible and to prevent future recurrences. Our global investigation team receives specialized training and conducts investigations according to a standardized process designed to satisfy applicable global and local procedural and privacy requirements.

Listed below are statistics on high-risk allegations brought to our attention in 2024 and evaluated through a consistent process. These statistics concern allegations determined to be of the highest risk to the company and include potential violations of policies and procedures related to finance, sales, marketing, manufacturing, quality and conduct.

In 2024, we investigated and closed 348 high-risk allegations*, and confirmed that a violation had occurred 80% of the time. Outcomes related to violations are listed below:

- Individuals disciplined, up to and including termination – 51%
- Individuals received corrective feedback or other outcome – 49%

*One allegation equals one individual. If a situation involves more than one individual, that matter may be recorded as multiple allegations. High-risk allegations may include some third-party cases and violations. Statistics calculated as of April 2025.

During investigations of high-risk matters, our team works to identify root causes. Following an investigation, we help business area owners identify and implement corrective and preventive actions designed to address the issue, as well as prevent a recurrence. We monitor the effectiveness of these actions, adjust as needed and track and report our progress

Anti-Corruption Compliance

Lilly's commitment to operating with high ethical standards includes complying with applicable Anti-Bribery and Anti-Corruption (ABAC) laws and regulations, and it extends to business relationships, dealings and activities all over the world. Our global policies prohibit bribery, fraud and other acts of dishonesty, including that we do not offer, provide, authorize or accept anything of value – or give the appearance that we do – to inappropriately influence a decision or gain an unfair advantage. This also extends to our work with third parties. We use a risk-based anti-corruption due diligence process to evaluate certain third parties, as appropriate, before engaging them, including the following:

- Third parties who may be authorized by Lilly to interact with health care providers or government officials on the company's behalf
- Prospective recipients of grants and donations
- Prospective business development partners.

When appropriate, as determined through our risk evaluation process, third parties are required to follow anti-corruption policy and procedure requirements and participate in anti-corruption training. As part of our ongoing monitoring efforts, we conduct independent ABAC assessments of certain third parties, which often include site visits and transaction testing. We also conduct an annual global anti-corruption risk assessment to identify potential risks and develop appropriate risk mitigation plans.

In addition, employees who are in positions most likely to interact with third parties are required to complete additional scenario-based training above and beyond our annual code of business conduct training. This training, which includes anti-corruption training, is designed to reinforce our policies, procedures and processes that promote ethical interactions. In 2024, 100% of required employees completed this additional training prior to the internal due date. Employees who do not complete required ethics and compliance training receive HR discipline, as appropriate.

Respecting Privacy

Privacy is a top priority for Lilly, as reflected by our longstanding global privacy program. At its core, our privacy program reflects our commitment to being open and honest about how we collect, manage, use and disclose personal information. We are intentional about protecting personal information and strive to use the minimum amount necessary to do our work. We share personal information only with those who are authorized and have a legitimate business need to see it, and we insist our suppliers and third parties handle personal information in accordance with core privacy expectations, as well as applicable laws and regulations.

At Lilly, we expect our employees, suppliers and anyone working on our behalf to work responsibly and protect the personal information that is entrusted to us. These expectations are stated in our global Respecting Personal Information and Privacy policy, as well as our Respecting Privacy procedure, and are emphasized in enterprise-wide training on the responsible use of personal information.

Governance of Privacy

The Digital Sustainability team within the Legal department oversees the privacy program for our operations around the world and is led by our chief privacy officer, working with a team of global and local privacy experts. As the volume of data grows exponentially and as comprehensive data privacy laws proliferate in the U.S. and worldwide, privacy is a board-level priority. In addition to running its standard risk assessment process, the privacy team is actively engaged with relevant external constituents to stay abreast of new privacy laws, related risks and potential impacts of noncompliance, as appropriate, and to inform leadership of such developments as warranted. The privacy team also shares developing privacy requirements and identifies key privacy risks to our broader ethics and compliance organization, as well as to other key internal stakeholders, including our corporate audit team partners.

Bioethics

Our investment in bioethics capabilities reflects our company values and purpose to improve people's lives and communities around the world. We were one of the first pharmaceutical companies to establish a standing Bioethics Advisory committee in 1999. Our bioethics program is designed to address the increasingly complex and fast-paced ethical challenges of global pharmaceutical research, development and commercialization. Our focus is to protect and advocate for the rights and well-being of research participants and patients, as well as the integrity of the scientific process and its applications for health care.

Our bioethics program provides Lilly employees with resources including the Lilly Bioethics Framework for Human Biomedical Research, position papers on major bioethical issues, and bioethics consultation and education. Additionally, our staff and the Bioethics Advisory Committee provide input into policy decisions that have bioethical implications, and we collaborate externally to establish best practices in applying bioethics across the industry.

Bioethics Advisory Committee

Our bioethics program reports to the chief medical officer. The Bioethics Advisory Committee is made up of cross-functional experts and serves as a resource for Lilly employees to seek guidance on bioethics considerations, discuss potential courses of action, and receive advice on potential paths forward.

We apply the principles in the Lilly Bioethics Framework to our research study design, informed consent processes and content, selection of countries for clinical trial sites, requests for access to investigational treatments outside of clinical trials, animal care and use, engagement of special populations (e.g., pediatrics), and timing and content of research publications.

Bioethics Program

Our bioethics program focuses on resource development and communication, consultations, and collaboration. We develop position papers on bioethics topics, provide consultations for employees seeking advice regarding bioethics and research ethics issues, and provide bioethics input to internal and external working groups.

Our Bioethics Framework for Human Biomedical Research and our Principles of Medical Research provide a bioethics foundation for the company's positions on bioethics issues, promoting alignment with broadly accepted ethics principles and Lilly's core values of integrity, excellence, and respect for people. Our bioethics program aims to work with other companies to establish best practices and to bring an industry perspective to bioethics discussions.

Our bioethics program advocates for the rights and well-being of research subjects and patients who use our medicines. Lilly applies a single global standard to the conduct of medical trials involving human subjects. This standard is based on well-respected ethics guidance and other requirements including:

- The World Medical Association's Declaration of Helsinki
- The Council for International Organizations of Medical Sciences' International Ethical Guidelines for Health-Related Research Involving Humans
- The International Conference on Harmonisation's Guideline for Good Clinical Practice
- The Pharmaceutical Research and Manufacturers of America's Principles on Conduct of Clinical Trials
- Applicable laws and regulations of the country or countries in which a study is conducted.

