SMALL BUSINESS SUBCONTRACTING PLAN

Dear Supplier,

AstraZeneca is a prime contractor to the U.S. Federal Government and, as such, it must comply with specific government contract laws and regulations. Under Federal Acquisition Regulation ("FAR") 52.219-9, AstraZeneca is required to flowdown certain requirements to subcontractors and suppliers to ensure utilization of small businesses in subcontracting. To the extent your agreement with AstraZeneca is a subcontract under any prime contract between AstraZeneca and the U.S. Government, you must provide AstraZeneca with a formal subcontracting plan under the flowdown provision set forth in FAR 21 52.219-9(d)(9). (see FAR references at http://www.acquisition.gov/far/)

FAR 52.219-8 is titled "Utilization of Small Business Concerns." If you plan to subcontract any further, the clause requires you to offer small business concerns, veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, small disadvantaged business concerns, and women-owned small business concerns with the maximum practicable opportunity to participate in performing subcontracts awarded by your company. The clause contains the definition for each small business category.

The provision at FAR 52.219-9(d)(9) requires subcontractors (except if the anticipated contract, together with all of its subcontracts, will be performed entirely outside of the U.S. and small business concerns) that receive subcontracts in excess of $750,000 to adopt a subcontracting plan that complies with the requirements of FAR 52.219-9. Please find attached the sample outline of the Small Business Plan for further use. If you already have an approved annual Commercial Subcontracting Plan, please supply me with a signed copy. If you have any questions about preparing a subcontracting plan, you may contact me. AstraZeneca cannot award the pending subcontract to your company until it has received and approved your Subcontracting Plan.

If your contract with AstraZeneca does not offer further subcontracting opportunities, you do not have to submit a subcontracting plan (in accordance with FAR 52.212-5(b) or 52.244-6(c)). In this case, please submit a letter on a company letterhead to my attention that your contract does not offer further subcontracting opportunities.

During the lifetime of your subcontract or order, you will be required to use an electronic subcontracting reporting system to submit the Individual Subcontract Report ("ISR") and/or the Summary Subcontract Report ("SSR") via https://www.esrs.gov. (Reference: FAR 52.219-9(d)10(iv)).

Sincerely,
AstraZeneca

Anna Hakobyan, CFCM, PMP
Supplier Diversity, Global Sustainability & Government Compliance Lead
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SMALL BUSINESS SUBCONTRACTING PLAN (MODEL OUTLINE)

SUBCONTRACTING PLAN PERIOD: __________

Individual plans should cover the entire period of contract performance, and commercial plans should coincide with the company's fiscal year. In the event your company's fiscal year ends before the contract periods of any federal contracts that include the requirement to have a small business subcontracting plan, you will be required to submit a new subcontracting plan for approval 30 days prior to expiration of the existing subcontracting plan. In the event an acceptable plan cannot be negotiated prior to expiration of the existing subcontracting plan, your contract(s) may be terminated.

DATE SUBMITTED: __________

NAME OF PLANHOLDER: __________

SUBSIDIARIES INCLUDED: __________

ADDRESS: __________

____

____

ITEM/SERVICE: __________

1. TYPE OF PLAN

List the total estimated dollar value of all planned subcontracting (to all types of business concerns, both large and small). Select only one of the following:

a) **Individual Plan** (This Contract Only) Contract #/Solicitation #__________)

Total value of projected subcontracts (both large and small businesses) $__________

b) **Commercial Division-wide Plan**

Total projected sales $__________

Total value of projected subcontracts (both large and small businesses) $__________

(Subcontracts Represent __________ % of Total Annual Sales)

c) **Commercial Company-wide Plan**

Total projected sales $__________

Total value of projected subcontracts (both large and small businesses) $__________

(Subcontracts Represent % of Total Annual Sales)§

* FAR § 19.708(b)(1) prescribes the use of the clause at FAR 52.219-9 entitled "Small Business Subcontracting Plan." The following is a suggested model for use when formulating such subcontracting plan. While this model plan has been designed to be consistent with FAR § 52.219-9, other formats of a

subcontracting plan may be acceptable. However, failure to include the essential information as exemplified in this model may be cause for either a delay in acceptance or the rejection of an offer where the clause is applicable. Further, the use of this model is not intended to waive other requirements that may be applicable under FAR § 52.219-9 or that may appear in the Government's solicitation. "SUBCONTRACT," as used in this clause, means any agreement (other than one involving an employer-employee relationship) entered into by a federal government prime contractor or subcontractor calling for supplies or services required for performance of the contract or subcontract.

2. GOALS

State separate dollar and percentage goals, expressed in terms of percentages of the total available subcontracting dollars listed in the previous section.

a) Total estimated dollar value and percent of planned subcontracting with small businesses ("SB") (including ANCs and Indian tribes), veteran-owned small, service-disabled veteran-owned small, HUBZone small, small disadvantaged (including ANCs and Indian tribes), and women-owned small business concerns:

$__________ and __________%

b) Total estimated dollar value and percent of planned subcontracting with veteran-owned small businesses (VO):

$__________ and __________%

c) Total estimated dollar value and percent of planned subcontracting with service-disabled veteran-owned small businesses ("SDVO") (Note: This is a subset of veteran-owned):

$__________ and __________%

d) Total estimated dollar value and percent of planned subcontracting with small disadvantaged businesses ("SDB") (including ANCs and Indian tribes):

$__________ and __________%

e) Total estimated dollar value and percent of planned subcontracting with women-owned small businesses (WO):

$__________ and __________%

f) Total estimated dollar value and percent of planned subcontracting with HUBZone small businesses ("HUB"):

$__________ and __________%

3. PRODUCTS AND/OR SERVICES

The types of products and/or services to be subcontracted are:

LB: __________

SB: __________

VO: __________

SDVO: __________

SDB: __________

WO: __________

HUB: __________

4. GOAL DEVELOPMENT

The following method was used in developing the subcontracting goals:

____

5. IDENTIFYING POTENTIAL SOURCES

The following methods were used to identify potential sources for solicitation purposes (*see* FAR § 52.219-9(d)(5) for examples of methods that may be used.):

____

6. INDIRECT COSTS

Indirect costs ☐ have ☐ have not been included in the dollar and percentage subcontracting goals stated above. (Check one.)

