



DIVISION OF  
CORPORATION FINANCE

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

March 6, 2023

Sarkis Jebejian  
Kirkland & Ellis LLP

Re: Eli Lilly and Company (the "Company")  
Incoming letter dated December 23, 2022

Dear Sarkis Jebejian:

This letter is in response to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by CommonSpirit Health and co-filer for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders.

The Proposal requests that the board of directors commission and publish a third party review within the next year of how the Company reconciles the strong commitments to both innovation and patient access, reflected in its statement that it "strike[s] a balance between access and patient affordability, while sustaining investments to research innovative life-changing treatments for some of today's most serious diseases," when lobbying and engaging in other policy advocacy activities.

We are unable to concur in your view that the Company may exclude the Proposal under Rule 14a-8(i)(10). Based on the information you have presented, it appears that the Company's public disclosures do not substantially implement the Proposal.

Copies of all of the correspondence on which this response is based will be made available on our website at <https://www.sec.gov/corpfin/2022-2023-shareholder-proposals-no-action>.

Sincerely,

Rule 14a-8 Review Team

cc: Laura Krausa  
CommonSpirit Health

# KIRKLAND & ELLIS LLP

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December 23, 2022

## VIA EMAIL

Office of Chief Counsel  
Division of Corporation Finance  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549

Email: [shareholderproposals@sec.gov](mailto:shareholderproposals@sec.gov)

Re: Shareholder Proposal of CommonSpirit Health

Ladies and Gentlemen:

We submit this letter on behalf of Eli Lilly and Company (“*Lilly*” or the “*Company*”) to notify the Securities and Exchange Commission (the “*Commission*”) that the Company intends to omit from its proxy statement and form of proxy for its 2023 Annual Meeting of Shareholders (the “*2023 Annual Meeting*” and such materials, the “*2023 Proxy Materials*”) a shareholder proposal and supporting statement (the “*Proposal*”) submitted by CommonSpirit Health and co-filed by The School of Sisters of Notre Dame, Central Pacific Province (together, the “*Proponents*”). We also request confirmation that the staff of the Division of Corporation Finance (the “*Staff*”) will not recommend enforcement action to the Commission if the Company omits the Proposal from the 2023 Proxy Materials for the reasons discussed below.

The Company currently anticipates filing a preliminary proxy statement with the Commission on or around February 24, 2023 due to the inclusion in the 2023 Proxy Materials of proposals to amend the Company’s Amended Articles of Incorporation and expects to file its definitive 2023 Proxy Materials on or around March 17, 2023. Accordingly, in compliance with Rule 14a-8(j) of the Securities Exchange Act of 1934, as amended, we have filed this letter with the Commission no later than 80 calendar days before the Company intends to file its definitive 2023 Proxy Materials with the Commission. In light of the Company’s timeline for filing a preliminary proxy statement, the Company requests that the Staff respond to this letter prior to February 24, 2023 if practicable.

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In accordance with Section C of Staff Legal Bulletin No. 14D (Nov. 7, 2008), we are emailing this letter to the Staff at [shareholderproposals@sec.gov](mailto:shareholderproposals@sec.gov). In accordance with Rule 14a-8(j), we are simultaneously sending a copy of this letter and its attachments to the Proponents as notice of the Company's intent to omit the Proposal from the 2023 Proxy Materials. Likewise, we take this opportunity to inform the Proponents that if the Proponents elect to submit any correspondence to the Commission or the Staff with respect to the Proposal, a copy of that correspondence should be provided concurrently to the undersigned on behalf of the Company.

## THE PROPOSAL

The Proposal sets forth the following resolution to be voted on by shareholders at the 2023 Annual Meeting:

**Resolved:** Shareholders request that the Board of Directors commission and publish a third party review within the next year (at reasonable cost, omitting proprietary information) of how Eli Lilly and Company ("Lilly") reconciles the strong commitments to both innovation and patient access, reflected in Lilly's statement that it "strike[s] a balance between access and patient affordability, while sustaining investments to research innovative life-changing treatments for some of today's most serious diseases"--when lobbying and engaging in other policy advocacy activities (both direct and through trade associations).<sup>1</sup>

## BASIS FOR EXCLUSION

The Company hereby respectfully requests that the Staff concur in its view that the Company may exclude the Proposal from the 2023 Proxy Materials pursuant to Rule 14a-8(i)(10) because the Company has substantially implemented the Proposal.

## ANALYSIS

**The Proposal May be Excluded Under Rule 14a-8(i)(10) Because the Company Has Substantially Implemented the Proposal.**

### *A. Background*

In November 2021, the Company updated its political and policy participation website (the "*Political and Policy Participation Website*")<sup>2</sup> to publicly provide extensive information with respect to the direct and indirect political activities of the Company and the Company's employee-

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<sup>1</sup> Proposal (citations omitted). The Proposal in full is attached hereto as Exhibit A.

<sup>2</sup> Available at <https://www.lilly.com/policies-reports/public-policy-political-participation>, and attached hereto as Exhibit B.

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led political action committee (the “*LillyPAC*”), including, without limitation, information regarding:

- board oversight of the Company’s political expenditures and lobbying activities;
- the Company’s political and policy participation;
- recipients of the Company’s political contributions;
- the Company’s political contributions to candidates for public office (directly from the Company and through the LillyPAC);
- the Company’s positions on healthcare policies;
- the Company’s federal and state lobbying activities (including a chart with links to Lilly’s state-by-state disclosures); and
- the Company’s trade association memberships (including those trade associations where the Company has a board seat).

The Company also enhanced its disclosures related to the Company’s lobbying and political activities, including information concerning board oversight over the Company’s approach to drug pricing and access, in the Company’s proxy statement for the 2022 annual meeting of shareholders (the “*2022 Proxy Materials*”).<sup>3</sup>

Beyond the extensive disclosures in the Political and Policy Participation Website and the 2022 Proxy Materials described above, additional information regarding the Company’s political activities is available from numerous other public sources. The Company’s direct lobbying expenses are also available to the public on the Lobbying Disclosure page of the United States House of Representatives website<sup>4</sup> and through individual state agencies.<sup>5</sup> Additionally, the trade associations through which the Company conducts its indirect lobbying activities are also required to disclose their lobbying expenditures to the United States Senate under the Lobbying Act of 1995, and additional details regarding the Company’s corporate contributions, LillyPAC’s

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<sup>3</sup> Available at <https://www.sec.gov/Archives/edgar/data/59478/000005947822000099/llydef14a2022.htm>, page 32.

<sup>4</sup> Available at [disclosures.house.gov/ld/ldsearch](https://disclosures.house.gov/ld/ldsearch).

<sup>5</sup> For example, you can find the Company’s direct lobbying expenses for the state of California at <https://cal-access.sos.ca.gov/>, for the state of Indiana at <https://www.in.gov/ilrc/>, for the state of Illinois at <https://www.ilsos.gov/departments/index/lobbyist/lobintro.html>, and for the state of Pennsylvania at <https://www.dos.pa.gov/OtherServices/LobbyingDisclosure/Pages/default.aspx> (collectively referred to as the “*State Lobbying Websites*”).

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contribution data, and the Company's direct lobbying expenses are available to the public on the Federal Election Committee website<sup>6</sup> and through individual state agencies.<sup>7</sup>

### *B. Rule 14a-8(i)(10) Background*

Rule 14a-8(i)(10) allows a company to exclude a shareholder proposal from its proxy materials if the company has substantially implemented the proposal. The purpose of Rule 14a-8(i)(10) is “to avoid the possibility of shareholders having to consider matters which have already been favorably acted upon by management.” SEC Release No. 34-12598 (Jul. 7, 1976). Importantly, Rule 14a-8(i)(10) does not require a company to implement every detail of a proposal in order for the proposal to be excluded. The Staff has maintained this interpretation of Rule 14a-8(i)(10) since 1983, when the Commission reversed its prior position of permitting exclusion of a proposal only where a company's implementation efforts had “fully” effectuated the proposal. *SEC Release No. 34-20091* (Aug. 16, 1983). The 1998 amendments to Rule 14a-8 codified this position. *See Exchange Act Release No. 40018* (May 21, 1998), at n.30 and accompanying text. Based on this revised approach, the Staff has consistently permitted exclusion under Rule 14a-8(i)(10) when a proposal has been “substantially implemented” because the company has satisfied the “essential objective” of the proposal. *See, e.g., Quest Diagnostics Inc.* (Mar. 17, 2016) where the Staff permitted exclusion under Rule 14a-8(i)(10) of a proposal requesting that the company adopt a proxy access by-law permitting a stockholder or a group of stockholders owning 3% of the company's stock for three years to nominate up to 25% of the board. The Staff concluded that the board had adopted a proxy access bylaw that had addressed the “essential objective” of the proposal by providing a proxy access procedure under which one or a group of stockholders who owned 3% or more of the company's stock for at least three years may include in the company's proxy statement and on the company's proxy card stockholder-nominated director candidates representing the greater of two directors or 20% of the number of directors on its board. Similarly in *PG&E Corp.* (Mar. 10, 2010), the Staff permitted exclusion under Rule 14a-8(i)(10) of a proposal requesting that the company provide a report disclosing, among other things, the company's standards for choosing the organizations to which the company makes charitable contributions and the “business rationale and purpose for each of the charitable contributions.” In arguing that the proposal had been substantially implemented, the company referred to a website where the company had described its policies and guidelines for determining the types of grants that it makes and the types of requests that the company typically does not fund. Although the proposal appeared to contemplate disclosure of each and every charitable contribution, the Staff concluded that the company had substantially implemented the proposal. *See also, e.g., The Wendy's Co.* (Apr. 10, 2019) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting a report assessing human rights risks of the company's operations, including the principles and methodology used to make the assessment, the frequency of assessment and how the company would use the assessment's results, where the company had a code of ethics and a code of conduct for suppliers and disclosed on its website the frequency and methodology of its

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<sup>6</sup> Available at <https://www.fec.gov/data/>.

<sup>7</sup> For examples see the State Lobbying Websites.

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human rights risk assessments); *MGM Resorts Int'l* (Feb. 28, 2012) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting a report on the company's sustainability policies and performance, including multiple objective statistical indicators, where the company published an annual sustainability report); and *The Boeing Co.* (Feb. 17, 2011) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting that the company review its policies related to human rights and report its findings, where the company had already adopted human rights policies and provided an annual report on corporate citizenship).

The Staff has noted that “a determination that a company has substantially implemented the proposal depends upon whether [the company's] particular policies, practices and procedures compare favorably with the guidelines of the proposal.” *Texaco, Inc.* (Mar. 28, 1991). Even if a company's actions do not go as far as those requested by the stockholder proposal, they nonetheless may be deemed to “compare favorably” with the requested actions. *See, e.g., Advance Auto Parts, Inc.* (Apr. 9, 2019) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting that the company issue a sustainability report “in consideration of the SASB Multiline and Specialty Retailers & Distributors standard,” on the basis that the company's “public disclosures compare favorably with the guidelines of the Proposal and that the Company has, therefore, substantially implemented the Proposal,” where the company argued that a combination of its existing disclosures sufficiently addressed the core purpose of the proposal, acknowledging that the disclosures deviated in certain respects from the SASB standard); *Applied Materials, Inc.* (Jan. 17, 2018) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting that the company “improve the method to disclose the Company's executive compensation information with their actual compensation,” on the basis that the company's “public disclosures compare favorably with the guidelines of the Proposal and that the Company has, therefore, substantially implemented the Proposal,” where the company argued that its current disclosures follow requirements under applicable securities laws for disclosing executive compensation); *Kewaunee Scientific Corporation* (May 31, 2017) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting that nonemployee directors no longer be eligible to participate in the company's health and life insurance programs, on the basis that the company's “policies, practices and procedures compare favorably with the guidelines of the proposal and that Kewaunee...substantially implemented the proposal,” where the board had adopted a policy prohibiting nonemployee directors from participating in the company's health and life insurance programs after December 31, 2017, an effective date that was later than the effective date the proponent may have envisioned); *Exxon Mobil Corp.* (Mar. 23, 2009) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting a report regarding political contributions where the company's pre-existing political contribution policies and procedures compared favorably to the proposal at issue, despite the disclosures not being as fulsome as the proponent had contemplated, and the analysis not rising to the level of detail that the proponent desired); *Walgreen Co.* (Sept. 26, 2013) (permitting exclusion under Rule 14a-8(i)(10) of a proposal requesting elimination of supermajority voting requirements in the company's governing documents where the company had eliminated all but one of the supermajority voting requirements); and *Johnson & Johnson* (Feb. 17, 2006) (permitting exclusion under Rule 14a-8(i)(10) of a proposal that requested the company to confirm the

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legitimacy of *all* current and future U.S. employees because the company had verified the legitimacy of 91% of its domestic workforce).

The Staff applied this standard to a proposal similar to the Proposal in *Exelon Corporation* (Feb. 26, 2010), where the proposal requested a semi-annual report that sought disclosure of the company's policies and procedures for political contributions, both direct and indirect, as well as a list of "[m]onetary and non-monetary contributions to political candidates, political parties, political committees and other political entities organized and operating under 26 USC Sec. 527 of the Internal Revenue Code." The company argued that it had adopted Corporate Political Contributions Guidelines and began issuing a report disclosing the company's political contributions, which substantially implemented the proposal by "giving the Company's Shareholders an up-to-date view of the Company's policies and procedures with regard to political contributions and...with up-to-date information about the Company's political contributions." The Staff concurred that Exelon's shareholders did not need to "reconsider the issue" because it "already acted favorably on an issue addressed in a shareholder proposal" in exclusion of the proposal under Rule 14a-8(i)(10). As explained below, the Company, like in *Exelon Corporation*, has already provided expansive public disclosure regarding its lobbying activities and its policy positions regarding the Company's commitment to both innovation and patient access, so the Proposal should be excluded so that shareholders are not forced to reconsider the issue.

We note that the Commission has proposed to amend Rule 14a-8(i)(10) to require that a company show that it has implemented the "essential elements" of the proposal in order to exclude it pursuant to the rule. The proposed amendments, if adopted, would result in a higher standard for establishing the availability of Rule 14a-8(i)(10). However, as no final rule has been adopted by the Commission, the Company expects that the Staff will apply the current rule and historical precedent, which leads to the conclusion that the Company may exclude the Proposal as substantially implemented under Rule 14a-8(i)(10).

### *C. The Company Has Substantially Implemented the Proposal*

The Company has substantially implemented the essential elements of the Proposal, which call for the Company's board of directors to publish a report to shareholders reconciling the Company's strong commitments to both innovation and patient access when lobbying and engaging in other policy advocacy activities (both direct and through trade associations).

As detailed in the table below, the Company has already addressed the essential elements of the Proposal by providing shareholders the opportunity to directly assess the alignment between the Company's lobbying activities and its public policy positions and statements through existing disclosures in the Company's Political and Policy Participation Website, proxy materials, and environmental, social and governance website (the "*ESG Website*"),<sup>8</sup> and through other publicly available disclosures regarding its political activities. Section 1 of the table sets forth illustrative

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<sup>8</sup> Available at <https://esg.lilly.com/governance>, and attached hereto as Exhibit C.

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examples of the Company’s already-existing public disclosures of its commitment to both innovation and patient access and Section 2 sets forth illustrative examples of the Company’s already-existing public disclosures of its lobbying activities (direct and through trade associations). These disclosures collectively enable shareholders to assess whether the Company’s lobbying activities align with its public policy positions and statements, and the risks presented by any misalignment. In addition, by directing Lilly’s public policy engagement toward offering “Lilly’s perspective on the political environment in a manner that supports access to innovative medicines,”<sup>9</sup> and advocating for “improvements to the U.S. healthcare system that align to [Lilly’s] core principles of: encouraging and protecting innovation . . . and lowering costs at the pharmacy counter for patients who use our medicine,”<sup>10</sup> the Company already aligns Lilly’s lobbying activities with its expressed goals. The related information provided by the Company’s publications compare favorably with the requests in the Proposal. Therefore, consistent with the no-action precedent cited above, the Company has substantially implemented the Proposal and, accordingly, the Proposal should be excluded from the 2023 Proxy Materials pursuant to Rule 14a-8(i)(10).

For the convenience of the Staff, the following table illustrates the Company’s substantial implementation of each request in the Proposal.

<i>Requests Made in Proposal</i>	<i>Illustrative Implementation by the Company</i>
<p><b><u>Section 1: Reconciliation of Lilly’s Commitment to both Innovation and Patient Access.</u></b></p> <p>“Publish a third party review within the next year of how Lilly <b>reconciles the strong commitments to both innovation and patient access, reflected in Lilly’s statement that it “strike[s] a balance between access and patient affordability, while sustaining investments to research innovative life-changing treatments for some of today’s most serious diseases”--</b> when lobbying and engaging in other policy advocacy activities (both direct and through trade associations).”</p>	<p>Lilly already publicly discloses its (x) public policy positions regarding its commitment to innovation, as well as accessibility and patient affordability, and (y) lobbying activities and other policy advocacy actions promoting innovation, access and patient affordability, providing shareholders the opportunity to reconcile the Company’s commitment to innovation, as well as access and patient affordability when participating in lobbying and advocacy activities.</p> <p style="text-align: center;"><b><u>(x) Lilly’s Public Policy Positions and Statements Regarding its Commitment to Innovation, Access and Patient Affordability</u></b></p> <p style="text-align: center;"><u>Political and Policy Participation Website:</u><sup>11</sup></p>

<sup>9</sup> Political and Policy Participation Website (Exhibit B)

<sup>10</sup> Available at <https://www.lilly.com/policies-reports/public-policy> (the “Public Policy Website”) and attached hereto as Exhibit D.

<sup>11</sup> Political and Policy Participation Website (Exhibit B).



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<i>Requests Made in Proposal</i>	<i>Illustrative Implementation by the Company</i>
	<ul style="list-style-type: none"> <li>• “As a biopharmaceutical company that develops treatment for serious diseases, we play an important role in public health. We believe it is important for our company to be a responsible participant in political and public policy debates around the world. Our engagement in the political arena helps ensure that patients have access to needed medications—leading to improved patient outcomes. Through public policy engagement, we provide a way for all our locations globally to offer Lilly’s perspective on the political environment in a manner that supports access to innovative medicines. We also look for ways to engage on issues specific to local business environments.”</li> <li>• “Our public policy efforts center on three key areas: innovation; health care delivery; and pricing and reimbursement.”</li> </ul> <p><u>Public Policy Website:</u><sup>12</sup></p> <p><i>Health-Care System</i></p> <ul style="list-style-type: none"> <li>• “We remain committed to finding solutions — both legislative and non-legislative — that will help people with chronic diseases have affordable access to their medicine.”</li> </ul> <p><i>Value-Based Arrangements</i></p> <ul style="list-style-type: none"> <li>• “We want to create a system here in the United States in which pharmaceutical innovators are rewarded – not for selling their product, but for the value it delivers inside the health care system. We strongly believe that outdated policies and regulations should not prevent the development of new, better ways to pay for medicines. We continue to advocate</li> </ul>

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<sup>12</sup> Public Policy Website (Exhibit D).