Transparency, Disclosure and Political Engagement

We support various transparency initiatives globally, provided:

- That they are respectful of local laws related to intellectual property, trade secrets, competition and privacy
- The disclosure of information does not undermine our ability to compete effectively
- That information is communicated with appropriate context in an easily understood manner.

We seek to collaborate with policy makers, industry colleagues and key stakeholders to align on approaches that achieve these objectives.

Clinical Trials Data Transparency

Lilly is committed to the transparency of our clinical studies, and we recognize that responsible sharing of clinical study data can enhance public health. Since 2014, Lilly has enhanced our transparency initiatives in alignment with the PhRMA/EFPIA Principles for Responsible Clinical Trial Data Sharing. Lilly registers and posts results of clinical trials on clinicaltrials.gov in addition to any legally required clinical trial registries. For Phase 2 and 3 trials that completed after 2019, Lilly submits results to clinicaltrials.gov one year after the completion of the trial regardless of the medicine's approval status.

Lilly makes anonymized patient-level data available from Lilly-sponsored trials on marketed drugs for approved uses following acceptance for publication. Lilly is one of several companies that provide this access through a third-party website where qualified researchers can submit research proposals and request anonymized data to test new hypotheses.

In 2013, Lilly began conducting pilot projects creating summaries of Phase 2 and 3 clinical trial results in patient-friendly language using simple, everyday terms. Since 2021, Lilly has created plain language summaries of Phase 2-4 clinical trial results in English. Lilly expanded the scope of plain language summaries to include Phase 1 trials conducted in the EU to meet the EU Clinical Trial Regulation that went into full effect in 2023. Lilly posts plain language summaries for trials completed after 2023 to trialsummaries.com.

Payments to Physicians and Healthcare Organizations

Read about our approach to payments to health care professionals and health care organizations.

Political and Policy Participation

Read about our disclosures on political and policy participation.

Corporate Governance

IN THIS SECTION

Management Approach

We believe that a strong system of corporate governance is important to creating long-term shareholder value. In pursuit of this objective, the interests of our principal stakeholders are considered: shareholders, patients, health care professionals and payers, employees, partners and suppliers, and local communities. We believe it is important to balance the interests of our many divergent stakeholders, because part of long-term shareholder value creation includes fair treatment of those who touch or are touched by the company.

Our Board works to provide independent oversight and effective decision-making. The Board operates under a variety of governance best practices to maintain effective independent oversight. Learn more about our principles of corporate governance in our Corporate Governance Guidelines.

The Board actively oversees the development and execution of our business strategy. Annually, the Board and executive management conduct an extended review and discussion of the company's strategy, goals, external environment and key risks. The decisions reached in this session are revisited throughout the year alongside financial performance, the performance of our business units and progress in our product pipeline. Additionally, the Board is engaged in strategic oversight of sustainability matters and receives regular updates on these matters. We engage with a variety of stakeholders on an ongoing basis and incorporate feedback as appropriate. Learn more about Lilly's governance structure, Board of Directors and Executive Committee.

Sustainability Governance

Our approach to sustainability governance includes Board oversight, management accountability, corporate policies and management systems and stated public policies and positions on key topics. We seek to continue to improve in these areas, as we believe they are foundational to our long-term success and our ability to promote the interests of shareholders and other company stakeholders.

Board Oversight

Our full Board is engaged in strategic sustainability oversight, receives regular updates on these matters, reviews our long-term environmental goals, and weighs in on significant strategic investments, including those related to our overall sustainability priorities. Additional monitoring or oversight of specific sustainability topics may be delegated to the committees of the Board.

The Directors and Corporate Governance (DCG) Committee of the Board is responsible for identifying and bringing to the attention of the full Board, as appropriate, current and emerging social, environmental, political and governance trends and public policy issues that may affect the business operations, performance or reputation of the company. In addition, the DCG Committee oversees matters of corporate governance, including Board performance, non-employee director independence and compensation, corporate governance guidelines and shareholder engagement on governance matters. The Talent and Compensation Committee is responsible for oversight of human capital management matters. The Audit Committee, together with the Ethics and Compliance Committee, oversee the company's compliance with the company's code of ethics. The Audit Committee also provides oversight of the company's programs, policies, procedures, and risk management activities related to information security, cybersecurity and data protection. The Science and Technology Committee assists the board in exercising reasonable oversight of product safety and medical risk management. View our Board committee charters.

Sustainability Governance Committee

Central to our sustainability oversight is our Sustainability Governance Committee, chaired by our sustainability leader and composed of senior leaders from Health, Safety and the Environment (HSE), Human Resources, Ethics and Compliance, Legal, Treasury, Procurement and Investor Relations. This committee reports to our senior leadership Executive Committee and has a broad sustainability mandate that includes leading the coordination of our sustainability strategy, evaluating our sustainability approach compared to peers and the broader environment, assessing and responding to sustainability regulations, leading formal, periodic sustainability strategy updates, institutionalizing sustainability topics throughout Lilly and facilitating execution of sustainability reporting activities.

Sustainability in Executive Compensation

We reinforce the importance of sustainability efforts by including relevant expectations in each executive officer's performance plan. Performance against these expectations can affect base pay increases and stock awards, holding individuals accountable while adjusting compensation based on their contributions to the company's performance and sustainability goals.

Health, Safety and Environment (HSE) Governance

HSE management at Lilly is integrated through a formal structure, including the following groups, individuals and programs:

- **Global HSE Committee** – Comprising senior executives from key business areas, the committee ensures effective oversight and plays a central role in monitoring the corporate HSE strategy, compliance, performance against goals, and continuous improvement.
- **Senior vice president responsible for corporate engineering and global HSE** – A member of the Global HSE Committee works closely with HSE and other functional leaders to ensure an appropriate and thoughtful response to HSE risks and opportunities, monitor emerging and evolving issues, approve appropriate metrics and goals and oversee compliance with all HSE regulations, policies, procedures and standards worldwide.
- **Manufacturing HSE Committee** – Supports HSE efforts and drives ongoing improvement throughout manufacturing.
- **Lilly Research Laboratories HSE Lead Team** – Promotes HSE aspects across research and development.
- **Process Safety Management Committee** – Ensures that Lilly maintains a sustainable, compliant, and industry-leading Process Safety Management and Combustible Dust Program while setting the strategic direction and continuous improvement plan for reducing process safety risks.

- **Pharmaceuticals in the Environment Governance Committee** – Establishes strategic direction, oversees long-term initiatives, fosters effective internal collaboration, and recommends resources for the programs that control active pharmaceutical ingredients discharges from manufacturing sites.
- **Executives and lead teams** – Oversee HSE performance in our business groups and administrative functions.
- **Local safety teams** – Includes cross-functional team members who focus on monitoring performance, execution, and continuous improvement activities in the day-to-day operations of a specific site or business area.

