

Briefing Sheet: Eli Lilly and Co.

Project Summary

- Industry – Pharmaceutical and medicine manufacturing
- Number of new jobs through year 2027 – 100 jobs
- Minimum project investment through year 2027 - \$450,000,000
- Projected new property tax revenue from project over first five years - \$9,960,000
- Durham County award over seven years - \$5,000,000
- Annual jobs, investment, and community partnership targets must be met to qualify for payment

Jobs Summary

- Number of new jobs through 2027 – 100 jobs
 - Average Wage - \$56,408
 - Diversity of employment opportunities, including jobs that do not require a bachelors or advanced degree
 - All Company positions as proposed in this application exceed \$15 an hour
 - All project positions meet Durham County Policy insurance and wage standards
 - Includes targeted industry that aligns with workforce development strategies
- Contains well-paying jobs with an increased multiplier effect on the Durham economy
 - The multiplier effect refers to the uncaptured benefits of the capital investment to include the employment of construction staff and stimulated economic activity nearby
- Jobs Matrix:

Job Title	# of Jobs	Education Requirements	Experience Requirements	Average Wage
Operator (Line 1)	50	2-year or tech. degree	Entry Level	\$55,120
Line Leader (Line 1)	5	2-year or tech. degree	Experienced	\$68,000
Operator (Line 2)	40	2-year or tech. degree	Entry Level	\$55,120
Line Leader (Line 2)	5	2-year or tech. degree	Experienced	\$68,000

Revenue Projections

The Company projects it will make a minimum capital investment of **\$450,000,000** through 2027. As a result of the first five years of the project's capital investments, the Durham County Tax Administrator projects that County tax revenue will increase by **\$9,960,000** over five years.

Company Policies, Project Attributes, and Workforce Development Partnerships

The following was authored by Eli Lilly and Co. and is a brief description of the initiatives Lilly will be supporting with this project's host communities, building on the work started in 2020 and expanding efforts in connection with this new project.

Commitment to Workforce Development

Durham County, and the larger Research Triangle region, offer a supportive overall environment and potential workforce across the life sciences and technology sectors. Lilly is pleased to be a part of this community and is committed to supporting expanded workforce development and other economic opportunities in Durham County and the region. Below are some examples of our work to build empowering connections to our community, and additional initiatives we are planning going forward.

Volunteerism and Philanthropy

- In 2021 and 2022, Lilly RTP team members volunteered for the annual Lilly Day of Service supporting Durham Food Bank, Hillside High School, and provided career panel advice, resume reviews, and mock interviews for community college students participating in the BioWorks program. Lilly intends to continue the annual Day of Service initiative.
- Partnering with North Carolina Biotechnology Center as one of the first industry partners to participate in the bioLOGIC program, a program designed to encourage high school students to be interested in biotechnology education and careers. The first event was an educational lecture to students about how injectable medicines are created. Lilly will make a good faith effort to continue this collaboration through the term of the agreement.
- In November 2020, the Lilly Foundation donated a \$10,000 grant to the Durham Public Schools Foundation in support of their commitment to Accelerating Digital Equity. During 2022, Lilly has committed to a 3-year \$20,000 financial partnership to participate in the DPS corporate partners program as a corporate advisor.
- Lilly has engaged with the United Way of the Central Triangle (UWGT) in our annual United Way employee giving campaign, our 2021 annual Global Day of Service (a project to support Hillside High School, a DPS program), and received the 2021 Emerging Partner award for new partners supporting the United Way of the Central Triangle. Lilly will make a good faith effort to continue to collaborate with UWGT through the term of the agreement.

Career Development Opportunities

- Lilly RTP is offering paid internship opportunities in the summer of 2023 for local NC college graduates in engineering, quality control and assurance, and other manufacturing functions, and intends to continue this initiative through the term of the agreement.
- The Lilly site is a founding partner of the NC Biotechnology Center's apprenticeship consortium, where local applicants can complete a pre-apprenticeship educational program, go to a paid 1-year apprenticeship program, and potentially realize a full-time employment offer. Lilly has agreed to fund pre-apprenticeships in partnership with other local employers. We hope to employ 2-3 apprentices per year when the program is fully developed and running and intend to continue this initiative through the term of the agreement.
- Lilly RTP heavily partners with local community colleges to support their programs and students, including leveraging Durham Technology Community College (DTCC) in customized training programs, training laboratory techniques, train-the-trainer courses, and training our less experienced team members in fundamentals in Good Manufacturing Practices, and intends to

continue this effort through the term of the agreement.

- Lilly RTP has also supported and sponsored the RTP bio program, which provides training opportunities for Durham Tech students and Wake Tech students to participate in biotechnology/biomanufacturing programs to continuously develop their skills to participate in life sciences.
- Team members regularly participate in DTCC student supporting events, including job fairs, career panel courses, interview skill building, and overviews of our site to build students understanding of manufacturing and intends to continue this effort through the term of the agreement.
- All job postings are populated with the NC works hiring boards through automatic job board posting. We have participated in 5 BioWorks career fairs. We will intend to continue these and potentially other community recruitment initiatives throughout the term of the agreement.
- Lilly also will engage with teachers to build awareness of the connections between STEM curricula and the biomedical sciences and careers in this important industry.