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<i>Requests Made in Proposal</i>	<i>Illustrative Implementation by the Company</i>
	<p>for legislative and regulatory changes that support this transition.”</p> <p><i>Pricing and Access</i></p> <ul style="list-style-type: none"> <li>• “Pricing our medicines is one of the most important decisions we make as a company. We strike a balance between access and patient affordability, while sustaining investments to research innovative life-changing treatments for some of today’s most serious diseases.”</li> <li>• “When pricing our medicines, we consider: Customer Perspective . . . Competitive Landscape . . . Company Considerations . . . Other External Factors: other external factors such as health system changes and policy guidelines.”</li> </ul> <p><u>2022 Proxy Materials:</u><sup>13</sup></p> <ul style="list-style-type: none"> <li>• “Our engagement in the political arena helps ensure that patients have access to needed medications. Through public policy engagement, we provide a way for all our locations globally to offer Lilly’s perspective on the political environment in a manner that supports access to innovative medicines and a way to engage on issues specific to local business environments.”</li> <li>• “In particular, our board is deeply engaged in oversight over Lilly’s approach to drug pricing and access. Guided by this active oversight, Lilly has taken numerous steps to address drug pricing and access concerns.”</li> </ul> <p><u>ESG Website:</u><sup>14</sup></p> <p><i>Transparency, Disclosure and Political</i></p>

<sup>13</sup> 2022 Proxy Materials at page 72.

<sup>14</sup> ESG Website (Exhibit C).

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<i>Requests Made in Proposal</i>	<i>Illustrative Implementation by the Company</i>
	<p><i>Engagement</i></p> <ul style="list-style-type: none"> <li>• “We support various transparency initiatives globally, provided that such initiatives are respectful of local laws related to intellectual property, trade secrets, competition and privacy; disclosure of information does not undermine our ability to compete effectively; and 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.”</li> </ul> <p><b><u>(v) Lilly’s Lobbying Activities and Other policy advocacy actions promoting innovation, access and patient affordability</u></b></p> <p><u>Public Policy Website:</u><sup>15</sup></p> <p><i>Public Policy</i></p> <ul style="list-style-type: none"> <li>• “Lilly supports making medicines more accessible and affordable to patients. Lilly advocates for improvements to the U.S. health care system that align to our core principles of: (1) encouraging and protecting innovation; (2) fairness and transparency in the biopharma industry and all of health care; and (3) lowering costs at the pharmacy counter for patients who use our medicine.”</li> </ul> <p><i>Value-Based Arrangements</i></p> <ul style="list-style-type: none"> <li>• As discussed above, “we strongly believe that outdated policies and regulations should not prevent the development of new, better ways to pay for medicines. We continue to advocate for legislative and</li> </ul>

<sup>15</sup> Public Policy Website (Exhibit D).

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<i>Requests Made in Proposal</i>	<i>Illustrative Implementation by the Company</i>
	<p>regulatory changes that support this transition.”</p> <p><u>Diabetes Solution Center:</u><sup>16</sup></p> <ul style="list-style-type: none"> <li>• <i>Rebate Pass Through:</i> “We continue to advocate for insurers to pass through our negotiated rebates directly to consumers at the pharmacy counter.”</li> <li>• <i>First Dollar Coverage:</i> “Lilly is supportive of efforts to exempt health care services for chronic conditions — including medicines such as insulins — from a health insurance plan’s deductible (‘first dollar coverage’).”</li> <li>• <i>Medicare Part D OOP Caps:</i> “Lilly supports legislative action to cap out-of-pocket costs for patients in Medicare Part D. We believe a cap would provide a critical financial safeguard for patients, leading to better treatment adherence and improvements in overall health status.”</li> </ul>
<p><b><u>Section 2: Lilly’s Lobbying and Policy Advocacy Activities (Direct and Through Trade Associations)</u></b></p> <p>“Publish a third party review within the next year of how Lilly reconciles the strong commitments to both innovation and patient access, reflected in Lilly’s statement that it “strike[s] a balance between access and patient affordability, while sustaining investments to research innovative life-changing treatments for some of today’s most</p>	<p>Lilly already publicly discloses its lobbying activities, both direct and through trade associations, providing shareholders the opportunity to reconcile the Company’s commitment to innovation, as well as access and patient affordability when participating in lobbying and advocacy activities.</p> <p><b><u>Direct Lobbying</u></b></p> <p><u>Political and Policy Participation Website:</u><sup>17</sup></p>

<sup>16</sup> Available at <https://www.lilly.com/resources/diabetes-solution-center/insulin-access-affordability>, and attached hereto as Exhibit F.

<sup>17</sup> Political and Policy Participation Website (Exhibit B)

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<i>Requests Made in Proposal</i>	<i>Illustrative Implementation by the Company</i>
<p>serious diseases”--when <b>lobbying and engaging in other policy advocacy activities (both direct and through trade associations).</b>”</p>	<p><i>Federal and State Lobbying Activities</i></p> <ul style="list-style-type: none"> <li>• “Lilly conducts direct lobbying efforts at the federal, state, and local levels to educate policymakers on the specific implications that various legislation may have on the company, our community, and patients. Lilly’s Vice President, U.S. Government Affairs is responsible for the company’s lobbying activities.”</li> <li>• “When engaging in lobbying activities, we comply with the laws that govern such activities. Lilly employees must also comply with our global policies, core values and legal obligations, which are outlined in our written Code of Business Conduct, The Red Book.”<sup>18</sup></li> <li>• “In 2021, Lilly spent \$7,015,000 on U.S. federal lobbying activities, which includes, but is not limited to, compensation and benefits for staff members, payment of external consultants, policy research funding and travel expenses.”</li> </ul> <p><i>Recipients of Company’s Political Contributions</i></p> <ul style="list-style-type: none"> <li>• “Where permitted, Lilly may make lawful political contributions in the United States to political candidate committees, political parties, political action committees, ballot measure committees, associations and other political organizations operating under section 527 of the Internal Revenue Code. Lilly will only fund other non-candidate expenditures by exception (e.g., certain ballot initiatives) and those</li> </ul>

<sup>18</sup> Lilly’s Code of Business Conduct, The Red Book is available at [https://assets.ctfassets.net/1o78rkh13da6/5zuwIQDPRsZ776L3SrFoXQ/0e9392b77d5b2717b56f010ad8284e94/The\\_Red\\_Book\\_2021\\_Lilly\\_Code\\_of\\_Business\\_Conduct\\_English.pdf](https://assets.ctfassets.net/1o78rkh13da6/5zuwIQDPRsZ776L3SrFoXQ/0e9392b77d5b2717b56f010ad8284e94/The_Red_Book_2021_Lilly_Code_of_Business_Conduct_English.pdf).

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<i>Requests Made in Proposal</i>	<i>Illustrative Implementation by the Company</i>
	<p>contributions are disclosed in our annual Report of Political Financial Support.”<sup>19</sup></p> <ul style="list-style-type: none"> <li>“Lilly has not made “independent expenditures,” such as by paying for advertisements in support of or opposition to candidates running for public office and does not have plans to make such expenditures. Nor does Lilly anticipate making “independent expenditures” in support of or opposition to ballot measures. Were Lilly to make an “independent expenditure” in the future, it would disclose this spending on its Report on Political Financial Support.”<sup>20</sup></li> </ul> <p><i>Corporate Political Contributions</i></p> <ul style="list-style-type: none"> <li>“Lilly has voluntarily disclosed its corporate contributions on an annual basis in the past but will disclose them on a biannual basis starting in 2022. In 2021, Lilly provided corporate contributions to state candidates and committees totaling \$248,650. For more information, please see our Reports of Political Financial Support.”<sup>21</sup></li> </ul> <p><i>LillyPAC</i></p> <ul style="list-style-type: none"> <li>“LillyPAC has voluntarily disclosed its contributions on an annual basis in the past but will disclose them on a biannual basis starting in 2022. In 2021, LillyPAC contributions to local, state and federal</li> </ul>

<sup>19</sup> Lilly’s 2021 Report of Political Financial Support is available at [https://assets.ctfassets.net/srys4ukjcerm/5GoHSSayifsRIan3hqMsbuB/31e68f71481d831b423840dd5dd075ff/2021\\_Lilly\\_Report\\_of\\_Political\\_Financial\\_Support.pdf](https://assets.ctfassets.net/srys4ukjcerm/5GoHSSayifsRIan3hqMsbuB/31e68f71481d831b423840dd5dd075ff/2021_Lilly_Report_of_Political_Financial_Support.pdf), and attached hereto as Exhibit E-1 and Lilly’s 2022 Mid-Year Report of Political Financial Support is available at [https://assets.ctfassets.net/srys4ukjcerm/6hrpEELCQAMlvKxZAsKbV4/f7f446696dd191fa66f2c9c841b9224e/2022\\_Jan-June\\_Report\\_of\\_Political\\_Financial\\_Support.pdf](https://assets.ctfassets.net/srys4ukjcerm/6hrpEELCQAMlvKxZAsKbV4/f7f446696dd191fa66f2c9c841b9224e/2022_Jan-June_Report_of_Political_Financial_Support.pdf), and attached hereto as Exhibit E-2 (together, the “*Reports of Political Financial Support*”).

<sup>20</sup> Lilly’s Reports of Political Financial Support from 2010 to 2022’s mid-year report are available at <https://www.lilly.com/policies-reports/public-policy-political-participation>.

<sup>21</sup> Reports of Political Financial Support (Exhibit E-1 and Exhibit E-2).

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<i>Requests Made in Proposal</i>	<i>Illustrative Implementation by the Company</i>
	<p>candidates totaled \$751,350. For more information, please see our Reports of Political Financial Support.”<sup>22</sup></p> <p><b><u>Indirect Lobbying</u></b></p> <p><u>Political and Policy Participation Website:</u><sup>23</sup></p> <p><i>Trade Association Memberships</i></p> <ul style="list-style-type: none"> <li>• “Lilly maintains memberships in organizations that report lobbying activity to the U.S. federal government, including the Pharmaceutical Research and Manufacturers of America, the National Association of Manufacturers, the Biotechnology Innovation Organization, the U.S. Chamber of Commerce and the Business Roundtable. We support organizations that champion public policies that contribute to pharmaceutical innovation, healthy patients, and a healthy business climate.”</li> <li>• “Our membership in these organizations is evaluated annually by the company’s U.S. Government Affairs leaders based on these organizations’ expertise in healthcare policy and advocacy and support of key issues of importance to Lilly.”</li> <li>• “We disclose memberships in organizations to which Lilly pays annual membership dues of \$50,000, and which lobby in the U.S. at the federal and state level, as well as the percentage of dues collected from member companies utilized by that organization for federal and state lobbying and political expenditures. If Lilly has a board seat in any of those</li> </ul>

<sup>22</sup> Reports of Political Financial Support (Exhibit E-1 and Exhibit E-2).

<sup>23</sup> Political and Policy Participation Website (Exhibit B).

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<i>Requests Made in Proposal</i>	<i>Illustrative Implementation by the Company</i>
	<p>organizations, the board seat is also disclosed and noted with an asterisk.”</p> <ul style="list-style-type: none"><li data-bbox="821 520 1421 1024">• Lilly also notes that “we recognize that these organizations may engage in a broad range of other issues that extend beyond the scope of what is of primary importance to Lilly. If concerns arise about an organization’s activities or involvement, we convey our concerns to these groups. We believe there is value in making sure our positions on issues important to Lilly and our industry are communicated and understood within those organizations. Lilly’s membership in these groups comes with the understanding that we may not always agree with the positions of the larger organization and/or other members.”</li></ul>



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### CONCLUSION

Based upon the foregoing analysis, we respectfully request that the Staff concur that the Company may exclude the Proposal from the 2023 Proxy Materials. Should the Staff disagree with the conclusions set forth in this letter, or should you require any additional information in support of our position, we would welcome the opportunity to discuss these matters with you as you prepare your response. Any such communication regarding this letter should be directed to me at [sarkis.jebajian@kirkland.com](mailto:sarkis.jebajian@kirkland.com) or (212) 446-5944.

Sincerely,



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Sarkis Jebejian, P.C.

cc: Anat Hakim  
*Executive Vice President, General Counsel and Secretary, Eli Lilly and Company*

Laura Krausa  
(as authorized representative for CommonSpirit Health)

Christina Dorett  
(as authorized representative for The School of Sisters Notre Dame, Central Pacific Province)

**Exhibit A**  
[Copy of Proposal]

**Eli Lilly and Company, Inc.**  
**Lobbying Misalignment 2023**

**Resolved:** Shareholders request that the Board of Directors commission and publish a third party review within the next year (at reasonable cost, omitting proprietary information) of how Eli Lilly and Company (“Lilly”) reconciles the strong commitments to both innovation and patient access, reflected in Lilly’s statement that it “strike[s] a balance between access and patient affordability, while sustaining investments to research innovative life-changing treatments for some of today’s most serious diseases”<sup>1</sup>--when lobbying and engaging in other policy advocacy activities (both direct and through trade associations).

**Supporting Statement:**

Lilly states that it “is committed to ensuring you can afford your Lilly insulin,”<sup>2</sup> and says it wants to “help those with diabetes get the medication and care they need.”<sup>3</sup> Though Lilly has a patient access program, there is not solid evidence that these programs reach the most vulnerable patients, with one study finding “[l]imited evidence ... that co-pay assistance was associated with improved treatment persistence/adherence across various diseases...”<sup>4</sup> In March 2021, Lilly also made headlines for “deceptive trade practice claims” associated with “insulin price-gouging.”<sup>5</sup>

Lilly states, “Now more than ever, it’s vitally important that we demonstrate accountability and trustworthiness so we can continue to earn the confidence of patients, healthcare providers and other customers, as well as society as a whole.”<sup>6</sup> However, Lilly has directly lobbied against drug pricing reform that advances affordability,<sup>7</sup> hiring three lobbyists in March 2021 to defeat Democratic drug pricing proposals even while Lilly was under intense scrutiny for insulin price hikes.<sup>8</sup>

Lilly’s CEO Dave Ricks is a recent Board Chair for Pharmaceutical Research and Manufacturers of America (“PhRMA”), which raised nearly \$527 million in 2020 and spent roughly \$506 million, including donating millions to numerous other organizations for use in opposing congressional drug pricing reform efforts.<sup>9</sup> PhRMA also sits on the Private Enterprise Advisory Council of the American Legislative Exchange Council, which has actively opposed bills to lower the costs of pharmaceuticals (H.R. 3 and its moderate counterpart S. 2534 (both 116th Congress)).<sup>10</sup>

Lilly spent \$7.5M lobbying in 2021 and \$5.3M in 2022 (through October 24).<sup>11</sup>

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<sup>1</sup> <https://www.lilly.com/policies-reports/public-policy>

<sup>2</sup> <https://www.insulinaffordability.com/>

<sup>3</sup> <https://www.insulinaffordability.com/lilly-diabetes-solution-center>

<sup>4</sup> <https://www.ajmc.com/view/impact-of-co-pay-assistance-on-patient-clinical-and-economic-outcomes>

<sup>5</sup> <https://news.bloomberglaw.com/antitrust/sanofi-lilly-novo-must-face-more-insulin-price-gouging-claims>

<sup>6</sup> <https://www.lilly.com/impact/operating-ethically-and-responsibly>

<sup>7</sup>

<https://www.fiercepharma.com/pharma/novo-faces-new-shareholder-suit-for-alleged-collusive-price-fixing>

<sup>8</sup> <https://www.opensecrets.org/news/2021/04/vaccine-access-pharma-lobbying-fight/>

<sup>9</sup> <https://www.opensecrets.org/news/2020/12/pharma-lobby-poured-millions-into-darkmoney-groups/>

<sup>10</sup>

<https://www.alecaction.org/update/20-alec-lawmakers-say-no-to-importing-price-controls-and-socialized-medicine-to-america/>

<sup>11</sup> <https://www.opensecrets.org/orgs/eli-lilly-co/summary?id=d000000166>

Given Lilly's extensive direct and indirect lobbying against measures that would make drugs more affordable, investors need to better understand the balance Lilly is striking between its commitments to innovation, on the one hand, and access and affordability, on the other.

For these reasons, we urge shareholders to support the proposal.

**Exhibit B**

[Copy of Political and Policy Participation Website]



# Public Policy Engagement and Political Participation

## Political and Policy Participation

As a biopharmaceutical company that develops treatment for serious diseases, we play an important role in public health. We believe it is important for our company to be a responsible participant in political and public policy debates around the world. Our engagement in the political arena helps ensure that patients have access to needed medications—leading to improved patient outcomes. Through public policy engagement, we provide a way for all our locations globally to offer Lilly's perspective on the political environment in a manner that supports access to innovative medicines. We also look for ways to engage on issues specific to local business environments.

Through our policy research, development and stakeholder dialogue activities, Lilly focuses on several dynamic areas that are important to our company, our industry and the people we serve.

Our public policy efforts center on three key areas: innovation; health care delivery; and pricing and reimbursement. We disclose our lobbying activities in compliance with the Lobbying Disclosure Act. For additional information on Lilly's positions on healthcare policies, please see Lilly's [public policy page](#).

### Board Oversight

The Lilly Board of Directors exercises governance oversight of our political expenditures and lobbying activities to ensure that we fulfill our commitment to stewardship of corporate funds and risk minimization with respect to such activities, as well as other environmental, social and governance matters. The Directors and Corporate Governance Committee of the Board is responsible for identifying 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 full Board receives regular updates at Board meetings from our Senior Vice President, Corporate Affairs and Communications, which include updates on public policy issues and the company's political corporate activity, as needed. The full Board also receives semi-annual updates on political engagement, including information on the contributions made by LillyPAC and the company, as well as trade association memberships.

### Recipients of Company's Political Contributions

Where permitted, Lilly may make lawful political contributions in the United States to political candidate committees, political parties, political action committees, ballot measure committees, associations and other political organizations operating under section 527 of the Internal Revenue Code. Lilly will only fund other non-candidate expenditures by exception (e.g., certain ballot initiatives) and those contributions are disclosed in our annual [Report of Political Financial Support](#).

Lilly has not made “independent expenditures,” such as by paying for advertisements in support of or opposition to candidates running for public office and does not have plans to make such expenditures. Nor does Lilly anticipate making “independent expenditures” in support of or opposition to ballot measures. Were Lilly to make an “independent expenditure” in the future, it would disclose this spending on its Report on Political Financial Support.this spending on its Report on Political Financial Support.

## Political Contributions to Candidates for Public Office

Our political contributions promote the interests of the company and the patients and customers we serve. They are made without regard to the partisan affiliation of the candidate or the private political preferences of our officers and directors.

LillyPAC and corporate contributions are made based on several criteria, including:

- Voting record or announced positions on issues important to Lilly.
- Demonstrated leadership on key committees of importance to our business.
- Potential for legislative leadership.
- Dedication to improving the relationship between business and government.
- Representation of a state or district where Lilly has a facility or large concentration of employees.