HSE Policy Statements, Procedures and Standards

Lilly has brief, principle-based policy statements that are implemented in two ways:

1. Through our global procedures, which describe underlying principles and general expectations
2. Through our global standards, which provide auditable, detailed requirements.

These key governance documents and our related management systems together detail Lilly's HSE management and performance expectations. Lilly's global policy statements, procedures and standards articulate our commitments and guide our efforts. They include the following:

HSE Policies

- Our Global Policy on Protecting People, the Environment and Our Assets – We strive to maintain a secure workplace and to protect people and the communities in which we operate and serve. We are focused on continuously improving our health and safety practices to promote the well-being of our people. We are committed to conducting business in a responsible and environmentally sustainable manner. We are committed to a robust security culture to protect our people and brand from harm, and our assets from loss, theft or damage. Each of us is responsible for implementing our security practices and applying them in our daily activities.

Global HSE Procedures

- Health, Safety and the Environment – Outlines general principles and sets general requirements in the areas of employee responsibility, management responsibilities, emergency preparedness and reporting of HSE incidents.
- Safe Use of Mobile Electronic Devices While Driving – Establishes criteria and limitations for the use of mobile electronic devices while operating a Lilly vehicle, including driving on Lilly property, and conducting company business.

Global HSE Standards

- Management System Standard – Defines requirements to ensure a robust process is in place within each part of the organization to effectively manage compliance with Lilly HSE Standards, applicable regulatory requirements and other HSE standards.
- Environmental Standard – Establishes requirements to identify and manage the environmental and energy-related aspects of our operations.
- Health and Safety Standard – Provides requirements for identifying and evaluating workplace hazards and establishing control measures to eliminate or reduce the risk of injuries and illnesses.
- Process Safety Standard – Establishes requirements designed to reduce the potential for catastrophic events (fires and explosions), focusing on the establishment of safe initial conditions, management of change, and the prevention of system decay.
- Product Stewardship Standard – Provides a systematic approach to managing product and process risks throughout the product life cycle, from research and discovery to product end-of-life.
- Global Engineering Standards – Establishes requirements for the design and operation of facilities and equipment to ensure compliance with internal and external requirements and responsibly manage environmental aspects of operations.

With respect to the importance of climate-related risks, our CDP response provides comprehensive discussion of how the risk of climate change is considered and governed. Read our 2025 CDP response.

HSE Management Systems

At Lilly, business areas including manufacturing, research and development, sales and marketing affiliate locations, and general administrative functions, are required to operate with an HSE management system that adheres to the Lilly HSE Standards. Lilly's HSE Management System is consistent with third-party standards such as the International Organization for Standardization (ISO) 14001, ISO 45001 and the American Chemistry Council's Responsible Care Management System (RCMS®) standards.

All employees are subject to recurring training on health, safety and environmental programs. This includes general health, safety and environmental training, as well as training on industry-specific and job-specific programs and procedures. Employees are also trained in relevant emergency preparedness and response procedures.

HSE Audits

We conduct HSE audits of Lilly sites and functional areas for each of our Global HSE Standards as well as regulatory requirements. Our multiyear audit plan is updated annually and identifies which areas to audit each year based on risk, with areas associated with high-risk operations being audited at least every three years. Audit results are shared with executive leadership and the Board of Directors, and management must respond to and address all audit observations and track progress against action plans.

Supply Chain Management

IN THIS SECTION

SASB Disclosures Covered:

Supply Chain Management (HC-BP-430a.1)

Management Approach

Ensuring our high-quality medicines are available wherever and whenever patients need them is one of our top priorities. We are committed to maintaining the safety and integrity of our medicines, which begins with the procurement of materials and extends throughout the production process. Through integration of Lilly-owned facilities and external suppliers, we aim to manufacture our medicines in an efficient, effective and safe manner. The Lilly Quality System supports this integration and is the foundation for our quality standards and processes throughout the product development life cycle, including auditing and assessing third-party risk.

In addition to our efforts internally, we promote strong health, safety and environmental (HSE) practices with our suppliers and contract manufacturing operations (CMOs). We work to mitigate counterfeit medicines and illegal compounding to protect patient safety. We also comply with governmental efforts around conflict minerals (see more on conflict minerals below).

A significant portion of Lilly's environmental and social impact is embedded in our supply chain. We are committed to supporting our suppliers and CMOs as they work to continuously improve their operations.

We believe that doing business with a varied set of suppliers also helps Lilly accelerate innovation and deliver strong results. We seek out fresh perspectives and insights by engaging minority group-owned, women-owned and small businesses.

Supply Chain Governance

Our supply chain augments our operations and we strive to instill our company's operating principles within our supplier network. We support the United Nations Global Compact (UNGC) principles, adhere to human rights and labor laws, comply with anti-corruption practices, endeavor for a diverse supplier base and promote sustainability efforts designed to minimize our environmental footprint.

Lilly utilizes a risk-based approach designed to prevent product shortage so that patients have access to the right medicine at the right time. To help maintain a reliable supply of medicines, Lilly is expanding its manufacturing capacity, including new facilities in United States, Ireland and Germany.

We rely on our suppliers and CMOs, including those that supply us with research and development materials, active pharmaceutical ingredients (APIs) and final drug products, to provide the ongoing availability of our medicines. As our manufacturing base has grown, we've taken significant steps designed to reduce our exposure to risks inherent in managing a global supply chain.

We continue to strengthen efforts to monitor our supply chain for quality and HSE events and risks. We have additional procedures for monitoring suppliers that may pose higher risks, and we intervene quickly when appropriate. Both quality and HSE considerations are integrated into Lilly's process for evaluating potential new contract manufacturers, and formal assessments are conducted routinely (approximately every three years) for existing contract manufacturers.

We have also taken steps to educate and engage our suppliers directly on HSE issues and to help them build expertise around HSE topics. This includes our ongoing work as part of the Pharmaceutical Supply Chain Initiative (PSCI), a non-profit business membership organization founded in 2006. PSCI, along with its member companies, created and maintains the Pharmaceutical Industry Principles for Responsible Supply Chain Management (the PSCI Principles). The PSCI Principles provide our industry with consistent supplier performance standards in the areas of ethics, labor, health and safety, the environment and related management systems. At Lilly, we have aligned several codes, policies and procedures with the PSCI Principles, including:

- Internal product stewardship requirements that detail our approach to managing risk across the supply chain
- The Lilly Supplier Code of Business Conduct, which applies to all suppliers
- Relevant procurement standards
- Standard contract language applicable to providers of contract manufacturing services.

