

TRANSPARENCY IN ANIMAL RESEARCH

RESOLVED, to promote transparency and minimize the use of animals, the Board should issue an annual report to shareholders disclosing procedures to ensure proper animal care, including measures to improve the living conditions of all animals used in-house and at contract laboratories, as well as plans to promote alternatives to animal use.

Supporting Statement

As shown below, our Company has not been in compliance with its animal welfare policy.¹

In 2008, our Company's in-house laboratories used more than 3,000 animals, including 300 primates and almost 800 dogs. More than two-thirds of these animals were used in painful experiments. Vast numbers of others were used who are not required to be counted. The U.S. government cited our Company for the death of a dog who strangled in his cage.

A comparison of these figures to 2010 numbers shows that our Company is outsourcing much of its animal experimentation to U.S. and overseas laboratories, including to China,² where there are few animal protection laws and enforcement is near non-existent.

In one U.S. contract laboratory used by our Company, Covance, Inc., an undercover investigator videotaped workers striking primates and throwing them against cages. Primates circled frantically in their cages, pulled out their hair, and chewed at their own flesh.³

At other Covance facilities, a primate became trapped in his cage bars, unable to reach food or water for days, while others suffered frostbite from inadequate weather protection. The government has cited and fined Covance for improper care and failure to provide pain relief to suffering animals.

Documentation of abusive conditions at another contract laboratory used by our Company, Professional Laboratory and Research Services (PLRS), resulted this year in 14 felony cruelty charges against its employees.⁴ The government issued a report confirming the appalling conditions at the facility and PLRS is now out of business. The abuses included:

- Sick and injured animals—including dogs with ear and eye infections, diseased gums, facial lacerations, and inflamed feet—were routinely denied veterinary care;
- An untrained worker used pliers to pull a tooth from a struggling, under-sedated dog;
- Dogs and cats were slammed into cages, thrown, kicked and dragged;

¹ <http://www.lilly.com/about/compliance/practices/Pages/animal-care.aspx>

² <http://www.drugresearcher.com/news/ng.asp?n=72089-eli-lilly-peta-animal-testing;>
<http://online.wsj.com/article/SB118763082214703086.html>

³ www.covancecruelty.com

⁴ <http://www.peta.org/features/professional-laboratory-and-research-services.aspx>

- Dogs and cats were pressure-hosed with a bleach solution;
- A worker attempted to rip out a cat's nails by forcing the cat to clutch a chain-link fence and then violently pulling her away.

According to Food and Drug Administration documentation, our Company contracted PLRS to conduct experiments on more than 100 dogs.⁵

Given that 92% of drugs deemed safe and effective when tested on animals fail in human clinical trials, there is also a clear scientific imperative for improving testing methods.⁶

Shareholders cannot monitor what goes on behind the closed doors of animal testing laboratories, so the Company must. The Board must ensure that animal welfare and replacement measures are an integral part of our Company's corporate stewardship. We urge shareholders to vote in favor of this socially and ethically important proposal.

5

<http://www.fda.gov/downloads/AnimalVeterinary/Products/ApprovedAnimalDrugProducts/FOIADrugSummaries/ucm062334.pdf>

⁶ FDA Commissioner: <http://www.fda.gov/oc/speeches/2006/fdateleconference0112.html>