### Corporate Political Contributions

Corporate political contributions are made to state candidates and committees, where permissible. Lilly’s Vice President of Global Government Affairs reviews and approves all corporate political contributions to ensure these contributions are consistent with the company’s guidelines and in accordance with applicable laws. The company’s General Counsel and the Chief Financial Officer, or their designees, also approve all corporate political contributions before they are made.

Lilly has voluntarily disclosed its corporate contributions on an annual basis in the past but will disclose them on a biannual basis starting in 2022. In 2021, Lilly provided corporate contributions to state candidates and committees totaling \$248,650. For more information, please see our Reports of Political Financial Support below.

### LillyPAC

Lilly’s Political Action Committee (LillyPAC) is funded solely by voluntary contributions from eligible employees and supports political candidates of all parties at the local, state and federal level who understand the policies that advance a positive environment for biopharmaceutical innovation. The LillyPAC governing board is comprised of 16 U.S.-based employees who represent business areas throughout the company. The LillyPAC governing board reviews all contributions made by LillyPAC twice annually. Lilly’s Vice President, U.S. Government Affairs manages LillyPAC operations, and a member of Lilly’s Executive Committee serves as an executive sponsor and board chair of LillyPAC to ensure compliance and alignment with company priorities.

LillyPAC has voluntarily disclosed its contributions on an annual basis in the past but will disclose them on a biannual basis starting in 2022. In 2021, LillyPAC contributions to local, state and federal candidates totaled \$751,350. For more information, please see our Reports of Political Financial Support below.

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[View Reports](#)



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[2022 Mid-Year Report of Political Financial Support](#)

[2021 Report of Political Financial Support](#)

[2020 Report of Political Financial Support](#)

[2019 Report of Political Financial Support](#)

[2018 Report of Political Financial Support](#)

[2017 Report of Political Financial Support](#)

[2016 Report of Political Financial Support](#)

[2015 Report of Political Financial Support](#)

[2014 Report of Political Financial Support](#)



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## Federal and State Lobbying Activities

Lilly conducts direct lobbying efforts at the federal, state, and local levels to educate policymakers on the specific implications that various legislation may have on the company, our community, and patients. Lilly's Vice President of Global Government Affairs is responsible for the company's lobbying activities.

When engaging in lobbying activities, we comply with the laws that govern such activities. Lilly employees must also comply with our global policies, core values and legal obligations, which are outlined in our written Code of Business Conduct, The Red Book.

Lilly complies with the Lobbying Disclosure Act and files quarterly reports that include information regarding our federal lobbying expenditures. These reports may be viewed on the U.S. Senate Lobbying Disclosure Act Database [website](#). In all states where we operate, we comply with state registration and reporting requirements. Our state reporting may be viewed on each state's lobbying disclosure website. Lilly voluntarily provides [this chart](#) for locating its disclosures on each state's website.

In 2021, Lilly spent \$7,015,000 on U.S. federal lobbying activities, which includes, but is not limited to, compensation and benefits for staff members, payment of external consultants, policy research funding and travel expenses.

## Trade Association Memberships

Lilly maintains memberships in organizations that report lobbying activity to the U.S. federal government, including the Pharmaceutical Research and Manufacturers of America, the National Association of Manufacturers, the Biotechnology Innovation Organization, the U.S. Chamber of Commerce and the Business Roundtable. We support organizations that champion public policies that contribute to pharmaceutical innovation, healthy patients, and a healthy business climate.

Our membership in these organizations is evaluated annually by the company's U.S. Government Affairs leaders based on these organizations' expertise in healthcare policy and advocacy and support of key issues of importance to Lilly.

In addition to their positions on health care and business policy issues, we recognize that these organizations may engage in a broad range of other issues that extend beyond the scope of what is of primary importance to Lilly. If concerns arise about an organization's activities or involvement, we convey our concerns to these groups. We believe there is value in making sure our positions on issues important to Lilly and our industry are communicated and understood within those organizations. Lilly's membership in these groups comes with the understanding that we may not always agree with the positions of the larger organization and/or other members.

We disclose memberships in organizations to which Lilly pays annual membership dues of \$50,000 or more, and which lobby in the U.S. at the federal and state level, as well as the percentage of dues collected from member companies utilized by that organization for federal and state lobbying and political expenditures. If Lilly has a board seat in any of those organizations, the board seat is also disclosed and noted with an asterisk.

- BIOCOM California\* (10%)
- Biotechnology Innovation Organization\* (41%)
- Business Forward (10%)
- Business Roundtable (60%)
- California Life Sciences (22%)





- Indiana Chamber of Commerce\* (9%)
  - Indy Chamber\* (5%)
  - National Association of Manufacturers\* (20%)Pharmaceutical
  - Research and Manufacturers of America\* (33%) U.S. Chamber of
  - Commerce (25%)
- 

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To speak to customer support:

Call

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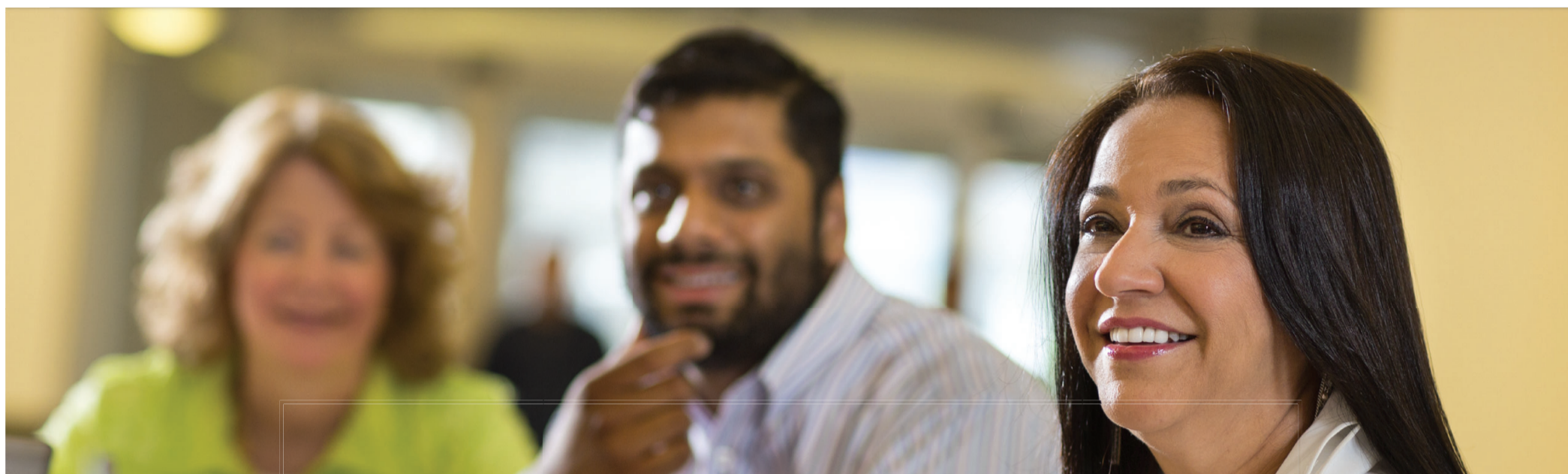
[Privacy Statement](#)

[Accessibility Statement](#)

[Sitemap](#)

**Exhibit C**

[Copy of ESG Website]



## 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.

## Governance Priorities

[Business Ethics](#)   [Corporate Governance](#)   [Supply Chain Management](#)

### Business Ethics

**SASB Disclosures Covered:**

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

[Ethical Marketing](#) (HC-BP-270a.2)

#### Business Ethics 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 – called [The Red Book](#) – and our policies, compliance management systems, HR performance and promotion systems, training programs and communications initiatives are designed to work together to reinforce a culture of integrity and ethical behavior.

Bioethics – which focuses on the ethics of health care, biomedical research and biomedical public policy – is an integral component of corporate integrity in the pharmaceutical industry. Our bioethics program is a part of our global Ethics and Compliance organization and works to drive the integration of bioethics principles into Lilly's standards, decisions and actions. We embrace a comprehensive approach to bioethics, providing a variety of resources and educational offerings to help employees navigate ethical scenarios and apply bioethics principles in their daily work.

A key component to our culture of ethics and integrity is transparency around how we work. Lilly collaborates with health care professionals and organizations focusing 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.

[Respecting Privacy](#)[Bioethics](#)[Transparency, Disclosure & Political Engagement](#)

## Ethics and Compliance

Our comprehensive approach to ethics and compliance includes proactive risk assessments, trainings and communications designed to prevent fraud or other violations of Lilly's policies, as well as reporting, auditing and monitoring to detect potential compliance gaps. We assess risks in our business functions and the geographies where we operate to help business leaders understand, prioritize and mitigate risks related to ethics, compliance and fraud. We have a robust investigation process, and we develop corrective and preventive action plans to address issues as appropriate. We also use available data to improve our programs to help leaders assess the risks they face.

We have aligned our anti-corruption due diligence process, privacy program and bioethics work, and we have dedicated teams supporting these programs within our Ethics and Compliance organization to reflect the evolving business and external environment in which we operate.

The senior vice president of enterprise risk management and chief ethics and compliance officer oversees this work and is responsible for developing and operating our ethics and compliance program, managing a diverse organization that works across the business in all geographies. This individual reports to the CEO and provides regular updates to the Ethics and Compliance Committee of the Board of Directors, and each year the full Board reviews the company's overall state of compliance.

### Our Code of Conduct, Policies and Procedures

Our code of 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, when appropriate, take corrective and preventive actions including reporting to regulatory authorities as appropriate.

In 2019 and 2020, 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) U.S. FDA Center for Biologics Evaluation and Research. In 2021, we received one untitled letter from the Office of Prescription Drug Promotion regarding an Emgality campaign.

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 training are designed to support a judgment-based approach emphasizing the company's values and the importance of ethical decision-making. The code of conduct and associated training includes our

#### [11 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
- Managing and Protecting Information
- Protecting People, the Environment and Our Assets
- Speaking Up: No Retaliation.

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, development 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. More than 99 percent of employees completed this annual training in 2021. 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. Additionally, each year senior leaders are required to confirm their organizations are compliant with the code of business conduct and applicable policies and procedures.

As part of our focus on nurturing a culture of integrity, we supplement our ethics and compliance training with case studies and behavioral ethics research. 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.

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

For the past several years, we've been on a journey 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 effort, 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 them to support speaking up.

### **Tracking Our Progress**

We track our progress in many ways, including reviewing the results of our annual employee survey. Results from the 2021 survey show that approximately 96% of survey respondents say they would report a suspected ethical violation if observed, and they know how to access the proper channels to make a report.

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## **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) or [via email](#). 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). 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.
- **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. These audits include reviews of our anti-corruption program, privacy and other policies related to ethical

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### 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 2021 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 2021, we investigated and closed 319 high-risk allegations\*, and confirmed that a violation had occurred 64.9% of the time. Outcomes related to violations are listed below:
  - Individuals disciplined, up to and including termination, 45.9%
  - Individuals received corrective feedback or other outcome, 54.1%

*\*One allegation equals one individual. If a situation involves more than one individual, that matter may be recorded as multiple allegations. Statistics calculated as of March 2022.*

During investigations of high-risk matters, our team works to identify the root cause of the issue. Following the 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.

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## 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 includes 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 code of conduct training each year. This training, which includes anti-corruption training, is designed to reinforce our policies, procedures and processes that promote ethical interactions. In 2021, more than 99 percent of required employees completed this additional training. Employees who do not complete required ethics and compliance training receive HR discipline as appropriate.

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 with those who are authorized and have a legitimate business need to see it, and we insist our suppliers and third parties to handle personal information in accordance with our privacy expectations and 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 Respecting Privacy procedure, and are emphasized in enterprise-wide training on the responsible use of personal information.

### **Privacy Governance**

The Global Privacy Office oversees the privacy program for our operations around the world and is led by our chief privacy officer, working with a team of global privacy experts. The chief privacy officer reports directly to the senior vice president, enterprise risk management and chief ethics and compliance officer, reflecting a governance structure emphasizing the ethical use of personal information and data. As the volume of data grows exponentially and as comprehensive data privacy laws proliferate in the U.S. and worldwide, privacy has become a Board-level priority. The privacy team regularly conducts risk assessments to appropriately focus resources to mitigate risk and informs leadership about new laws, related risks and potential impacts of noncompliance, as appropriate. The privacy team also partners with the corporate audit team to stay abreast of developing privacy requirements and identify key privacy risks.

## 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 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, information on how to request a bioethics consultation, and bioethics education and training opportunities. In 2021, we introduced a new global procedure that consolidated the ethics requirements from multiple documents and includes the principles we follow to help ensure that we conduct medical research in an ethical manner. The procedure applies to all employees engaged in medical research. We also sponsor an annual bioethics lecture. 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.

### **Governance of Bioethics**

Our bioethics program reports into the senior vice president, enterprise risk management and chief ethics and compliance officer and works closely with the office of the chief medical officer. Our bioethics staff, which has specialized training and expertise, provides education and training for the cross-functional Bioethics Advisory Committee, which includes external bioethics experts. This committee serves as a resource for Lilly employees and is a place where they can seek guidance on bioethics considerations, discuss potential alternative courses of action and receive recommendations on potential paths forward. Throughout these interactions, by applying the principles in the Lilly Bioethics Framework, bioethics contributes 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), as well as timing and content of research publications, among other matters. [Learn more](#) about our broader governance of ESG issues.

### **Bioethics Program**

Our bioethics program has four core activities: consultation, education and training, development of bioethics positions, and collaboration.

**Bioethics Consultations** – Our bioethics staff provides consultations for employees seeking advice regarding bioethics and research ethics issues. These consultations are intended to increase awareness about bioethics, empower employees to raise concerns and help them reason through challenging issues.

**Bioethics Leadership Academy** – The Bioethics Leadership Academy (BELA) provides Lilly employees with a specialized curriculum in bioethics. Employees who are selected to participate in BELA dedicate a portion of their working time to developing skills in bioethics, focusing on building basic bioethics awareness, applying bioethics principles and participating in ongoing bioethics activities and consultations.

**Lilly's Bioethics Framework and Positions** – Our [Bioethics Framework for Human Biomedical Research](#) and our [Principles of Medical Research](#) provide a bioethics foundation for the company's biomedical research, promoting alignment with broadly accepted ethics principles and Lilly's core values of integrity, excellence and respect for people. The framework, which consists of four basic principles and 13 essential elements for conducting ethical human biomedical research, guides the development of bioethics position statements and informs advice provided by our bioethics committee and staff.

**Fostering Industry Collaboration in Bioethics** – Externally, our bioethics program aims to work with other companies to establish best practices and to bring an industry perspective to bioethics discussions. We are a founding member and were a driving force behind the establishment of the Biopharmaceutical Industry Bioethics (BIB) Forum, established in 2016. The BIB Forum promotes collegial, non-competitive discussions regarding the application of bioethics concepts in the biopharmaceutical industry and the sharing of best practices. We are also a co-leader of the Bioethics Working Group created in 2020 by IFPMA as part of its Ethics and Business Integrity Committee (eBIC). This group focuses on developing industrywide positions on bioethics topics to establish common principles for behaviors intended to protect patients and research participants. Lilly is also a sponsor of the Multi-Regional Clinical Trials (MRCT) Bioethics Collaborative organized by the MRCT Center of Brigham and Women's Hospital and Harvard.

#### **Protecting Research Subjects' Rights in Clinical Trials**

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 Biomedical Research Involving Human Subjects](#)
- 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.

Lilly conducts clinical studies in countries or communities in which the benefits of research can be made reasonably available for research participants and the host country or community. Sometimes an investigational medicine is not locally commercially available at the conclusion of a clinical study and as a result, clinical study patients who are benefiting from an investigational medicine are not able to access the treatment. Therefore, under certain conditions Lilly may offer continued access to an investigational medicine after a patient's participation in a clinical study has ended. Learn more about our approach to [continued access to investigational medicine](#) and [multinational clinical studies](#).

## Transparency, Disclosure and Political Engagement

We support various transparency initiatives globally, provided that such initiatives:

- are respectful of local laws related to intellectual property, trade secrets, competition and privacy
- disclosure of information does not undermine our ability to compete effectively
- 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 has a history of commitment 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](#). Currently, 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 the website [vivli.org](#). 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. In 2021, Lilly continued creating plain language summaries of Phase 2-4 clinical trial results and making English versions available to study sites. Lilly is developing a translation process to enable the posting of plain language summaries to the European Union Clinical Trial Information System (EU CTIS). For the EU CTIS, the summaries will be translated into the local language(s) where the studies took place.



**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.

[Download Our 2021 ESG Data](#)

See important information [about our ESG report](#).

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**Exhibit D**

[Copy Public Policy Website]



## Public Policy

Lilly supports making medicines more accessible and affordable to patients. Lilly advocates for improvements to the U.S. health care system that align to our core principles of:

1. encouraging and protecting innovation;
2. fairness and transparency in the biopharma industry and all of health care; and
3. lowering costs at the pharmacy counter for patients who use our medicine.

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### Health Care System



Changes in the U.S. health care system have created greater consumer cost-sharing and a growing number of patients exposed to a medicine's full retail price – effectively shifting the burden onto the sick to subsidize the healthy. Broader systemic change is needed, which requires action by all relevant stakeholders.

We need to restructure the financial incentives of the entire pharmaceutical supply chain to ensure patients benefit with access to safe and affordable medicines.

Lilly is actively working with other key stakeholders to seek long-term policy solutions to address the gaps in our current health care system. We remain committed to finding solutions – both legislative and non-legislative – that will help people with chronic diseases have affordable access to their medicine.

To learn more about the U.S. health care system and Lilly's positions, view the resources below.

- [Driving Innovation in Employer Health Benefit Design White Paper](#)
- Lilly's [2018 Integrated Summary Report](#)
- [Trends in Health Care: High Deductible Health Plans](#)
- [Trends in Health Care: First Dollar Coverage](#)



- Dave Ricks' USA Today opinion column about rebate reform, "Rebate rule would help make prescriptions more affordable for more patients"
- PhRMA's Response to U.S. Health and Human Services Department on the Blueprint to Lower Drug Prices and Reduce Out-of-Pocket Costs

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## Value-Based Arrangements



Lilly believes that value-based arrangements have the potential to improve patient outcomes while lowering costs for the entire health care system. Payments for most medicines are still based on traditional outcomes, such as volume of product purchased or cost per unit. We believe the price of medicines should be linked more directly to patient outcomes.

Further, we think this is one of the most important long-term changes we can make as an industry. We want to create a system here in the United States in which pharmaceutical innovators are rewarded – not for selling their product, but for the value it delivers inside the health care system.

We strongly believe that outdated policies and regulations should not prevent the development of new, better ways to pay for medicines. We continue to advocate for legislative and regulatory changes that support this transition. See additional resources:

- Lilly/Prime Therapeutics [White Paper](#): "Advancing Patient Interests Through Value-Based Arrangements for Prescription Drugs"
- Lilly/Anthem [White Paper](#): "Promoting Value-Based Contracting Arrangements"
- What are [Value-Based Arrangements](#)?