Learn more about our HSE governance.

Conflict Minerals

We are concerned with human rights violations that occur throughout the world. This includes the ongoing conflict in the Democratic Republic of Congo (DRC) and surrounding countries which is understood to be financed in part by the mining and trade of certain minerals, including tungsten, tantalum, tin and gold. We are committed to assessing our supply chain and the potential upstream impacts of our supply and purchasing decisions as they relate to the minerals at issue.

Lilly filed annual reports for 2014 to 2024 with the U.S. Securities and Exchange Commission (SEC) relating to the conflict minerals rule. As a part of this reporting process, we examine the raw material content of all our global commercial products and seek to identify their origin and source. Our goal is to develop a better understanding of our supply chain and avoid the inadvertent support of businesses associated with human rights violations.

Our expectation is that our suppliers source their materials responsibly and abstain from procuring materials from areas or sources that might promote conflict in the DRC.

We expect our suppliers to conduct their own due diligence regarding the source of any materials they provide to us.

We seek to understand the origin of these materials and to avoid the inadvertent support of businesses associated with human rights violations.

Third Party Risk Management

We engage with third parties to provide differentiated services, enable our focus on our core competencies and gain operating efficiencies. Working with third parties may increase potential risks such as service disruptions, data and security breaches, reputational harm, penalties and fines. Mitigating potential risks and protecting Lilly's reputation is a companywide responsibility that includes third party participation.

With leadership from an internal center of excellence, we have established a third party risk management program focused on identifying and managing potential risks posed to the organization by working with third parties. Lilly's program has five foundational operating model components: governance and delivery, policies and standards, management processes, tools and technology, and risk metrics and reporting.

The third party risk management program focuses on the following risk areas: anti-corruption, information security, privacy, information systems quality, customer information quality, animal welfare, business continuity and financial due diligence. Additional risk areas are expected to be phased in as the program evolves. The third party risk management program covers the full third party risk management lifecycle including due diligence activities that are conducted pre-contract and ongoing monitoring activities that are conducted post-contract through the life of the engagement.

Assessing & Auditing Third Party Operations

To meet the expectations of the Lilly quality system, our Global Quality Auditing and Compliance team conducts risk-based audits to oversee both internal Lilly manufacturing sites and external third-party operations. We regularly assess the results of these assessments to inform audit plans and identify areas for improvement.

Lilly manufacturing sites conduct internal risk assessments of purchased material (raw materials, APIs, intermediates, packaging materials, and GMP consumables) based on quality standards. The risk assessments evaluate the supplier, complexity of the supply chain and how the material will be used at our

internal sites to determine an overall risk classification. The overall risk classification helps inform the actions needed to approve a new supplier, and the ongoing requirements to manage the supplier. Lilly oversees contract manufacturers' conformance with regulatory requirements and quality expectations, including performing quality audits as needed.

For managing HSE risks, our manufacturing procurement contracts ask suppliers to support the PSCI Principles for Responsible Supply Chain Management, which set out the relevant practices any business operating within the pharmaceutical supply chain is expected to uphold in the areas of ethics, human rights and labor, health and safety, environment and management systems. Lilly also expects our suppliers to conform to the HSE expectations outlined in our Lilly Supplier Code of Business Conduct. Standard contract language also requires that manufacturing suppliers, if requested by Lilly, agree to submit to audits that assess compliance with our expectations. Additionally, we engage with key suppliers on environmental sustainability topics such as climate change (greenhouse gas emissions), waste reduction and other relevant opportunities to minimize the environmental footprint of our supply chain.

Partnerships and Leadership

We are an active member of external associations and consortiums aimed at enhancing the security, quality and safety of pharmaceutical supply chains. Team members of Lilly's global quality auditing and compliance group actively participate in Rx-360 and International Pharmaceutical Excipients Council (IPEC) working groups to provide input into industry guidelines and standards and align our processes with our peers.

We currently hold a seat on the board of directors at Rx-360 and participate in several of the consortium's working sub-groups to help ensure we stay informed of and help set industry best practices. During 2024, we are continuing the use of Rx-360 Supplier Audit Reports to supplement our internal audit plan as needed.

Supplier Development

We believe that doing business with a varied set of suppliers helps the company accelerate innovation and deliver strong results. By including fresh perspectives and insights of new and small businesses to meet our needs across the value chain, we strengthen both our own company and firms across our supply chain.

Our supplier development programs in the U.S. and Puerto Rico aim to engage potential suppliers that have historically been underrepresented in corporate purchasing. The programs we have created help us deliver on our purpose while also helping improve the economic opportunities of these suppliers.

The impact of our supplier development efforts supports job creation throughout the supply chain and in local communities.

Given the importance of advancing supplier development, we have developed a comprehensive strategy focusing on three key areas:

- Engage small businesses, and socially and/or economically disadvantaged ("Disadvantaged") suppliers, advocacy organizations and industry partners to ensure an inclusive pool of potential suppliers
- Empower small businesses and Disadvantaged suppliers to access economic opportunities
- Positively impact the community where we live and operate through education, mentorship and opportunity.

We continued to mentor small and Disadvantaged suppliers by expanding support programs with the aim of helping these suppliers build stronger business practices. We hosted multiple virtual and in-person networking events to connect qualified suppliers with our procurement professionals and to enhance our partnership with advocacy.

Economic Impact

Direct impact

The impact we have on our direct suppliers

Indirect Impact

The impact of Lilly's Small Business suppliers who purchase goods and the services they use

Induced Impact

The change in the economy due to spending by employees in Lilly's supply chain

2024 Small Business Impact

In 2024, we spent approximately $1.3 billion with over 1,300 suppliers classified as small businesses as defined by the U.S. Small Business Administration's (SBA) small business size standards. During its most recent audit in 2016, the U.S. Small Business Administration recognized Lilly's efforts to promote and maintain supplier inclusion as "outstanding" – the highest possible rating.

We again offered the Lilly Mentor Protégé program by mentoring eleven small businesses through an eight-month structured development program. The objective of the program is to develop small businesses by sharing Lilly methodologies and industry best practices to increase the proteges' readiness for future business opportunities. Through this program, the supplier builds its network and capabilities for working with Lilly and more broadly with other customers.

Externally, we continued to provide strategic leadership influence by serving on various boards and committees with several advocacy organizations, including being a leader on the Business Equity for Indiana – Procurement Roundtable, which is advocating for and advancing local, small and/or Disadvantaged suppliers.