If "have been" is checked (and you are proposing an individual plan), explain the method used in determining the proportionate share of indirect costs to be incurred with small business (including Alaska Native Corporations and Indian tribes), veteran-owned small business, service-disabled veteran-owned small business, small disadvantaged business (including ANCs and Indian tribes), women-owned small business, and HUBZone small business concerns. Note: Commercial plan holders who choose to include indirect costs will not need to provide the aforementioned explanation because the costs will be applied at 100%.

____

7. PROGRAM ADMINISTRATOR

The following individual will administer the subcontracting program:

NAME: __________

TITLE: __________

ADDRESS: __________

____

____

____

____

TELEPHONE: __________

E-MAIL: __________

This individual's specific duties, as they relate to the firm's subcontracting program, are as follows:

____

8. EQUITABLE OPPORTUNITY

The following good faith efforts (internal and external) will be taken to assure that small business, veteran-owned small business, service-disabled veteran-owned small business, small disadvantaged business, women-owned small business, and HUBZone small business concerns will have an equitable opportunity to compete for subcontracts:

____

9. FLOW-DOWN CLAUSE

The offeror agrees that the FAR clause of this contract entitled "Utilization of Small Business Concerns" (FAR § 52.219-8) will be included in all subcontracts which offer further subcontracting opportunities, and all subcontractors (except small business concerns) that receive subcontracts in excess of $650,000 with further subcontracting possibilities will be required to adopt a subcontracting plan that complies with the requirements of this clause.

NOTE: See exceptions listed in FAR § 52.219-9(j).

10. REPORTING & COOPERATION

The offeror agrees to:

a) Cooperate in any studies or surveys as may be required.

b) Submit periodic reports so that the Government can determine the extent of compliance by the offeror with the subcontracting plan.

c) Submit the Individual Subcontracting Report ("ISR") and/or the Summary Subcontract Report ("SSR"), in accordance with the paragraph (l) of this clause using the Electronic Subcontracting Reporting System ("eSRS") at http://www.esrs.gov. The reports shall provide information on subcontract awards to small business concerns (including ANCs and Indian tribes that are not small businesses), veteran-owned small business concerns, service-disabled veteran-owned small business concerns, HUBZone small business concerns, small disadvantaged business concerns (including ANCs and Indian tribes that have not been certified by the Small Business Administration as small disadvantaged businesses), women-owned small business concerns, and Historically Black Colleges and Universities and Minority Institutions. Reporting shall be in accordance with this clause, or as provided in agency regulations.

d) Ensure that its subcontractors with subcontracting plans agree to submit the ISR and/or the SSR using eSRS.

e) Provide its prime contract number, its DUNS number, and the e-mail address of the offeror's official responsible for acknowledging receipt of or rejecting the ISRs, to all first-tier subcontractors with subcontracting plans so they can enter this information into the eSRS when submitting their ISRs,

f) Require that each subcontractor with a subcontracting plan provide the prime contract number, its own DUNS number, and the email address of the subcontractor's official responsible for acknowledging receipt of or rejecting the ISRs, to its subcontractors with subcontracting plans.

11. RECORDKEEPING

The following is a description of the types of records that will be maintained concerning procedures that have been adopted to comply with the requirements and goals in the plan, including establishing source lists; and a description of the offeror's efforts to locate small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small-disadvantaged business, and women-owned small business concerns and award subcontracts to them. The records shall include at least the following (on a plant-wide or company-wide basis, unless otherwise indicated):

a) Source lists (e.g., SAM), guides, and other data that identify small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns.

b) Organizations contacted in an attempt to locate sources that are small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, or women-owned small business concerns.

c) Records on each subcontract solicitation resulting in an award of more than $150,000, indicating:

   i. Whether small business concerns were solicited and if not, why not;

   ii. Whether veteran-owned small business concerns were solicited and, if not, why not;

   iii. Whether service-disabled veteran-owned small business concerns were solicited and, if not, why not;

   iv. Whether HUBZone small business concerns were solicited and, if not, why not;

   v. Whether small disadvantaged business concerns were solicited and if not, why not;

   vi. Whether women-owned small business concerns were solicited and if not, why not; and

   vii. If applicable, the reason award was not made to a small business concern.

d) Records of any outreach efforts to contact --

   i. Trade associations;

   ii. Business development organizations;

iii. Conferences and trade fairs to locate small, HUBZone small, small disadvantaged, and women-owned small business sources; and

iv. Veterans service organizations.

e) Records of internal guidance and encouragement provided to buyers through --

i. Workshops, seminars, training, etc., and

ii. Monitoring performance to evaluate compliance with the program's requirements.

f) On a contract-by-contract basis, records to support award data submitted by the offeror to the Government, including the name, address, and business size of each subcontractor. Contractors having commercial plans need not comply with this requirement.

Signed: ____

Typed Name: ____

Title: ____

Date Signed: ____

Plan Approved by (AstraZeneca official): _________________

Typed Name: ____

Title: ____

Date Approved: _______________________________________