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## Drug Importation



It may sound like an easy fix but importing drugs from Canada or any other country will not help Americans struggling to pay for their medicines. Importing drugs is a risky practice, as these drugs are not inspected for safety and efficacy as they are in the United States. Imported drugs do not go through the same rigorous process as U.S. Food and Drug Administration (FDA) review, and are often sold through dangerous, unregulated and illegitimate online pharmacies.

Instead, efforts should focus on addressing the root of the problem. Changes in the U.S. health care system have created greater consumer cost-sharing and a growing number of patients exposed to a medicine's full retail price – effectively shifting the burden onto the sick to subsidize the healthy. Broader systemic change is needed, which requires action by all relevant stakeholders. We need to restructure the financial incentives of the entire pharmaceutical supply chain to ensure patients benefit with access to safe and affordable medicines at their pharmacy counter here at home. See additional resources:

- [Drug Importation 101](#)
  - PhRMA: [Medicine Safety and Drug Importation](#)
-

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## Intellectual Property



Strong intellectual property (IP) protections are one way we encourage innovators to focus on difficult problems like untreatable medical diseases. They are the bedrock for developing new treatments and cures, and are critical to improving patient care, spurring innovation and strengthening our economy. Without strong IP protections, innovation would mostly focus on low-risk ventures, leaving large swaths of unmet medical needs.

IP protections recognize the time, cost and uncertainty related to the research-and-development process for medicines, and the substantial investment required for FDA approval. Two important forms of IP protections for medicines are:

- Patents, granted in the U.S by the U.S. Patent and Trade Office (PTO), give inventors the exclusive right to their inventions without others being able to copy and sell them for a set period of time (20 years from the application date of the patent); and
- Data exclusivity, granted in the U.S. by the FDA, which prohibits third parties for a set period of time from using or relying on an innovator's valuable clinical trial data to obtain FDA approval for their product.

Additionally, read [Dave Ricks' Financial Times opinion column](#) about IP, titled "The search for a dementia cure rests on innovators," and view Lilly's infographic about the [importance of IP in the biopharmaceutical research ecosystem](#).

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## Pricing and Access



For Lilly, expanding affordable access to medicines is a priority. One aspect of this is setting the list prices for our medicines. Pricing our medicines is one of the most important decisions we make as a company. We strike a balance between access and patient affordability, while sustaining investments to research innovative life-changing treatments for some of today's most serious diseases. When pricing our medicines, we consider:

- **Customer Perspective:** the unmet needs those medicines can fulfill for patients and caregivers, and how people can affordably access the treatment
- **Competitive Landscape:** the benefits of our medicines compared to alternative therapies, where our medicines fit in treating conditions, and existing contacts between payers and our competitors
- **Company Considerations:** the cost of research, development, manufacturing and support services for customers; business trends and other economic factors; as well as the medicine's potential market size, patent life and place within our larger portfolio of medicines
- **Other External Factors:** other external factors such as health system changes and policy guidelines

Additionally, reference Lilly's [2019 Integrated Summary Report](#).

Lilly recognizes that many patients face increasing costs and other barriers to accessing the treatments they need. When you're living with a serious condition, or caring for someone who has one, it's imperative to access the right medicine at the right time. We are committed to working with our health system partners to help ensure access to our medicines. Lilly strives to do its part to ensure access through the following guiding principles:



- **Flexibility:** Every medicine involves unique access challenges that are shaped by the broader category of the medicine. Lilly is flexible to develop solutions that solve for distinct issues.
- **Broadening Responsibilities:** As an innovative medicines' manufacturer, Lilly may need to extend its responsibility beyond developing medicines to help ensure that they can be accessible to patients. Lilly extends its responsibility where it is needed, to do the right thing by patients and more deeply support access.
- **Collaboration:** Solving access challenges in today's complex health care environment requires leadership and cooperation from many stakeholders to find sustainable solutions that work. Lilly uses its position as a large manufacturer of medicines to convene broader stakeholders and encourage cooperation and collaboration to create lasting solutions.

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## Biosimilars

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Lilly supports the development and approval of new medical technology such as biosimilars that can benefit patients. However, given the difficulty and complexity of developing and manufacturing biological products, policies for approval of these products with an abbreviated data package must proceed carefully with patient safety at the forefront and respect for the innovator's intellectual property. Biosimilar products have an important role to play in the health care system for the benefit of patients, provided that they are approved based on rigorous, science-based standards. Clinical evidence must be at the foundation of all decisions.

- Science-based regulatory reviews should determine if biosimilars meet interchangeability standards.
- Patients should receive the medicines their doctor prescribes.
- Only interchangeable biosimilars should be eligible for automatic substitution by pharmacies.
- Small differences in biological medicines' manufacturing processes can cause difficult-to-predict changes in safety and efficacy.
- Countries with insufficient regulatory standards produce products that pose a risk to patient safety and should not be considered as a "biosimilar."
- Biologics and biosimilars should have unique, differentiating names.
- Strong laws for data exclusivity and patent protection strike the balance between patient access and innovation of new medicines.

Additional resources:

- [Summary of Lilly's Position on Biosimilars](#)
  - Biologics vs. Biosimilars [Infographic](#)
  - Biologics vs. Biosimilars [Video](#)
-



### Payments to Health Care Professionals

[Our Disclosures](#)



### Political and Policy Participation

[View Our Participation](#)



### 2021 Year in Review

[Explore Our Highlights](#)



### Governance

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**Exhibit E-1**

[Copy of 2021 Report of Political Financial Support]





Advancing Science and Hope  
for Patients



REPORT OF  
POLITICAL  
FINANCIAL  
SUPPORT  
2021



## 2021 FINANCIAL SUMMARY

### LillyPAC

Cash on Hand (1/1/2021)

### LillyPAC

\$ 836,215.41

### NY State PAC

\$ 7,205.71

### Revenue

Donations from eligible Lilly Employees \$1,057,866.02 \$ 34,045.98

Other (Interest, etc.) \$ 844.16 \$ 75.76

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\$1,058,710.18 \$ 34,121.74

### Disbursements

Contributions to Candidates \$ 731,350.00 \$ 37,500.00

Federal Operating Expenses \$ 1,875.95 \$ 0.00

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\$ 733,325.95 \$ 37,500.00

**Ending Balance (12/31/2021)**

**\$ 1,161,599.64**

**\$ 10,327.45**

# LillyPAC Contributions to Federal Candidates

<b>Alabama</b>	
Rep. Gary Palmer (R)	\$1,000
<b>Arizona</b>	
Rep. Tom O'Halleran (D)	\$1,500
Sen. Kyrsten Sinema (D)	\$2,500
<b>California</b>	
Rep. Nanette Barragan (D)	\$1,500
Rep. Ami Bera (D)	\$2,500
Rep. Tony Cardenas (D)	\$2,500
Rep. J. Luis Correa (D)	\$3,500
Rep. Anna Eshoo (D)	\$1,000
Rep. Kevin McCarthy (R)	\$2,500
Rep. Devin Nunes (R)	\$2,500
Rep. Scott Peters (D)	\$5,000
Rep. Raul Ruiz (D)	\$1,000
Rep. Linda Sanchez (D)	\$2,000
Rep. Eric Swalwell (D)	\$1,500
<b>Delaware</b>	
Sen. Thomas Carper (D)	\$2,500
<b>Florida</b>	
Rep. Neal Dunn (R)	\$1,000
Rep. Stephanie Murphy (D)	\$5,000
Sen. Marco Rubio (R)	\$1,500
Rep. Darren Soto (D)	\$1,000
<b>Georgia</b>	
Rep. Buddy Carter (R)	\$2,500
Rep. A. Drew Ferguson (R)	\$1,500
<b>Hawaii</b>	
Sen. Mazie Hirono (D)	\$1,000
<b>Idaho</b>	
Sen. Mike Crapo (R)	\$2,500
<b>Illinois</b>	
Sen. Tammy Duckworth (D)	\$1,000
Rep. Robin Kelly (D)	\$2,500
Rep. Adam Kinzinger (R)	\$1,000
Rep. Darin LaHood (R)	\$5,000
Rep. Bradley Schneider (D)	\$2,500

<b>Indiana</b>	
Rep. James Baird PhD (R)	\$2,500
Sen. Mike Braun (R)	\$1,000
Sen. Mike Braun (R) - 2020 Check Voided	(\$1,000)
Rep. Larry Bucshon (R)	\$5,000
Rep. André Carson (D)	\$5,000
Rep. Trey Hollingsworth (R)	\$4,000
Rep. Frank Mrvan (D)	\$3,500
Rep. Gregory Pence (R)	\$2,500
Rep. Victoria Spartz (R)	\$2,500
Rep. Jackie Walorski (R)	\$5,000
Sen. Todd Young (R)	\$5,000
<b>Kansas</b>	
Sen. Jerry Moran (R)	\$1,500
<b>Kentucky</b>	
Rep. Brett Guthrie (R)	\$1,500
<b>Massachusetts</b>	
Rep. Katherine Clark (D)	\$2,500
<b>Michigan</b>	
Sen. Gary Peters (D)	\$2,500
<b>Missouri</b>	
Rep. Jason Smith (R)	\$1,000
<b>Montana</b>	
Sen. Jon Tester (D)	\$1,000
<b>Nebraska</b>	
Rep. Adrian Smith (R)	\$2,000
<b>Nevada</b>	
Rep. Steven Horsford (D)	\$1,500
Sen. Catherine Cortez Masto (D)	\$6,000
Sen. Jacklyn Rosen (D)	\$3,500
<b>New Hampshire</b>	
Rep. Ann Kuster (D)	\$1,000
<b>New Jersey</b>	
Rep. Joshua Gottheimer (D)	\$1,000
Sen. Robert Menendez (D)	\$1,000
Rep. William Pascrell Jr. (D)	\$1,000
Rep. Rebecca Sherrill (D)	\$3,000

## LillyPAC Contributions to Federal Candidates

Rep. Bonnie Watson Coleman (D)	\$1,000
<b>New Mexico</b>	
Sen. Martin Heinrich (D)	\$4,000
<b>New York</b>	
Rep. Brian Higgins (D)	\$2,500
Sen. Charles Schumer (D)	\$5,000
<b>North Carolina</b>	
Rep. G. K. Butterfield (D)	\$1,000
Rep. Richard Hudson Jr. (R)	\$3,000
Rep. Patrick McHenry (R)	\$2,000
Rep. Deborah Ross (D)	\$1,000
<b>North Dakota</b>	
Sen. John Hoeven (R)	\$2,500
<b>Ohio</b>	
Rep. Joyce Beatty (D)	\$1,000
Rep. Bob Latta (R)	\$1,000
Rep. Brad Wenstrup (R)	\$3,000
<b>Oklahoma</b>	
Sen. James Lankford (R)	\$2,000
Rep. Markwayne Mullin (R)	\$1,000
<b>Oregon</b>	
Rep. Kurt Schrader (D)	\$3,500
Sen. Ron Wyden (D)	\$1,000
<b>Pennsylvania</b>	
Rep. Brendan Boyle (D)	\$1,000
Rep. Chrissy Houlahan (D)	\$2,000
Rep. Mike Kelly (R)	\$2,500
Rep. Mary Scanlon (D)	\$1,000
Rep. Lloyd Smucker (R)	\$2,500
<b>Texas</b>	
Rep. Jodey Arrington (R)	\$1,000
Rep. Daniel Crenshaw (R)	\$2,000
Rep. Marc Veasey (D)	\$3,500

<b>Utah</b>	
Rep. John Curtis (R)	\$1,000
<b>Vermont</b>	
Sen. Patrick Leahy (D)	\$1,000
<b>Virginia</b>	
Sen. Mark Warner (D)	\$1,900
<b>Washington</b>	
Rep. Suzan DelBene (D)	\$2,500
Rep. Derek Kilmer (D)	\$3,500
Rep. Cathy McMorris Rodgers (R)	\$2,500
Sen. Patty Murray (D)	\$2,000
<b>West Virginia</b>	
Sen. Joe Manchin III (D)	\$2,000

# LillyPAC Contributions to Federal PACs and Party Committees

ORGANIZATION	AMOUNT
Across the Aisle PAC	\$5,000
Blue Dog PAC	\$5,000
Blue Hen PAC	\$3,500
Bluegrass Committee	\$5,000
CHC Bold PAC	\$5,000
Common Ground PAC	\$2,500
Common Values PAC	\$5,000
Congressional Black Caucus PAC (CBC PAC)	\$5,000
Democratic Congressional Campaign Committee (DCCC)	\$15,000
Democratic Senatorial Campaign Committee (DSCC)	\$15,000
Eye of the Tiger Political Action Committee	\$5,000
First State PAC	\$2,500
Forward Together PAC	\$1,000
Freedom Fund	\$5,000
Freedom Fund - 2020 Check Voided	(\$2,500)
Getting Stuff Done PAC (GSD-PAC)	\$2,500
HeartDocPAC	\$5,000
IMPACT	\$5,000
Jump into Action for Conservatives to Keep Our Ideas Elevated PAC	\$5,000
Keystone America PAC	\$2,500
LOBO PAC	\$1,000
Madison PAC, The	\$5,000
Majority Committee PAC - MC PAC	\$5,000
Moderate Democrats PAC	\$5,000
M-PAC	\$5,000
National Republican Congressional Committee (NRCC)	\$15,000
National Republican Senatorial Committee (NRSC)	\$15,000
New Democrat Coalition Action Fund	\$5,000
New Millennium PAC	\$5,000
Oorah! Political Action Committee	\$5,000
Republican Governance Group/Tuesday Group PAC	\$5,000
Sensible American Solutions Supporting Everyone PAC	\$2,500
Supporting House Problem Solvers - SHP PAC	\$5,000
Together Holding Our Majority PAC	\$5,000
Tomorrow Is Meaningful PAC	\$2,500
Treasure State PAC	\$2,500
<b>LillyPAC Federal Contributions Total</b>	<b>\$377,900</b>



## Federal Contribution Limits

**\$5,000 per primary and general election to a federal candidate's campaign committee.**

**\$15,000 per calendar year to each national party committee, such as the Democratic and Republican national, senatorial and congressional campaign committees.**

**\$5,000 per year to a federal incumbent's leadership PAC.** Leadership PACs may be sponsored by members of Congress to support other candidates from their political party. These are separate from a member's campaign committee.

**\$5,000 per year to a state or local party committee.**

**Contribution limits vary by state.**

To learn more, visit [Lilly's Public Policy and Political Participation](#).

# LillyPAC Contributions to State Candidates and Committees

<b>Alabama</b>	
Sen. James Chesteen (R)	\$1,000
Rep. Steve Clouse (R)	\$1,000
Rep. Paul Lee (R)	\$1,000
Rep. Rhett Marques (R)	\$1,000
<b>Arizona</b>	
Republican Legislative Victory Fund	\$1,500
<b>Arkansas</b>	
Rep. Karilyn Brown (R)	\$400
Rep. Cameron Cooper (R)	\$400
Rep. Bruce Cozart (R)	\$400
Sen. Ben Gilmore (R) - 2020 Check Voided	(\$300)
Rep. Justin Gonzales (R)	\$400
Rep. Austin McCollum (R)	\$400
Rep. Tippi McCullough (D)	\$400
Rep. Clint Penzo (R)	\$400
Rep. Matthew Shepherd (R)	\$400
Sen. James Sturch (R)	\$400
Rep. Danny Watson (R)	\$400
<b>California</b>	
Assm. Cecilia Aguiar-Curry (D)	\$1,500
Assm. Joaquin Arambula (D)	\$1,000
Sen. Toni Atkins (D) - 2026 Lt. Gov. Candidate	\$3,500
Sen. Josh Becker (D)	\$1,000
Assm. Steve Bennett (D)	\$1,000
Assm. Franklin Bigelow (R)	\$1,500
Assm. Autumn Burke (D)	\$1,500
Sen. Anna Caballero (D)	\$1,000
Assm. Lisa Calderon (D)	\$1,000
Assm. Jim Cooper (D)	\$2,000
Assm. Jordan Cunningham (R)	\$1,000
Sen. Brian Dahle (R)	\$1,000
Assm. Tom Daly (D)	\$4,900
Sen. Bill Dodd (D) - 2026 Lt. Gov. Candidate	\$1,500
Sen. Susan Eggman (D)	\$1,000
Assm. Heath Flora (R)	\$1,000
Sen. Steven Glazer (D) - 2026 Lt. Gov. Candidate	\$1,500
Assm. Lorena Gonzalez (D)	\$1,000
Assm. Adam Gray (D)	\$1,500
Assm. Tim Grayson (D)	\$1,300
Sen. Melissa Hurtado (D)	\$1,000
Sen. Monique Limon (D)	\$1,000
Assm. Evan Low (D)	\$1,500

Assm. Brian Maienschein (D)	\$1,000
Assm. Chad Mayes (I)	\$1,500
Sen. Dave Min (D)	\$1,000
Assm. Adrin Nazarian (D)	\$2,500
Sen. Josh Newman (D)	\$1,000
Assm. Patrick O'Donnell (D)	\$2,500
Sen. Richard Pan (D)	\$1,000
Sen. Anthony Portantino (D) - 2026 Superintendent of Public Instruction Candidate	\$2,500
Assm. Sharon Quirk-Silva (D)	\$1,000
Assm. James Ramos (D)	\$1,500
Assm. Anthony Rendon (D)	\$1,500
Assm. Robert Rivas (D)	\$1,000
Assm. Freddie Rodriguez (D)	\$1,500
Assm. Blanca Rubio (D)	\$2,000
Sen. Susan Rubio (D)	\$2,000
Assm. Rudy Salas Jr. (D)	\$1,500
Assm. Suzette Valladares (R)	\$1,000
Assm. Carlos Villapudua (D)	\$1,000
Assm. Christopher Ward (D)	\$1,500
Assm. Akilah Weber (D)	\$2,000
<b>Colorado</b>	
Senate Majority Fund	\$3,000
<b>Delaware</b>	
Rep. Melissa Minor-Brown (D)	\$100
<b>District of Columbia</b>	
Council Chair Phil Mendelson (D)	\$500
<b>Georgia</b>	
Lt. Gov. Geoff Duncan Jr. (R) - 2020 Check Voided	(\$2,000)
Sen. Burt Jones (R) - 2020 Check Voided	(\$1,000)
<b>Illinois</b>	
Rep. Jaime Andrade Jr. (D)	\$500
Sen. Omar Aquino (D)	\$1,000
Rep. Dagmara Avelar (D)	\$500
Sen. Christopher Belt (D)	\$500
Sen. Scott Bennett (D)	\$500
Rep. Avery Bourne (R)	\$500
Rep. Kambium Buckner (D)	\$1,000
Rep. Kelly Burke (D) - 2020 Check Voided	(\$500)
Rep. Kelly Burke (D)	\$500
Sen. Cristina Castro (D)	\$500
Rep. Dan Caulkins (R)	\$500
Rep. Deborah Conroy (D)	\$500