*All US and Puerto Rico small business numbers represent a U.S. government fiscal year 2024, beginning on October 1, 2023, through September 30, 2024.

Local Suppliers

Lilly is also committed to working with smaller local suppliers where Lilly has facilities, including in Indiana, California, Massachusetts, New Jersey, North Carolina, Wisconsin and Puerto Rico. We actively engage with local suppliers and through local advocacy organizations.

2024 Small Business Impact

$1.3 Billion

spent with more than 1,300 suppliers classified as small businesses

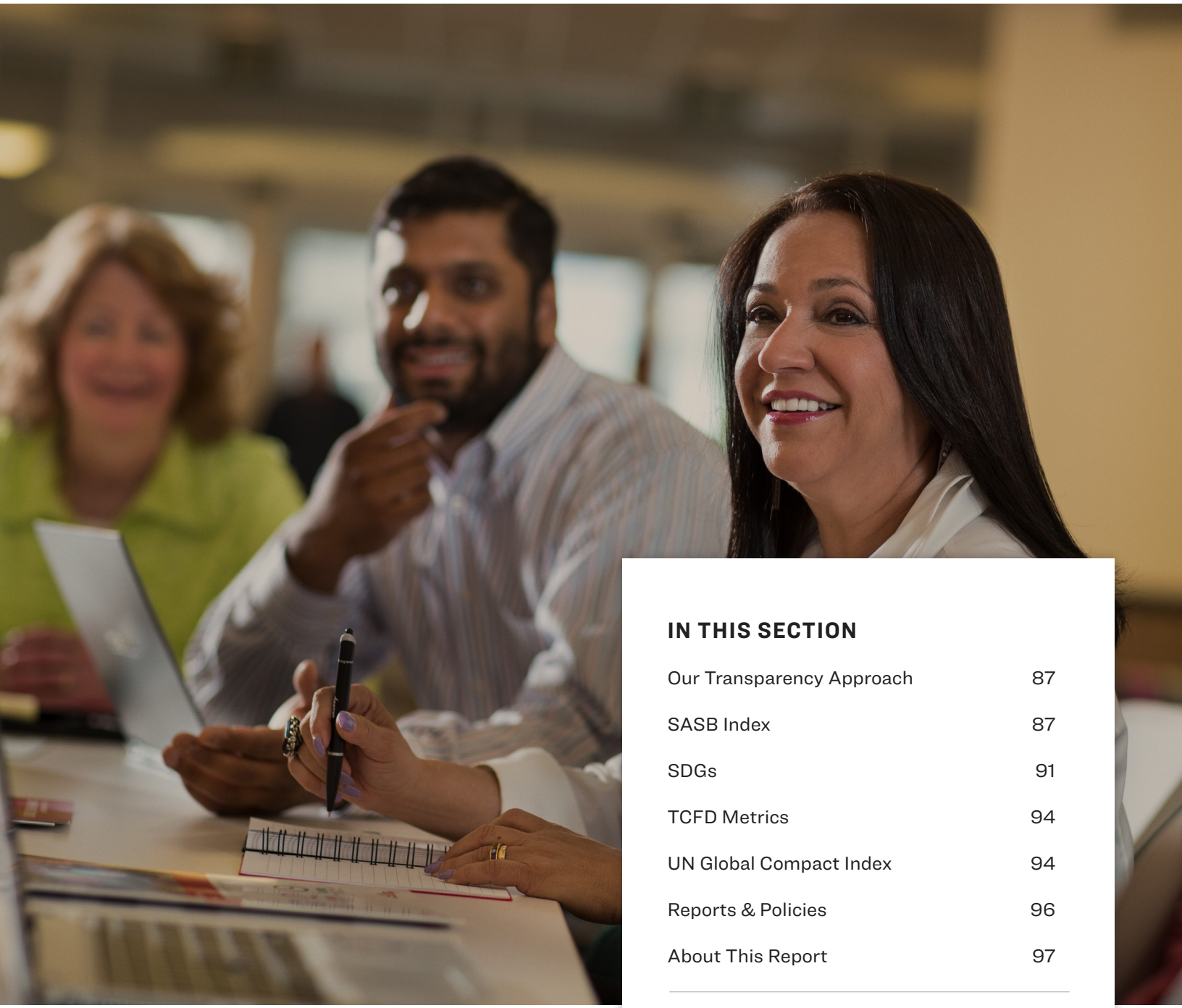
$2.2 Billion

in economic impact in the U.S., including Puerto Rico

More than $821 Million

in earnings by people in the jobs in Lilly's supply chain and their communities

Transparency



IN THIS SECTION

Download Data Sheet

Our Transparency Approach

We believe transparency is important to ensuring accountability for our sustainability strategy, programs and performance. We disclose relevant information and progress around the management of our sustainability priorities and aim to stay up to date with relevant sustainability and social impact reporting regulation, frameworks and standards that best meet the needs of our stakeholders.

SASB Index

This report outlines how our existing disclosures align with the recommended metrics for the SASB Biotechnology & Pharmaceuticals standards. All data is for the year ended December 31, 2024, unless otherwise noted.

IN THIS SECTION

SASB Code	Accounting Metric	Response
Safety of Clinical Trial Participants		
HC-BP-210a.1	Discussion, by world region, of management process for ensuring quality and patient safety during clinical trials	Patient Safety
HC-BP-210a.2	Number of FDA Sponsor Inspections related to clinical trial management and pharmacovigilance that resulted in: (1) Voluntary Action Indicated (VAI) and (2) Official Action Indicated (OAI)	Not Disclosing
HC-BP-210a.3	Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries	Not Disclosing
Access to Medicines		
HC-BP-240a.1	Description of actions and initiatives to promote access to health care products for priority diseases and in priority countries as defined by the Access to Medicine Index	U.S. Access & Affordability Global Access & Health
HC-BP-240a.2	List of products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP)	Lilly does not have products on the PQP
Affordability & Pricing		
HC-BP-240b.1	Number of settlements of Abbreviated New Drug Application (ANDA) litigation that involved payments and/or provisions to delay bringing an authorized generic product to market for a defined time period	Zero. Lilly does not pay for delays.
HC-BP-240b.2	Percentage change in: (1) average list price and (2) average net price across U.S. product portfolio compared to previous year	U.S. Access & Affordability
HC-BP-240b.3	Percentage change in: (1) list price and (2) net price of product with largest increase compared to previous year	Not Disclosing