Team Member Development/Benefits

- Lilly provides back up care alternatives for all employees as well as company-contracted employee assistance programs to ensure that families have the legal/educational/mental health support they need to be well.
- Lilly RTP provides up to \$8,000 per year of educational assistance to qualifying team members to advance their education.
- Lilly RTP is open to hiring candidates from many backgrounds, though we do incorporate a background check into our recruiting processes that may limit some individuals who are justice-involved. Many of the positions at the facility require only a high-school degree (or equivalent). Lilly is also able to offer on-the-job training or support team members joining in entry-level roles that may have incurred education costs incurred such as a BioWorks certificate.
- Lilly RTP has established employee resource groups to build a community where individuals from diverse backgrounds can connect and thrive, such as our Veterans Leadership Network, Organization of Latinx at Lilly, ENABLEus, and Lilly PRIDE.

We are proud to support Durham Public Schools, DTCC, and NCCU/BRITE on opportunities to partner in talent development, industry awareness, and other educational partnerships. Among these efforts, we also will explore expanded engagement with the Biomanufacturing Research Institute and Technology Enterprise (BRITE) Center programs, including a range of engagements, including potential speaking roles, site visits, or sponsorship of BRITE's Biotechnology Summer Camps or related middle school and high school industry awareness activities. In addition, in 2023 Lilly will explore how we can support the BULLS initiative. We will make good faith to continue these collaborations through the term of the agreement.

Commitment to Corporate and Environmental Responsibility

Corporate responsibility efforts are part of the fabric of Lilly. Lilly is increasingly linking corporate responsibility efforts to our business to have a greater, more sustainable impact in the communities where Lilly operates. These values are demonstrated through responsible business practices that reflect Lilly's commitments to strong governance principles. These values are evidenced in Lilly's efforts to reduce their environmental footprint and through such initiatives as sourcing sustainable resources including energy, water, and raw materials and diverse supplier utilization.

The RTP site will continue to pursue our sustainability goals in line with Lilly's Corporate 2030 Environmental goals, such as employing green methods in the project to reduce waste, partner with local

contractors to optimize the utilization of sustainable/recycled materials and implementing feasible energy conversion processes. Lilly RTP has already implemented several sustainable practices such as plastic reusable pallets, replanting trees displaced by construction, a green roof system on our administrative building, and electric vehicle charging stations in our parking area.

The company also promotes the use of sustainable building design, construction, and operating practices across all its facilities. In addition, Lilly endorses the use of transportation demand management at its facilities to reduce the environmental impacts associated with congestion, while also optimizing employee access to the facility. Consistent with the operational demands of a production facility, Lilly will pursue appropriate strategies for the new facility to reduce reliance on single-occupancy vehicles for workers, by encouraging alternate commute options such as carpooling, public transit, "last-mile" ride sharing, among others, and invites collaboration with local and regional resources in order to configure strategies that best fit the new location.

At Lilly, we believe that doing business with diverse sets of suppliers creates opportunities to expand our markets, enhance competitiveness and overall quality by linking the perspectives of ethnically and racially diverse, women-owned, and small businesses to our internal business needs.

As part of our original construction of the RTP facility, Lilly set an internal Tier I diverse supplier goal of 25% of total project investment which it has achieved as of YE2021. A few highlights are listed here:

- **Holt Brothers Construction** (qualifying black-owned business) was contracted for site construction services. Lilly has spent approximately \$24M to date with Holt. In addition, the Lilly RTP Site Lead is personally acting as a professional mentor to one of the owners of Holt Brothers.
- **Kymanox** (qualifying woman-owned business) was contracted for writing of standard operating procedures for Lilly and expected spend is >\$8M by end of 2023.
- **PEG Contracting Inc DBA 35 North** (Veteran Owned Small Business) was contracted for Commissioning and Qualification Services for the project. Lilly has committed approximately \$8.5M and spent approximately \$3.2M to date with PEG
- Lilly has also spent a total of \$41 million with HUB-certified vendors, representing the BBE, MBE, WBE, VOSB, and SBE vendors.

As part of the more focused investment required by the proposed expansion, Lilly will commit to undertake good faith efforts to achieve the aspirational goal to utilize MWBE vendors for 25% of local expenditures on construction, goods and services at the RTP site measured as a percentage of the locally-sourced construction activity required by the expansion project estimated at approximately \$140 million, for a total of approximately \$35 million in MWBE awards (excluding the specialized production and other equipment which is sourced on a global basis). In addition, Lilly will endeavor to utilize vendors with a presence in North Carolina.