## LillyPAC Contributions to State Candidates and Committees

Rep. Fred Crespo (D)	\$500
Sen. Rachele Crowe (D)	\$1,000
Sen. John Curran (R)	\$500
Rep. William Davis (D)	\$500
Rep. Eva Delgado (D)	\$500
Sen. Donald DeWitte (R)	\$500
Sen. Laura Ellman (D)	\$500
Rep. Mary Flowers (D)	\$500
Sen. Ann Gillespie (D)	\$500
Sen. Suzanne Glowiak Hilton (D)	\$500
Rep. Jehan Gordon-Booth (D)	\$1,500
Rep. LaToya Greenwood (D)	\$500
Rep. Jackie Haas (R)	\$500
Rep. Norine Hammond (R)	\$500
Sen. Michael Hastings (D)	\$2,000
Sen. Mattie Hunter (D)	\$1,000
Rep. Frances Hurley (D)	\$500
Sen. Patrick Joyce (D)	\$1,000
Sen. Andy Manar (D) - 2020 Check Voided/Candidate Withdrew	(\$500)
Rep. Natalie Manley (D)	\$500
Rep. Tony McCombie (R)	\$500
Rep. Martin McLaughlin (R)	\$500
Sen. Julie Morrison (D)	\$500
Sen. Antonio 'Tony' Munoz (D)	\$2,000
Sen. Laura Murphy (D)	\$500
Sen. Kwame Raoul (D) - 2020 Check Voided	(\$2,500)
Sen. Sue Rezin (R)	\$1,000
Rep. Lamont Robinson Jr. (D)	\$500
Sen. Chapin Rose (R)	\$1,000
Sen. Elgie Sims (D)	\$1,000
Rep. Ryan Spain (R)	\$500
Sen. Win Stoller (R)	\$500
Rep. Andre Thapedi (D) - 2020 Check Voided	(\$500)
Sen. Karina Villa (D)	\$500
Rep. Emanuel Welch (D)	\$5,000
Rep. Keith Wheeler (R)	\$500
Rep. Blaine Wilhour (R)	\$500
Rep. Kathleen Willis (D)	\$500
<b>Indiana</b>	
Sen. Ron Alting (R)	\$1,000
Rep. Bradford Barrett (R)	\$1,000
Rep. Vaneta Becker (R)	\$1,000

Rep. Robert Behning (R)	\$1,000
Sen. Rodric Bray (R)	\$5,000
Sen. Jean Breaux (D)	\$1,000
Sen. Justin Busch (R)	\$1,000
Sen. Ed Charbonneau (R)	\$1,000
Rep. Robert Cherry (R)	\$500
Rep. Ed Clere (R)	\$500
Sen. Michael Crider (R)	\$1,000
Lt. Gov. Suzanne Crouch (R)	\$1,000
Rep. Edward DeLaney (D)	\$500
Sheriff Kerry Forestal (D)	\$500
Rep. Carey Hamilton (D)	\$1,000
Rep. Bob Heaton (R)	\$1,000
Mayor Joe Hogsett (D)	\$3,000
Sen. Travis Holdman (R)	\$1,000
Rep. Todd Huston (R)	\$5,000
Indiana Democratic Party	\$5,000
Indiana Republican State Committee, Inc.	\$2,000
Rep. Blake Johnson (D)	\$1,000
Rep. Matt Lehman (R)	\$1,000
City Cllr. Maggie Lewis (D)	\$500
Sen. Mark Messmer (R)	\$2,000
Sen. Ryan Mishler (R)	\$1,000
Rep. Justin Moed (D)	\$500
Rep. Cherrish Pryor (D)	\$1,000
Rep. Tom Saunders (R)	\$500
Rep. Tom Saunders (R) - 2021 Check Voided/Candidate Withdrew	(\$500)
Rep. Robin Shackelford (D)	\$1,000
Rep. Greg Steuerwald (R)	\$1,000
Rep. Vanessa Summers (D)	\$500
Sen. Greg Taylor (D)	\$1,000
Sen. Kyle Walker (R)	\$500
Sen. Andy Zay (R)	\$1,000
<b>Iowa</b>	
Sen. Jake Chapman (R)	\$1,000
Rep. Pat Grassley (R)	\$1,000
Rep. Ann Meyer (R)	\$500
Sen. Jason Schultz (R)	\$500
Sen. Jack Whitver (R)	\$1,000
Rep. Matt Windschitl (R)	\$1,000
<b>Kansas</b>	
Rep. Daniel Hawkins (R)	\$500

# LillyPAC Contributions to State Candidates and Committees

Rep. Brenda Landwehr (R)	\$500
Sen. Ty Masterson (R)	\$500
Rep. Ronald Ryckman Jr. (R)	\$500
<b>Kentucky</b>	
Kentucky State Democratic Executive Committee	\$3,000
Kentucky State Republican Executive Committee	\$1,000
<b>Louisiana</b>	
Bagley Leadership PAC	\$500
Sen. Louie Bernard (R)	\$500
Sen. Gerald Boudreaux (D)	\$500
Sen. Stewart Cathey (R)	\$500
Sen. Heather Cloud (R)	\$500
Rep. Paula Davis (R)	\$500
Sen. Jay Luneau (D)	\$500
Sen. Jay Luneau (D) - 2020 Check Voided	(\$500)
Sen. Barry Milligan (R)	\$500
<b>Maine</b>	
Fecteau for Leadership	\$500
Fecteau for Leadership - 2020 Check Voided	(\$250)
House Democratic Campaign Committee	\$750
House Republican Fund	\$500
Maine Senate Republican Majority	\$750
Still Fed Up with Taxes	\$500
Taking Care of Maine Business	\$500
<b>Maryland</b>	
Sen. Malcolm Augustine (D)	\$250
Sen. Pamela Beidle (D)	\$250
Del. Nick Charles (D)	\$100
Del. Bonnie Cullison (D)	\$250
Sen. Brian Feldman (D)	\$250
Sen. William Ferguson IV (D)	\$500
Sen. William Ferguson IV (D) - 2020 Check Voided	(\$500)
Sen. Antonio Hayes (D)	\$250
Del. Adrienne Jones (D)	\$500
Del. Nicholas Kipke (R)	\$250
Del. Robbyn Lewis (D)	\$100
Del. Kathy Szeliga (R)	\$250
<b>Michigan</b>	
Rep. Julie Alexander (R)	\$250
Sen. John Bizon (R)	\$1,000
Rep. Graham Filler (R)	\$500
Rep. Ben Frederick (R)	\$500
Rep. Phil Green (R)	\$500

Rep. Roger Hauck (R)	\$500
Sen. Curtis Hertel Jr. (D)	\$500
Rep. Bronna Kahle (R)	\$1,500
Sen. Dan Lauwers (R)	\$1,000
Sen. Curt VanderWall (R)	\$2,000
Rep. Jason Wentworth (R)	\$1,000
Rep. Mary Whiteford (R)	\$1,500
Rep. Angela Witwer (D)	\$500
<b>Mississippi</b>	
Forward Mississippi PAC	\$1,000
Lt. Gov. Delbert Hosemann (R)	\$1,000
Sen. Dean Kirby (R)	\$1,000
Gov. Tate Reeves (R)	\$1,000
Rep. Jason White (R)	\$1,000
<b>Montana</b>	
Montana Republican Legislative Campaign Committee - 2020 Check Voided	(\$1,000)
<b>Nebraska</b>	
Jim Pillen (R) - Gov. Candidate	\$1,000
<b>New Hampshire</b>	
Gov. Chris Sununu (R)	\$1,000
<b>New Mexico</b>	
Rep. Brian Egolf Jr. (D)	\$2,000
<b>North Carolina</b>	
Sen. Philip Berger (R)	\$5,600
Rep. Jon Hardister (R)	\$1,000
Sen. Kathy Harrington (R)	\$1,000
Rep. Zack Hawkins (D)	\$1,000
Sen. Brent Jackson (R)	\$1,000
Sen. Joyce Krawiec (R)	\$1,000
Rep. Donny Lambeth (R)	\$1,000
Rep. Tim Moore (D)	\$2,900
Sen. Paul Newton (R)	\$1,000
Sen. Jim Perry (R)	\$1,000
Sen. Bill Rabon (R)	\$1,000
Rep. Robert Reives II (D)	\$1,000
Rep. Jason Saine (R)	\$1,000
Rep. Wayne Sasser (R)	\$1,000
Rep. Donna White (R)	\$1,000
Sen. Mike Woodard (D)	\$1,000
<b>Ohio</b>	
Rep. Rick Carfagna (R)	\$1,500
Rep. Robert Cupp (R)	\$3,000



## LillyPAC Contributions to State Candidates and Committees

Sen. Matt Dolan (R)	\$1,000
Rep. Tim Ginter (R)	\$1,500
Sen. Jay Hottinger (R)	\$1,500
Sen. Matt Huffman (D)	\$4,000
Sen. Stephen Huffman (R)	\$1,000
Rep. Scott Lipps (R)	\$1,000
Sen. Robert McColley (R)	\$1,500
Rep. Scott Oelslager (R)	\$1,000
Ohio Chamber of Commerce PAC	\$5,000
Rep. Bill Roemer (R)	\$500
Rep. William Seitz (R)	\$1,500
Rep. William Seitz (R) - 2021 Check Voided/Candidate Withdrew	(\$1,500)
<b>Oklahoma</b>	
Gov. Kevin Stitt (R)	\$1,000
<b>Oregon</b>	
Rep. Christine Drazan (R)	\$4,000
Rep. Suzanne Weber (R)	\$1,000
<b>Pennsylvania</b>	
Sen. David Argall (D)	\$500
Sen. Ryan Aument (R)	\$500
Rep. Matthew Bradford (D)	\$1,000
Sen. Michele Brooks (R)	\$500
Sen. Patrick Browne (R)	\$1,000
Sen. Maria Collett (D)	\$500
Sen. John DiSanto (R)	\$500
Sen. John Gordner (R)	\$750
Rep. Jordan Harris (D) - 2020 Check Voided	(\$500)
House Republican Campaign Committee	\$9,000
House Republican Campaign Committee - 2020 Check Voided	(\$4,000)
Sen. Vincent Hughes (D)	\$1,000
Rep. Leanne Krueger (D)	\$500
Rep. Carrie Lewis DelRosso (R)	\$250
Rep. Mark Longietti (D)	\$500
Rep. Donna Oberlander (R)	\$1,000
Rep. Timothy O'Neal (R)	\$250
PA Legislative Victory PAC	\$2,500
Rep. Kathy Rapp (R)	\$500
Rep. Greg Rothman (R)	\$250
Rep. Stanley Saylor (R)	\$1,000
Rep. Michael Schlossberg (D)	\$500
Senate Republican Campaign Committee	\$1,000

Rep. Jesse Topper (R)	\$500
Sen. Kim Ward (R)	\$1,000
Rep. Martina White (R)	\$500
Rep. David Zimmerman (R)	\$250
<b>Tennessee</b>	
Rep. Raumesh Akbari (D)	\$1,000
Rep. Karen Camper (D)	\$500
Rep. Vincent Dixie (D)	\$1,000
Rep. David Hawk (R)	\$1,000
Rep. Esther Helton (R)	\$500
Rep. Gary Hicks (R)	\$500
Rep. Sabi Kumar (R)	\$1,000
Rep. Pat Marsh (R)	\$500
Sen. Shane Reeves (R)	\$1,500
Rep. Iris Rudder (R)	\$500
Rep. Cameron Sexton (R)	\$1,500
Rep. Cameron Sexton (R) - 2020 Check Voided	(\$1,000)
Rep. Bryan Terry (R)	\$1,000
Sen. Bo Watson (D)	\$1,000
Sen. Ken Yager (R)	\$1,000
<b>Texas</b>	
Gov. Greg Abbott (R)	\$5,000
Rep. Steve Allison (R)	\$500
Sen. Carol Alvarado (D)	\$1,000
Rep. Rafael Anchia (D)	\$1,000
Rep. Cesar Blanco (D)	\$1,000
Rep. James Bonnen (R)	\$2,500
Rep. Dustin Burrows (R)	\$2,000
Sen. Donna Campbell (D)	\$1,000
Rep. Giovanni Capriglione (R)	\$2,000
Rep. Nicole Collier (D)	\$1,000
Rep. Brandon Creighton (R)	\$1,000
Rep. Sarah Davis (R) - 2020 Check Voided	(\$1,000)
Rep. Mary Gonzalez (D)	\$500
Rep. Ryan Guillen (D)	\$500
Rep. Cody Harris (R)	\$1,000
Sen. Joan Huffman (R)	\$2,500
Rep. Jacey Jetton (R)	\$500
Rep. Ann Johnson (D)	\$500
Sen. Nathan Johnson (D)	\$1,000
Rep. Stephanie Klick (R)	\$2,000
Sen. Lois Kolkhorst (R)	\$2,500

## LillyPAC Contributions to State Candidates and Committees

Rep. J. M. Lozano (D) - 2020 Check Voided	(\$500)
Sen. Eddie Lucio Jr. (D)	\$1,000
Rep. Will Metcalf (R)	\$500
Rep. Joseph Moody (D)	\$1,000
Sen. Robert Nichols (R)	\$500
Rep. Tom Oliverson (R)	\$2,500
Rep. Tan Parker (R)	\$1,000
Lt. Gov. Dan Patrick (R)	\$2,500
Rep. Dennis Paul (R)	\$500
Sen. Charles Perry (R)	\$1,000
Rep. Dade Phelan (R)	\$2,500
Rep. Walter Price (R)	\$1,000
Rep. Richard Raymond (D)	\$1,000
Rep. Ramon Romero Jr. (D)	\$1,000
Rep. Toni Rose (D)	\$1,000
Rep. Charles Schwertner (R)	\$2,500
Rep. Chris Turner (D)	\$1,000
Rep. Armando Walle (D)	\$500
Rep. Erin Zwiener (D)	\$500
<b>Utah</b>	
Gov. Spencer Cox (R)	\$1,500
Utah House Republican Election Committee - 2020 Check Voided	(\$750)
Utah Republican Senate Campaign Committee - 2020 Check Voided	(\$750)
<b>Virginia</b>	
Del. Lamont Bagby (D)	\$1,000
Sen. George Barker (D)	\$1,250
Kirk Cox (R) - Gov. Candidate	\$1,000
Del. Eileen Filler-Corn (D)	\$1,000
Del. C. Todd Gilbert (R)	\$1,000
GOPAC	\$2,500
Del. Charniele Herring (D)	\$1,000
Del. Charniele Herring (D) - 2020 Check Voided	(\$1,000)
Del. Terry Kilgore (R)	\$1,500
Sen. Thomas Norment Jr. (R)	\$1,000
Sen. Richard Saslaw (D)	\$1,000
Del. Mark Sickles (D)	\$1,000
Del. Luke Torian (D)	\$1,000
Del. Roslyn Tyler (D)	\$500

<b>Wisconsin</b>	
Committee to Elect a Republican Senate	\$4,000
Sen. Dale Kooyenga (R)	\$1,000
Sen. Devin LeMahieu (R)	\$1,000
Sen. Howard Marklein (R)	\$1,000
Republican Assembly Campaign Committee (RACC)	\$5,000
Republican Party of Wisconsin - State Account	\$2,500
Sen. Patrick Testin (R)	\$1,000
<b>LillyPAC State Contributions Total</b>	<b>\$353,450</b>

## New York PAC Contributions to New York State Candidates and Committees

<b>New York</b>	
Assm. William Barclay (R)	\$500
Assm. Michael Benedetto (D) - 2020 Check Voided	(\$1,000)
Sen. Samra Brouk (D) - 2020 Check Voided	(\$1,000)
Sen. Jeremy Cooney (D)	\$1,000
Assm. Maritza Davila (D)	\$500
Assm. Erik Dilan (D)	\$500
Sen. Patrick Gullivan (R)	\$500
Sen. James Gaughran (D)	\$500
Sen. Mike Gianaris (D)	\$2,000
Sen. Peter Harckham (D) - 2020 Check Voided	(\$1,000)
Assm. Carl Heastie (D)	\$2,500
Sen. Michelle Hinchey (D)	\$1,000
Assm. Pamela Hunter (D)	\$500
Assm. Ellen Jaffee (D) - 2020 Check Voided	(\$500)
Assm. Latoya Joyner (D)	\$1,000
Sen. Anna Kaplan (D)	\$1,000
Sen. Timothy Kennedy (D)	\$1,000
Sen. John Mannion (D)	\$1,000
Sen. John Mannion (D) - 2020 Check Voided	(\$1,000)
Assm. John McDonald III (D)	\$500
NYS Democratic Senate Campaign Committee - 2020 Check Voided	(\$1,500)
NYS Democratic Senate Campaign Committee - 2020 Check Voided	(\$5,000)
Sen. Robert Ortt (R)	\$500
Assm. Steve Otis (D)	\$500
Assm. Crystal Peoples-Stokes (D)	\$2,000
Assm. Stacey Pheffer Amato (D)	\$500
Assm. Edward Ra (R)	\$500
Sen. Jessica Ramos (D)	\$1,000
Sen. Jessica Ramos (D) - 2020 Check Voided	(\$1,000)
Republican Assembly Campaign Committee (RACC)	\$1,500
Assm. Karines Reyes (D)	\$500
Assm. Jonathan Rivera (D)	\$500
Sen. Sean Ryan (D)	\$2,000
Sen. Sean Ryan (D) - 2020 Check Voided	(\$1,000)
Sen. Julia Salazar (D)	\$500
Assm. James Skoufis (D)	\$1,000
Supvr. Matt Slater (R)	\$1,300
Assm. Michaelle Solages (D)	\$500
Sen. Andrea Stewart-Cousins (D)	\$2,500

Assm. Alfred Taylor (D)	\$500
Assm. Mark Walczyk (R)	\$1,200
Sen. Myrie Zellnor (D)	\$500
<b>New York PAC Contributions Total</b>	<b>\$20,000</b>

# Corporate Contributions to State Candidates and Committees

<b>California</b>	
Assm. Tasha Boerner Horvath (D)	\$1,000
Assm. Wendy Carrillo (D)	\$1,000
Assm. Vince Fong (R)	\$1,000
Assm. Jim Frazier (D)	\$1,000
Assm. Mike Gipson (D)	\$1,000
Assm. Kevin Mullin (D)	\$1,000
Assm. Janet Nguyen (R)	\$1,000
Sen. Rosilicie Ochoa Bogh (R)	\$1,000
Assm. Marie Waldron (R)	\$1,000
Assm. Jim Wood (D)	\$1,000
<b>Colorado</b>	
Restore Colorado Leadership	\$2,000
<b>District of Columbia</b>	
GOPAC	\$5,000
Republican Governors Association	\$5,000
Republican Legislative Campaign Committee	\$5,000
Republican State Leadership Committee	\$5,000
<b>Florida</b>	
Sen. Ben Albritton (R)	\$1,000
Sen. Lori Berman (D)	\$1,000
Sen. Jason Brodeur (R)	\$1,000
Sen. Colleen Burton (R)	\$1,000
Rep. Chuck Clemons (R)	\$1,000
Sen. Manny Diaz Jr. (R)	\$1,000
Rep. Wyman Duggan (R)	\$1,000
Rep. Sam Garrison (R)	\$1,000
Rep. Lawrence McClure (R)	\$1,000
Rep. Lauren Melo (R)	\$1,000
Rep. Daniel A. Perez (R)	\$1,000
Republican Party of Florida - House Majority	\$2,500
Rep. Will Robinson (R)	\$1,000
Rep. Kelly Skidmore (D)	\$1,000
<b>Illinois</b>	
Rep. Dan Brady (R)	\$1,000
Rep. Melinda Bush (D)	\$1,000
Rep. Christina Castro (D)	\$500
Sen. Bill Cunningham (D)	\$1,500
Rep. John D'Amico (D)	\$1,000
Rep. Anthony DeLuca (D)	\$1,000
Rep. Tom Demmer (R)	\$1,500
Rep. Jim Durkin (R)	\$5,000