SASB Code	Accounting Metric	Response
Drug Safety		
HC-BP-250a.1	List of products listed in the Food and Drug Administration's (FDA) MedWatch Safety Alerts for Human Medical Products database	MedWatch: The FDA Safety Information and Adverse Event Reporting Program
HC-BP-250a.2	Number of fatalities associated with products as reported in the FDA Adverse Event Reporting System	FDA Adverse Event Reporting System (FAERS) Public Dashboard FDA MedWatch
HC-BP-250a.3	Number of recalls issued, total units recalled	Patient Safety
HC-BP-250a.4	Total amount of product accepted for takeback, reuse, or disposal	Not Disclosing
HC-BP-250a.5	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type	Not Disclosing
Counterfeit Drugs		
HC-BP-260a.1	Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting	Patient Safety
HC-BP-260a.2	Discussion of process for alerting customers and business partners of potential or known risks associated with counterfeit products	Patient Safety
HC-BP-260a.3	Number of actions that led to raids, seizure, arrests, and/or filing of criminal charges related to counterfeit products	Not Disclosing

SASB Code	Accounting Metric	Response
Ethical Marketing		
HC-BP-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	Not Disclosing
HC-BP-270a.2	Description of code of ethics governing promotion of off-label use of products	Business Ethics
Employee Recruitment, Development & Retention		
HC-BP-330a.1	Discussion of talent recruitment and retention efforts for scientists and research and development personnel	Employee Experience
HC-BP-330a.2	(1) Voluntary and (2) involuntary turnover rate for: (a) executives/senior managers, (b) mid-level managers, (c) professionals, and (d) all others	Employee Experience
Supply Chain Management		
HC-BP-430a.1	Percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program or equivalent third party audit programs for integrity of supply chain and ingredients	Supply Chain Management
Business Ethics		
HC-BP-510a.1	Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery	Not Disclosing
HC-BP-510a.2	Description of code of ethics governing interactions with healthcare professionals	Business Ethics
Activity Metrics		
HC-BP-000.A	Number of patients treated	Our Sustainability Strategy Global Access & Health
HC-BP-000.B	Number of drugs (1) in portfolio and (2) in research and development (Phases 1-3)	Current Medicines Medicines in Development

UN Sustainable Development Goals

As a member of the UN Global Compact, Lilly supports the United Nation's Sustainable Development Goals (SDGs) and works to advance these goals within our sphere of influence. We are inspired by the global vision that the SDGs represent — and we are committed to doing our part to contribute. You can learn more about our efforts toward the SDGs in these areas of the report.

Our Action: We make life better for more than 58 million people around the world who use Lilly medicines. Through investments in people, medicines and health systems, we also aim to reach 30 million people in resource-limited settings annually by 2030. Additionally, in accordance with the Doha Declaration on the TRIPS Agreement, Lilly doesn't pursue or enforce patents in the least developed countries.

U.S. Access and Affordability

Global Access & Health

Community Engagement

Patient Safety

Employee Experience

Our Action: We're committed to improving educational opportunities for children living in underserved communities in Indianapolis. Lilly and the Lilly Foundation focus on early childhood education, supporting quality schools and STEM (science, technology, engineering and math) education.

Community Engagement

Our Action: We continue to build a dynamic and inclusive company by embedding inclusion into our leadership, systems and culture. It is core to our business success because it fosters innovation and allows us to connect more closely with our customers.

Inclusion

Employee Experience

Human Rights

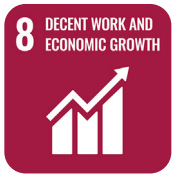
Our Action: Water is a critical resource that Lilly is committed to using wisely. We continue to assess our water risks as we focus on conserving water, reducing our intake and improving water quality. One-hundred percent of Lilly sites are expected to meet predicted no-effect concentrations (PNEC) for Pharmaceuticals in the Environment by 2030.

Water

Waste

Our Action: By 2030, our goal is that 100% of purchased electricity at Lilly will come from renewable sources and we will be carbon neutral in our own operations (Scope 1 and 2 emissions). Additionally, we're enhancing the tracking and reporting of greenhouse gas emissions across our value chain.

Climate



Our Action: At Lilly, we're committed to maintaining a safe workplace and providing opportunities for employees to learn and develop. We also believe that doing business with a varied set of suppliers helps the company accelerate innovation and deliver strong results. In 2024, we spent about $1.3 billion with approximately 1,300 suppliers classified as small businesses.

Employee Experience

Supply Chain Management

Our Action: We're partnering with industry peers and other organizations with proven track records to improve global health, including through improved NCD care for children and adolescents and supporting community health workers in Africa. We also work with leading disaster relief organizations to provide medicines and support people and communities to help them recover.

U.S. Access and Affordability

Global Access & Health

Community Engagement

Our Action: We are committed to addressing complex health challenge around the world, including a focus on noncommunicable diseases and people living in resource-limited communities in the U.S. and low- and middle-income countries. We are committed to expanding equitable and affordable access to our breakthrough medicines so that they can transform more people's lives. Additionally, we are committed to pay equity for all employees in our workforce. We conduct pay equity studies on our workforce globally and believe that pay equity is critical to our success in supporting a global and inclusive workforce.

U.S. Access & Affordability

Global Access & Health

Employee Experience

Our Action: We optimize the fuel efficiency and reduce the GHG emissions generated by our sales force fleet by choosing vehicles with better fuel economy, and promoting driving and work practices that emphasize safety and fuel savings. We strive for energy efficiency and the use of renewable electricity to support our operations.

Climate

Our Action: We strive to embed environmental innovation early in the product development lifecycle through our focus on green chemistry and end-product engineering. By 2030, 100% of plastic waste from routine operations is expected to be repurposed for beneficial use, with at least 90% recycled or reused, and zero waste to landfill.

Waste

Product Stewardship

Our Action: By 2030, 100% of purchased electricity at Lilly is expected to come from renewable sources and we are expected to be carbon neutral in our own operations (Scope 1 and 2 emissions). Additionally, we're enhancing the tracking and reporting of greenhouse gas emissions across our value chain.

Climate

Our Action: Lilly continues to be an industry leader in using rFC, a scientifically proven, sustainable alternative to the horseshoe crab-sourced testing reagent, LAL. This is especially important given that several species of crabs are under threat or endangered from habitat loss and overharvesting.

Water

Product Stewardship

Biodiversity

Our Action: We strive to protect designated biodiversity rich areas, manage existing biodiversity at our sites and enhance biodiversity within the communities where we operate.

Biodiversity

Our Action: We train all of our employees in ethical business practices and have systems in place to detect violations of laws, regulations and company policies, including those related to anti-corruption. We also expect our vendors to abide by Lilly's human rights standards and our Supplier Code of Business Conduct.