Sen. Laura Fine (D)	\$1,000
Rep. Robyn Gabel (D)	\$500
Sen. Don Harmon (D)	\$5,000
Rep. Greg Harris (D)	\$1,500
Sen. Napoleon Harris (D)	\$1,500
Rep. Barbara Hernandez (D)	\$500
Rep. Elizabeth Hernandez (D)	\$1,000
Rep. Jay C. Hoffman (D)	\$1,000
Rep. Thaddeus Jones (D)	\$1,500
Sen. Kimberly Lightford (D)	\$1,000
Rep. Rita Mayfield (D)	\$1,000
Rep. Deanne Mazzochi (R)	\$1,000
Sen. Dan McConchie (R)	\$2,500
Rep. Delia Ramirez (D)	\$750
Rep. Bob Rita (D)	\$1,000
Rep. Nicholas Smith (D)	\$1,000
Rep. Larry Walsh Jr. (D)	\$1,000
<b>Indiana</b>	
Rep. Phil GiaQuinta (D)	\$2,000
Imagine Indiana Inc.	\$5,000
<b>Kansas</b>	
Rep. Will Carpenter (R)	\$250
Rep. John Eplee (R)	\$250
Sen. Renee Erickson (R)	\$500
Rep. Jim Gartner (D)	\$250
Sen. Beverl Gossage (R)	\$250
Rep. Jim Kelly (R)	\$250
Rep. Megan Lynn (R)	\$250
Rep. Louis Ruiz (D)	\$250
Rep. Adam Smith (R)	\$250
Sen. Dinah Sykes (R)	\$250
Rep. Sean Tarwater (R)	\$250
<b>Louisiana</b>	
Sen. Mark Abraham (R)	\$500
Sen. Page Cortez (R)	\$1,000
Rep. Daryl A. Deshotel (R)	\$250
Rep. Mary DuBuisson (R)	\$250
Rep. Michael Echols (R)	\$250
Rep. Larry Frieman (R)	\$250
Rep. Kyle Green (D)	\$250
Rep. Jason Hughes (D)	\$250
Rep. John Illg Jr. (R)	\$250

## Corporate Contributions to State Candidates and Committees

Rep. C. Travis Johnson (D)	\$250
Rep. Tanner Magee (R)	\$250
Rep. Scott McKnight (R)	\$250
Sen. Patrick McMath (R)	\$1,000
Rep. Bob Owen (R)	\$250
Rep. Thomas Pressly (R)	\$250
Sen. Mike Reese (R)	\$500
Rep. Clay Schexnayder (R)	\$250
Rep. John Stefanski (R)	\$250
Sen. Kirk Talbot (R)	\$1,000
Rep. Chris Turner (R)	\$250
<b>Newbraska</b>	
Sen. John Arch (N/A)	\$500
Sen. Eliot Bostar (N/A)	\$250
Sen. Tom Brandt (N/A)	\$250
Sen. Rob Clements (N/A)	\$500
Sen. Myron Dorn (N/A)	\$250
Sen. Mike Flood (N/A)	\$250
Sen. Ben Hansen (N/A)	\$500
Sen. Mike Hilgers (N/A)	\$500
Sen. Dave Murman (N/A)	\$500
Sen. Rich Pahls (N/A)	\$250
Sen. Julie Slama (N/A)	\$250
<b>Nevada</b>	
Assm. Heidi Kasama (R)	\$500
Assm. Glen Leavitt (R)	\$500
Sen. Dina Neal (D)	\$500
Assm. Rochelle Nguyen (D)	\$500
Republican Assembly Caucus PAC	\$1,000
Senate Republican Leadership Conference	\$1,000
<b>New Jersey</b>	
Assm. Jon Bramnick (R)	\$500
Assm. John Burzichelli (D)	\$500
Assm. Craig Coughlin (D)	\$1,000
Assm. Christopher DePhillips (R)	\$500
Assm. John DiMaio (R)	\$250
Assm. Roy Freiman (D)	\$1,600
Assm. Louis Greenwald (D)	\$1,000
Sen. Thomas Kean Jr. (R)	\$500
Assm. Pamela Lampitt (D)	\$800
Assm. Eliana Pintor Marin (D)	\$500
Assm. Nancy Munoz (R)	\$250

Gov. Phil Murphy (D)	\$3,000
Assm. Annette Quijano (D)	\$250
Senate Republican Majority	\$1,000
Sen. Stephen Sweeny (D)	\$2,500
Sen. Andrew Zwicker (D)	\$1,000
<b>New Mexico</b>	
Rep. Phelps Anderson (I)	\$250
Rep. Gail Armstrong (R)	\$250
Sen. Gregory Baca (R)	\$1,000
Sen. Craig Brandt (R)	\$500
Rep. Ambrose Castellano (D)	\$500
Rep. Jack Chatfield (R)	\$250
Rep. Doreen Gallegos (D)	\$500
Rep. Harry Garcia (D)	\$250
Sen. Daniel Ivey Soto (D)	\$1,000
Gov. Michelle Lujan Grisham (D)	\$10,000
Rep. Patricia Lundstrom (D)	\$750
Sen. George Munoz (D)	\$1,000
Rep. James Townsend (R)	\$750
Sen. Peter Wirth (D)	\$1,000
<b>New York</b>	
Democratic Assembly Campaign Committee - Housekeeping	\$10,000
Democratic Senate Campaign Committee - Housekeeping	\$10,000
<b>Oregon</b>	
Rep. Daniel Bonham (R)	\$1,000
Sen. Brian Boquist (R)	\$1,000
Rep. Janelle Bynum (R)	\$2,500
Rep. Paul Evans (D)	\$2,000
Sen. Lew Frederick (D)	\$1,000
Sen. Fred Girod (R)	\$5,000
Rep. Cedric Hayden (R)	\$5,000
Rep. Paul Holvey (D)	\$1,000
Sen. Betsy Johnson (D)	\$1,500
Sen. Tim Knopp (R)	\$3,000
Sen. Kate Lieber (D)	\$1,000
Rep. Mark Meek (D)	\$500
Rep. Raquel Moore-Green (R)	\$2,000
Rep. Nancy Nathanson (D)	\$1,000
Rep. Dan Rayfield (D)	\$3,500
Rep. Greg Smith (R)	\$2,000
Sen. Kim Thatcher (R)	\$2,000

## Corporate Contributions to State Candidates and Committees

<b>Virginia</b>	
Lt. Gov. Halla Ayala (D)	\$500
Del. Eileen Filler-Corn (D)	\$500
<b>Washington</b>	
Rep. Jessica Bateman (D)	\$500
Rep. April Berg (D)	\$500
Sen. Andy Billig (D)	\$1,000
Sen. John Braun (R)	\$1,000
Rep. Daniel Bronoske (D)	\$250
Sen. Sharon Brown (R)	\$500
Rep. Michelle Caldier (R)	\$500
Rep. Bruce Chandler (R)	\$500
Rep. Frank Chopp (D)	\$500
Sen. Annette Cleveland (D)	\$1,000
Rep. Eileen Cody (D)	\$1,000
Sen. Steve Conway (D)	\$500
Rep. Chris Corry (R)	\$500
Rep. Lauren Davis (D)	\$250
Sen. Manka Dhingra (D)	\$500
Rep. Debra Entenman (D)	\$250
Sen. David Frockt (D)	\$1,000
Rep. Roger Goodman (D)	\$500
Rep. David Hackney (D)	\$250
Rep. Paul Harris (R)	\$1,000
Sen. Steve Hobbs (D)	\$1,000
Sen. Jeff Holy (R)	\$250
Sen. Jim Honeyford (R)	\$250
Sen. Sam Hunt (D)	\$250
Jackson Legacy Fund	\$3,000
Rep. Laurie Jinkins (D)	\$1,000
The Kennedy Fund	\$2,500
Sen. Curtis King (R)	\$1,000
Rep. Joel Kretz (R)	\$500
The Leadership Council	\$2,000
Rep. John Lovick (D)	\$250
Rep. Nicole Macri (D)	\$500
Rep. Jacquelin Maycumber (R)	\$500
Sen. Mark Mullet (D)	\$1,000
Sen. Ron Muzzall (R)	\$1,000
Sen. Joe Nguyen (D)	\$250
Sen. T'wina Nobles (D)	\$500

Rep. Timm Ormsby (D)	\$500
Rep. Lillian Ortiz-Self (D)	\$250
Rep. Tina Orwall (D)	\$1,000
Sen. Mike Padden (R)	\$250
Sen. Emily Randall (D)	\$500
Reagan Fund	\$2,000
Rep. Marcus Riccelli (D)	\$500
Sen. Ann Rivers (R)	\$1,000
Sen. Christine Rolfes (D)	\$1,000
Rep. Skylar Rude (R)	\$250
Rep. Cindy Ryu (D)	\$250
Rep. Sharon Tomiko Santos (D)	\$250
Rep. Joe Schmick (R)	\$1,000
Sen. Mark Schoesler (R)	\$1,000
Rep. Tarra Simmons (D)	\$250
Rep. Vandana Slatter (D)	\$1,000
Rep. Monica Stonier (D)	\$500
Rep. Pat Sullivan (D)	\$500
Rep. Steve Tharinger (D)	\$750
Truman Fund	\$3,000
Rep. Javier Valdez (D)	\$250
Sen. Kevin Van De Wege (D)	\$250
Sen. Judy Warnick (R)	\$250
Rep. J. T. Wilcox (R)	\$1,000
Rep. Alex Ybarra (R)	\$750
<b>Wisconsin</b>	
Committee to Elect a Republican Senate	\$2,500
Republican Assembly Campaign Committee	\$2,500
<b>Lilly Corporate Contributions Total</b>	<b>\$248,650</b>

**Exhibit E-2**

[Copy of 2022 Mid-Year Report of Political Financial Support]



Advancing Science and Hope  
for Patients



REPORT OF  
POLITICAL  
FINANCIAL  
SUPPORT

2022  
JAN - JUN





## LILLYPAC MISSION

LillyPAC brings us together with a united voice to financially support candidates of both parties who understand the importance of a positive environment for pharmaceutical innovation. LillyPAC helps elevate Lilly's profile in Washington D.C. and in state capitols, supporting the work of our government affairs teams as they inform federal, state, and local public policymakers about Lilly's business issues and the public policies that allow us to innovate and Make Life Better.

## LillyPAC Contributions to Federal Candidates

<b>Alabama</b>	
Rep. Terri Sewell (D)	\$2,500
<b>Arizona</b>	
Sen. Kyrsten Sinema (D)	\$1,500
<b>California</b>	
Rep. Pete Aguilar (D)	\$1,000
Rep. Nanette Barragan (D)	\$1,000
Rep. Ami Bera (D)	\$2,500
Rep. Jimmy Gomez (D)	\$1,000
Rep. Kevin McCarthy (R)	\$5,000
Rep. Devin Nunes (R) - 2021 Check Voided	(\$2,500)
Rep. Scott Peters (D)	\$5,000
Rep. Raul Ruiz (D)	\$5,000
Rep. Linda Sanchez (D)	\$2,000
Rep. Eric Swalwell (D)	\$1,500
<b>Connecticut</b>	
Rep. John Larson (D)	\$1,500
<b>Delaware</b>	
Rep. Lisa Blunt Rochester (D)	\$2,500
Sen. Thomas Carper (D)	\$2,500
<b>Florida</b>	
Rep. Gus Bilirakis (R)	\$2,500
Rep. Vern Buchanan (R)	\$2,500
Sen. Marco Rubio (R)	\$2,000
Rep. Greg Steube (R)	\$1,000
Rep. Debbie Wasserman-Schultz (D)	\$1,500
Rep. Debbie Wasserman-Schultz (D) - 2022 Check Voided	(\$1,500)
<b>Georgia</b>	
Rep. Sanford Bishop Jr. (D)	\$1,000
Rep. Buddy Carter (R)	\$3,500
<b>Idaho</b>	
Sen. Mike Crapo (R)	\$2,500
<b>Illinois</b>	
Rep. Rodney Davis (R)	\$1,000
Rep. Bill Foster (D)	\$1,500
Rep. Darin LaHood (R)	\$5,000
Rep. Bradley Schneider (D)	\$2,500

<b>Indiana</b>	
Rep. James Baird (R)	\$1,500
Rep. James Banks (R)	\$2,500
Rep. Larry Bucshon (R)	\$3,500
Rep. André Carson (D)	\$5,000
Erin Houchin (R) - House Candidate	\$1,000
Rep. Frank Mrvan (D)	\$5,000
Rep. Victoria Spartz (R)	\$1,000
<b>Iowa</b>	
Sen. Joni Ernst (R)	\$1,500
<b>Kansas</b>	
Rep. Ron Estes (R)	\$1,000
Sen. Jerry Moran (R)	\$2,500
<b>Kentucky</b>	
Rep. Brett Guthrie (R)	\$7,500
Sen. Mitch McConnell (R)	\$3,000
<b>Louisiana</b>	
Sen. Bill Cassidy (R)	\$2,500
Rep. Steve Scalise (R)	\$10,000
<b>Massachusetts</b>	
Rep. Richard Neal (D)	\$1,000
<b>Michigan</b>	
Sen. Gary Peters (D)	\$2,500
<b>Montana</b>	
Sen. Jon Tester (D)	\$2,500
<b>Nebraska</b>	
Rep. Adrian Smith (R)	\$2,500
<b>Nevada</b>	
Rep. Steven Horsford (D)	\$2,500
Sen. Catherine Cortez Masto (D)	\$4,000
<b>New Jersey</b>	
Rep. Joshua Gottheimer (D)	\$1,000
Robert Menendez Jr. (D) - House Candidate	\$1,000
Sen. Robert Menendez Sr. (D)	\$2,500
Rep. Donald Payne Jr. (D)	\$1,000
Rep. Rebecca Sherrill (D)	\$2,000
Rep. Rebecca Sherrill (D) - 2021 Check Voided	(\$2,000)

## LillyPAC Contributions to Federal Candidates

Rep. Bonnie Watson Coleman (D)	\$5,000
<b>New Mexico</b>	
Sen. Martin Heinrich (D)	\$2,500
<b>New York</b>	
Rep. Yvette Clarke (D)	\$2,500
<b>North Carolina</b>	
Rep. Patrick McHenry (R)	\$1,000
<b>Ohio</b>	
Rep. Brad Wenstrup (R)	\$2,500
<b>Oklahoma</b>	
Sen. James Lankford (R)	\$1,000
<b>Oregon</b>	
Rep. Kurt Schrader (D)	\$5,000
Sen. Ron Wyden (D)	\$5,000
<b>Pennsylvania</b>	
Rep. Chrissy Houlahan (D)	\$1,500
Rep. John Joyce (R)	\$1,000
<b>South Dakota</b>	
Sen. John Thune (R)	\$5,000
<b>Texas</b>	
Rep. Daniel Crenshaw (R)	\$1,000
Rep. Henry Cuellar (D)	\$2,500
Rep. Henry Cuellar (D) - 2022 Check Voided	(\$2,500)
<b>Virginia</b>	
Rep. Gerald Connolly (D)	\$1,000
Sen. Tim Kaine (D)	\$2,500
Rep. Elaine Luria (D)	\$4,000
Rep. A. Donald McEachin (D)	\$1,000
<b>Washington</b>	
Rep. Derek Kilmer (D)	\$5,000
Rep. Derek Kilmer (D) - 2021 Check Voided	(\$2,500)
Rep. Rick Larsen (D)	\$2,000
Sen. Patty Murray (D)	\$2,000
<b>Wyoming</b>	
Sen. John Barrasso (R)	\$2,500

# LillyPAC Contributions to Federal PACs and Party Committees

ORGANIZATION	AMOUNT
Across the Aisle PAC	\$5,000
Blue Dog PAC	\$5,000
Blue Hen Federal PAC	\$5,000
Bluegrass Committee	\$5,000
CHC Bold PAC	\$5,000
Common Ground PAC	\$2,500
Common Values PAC	\$5,000
Congressional Black Caucus PAC (CBC PAC)	\$5,000
Democratic Congressional Campaign Committee (DCCC)	\$15,000
Democratic Senatorial Campaign Committee (DSCC)	\$15,000
Democrats Reshaping America PAC (DREAMPAC)	\$5,000
Equality PAC	\$2,500
Equality PAC - 2022 Check Voided	(\$2,500)
First State PAC	\$5,000
Future Forum PAC	\$5,000
Getting Stuff Done PAC (GSD-PAC)	\$2,000
House Conservatives Fund	\$5,000
Moderate Democrats PAC	\$5,000
M-PAC	\$5,000
National Republican Congressional Committee (NRCC)	\$15,000
National Republican Senatorial Committee (NRSC)	\$15,000
New Democrat Coalition Action Fund	\$5,000
Oorah! Political Action Committee	\$2,500
Republican Governance Group/Tuesday Group PAC	\$5,000
Smart Solutions PAC	\$2,500
Sunshine Organization for Tremendous Opportunities PAC (SOTO PAC)	\$1,000
Supporting House Problem Solvers PAC (SHP PAC)	\$5,000
Treasure State PAC	\$5,000
<b>LillyPAC Federal Contributions Total</b>	<b>\$329,000</b>



## Federal Contribution Limits

**\$5,000 per primary and general election to a federal candidate's campaign committee.**

**\$15,000 per calendar year to each national party committee, such as the Democratic and Republican national, senatorial and congressional campaign committees.**

**\$5,000 per year to a federal incumbent's leadership PAC.** Leadership PACs may be sponsored by members of Congress to support other candidates from their political party. These are separate from a member's campaign committee.