Business Ethics

Corporate Governance

Human Rights

Our Action: Through strategic partnerships, Lilly and the Eli Lilly and Company Foundation work to advance government priorities, strengthen local health care systems and improve access to care. Lilly also establishes key partnerships to extend the reach of our impact and engage in targeted social issues that affect our business and employees, with an emphasis on health, racial justice and education.

U.S. Access and Affordability

Global Access & Health

Community Engagement

TCFD Metrics

Lilly's disclosures found within our Sustainability Report and our 2025 CDP Response are aligned with the recommendations from the Task-force for Climate-related Financial Disclosures (TCFD). For more information about mapping our CDP Response to TCFD recommendations, please review the CDP Technical Note.

UN Global Compact Index

1. Statement of continued support by the Chief Executive Officer		
		CEO Letter
2. Description of actions: Human Rights		
Principle 1:	Businesses should support and respect the protection of internationally proclaimed human rights; and	Human Rights U.S. Access & Affordability Global Access & Health Patient Safety Community Engagement
Principle 2:	make sure that they are not complicit in human rights abuses.	Human Rights Lilly Code of Business Conduct Lilly Supplier Code of Business Conduct
Labor		
Principle 3:	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	Human Rights Employee Experience Business Ethics Corporate Governance
Principle 4:	the elimination of all forms of forced and compulsory labor;	Human Rights Corporate Governance Lilly Supplier Code of Business Conduct
Principle 5:	the effective abolition of child labor; and	Human Rights Corporate Governance Lilly Supplier Code of Business Conduct
Principle 6:	the elimination of discrimination in respect of employment and occupation.	Employee Experience Inclusion
Environment		
Principle 7:	Businesses should support a precautionary approach to environmental challenges;	Corporate Governance Climate Product Stewardship Supply Chain Management Waste Water CDP Climate Change Response CDP Water Security Response

Principle 8:	undertake initiatives to promote greater environmental responsibility; and	Corporate Governance Climate Product Stewardship Supply Chain Management Waste Water CDP Climate Change Response CDP Water Security Response
Principle 9:	encourage the development and diffusion of environmentally friendly technologies.	Product Stewardship
Anti-corruption		
Principle 10:	Businesses should work against corruption in all its forms, including extortion and bribery.	Corporate Governance Business Ethics Supply Chain Management Lilly Code of Business Conduct Lilly Supplier Code of Business Conduct
3. Measurement of outcomes		
		Environmental Social Governance Sustainability Metrics SASB Index TCFD Index CDP Climate Change Response CDP Water Security Response

Reports & Policies

Reports

- Sustainability Reporting Archives
- 2024 Year in Review
- Annual Report and Proxy Statement archive
- 2025 CDP Response
- Independent Assurance Statement (EY) – Scope 1 and 2 GHG Emissions – 2024
- Independent Assurance Statement (Bureau Veritas) – Waste and Water – 2024
- Independent Assurance Statement (Bureau Veritas) - Scope 3 GHG Emissions - 2024
- Basis of Reporting for Key Environmental Sustainability Indicators
- 2024 EEO-1 Report
- Lilly Inclusion on Purpose Report

Policies

- Public Policies
- Business Ethics Policies
- Lilly Code of Business Conduct (The Red Book)
- Lilly Supplier Code of Business Conduct
- Protecting People, the Environment and Our Assets
- Human Rights Policy
- Privacy Program
- Tax Principles
- Principles of Medical Research
- HCO and HCP Transparency

Sustainability Bond

- 2023 Sustainability Bond Allocation Report
- 2022 Sustainability Bond Allocation Report
- 2021 Sustainability Bond Allocation Report
- Press Release: Lilly Prices First Sustainability Bond to Advance Global ESG Strategy
- Sustainability Bond Framework
- Second Party Opinion
- USD Tender offer and Marketing Notice for Euro/ GBP Bonds with a Sustainability Bond Tranche

Other resources

- Key Facts
- Clinical Development Pipeline
- Current Medicines
- Executive Committee
- Board of Directors
- Recognitions

About Our Sustainability Report

Time period.

This report represents our sustainability performance for 2024. Data and other updates contained in this digital report are focused on the 2024 calendar year and include our global operations, unless otherwise noted. We also discuss data and trends from previous years where relevant.

Scope.

This report does not include joint ventures, partially owned subsidiaries or outsourced operations. This report references the Eli Lilly and Company Foundation, commonly referred to as the Lilly Foundation. The Lilly Foundation, which was established in 1968 and is supported by donations from Eli Lilly and Company, is a separate US tax-exempt private foundation that provides support to eligible US organizations consistent with Lilly Foundation's philanthropic priorities. This report may also reference other tax-exempt organizations, including the *Lilly Cares Foundation*, a separate US charitable organization that offers the *Lilly Cares Foundation Patient Assistance Program*, which helps qualified people in need receive donated Lilly medicines at no cost. Eligibility for the support provided by any tax-exempt organization is determined by such tax-exempt organization.

Data Measurement and Uncertainty.

Lilly and its affiliates provide medicines to separate charitable organizations that offer free Lilly medicines to qualifying patients. Throughout this report, such products are valued at wholesale acquisition costs.

Lilly follows structured processes to collect, evaluate, calculate and validate the data included in this report. We consider external standards in deciding what data to collect and report. The data presented in this report are collected using various methodologies, which in some instances are based on assumptions and estimates in which there are inherent uncertainties and limitations. For example, information may come from third-party sources and operations outside of our control. While we believe such information is reasonably accurate and is based on reasonable principles and methodology, the third-party collection and validation of this data is beyond our direct control. In addition, the achievement of certain sustainability goals and targets may be dependent on the actions of our partners, suppliers and other third parties, all of which are outside of our control.

Furthermore, environmental data in this report is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The precision of different measurement techniques may vary.

As we improve our methodologies and as new information becomes available, we may continue to revise our estimates and assumptions. Methodology changes may include, without limitation, changes in a calculation, improvements in the quality of data, greater data granularity or updates to available third-party-reported data. Such updates may result in material changes to our calculations and may also result in adjustments made to the current and previous periods.

Referenced Frameworks.

Our global health, safety and the environment (HSE) management system is consistent with third-party standards such as the International Organization for Standardization (ISO) ISO 14001, ISO 45001 and the American Chemistry Council's Responsible Care® Management System standards.