**\$5,000 per year to a state or local party committee.**

**Contribution limits vary by state.**

# LillyPAC Contributions to State Candidates and Committees

<b>Arkansas</b>	
Rep. Tippi McCullough (D) - 2021 Check Voided	(\$400)
<b>California</b>	
Angelique Ashby (D) - Sen. Candidate	\$1,000
Assm. Marc Berman (D)	\$2,500
Assm. Tasha Boerner Horvath (D)	\$1,500
Assm. Wendy Carrillo (D)	\$1,500
Assm. Megan Dahle (R)	\$1,000
Assm. Tim Grayson (D)	\$1,000
Assm. Chris Holden (D)	\$1,500
Assm. Brian Maienschein (D)	\$2,000
Sen. Josh Newman (D)	\$1,000
Assm. Janet Nguyen (D) - Sen. Candidate	\$2,000
Diane Papan (D) - Assm. Candidate	\$1,000
Assm. James Ramos (D)	\$1,500
Assm. Robert Rivas (D)	\$1,500
Assm. Christopher Ward (D)	\$1,500
Assm. Akilah Weber (D)	\$1,500
<b>Delaware</b>	
Rep. Melissa Minor-Brown (D) - 2021 Check Voided	(\$100)
<b>District of Columbia</b>	
Democratic Governors Association	\$10,000
Republican Governors Association	\$10,000
<b>Illinois</b>	
Sen. Christopher Belt (D)	\$500
Sen. Scott Bennett (D) - 2021 Check Voided	(\$500)
Rep. Kambium Buckner (D)	\$1,000
Rep. Tim Butler (R)	\$500
Sen. Bill Cunningham (D)	\$2,500
Rep. William Davis (D) - 2021 Check Voided	(\$500)
Rep. James Durkin (R)	\$5,000
Sen. Laura Fine (D)	\$1,000
Rep. Robyn Gabel (D)	\$1,000
Sen. Ann Gillespie (D)	\$500
Rep. Jehan Gordon-Booth (D)	\$1,000
Rep. Jackie Haas (R)	\$1,000
Rep. Norine Hammond (R)	\$500
Sen. Napoleon Harris III (D)	\$2,000
Sen. Michael Hastings (D)	\$2,000
Rep. Elizabeth Hernandez (D)	\$1,000
Rep. Jay Hoffman (D)	\$1,000
Rep. Frances Hurley (D)	\$500
Rep. Thaddeus Jones (D)	\$1,000

Rep. Natalie Manley (D)	\$500
Rep. Rita Mayfield (D)	\$1,000
Rep. Deanne Mazzochi (R)	\$1,000
Rep. Tony McCombie (R)	\$500
Rep. Nicholas Smith (D)	\$1,000
Sen. Karina Villa (D) - 2021 Check Voided	(\$500)
<b>Indiana</b>	
Rep. Robert Cherry (R)	\$500
Rep. Ed Clere (R)	\$500
Lt. Gov. Suzanne Crouch (R)	\$1,000
Rep. Phil GiaQuinta (D)	\$2,000
Mayor Joe Hogsett (D)	\$3,000
Gov. Eric Holcomb (R)	\$5,000
Sen. Travis Holdman (R)	\$1,000
Rep. Todd Huston (R)	\$5,000
Indiana Democratic Party	\$5,000
Rep. Blake Johnson (D)	\$1,000
City Cllr. Maggie Lewis (D) - 2021 Check Voided	(\$500)
Sen. Mark Messmer (R)	\$2,000
Rep. Justin Moed (D)	\$1,000
City Cllr. Vop Osili (D)	\$1,000
Rep. Greg Porter (D)	\$1,000
Rep. Cherrish Pryor (D)	\$1,000
Rep. Robin Shackelford (D)	\$1,000
Rep. Vanessa Summers (D)	\$1,000
Rep. Vanessa Summers (D) - 2021 Check Voided	(\$500)
Rep. Ann Vermilion (R)	\$500
Sen. Andy Zay (R)	\$1,000
<b>Kentucky</b>	
Kentucky State Democratic Executive Committee - 2021 Check Voided	(\$3,000)
<b>Maryland</b>	
Sen. Malcolm Augustine (D)	\$250
Sen. Pamela Beidle (D)	\$500
Sen. William Ferguson IV (D)	\$1,000
Del. Steve Johnson (D)	\$250
Del. Adrienne Jones (D)	\$1,000
Del. Ken Kerr (D)	\$250
Del. Nicholas Kipke (R)	\$250
<b>Michigan</b>	
Rep. Andrew Beeler (R)	\$250
Sen. John Bizon (R)	\$1,000
Sen. John Bizon (R) - 2022 Check Voided	(\$1,000)

# LillyPAC Contributions to State Candidates and Committees

Rep. Graham Filler (R)	\$250
Rep. Andrew Fink (R)	\$250
Rep. Phil Green (R)	\$1,000
Rep. Matt Hall (R)	\$1,000
Rep. Roger Hauck (R) - Sen. Candidate	\$500
Sen. Dan Lauwers (R)	\$500
Rep. Luke Meerman (R)	\$250
Rep. Mike Mueller (R)	\$250
Sen. Aric Nesbitt (R)	\$1,000
Rep. John Roth (R)	\$250
Rep. Mark Tisdell (R)	\$250
Sen. Curt VanderWall (R)	\$1,000
Sen. Curt VanderWall (R) - 2022 Check Voided	(\$1,000)
Sen. Curt Vanderwall (R) - Rep. Candidate	\$1,000
Wentworth Majority Fund	\$1,000
Rep. Angela Witwer (D)	\$500
<b>Ohio</b>	
Rep. Cindy Abrams (R)	\$500
Rep. Brian Baldrige (R)	\$500
Rep. Robert Cupp (R)	\$1,000
Gov. Michael Dewine (R)	\$5,000
Sen. Bob Hackett (R)	\$1,000
Sen. Matt Huffman (D)	\$2,000
Sen. Stephen Huffman (R)	\$1,000
Rep. Jeff LaRe (R)	\$500
Rep. Susan Manchester (R)	\$1,000
Sen. Robert McColley (R)	\$1,500
Rep. Phil Plummer (R)	\$500
Rep. Jason Stephens (R)	\$500
<b>Oregon</b>	
Rep. Suzanne Weber (R) - 2021 Check Voided	(\$1,000)
<b>Pennsylvania</b>	
Sen. David Argall (D)	\$500
Rep. Kerry Benninghoff (R)	\$1,000
Rep. Matthew Bradford (D)	\$1,000
Rep. Tim Briggs (D)	\$500
Sen. Patrick Browne (R)	\$1,000
Sen. Maria Collett (D)	\$300
Sen. Jay Costa (D)	\$500
Rep. Gary Day (R)	\$300
Sen. John DiSanto (R)	\$500
Rep. Valerie Gaydos (R)	\$250
Sen. Vincent Hughes (D)	\$500

Rep. Leanne Krueger (D)	\$500
Rep. Joanna McClinton (D)	\$1,000
Rep. Donna Oberlander (R)	\$1,000
Sen. Joe Pittman (R)	\$500
Rep. Kathy Rapp (R)	\$500
Rep. Stanley Saylor (R)	\$500
Senate Republican Campaign Committee	\$5,000
Atty. Gen. Josh Shapiro (D) - Gub. Candidate	\$5,000
Sen. Kim Ward (R)	\$1,500
Rep. Martina White (R)	\$500
<b>Tennessee</b>	
Rep. Raumesh Akbari (D) - 2021 Check Voided	(\$1,000)
<b>Texas</b>	
Sen. Nathan Johnson (D)	(\$1,000)
Sen. Eddie Lucio Jr. (D) - 2021 Check Voided	(\$1,000)
Sen. Charles Perry (R) - 2021 Check Voided	(\$1,000)
<b>Utah</b>	
Gov. Spencer Cox (R)	\$1,500
Utah House Republican Election Committee - 2020 Check Voided	(\$750)
Utah Republican Senate Campaign Committee - 2020 Check Voided	(\$750)
<b>Virginia</b>	
Del. Lamont Bagby (D)	\$1,000
Sen. George Barker (D)	\$1,250
Kirk Cox (R) - Gub. Candidate	\$1,000
Del. Eileen Filler-Corn (D)	\$1,000
Del. C. Todd Gilbert (R)	\$1,000
GOPAC	\$2,500
Del. Charniele Herring (D)	\$1,000
Del. Charniele Herring (D) - 2020 Check Voided	(\$1,000)
Del. Terry Kilgore (R)	\$1,500
Sen. Thomas Norment Jr. (R)	\$1,000
Sen. Richard Saslaw (D)	\$1,000
Del. Mark Sickles (D)	\$1,000
Del. Luke Torian (D)	\$1,000
Del. Roslyn Tyler (D)	\$500
<b>Wisconsin</b>	
Rep. Tyler August (R)	\$500
Rep. Mark Born (R)	\$500
Committee to Elect a Republican Senate	\$3,000
Rep. Mary Felzkowski (R)	\$1,000
Sen. Devin LeMahieu (R)	\$500
Sen. Howard Marklein (R)	\$1,000

## LillyPAC Contributions to State Candidates and Committees

Republican Assembly Campaign Committee (RACC)	\$1,500
Republican Party of Wisconsin - State Account	\$1,000
Rep. Robin Vos (R)	\$1,000
<b>LillyPAC State Contributions Total</b>	<b>\$149,600</b>

## New York PAC Contributions to New York State Candidates and Committees

<b>New York</b>	
Sen. Patrick Gullivan (R) - 2021 Check Voided	(\$500)
Sen. Mike Gianaris (D) - 2021 Check Voided	(\$2,000)
Assm. Carl Heastie (D) - 2021 Check Voided	(\$2,500)
Gov. Kathy Hochul (D)	\$10,000
Assm. Pamela Hunter (D) - 2021 Check Voided	(\$500)
Assm. Latoya Joyner (D) - 2021 Check Voided	(\$1,000)
Sen. Robert Ortz (R) - 2021 Check Voided	(\$500)
Assm. Karines Reyes (D) - 2021 Check Voided	(\$500)
Sen. Julia Salazar (D) - 2021 Check Voided	(\$500)
Assm. Michaelle Solages (D) - 2021 Check Voided	(\$500)
<b>New York PAC Contributions Total</b>	<b>\$1,500</b>

# Corporate Contributions to State Candidates and Committees

<b>Nevada</b>	
Gov. Steve Sisolak (D)	\$2,500
<b>New Jersey</b>	
Assm. Daniel Benson (D)	\$500
Assm. Craig Coughlin (D)	\$1,000
Democratic Assembly Campaign Committee	\$1,500
Assm. John DiMaio (R)	\$1,000
Assm. Roy Freiman (D)	\$800
Assm. Louis Greenwald (D)	\$1,000
Assm. Pamela Lampitt (D)	\$300
Assm. John McKeon (D)	\$500
Sen. Steven Oroho (R)	\$1,000
<b>New Mexico</b>	
Rep. Patricia Lundstrom (D)	\$2,500
<b>Oregon</b>	
Rep. Vicki Breese-Iverson (R)	\$2,500
Sen. Tim Knopp (R)	\$2,500
Rep. Lily Morgan (R)	\$1,000
<b>Washington</b>	
Rep. Peter Abbarno (R)	\$250
Rep. April Berg (D)	\$500
Sen. Andy Billig (D)	\$1,000
Sen. John Braun (R)	\$1,000
Rep. Michelle Caldier (R)	\$500
Rep. Frank Chopp (D)	\$250
Sen. Annette Cleveland (D)	\$1,000
Rep. Chris Corry (R)	\$1,000
Rep. Debra Entenman (D)	\$250
Rep. Jake Fey (D)	\$500
Rep. Greg Gilday (R)	\$250
Carmen Goers (R) - House candidate	\$500
Rep. Roger Goodman (D)	\$500
Rep. Mia Gregerson (D)	\$250
Rep. Dan Griffey (R)	\$500
Rep. Mark Harmsworth (R)	\$250
Rep. Paul Harris (R)	\$750
Sen. Jeff Holy (R)	\$500
Sen. Jim Honeyford (R)	\$250
House Democratic Campaign Committee	\$1,000
House Republican Organization Committee	\$1,000
The Jackson Legacy Fund	\$3,000

Rep. Laurie Jenkins (D)	\$500
The Kennedy Fund	\$2,000
Sen. Curtis King (R)	\$500
The Leadership Council	\$5,000
Rep. Mari Leavitt (D)	\$250
Sen. Marko Liias (D)	\$500
Sen. John Lovick (D)	\$750
Rep. Nicole Macri (D)	\$1,000
Rep. Jacquelin Maycumber (R)	\$500
Sen. Ron Muzzall (R)	\$1,000
Rep. Timm Ormsby (D)	\$500
Rep. Lillian Ortiz-Self (D)	\$250
Rep. Tina Orwall (D)	\$500
The Reagan Fund	\$3,500
Rep. Kristine Reeves (D)	\$1,000
Rep. Marcus Riccelli (D)	\$1,000
Rep. Eric Robertson (R)	\$500
Sen. Christine Rolfes (D)	\$1,000
Rep. Skyler Rude (R)	\$500
Rep. Cindy Ryu (D)	\$250
Sen. Rebecca Saldana (D)	\$250
Rep. Joe Schmick (R)	\$1,000
Sen. Mark Schoesler (R)	\$500
Sen. Simon Sefzik (R)	\$250
Senate Democratic Campaign Committee	\$1,000
Senate Republican Campaign Committee	\$1,000
Rep. Tana Senn (D)	\$250
Rep. Vandana Slatter (D)	\$1,000
Rep. Larry Springer (D)	\$500
Rep. Drew Stokesbary (R)	\$1,000
Rep. Monica Stonier (D)	\$1,000
Rep. Jamila Taylor (D)	\$500
Rep. Steve Tharinger (D)	\$1,000
The Harry Truman Fund	\$2,000
Rep. Javier Valdez (D) - Sen. Candidate	\$750
Rep. Amy Walen (D)	\$1,000
Sen. Judy Warnick (R)	\$500
Rep. JT Wilcox (R)	\$1,000
Rep. Alex Ybarra (R)	\$500
<b>Lilly Corporate Contributions Total</b>	<b>\$69,600</b>



**Exhibit F**

[Copy of Diabetes Solution Center]



# Insulin Access and Affordability

The Lilly Diabetes Solution Center

Changes in the U.S. health care system have led to greater consumer cost-sharing and a growing number of patients exposed to a medicine’s full retail price. This has left some Americans struggling to pay for their medicine. Lilly is actively working with other key stakeholders to seek long-term policy solutions to address the gaps in our current health care system. We remain committed to finding solutions – both legislative and non-legislative – that will help people with chronic diseases have affordable access to their medicine. Find more information below.

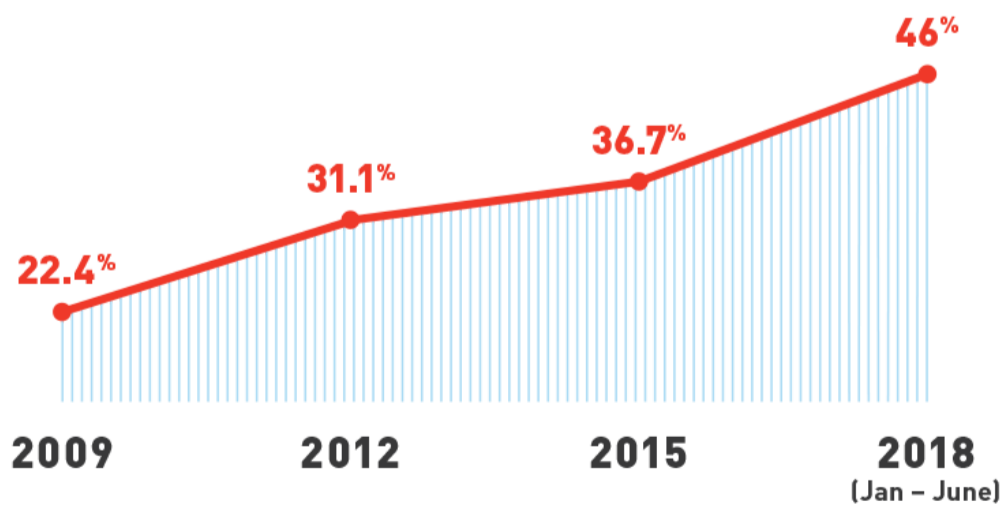
## The Current U.S. Health Care Environment



### Insurance Design

Insurance design is changing and patients are responsible for more cost sharing. More and more, Americans do not pay for their medicines with a co-pay. Now, nearly half of adults with commercial insurance have a high-deductible health plan (HDHP), meaning people might pay thousands of dollars out-of-pocket before coverage kicks in. This is a big contributor to the insulin affordability issue.

### ENROLLMENT IN HIGH-DEDUCTIBLE HEALTH PLANS



● Percentage of Americans under age 65 with commercial health insurance enrolled in a high-deductible health plan

Compiled using National Health Interview Survey Early Release Estimates. Data sourced from National Health Interview Survey's Early Release Estimates annual reports, 2009-2017, and 2018 January - June Early Release Report, available at <https://www.cdc.gov/nchs/nhis/releases.htm>. Last accessed February 19, 2019.

### Rebates

Lilly, like other manufacturers, sets a list price for our medicines. To enable patient

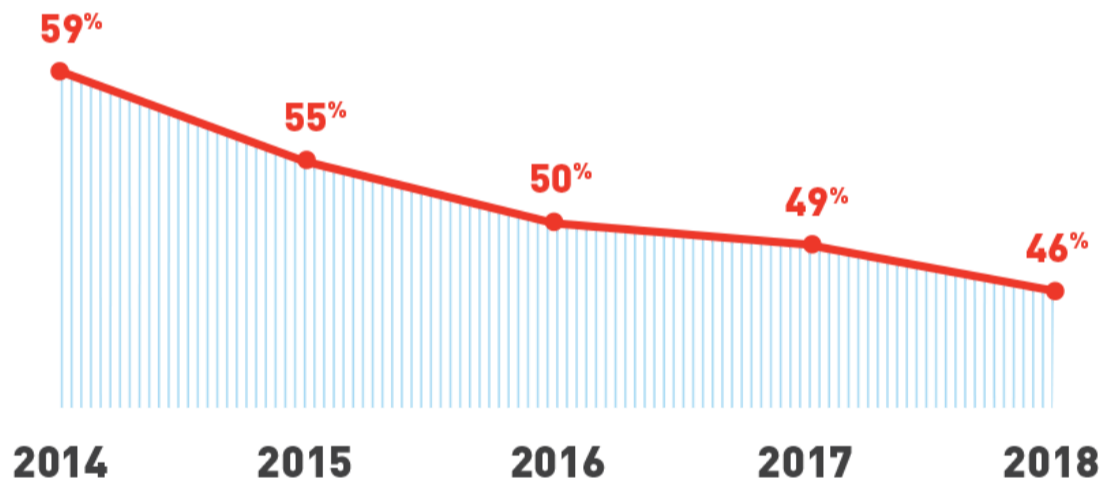


access, Lilly pays rebates and other discounts to payers and other supply chain entities. The final amount that Lilly ultimately realizes after paying these rebates and discounts is sometimes called the "net price." Across our U.S. product portfolio, Lilly's average net price after rebates and discounts – the final amount we receive – has fallen from 59 percent of list price in 2014 to 46 percent in 2018. The amount of Lilly's rebates and discounts continues to increase through a combination of factors – including increased market competition, pharmacy benefit managers' (PBMs) increased negotiation leverage and rising mandatory government discounts. For insulins, rebates to the government, in certain programs, result in net prices among the lowest in the world, and lower than developed markets with single-payer, direct-purchase models.