We use several external guidelines and measurement frameworks to inform the scope of our reporting. Applicable portions of this report have been prepared in alignment with the Sustainability Accounting Standards Board (SASB) framework for Biotechnology and Pharmaceuticals and informed by the Task Force on Climate-related Financial Disclosures (TCFD). Reporting indices and sustainability data are available in the Transparency section.

Trademarks and Trade Names.

Trademarks or trade names referred to in this report are the property of Lilly, or, to the extent trademarks or trade names belonging to other companies are referenced in this report, the property of their respective owners. Solely for convenience, the trademarks and trade names in this report may be referred to without the ® and ™

symbols, but such references should not be construed as any indicator that the company or, to the extent applicable, their respective owners will not assert, to the fullest extent under applicable law, the company's or their rights thereto. We do not intend the use or display of other companies' trademarks and trade names to imply a relationship with, or endorsement or sponsorship of us by, any other companies.

Updates to Reported Information.

The information in this 2024 Sustainability Report, including the forward-looking statements, are made as of the publication date of June 6, 2025, unless otherwise indicated, and are expressly qualified in their entirety by the risk factors and cautionary statements described above and elsewhere in this report. We undertake no obligation to update the information or forward-looking statements in the report to reflect subsequent events or circumstances. More current information on notable events about the company's sustainability efforts may be included elsewhere in the company's disclosure, including Forms 10-K, 10-Q and any 8-Ks filed with the Securities and Exchange Commission, its press releases or the Latest Sustainability Developments page of the company's website.

Other Cautionary Information.

Our approach to the disclosures included in this report differs in significant ways from those included in mandatory regulatory reporting, including under U.S. Securities and Exchange Commission (SEC) rules and regulations. References to, or inclusion of, information in this report should not be construed as a characterization regarding the materiality of such information to our financial results, our operations or our stakeholders. While certain matters discussed in this report may be referred to as "significant" or "material," any such significance or materiality should not be read as necessarily rising to the level of materiality used for the purposes of complying with U.S. securities laws, European Union sustainability reporting directives or regulations or under similar laws in other jurisdictions, even if we use the word "significant," "material," or "materiality" in this report.

This report includes statements regarding various policies, values, standards, approaches, procedures, processes, systems, programs, initiatives, assessments, technologies, practices and similar measures related to our operations ("Policies and Procedures"). References to Policies and Procedures in this report do not represent guarantees or promises about their efficacy or continued implementation, or any assurance that such Policies and Procedures will apply in every case. Such Policies and Procedures are subject to risks, uncertainties and other factors, some of which are beyond our control and are difficult to predict. There may be exigent circumstances, factors, or considerations that may cause the implementation of other measures or exceptions in specific instances.

Our ability to achieve any stated environmental, social or governance goal, target or objective is subject to numerous factors and conditions, many of which are outside our control. We can give no assurances that any plan, initiative, goal, target, objective, commitment or expectation will be achieved.

This report contains references or links to other websites maintained by third parties over whom we have no control. We make no endorsement of such websites, nor do we make any representations or warranties with respect to any information contained in such third-party websites. Furthermore, use of any such third-party site is at your own risk and will be governed by such third-party's terms and conditions.

Forward-Looking Statements.

The 2024 Sustainability Report contains forward-looking statements that are based on management's assumptions, estimates and expectations at the time the statements were posted, including statements regarding our sustainability targets, goals, commitments and programs and other business plans, initiatives, aspirations and objectives. These statements are typically accompanied by the words "aim," "hope," "plan," "estimate," "project," "intend," "expect," "believe," "target," "anticipate," "seek," "will," "continue" and similar expressions. All such statements are intended to enjoy the protection of the safe harbor for forward-looking statements provided by the Private Securities Litigation Reform Act of 1995, as amended. Actual results may differ materially due to various factors. The company's sustainability targets, goals and commitments outlined in this report or elsewhere, as well as its operations, results, business, goals and strategy may be affected by factors including, but not limited to:

- The significant costs and uncertainties in the pharmaceutical research and development process, including with respect to the timing and process of obtaining regulatory approvals;
- The impact and uncertain outcome of acquisitions and business development transactions and related costs;
- Intense competition affecting our products, pipeline, or industry;
- Market uptake of launched products and indications;

- Continued pricing pressures and the impact of actions of governmental and private payers affecting pricing of, reimbursement for, and patient access to pharmaceuticals, or reporting obligations related thereto;
- Safety or efficacy concerns associated with our or competitive products;
- Dependence on relatively few products or product classes for a significant percentage of our total revenue and a consolidated supply chain;
- The expiration of intellectual property protection for certain of our products and competition from generic and biosimilar products;
- Our ability to protect and enforce patents and other intellectual property and changes in patent law or regulations related to data package exclusivity;
- Information technology system inadequacies, inadequate controls or procedures, security breaches, or operating failures;
- Unauthorized access, disclosure, misappropriation, or compromise of confidential information or other data stored in our information technology systems, networks, and facilities, or those of third parties with whom we share our data and violations of data protection laws or regulations;
- Issues with product supply and regulatory approvals stemming from manufacturing difficulties, disruptions, or shortages, including as a result of unpredictability and variability in demand, labor shortages, third-party performance, quality, cyber-attacks, or regulatory actions related to our and third-party facilities;
- Reliance on third-party relationships and outsourcing arrangements;
- The use of artificial intelligence or other emerging technologies in various facets of our operations may exacerbate competitive, regulatory, litigation, cybersecurity, and other risks;
- The impact of global macroeconomic conditions, including uneven economic growth or downturns or uncertainty, trade disruptions, international tension, conflicts, regional dependencies, or other costs, uncertainties, and risks related to engaging in business globally;
- Devaluations in foreign currency exchange rates, changes in interest rates, and inflation or deflation;
- Significant and sudden declines or volatility in the trading price of our common stock and market capitalization;
- Litigation, investigations, or other similar proceedings involving past, current, or future products or activities;
- Changes in tax law and regulation, tax rates, or events that differ from our assumptions related to tax positions;
- Regulatory changes and developments;
- Regulatory oversight and actions regarding our operations and products;
- Regulatory compliance problems or government investigations;
- Risks from the proliferation of counterfeit, misbranded, adulterated, or illegally compounded products;
- Actual or perceived deviation from environmental-, social-, or governance-related requirements or expectations;
- Asset impairments and restructuring charges; and
- Changes in accounting and reporting standards.

For additional information about the factors that affect the company's business, please see the company's latest Forms 10-K, 10-Q, and any 8-Ks filed with the Securities and Exchange Commission. We urge you to consider all of the risks, uncertainties and factors identified above or discussed in such reports carefully in evaluating the forward-looking statements in this report.

Eli Lilly and Company

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