These rebates continue to widen the gap between list and net prices, the amount that is ultimately realized by Lilly. Because of these growing rebates and discounts, the average U.S. net price of Lilly medicines – the final amount we receive from selling our products – declined 0.5% last year.

Factors that create this gap also contribute to the rising costs consumers pay at the pharmacy. The trends toward high-deductible health plans and greater consumer cost-sharing have exposed some people to medicines' full retail prices. Under this type of insurance design, many consumers are not benefitting from the rebates Lilly provides and might pay the full retail price until they meet their deductible and a percentage of the retail price thereafter.

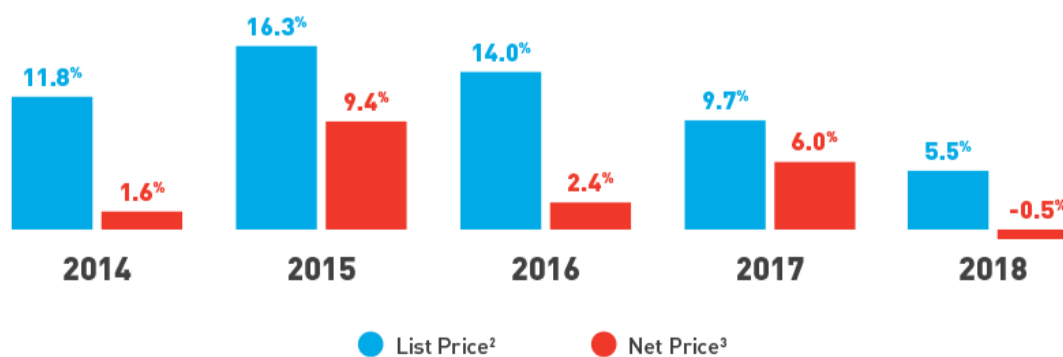
### AVERAGE LILLY NET PRICE (AS A % OF LIST PRICE) AFTER DISCOUNTS ACROSS THE U.S. PRODUCT PORTFOLIO<sup>1</sup>



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

### COMPARISON OF LILLY LIST AND NET PRICE CHANGES FOR U.S. PRODUCT PORTFOLIO<sup>1</sup>

(% Change Versus the Prior Year)



1. U.S. Product Portfolio includes all human pharmaceutical products marketed in the U.S. for which Lilly is the holder of the new drug application (NDA). This represents approximately 95 percent of our total U.S. human pharmaceutical revenue. 2. List Price represents the weighted average year-over-year change in the wholesale acquisition cost (WAC). 3. Net Price represents weighted average year-over-year change in net price, which is WAC minus rebates, discounts, and channel costs.



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**Rebate Pass-through**

We continue to advocate for insurers to pass through our negotiated rebates directly to consumers at the pharmacy counter.

The current rebate system needs to be reformed. Insurers should pass through the negotiated discounts and rebates directly to consumers. Doing so could save commercially insured patients with high deductibles and coinsurance more than \$800 annually and would increase premiums by 1 percent or less.

A rebate pass-through would lower patients' out-of-pocket costs at the pharmacy counter, with the greatest benefit realized by patients taking more highly rebated products, such as insulin.

**First Dollar Coverage**

Lilly is supportive of efforts to exempt health care services for chronic conditions – including medicines such as insulins – from a health insurance plan's deductible ("first dollar coverage").

The Department of Treasury/Internal Revenue Service [recently released guidance](#) confirming that HDHPs may provide coverage of insulin and other listed chronic disease medicines without first satisfying the minimum deductible otherwise required for HDHPs.

**Medicare Part D OOP Caps**

Lilly supports legislative action to cap out-of-pocket costs for patients in Medicare Part D. We believe a cap would provide a critical financial safeguard for patients, leading to better treatment adherence and improvements in overall health status. Also, as of Jan. 1, 2021, Lilly offers all insulin formulations in the Centers for Medicare and Medicaid Services' [Part D Senior Savings model](#), which makes Part D recipients eligible for the \$35 monthly price if their insurance plan participates.

**Employer-led Initiatives**

Absent legislation around rebate pass-through and first dollar coverage, employers can play a key role in patient access and affordability by offering benefits that help reduce their own employees' medical costs. As an employer, Lilly provides the following benefits in our employee health plans:

- Prescription drug rebates are passed through to the consumer at the pharmacy counter to help our employees, retirees, and their families with their OOP medicine costs. In 2018, more than 11,000 Lilly employees, retirees and their families benefited –and their costs were reduced by more than \$2 million.
  - Preventive and chronic disease medications, such as insulin, are exempted from the deductible of our employees' health plans to ensure there are no barriers for accessing medicines critical to their overall health and well-being. In 2020, Lilly began reducing co-insurance to zero for insulins, meaning our plan participants pay nothing at all.
  - Contributions are made to employees' and their families' Health Savings or Health Reimbursement accounts at the beginning of the year, with funds available immediately.
  - Eligible employees and their family members with diabetes are provided a free connected glucose meter and related supplies, along with real-time support from trained diabetes educators.
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### Lilly Diabetes Solution Center

If you need help paying for your insulin, contact the Lilly Diabetes Solution Center at [\(833\) 808-1234](tel:8338081234)

[Get Help Paying For Your Insulin](#)



### The Insulin Affordability Conversation

[Understanding Insulin Pricing](#)

[Diversity](#) [Contact](#) [Suppliers](#) [Login](#)

To speak to customer support:

Call [\(800\) 545-5979](tel:8005455979)

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January 23, 2023

[Via e-mail at shareholderproposals@sec.gov](mailto:shareholderproposals@sec.gov)

Securities and Exchange Commission  
Office of the Chief Counsel  
Division of Corporation Finance  
100 F Street, NE  
Washington, DC 20549

Re: Request by Eli Lilly and Company to omit proposal submitted by CommonSpirit Health and the School Sisters of Notre Dame, Central Pacific Province

Ladies and Gentlemen,

Pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, CommonSpirit Health and the School Sisters of Notre Dame, Central Pacific Province (together, the “Proponents”) submitted a shareholder proposal (the “Proposal”) to Eli Lilly and Company (“Lilly” or the “Company”). The Proposal asks Lilly’s Board of Directors to commission and publish a third party review of how the Company reconciles its commitments to both innovation and patient access when lobbying and engaging in other policy advocacy activities (both direct and through trade associations).

In a letter to the Division dated December 23, 2022 (the “No-Action Request”), Lilly stated that it intends to omit the Proposal from its proxy materials to be distributed to shareholders in connection with the 2023 annual meeting of shareholders. Lilly argues that it is entitled to exclude the Proposal in reliance on Rule 14a-8(i)(10), on the ground that it has been substantially implemented by the Company. Because Lilly’s disclosures provide no analysis and are not the product of a third-party review, Lilly has not met its burden of proving its entitlement to exclude the Proposal, and the Proponents respectfully ask that its request for relief be denied.

### **The Proposal**

The Proposal states:

**Resolved:** Shareholders request that the Board of Directors commission and publish a third party review within the next year (at reasonable cost, omitting proprietary information) of how Eli Lilly and Company (“Lilly”) reconciles the strong commitments to both innovation and patient access, reflected in Lilly’s statement that it “strike[s] a balance between access and patient affordability, while sustaining investments to research innovative life-changing treatments for some of today’s

most serious diseases”--when lobbying and engaging in other policy advocacy activities (both direct and through trade associations).

## **Background**

Pharmaceutical industry innovation has generated life-saving treatments for deadly diseases, including AIDS, hepatitis C, and chronic myeloid leukemia (“CML”). Prices for these medicines can be very high, raising concerns about patient access. Even older medicines can be extremely costly if competition is lacking. Three in 10 Americans on a prescription drug report not taking their medicine as prescribed due to cost.<sup>1</sup>

Drug prices have spurred concerns regarding patient access as they assume an increasingly important role in health care, and Lilly has faced significant criticism over the pricing of its insulin products.<sup>2</sup> When hepatitis C treatment Sovaldi was first approved, the combination of the drug’s high cost and the large population of potential patients led some payers to ration access to it.<sup>3</sup> The proportion of health care spending attributable to retail prescription drugs rose from 7% in the 1990s to 12% in 2019.<sup>4</sup> One study estimates that “[p]rescription drug spending on retail and non-retail drugs is poised to grow 63% from 2020 to 2030, reaching \$917 billion dollars,”<sup>5</sup> and the rise in prescription drug spending outpaces that in health care spending more generally.<sup>6</sup>

Promoting innovation while enhancing patient access is critical for the sustainability of both pharmaceutical companies and health systems. Lilly acknowledges this, stating that the Company “strike[s] a balance between access and patient affordability, while sustaining investments to research innovative life-changing treatments for some of today’s most serious diseases.”<sup>7</sup>

Although payers and pharmacy benefit managers have important roles to play in striking this balance, pharmaceutical firms can also contribute. Drug makers could support public policies that promote access. Policy initiatives designed to moderate drug prices have encountered fierce opposition from pharmaceutical firms and their trade associations. Pharmaceutical Research and Manufacturers of America (“PhRMA”), whose board Lilly CEO Dave Ricks recently chaired, spent approximately \$30 million lobbying

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<sup>1</sup> <https://www.kff.org/health-costs/poll-finding/public-opinion-on-prescription-drugs-and-their-prices/>

<sup>2</sup> E.g., <https://www.wfyi.org/news/articles/advocacy-groups-call-on-eli-lilly-to-reduce-insulin-prices-stop-the-greed-and-do-what-is-right>

<sup>3</sup> <https://www.statnews.com/pharmalot/2016/07/28/gilead-hepatitis-drug-prices/>;  
[https://www.washingtonpost.com/business/economy/under-fire-over-high-prices-eli-lilly-promised-cheaper-insulin-in-2019-the-result-has-some-senators-steamed/2019/12/26/6c440b44-204e-11ea-86f3-3b5019d451db\\_story.html](https://www.washingtonpost.com/business/economy/under-fire-over-high-prices-eli-lilly-promised-cheaper-insulin-in-2019-the-result-has-some-senators-steamed/2019/12/26/6c440b44-204e-11ea-86f3-3b5019d451db_story.html);  
<https://www.theguardian.com/technology/2022/nov/19/eli-lilly-insulin-pricing-twitter-chaos>

<sup>4</sup> <https://www.gao.gov/prescription-drug-spending>

<sup>5</sup> <https://www.i-mak.org/wp-content/uploads/2022/09/Overpatented-Overpriced-2022-FINAL.pdf>, at 2 (citing Charles Roehrig and Ani Turner, Projections of the Non-Retail Prescription Drug Share of National Health Expenditures Report, Altarum, July 2022).

<sup>6</sup> <https://sgp.fas.org/crs/misc/R46221.pdf>, at 2.

<sup>7</sup> <https://www.lilly.com/policies-reports/public-policy>

in 2021<sup>8</sup> and \$22 million on lobbying in 2022.<sup>9</sup> Recently, PhRMA opposed waiving intellectual property protections on COVID-19 vaccines,<sup>10</sup> international reference pricing,<sup>11</sup> and legislation allowing Medicare to negotiate prices with makers of 50 drugs,<sup>12</sup> measures that aimed to promote access. Lilly is also a member of the Biotechnology Innovation Organization (“BIO”),<sup>13</sup> which spent \$13 million lobbying in 2021<sup>14</sup> and over \$9 million in 2022.<sup>15</sup> BIO opposed a proposal for COVID-19 vaccine makers to share their intellectual property with manufacturers in low- and middle-income countries.<sup>16</sup>

### **Substantial Implementation**

Lilly urges that the Proposal is excludable pursuant to Rule 14a-8(i)(10) by the Company’s Political and Policy Participation Website, proxy statement disclosures, and publicly-filed lobbying reports. Although a company need not implement a proposal exactly as it is drafted, the company’s actions must satisfy the proposal’s “essential objective” and “underlying concern” in order to justify exclusion. That standard is not met here because (a) Lilly has not commissioned a third-party review and (b) Lilly provides factual disclosures but not the analysis requested in the Proposal.

The request for a third-party or independent review and report, rather than an internal one, is central to the Proposal. Lilly does not claim to have implemented this element. Having a third party conduct the review provides an outside perspective and assurance that are not possible with an in-house review. The Proposal’s essential objective cannot be satisfied without an independent review.

The Staff has recently recognized that failure to satisfy a proposal element requesting an independent review precludes a finding of substantial implementation. In Johnson & Johnson (“J&J”),<sup>17</sup> the proposal sought a third-party audit to assess the racial impact of the company’s policies, practices, products, and services. J&J argued that it had substantially implemented the proposal, pointing to “voluminous” disclosures about the ways in which J&J advances diversity, equity, and inclusion. The sole shortcoming the proponent raised in its response was the fact that no third-party review had been conducted. The proponent explained that such a review would provide “specialized knowledge and experience,” objectivity, “more accurate and reliable conclusions,” and validation. The Staff declined to grant relief.

Lilly points to numerous disclosures covering “public policy positions regarding its commitment to innovation, as well as accessibility and patient affordability, and . . . lobbying activities and other policy advocacy actions promoting innovation, access and patient affordability.”<sup>18</sup> Despite their volume, these disclosures fail to address the key request of the Proposal: to describe how Lilly balances competing

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<sup>8</sup> <https://www.opensecrets.org/federal-lobbying/clients/summary?cycle=2021&id=d000000504>

<sup>9</sup> <https://www.opensecrets.org/federal-lobbying/clients/summary?id=D000000504>

<sup>10</sup> <https://www.opensecrets.org/news/2021/04/vaccine-access-pharma-lobbying-fight>

<sup>11</sup> <https://www.fiercepharma.com/pharma/fiercepharmapolitics-phrma-bio-bolster-lobby-spending-2019-as-election-nears>

<sup>12</sup> <https://www.biopharmadive.com/news/house-approves-hr3-drug-pricing-bill-pharma/568966/>;

<https://khn.org/news/article/democrats-eye-medicare-negotiations-to-lower-drug-prices/>

<sup>13</sup> <https://www.bio.org/bio-member-directory>

<sup>14</sup> <https://www.opensecrets.org/federal-lobbying/clients/summary?cycle=2021&id=D000024369>

<sup>15</sup> <https://www.opensecrets.org/federal-lobbying/clients/summary?id=D000024369>

<sup>16</sup> <https://theintercept.com/2021/12/14/pfizer-moderna-covid-vaccines-2020-dark-money/>

<sup>17</sup> Johnson & Johnson (Feb. 12, 2021).

<sup>18</sup> No-Action Request, at 7. We note that many of the disclosures contained in the lobbying section of the No-Action Request’s chart are unresponsive to the Proposal, as they concern political contributions rather than lobbying.



priorities when advocating in the public policy arena. The Proposal seeks an analysis, rather than just a factual recitation.

Lilly admits that it has not commissioned the requested analysis or even done one itself. Instead, Lilly urges that its existing disclosures “provid[e] shareholders the opportunity to reconcile the Company’s commitment to innovation, as well as access and patient affordability when participating in lobbying and advocacy activities.”<sup>19</sup> In other words, Lilly shareholders will not have the benefit of an analysis, but rather are invited to do their own. It is well-established that a request for an analysis or evaluation is not substantially implemented under these circumstances.

Indeed, just last season, Lilly made the same argument when it unsuccessfully sought to exclude a proposal very similar to the Proposal on substantial implementation grounds. In *Eli Lilly*,<sup>20</sup> the Company claimed that it had substantially implemented a proposal asking it to conduct a review of the degree of alignment between its lobbying activities and its public positions and statements, including “making medicines more accessible and affordable to patients.” Lilly argued that its existing factual disclosures regarding its lobbying activities allowed shareholders to assess alignment for themselves; the proponent countered that *Eli Lilly* had provided no analysis, which was the goal in submitting the proposal. The Staff declined to grant the relief Lilly sought.

A conclusion that Lilly has not substantially implemented the Proposal is also consistent with the recent determination in *Sempra Energy*.<sup>21</sup> There, the proponent asked the company to “evaluate and issue a report (at reasonable cost, omitting proprietary information) describing if, and how, its lobbying activities (direct and through trade associations) align with the Paris Agreement’s goal to limit temperature rise to 1.5 degrees and how Sempra plans to mitigate risks presented by any misalignment.” The proponent argued that Sempra’s failure to address the “how” element of the proposal—the analysis—meant it had not been substantially implemented, and that the company’s assertions regarding alignment were conclusory and not supported by evidence. The Staff did not allow Sempra to exclude the proposal.

Finally, the lobbying disclosures to which Lilly points are themselves incomplete. Lilly does not disclose foreign lobbying or lobbying in states where public reports are not required. Its disclosure of lobbying done in states that require public reports consists of a page with links to 50 state lobbying disclosure sites, with no indication of whether Lilly has lobbied in any of them.

The determinations Lilly cites involved proposals whose core requests were satisfied, which is not the case here. For example, in *Kewaunee Scientific*,<sup>22</sup> the company asserted that it had already adopted a policy that non-employee directors could no longer participate in the company’s health or life insurance programs, which the proposal had sought; the only possible difference related to timing, as the company’s policy would not take effect until the end of the year while the proposal was silent on timing. Similarly, in *Exelon*,<sup>23</sup> after receiving the proposal asking for a semi-annual report disclosing policies related to political contributions as well as the amounts and recipients of the contributions themselves, the company posted on

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<sup>19</sup> No-Action Request, at 7.

<sup>20</sup> *Eli Lilly and Company* (Mar. 8, 2022).

<sup>21</sup> *Sempra Energy* (Mar. 12, 2021).

<sup>22</sup> *Kewaunee Scientific Corp.* (May 31, 2017).

<sup>23</sup> *Exelon Corp.* (Feb. 26, 2010).

its website both its guidelines and its contributions, which it committed to updating semi-annually. No element of the proposal was left unimplemented.

Lilly has not substantially implemented the Proposal because the two most important elements have not been satisfied. Lilly does not even argue that it has implemented the third-party review element of the Proposal. And rather than an actual analysis of how Lilly reconciles competing priorities, as the Proposal requests, Lilly has provided links to separate disclosures it has made on innovation and access, as well as (incomplete) lobbying disclosures, and left shareholders to draw their own conclusions. Lilly's actions fall far short of substantially implementing the Proposal.

\* \* \*

For the reasons set forth above, Lilly has not satisfied its burden of showing that it is entitled to omit the Proposal in reliance on Rule 14a-8(i)(10). The Proponents thus respectfully request that Lilly's request for relief be denied.

The Proponents appreciate the opportunity to be of assistance in this matter. If you have any questions or need additional information, please contact me at (303) 818 - 4307.

Sincerely,



Laura Krausa, MNM  
System Director Advocacy Programs  
CommonSpirit Health  
Laura.krausa@commonspirit.org

cc: Sarkis Jebejian  
sarkis.jebejian@kirkland.com