

Registration number: 03022416

# IQVIA Ltd.

Annual Report and Financial Statements

for the Year Ended 31 December 2023

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**IQVIA Ltd.**  
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**IQVIA Ltd.**  
**Company Information**

|                                           |                                                                                                                                                  |
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| <b>Registered number of incorporation</b> | 03022416                                                                                                                                         |
| <b>Directors</b>                          | K J Turland<br>J G Berkshire<br>T P Sheppard<br>N A Kotchie<br>K L Randall                                                                       |
| <b>Company secretary</b>                  | JTC (UK) Limited                                                                                                                                 |
| <b>Independent Auditors</b>               | PricewaterhouseCoopers LLP<br>Chartered Accounts and Statutory Auditors<br>3 Forbury Place<br>23 Forbury Road<br>Reading<br>Berkshire<br>RG1 3JH |
| <b>Bankers</b>                            | BNP Paribas<br>10 Harewood Avenue<br>London<br>NW1 6AA                                                                                           |
| <b>Registered Office</b>                  | 3 Forbury Place<br>23 Forbury Road<br>Reading<br>Berkshire<br>RG1 3JH                                                                            |

# **IQVIA Ltd.**

## **Strategic Report for the Year Ended 31 December 2023**

The directors present their report for the year ended 31 December 2023.

### **Principal activities**

The company's principal activities are the provision of advanced analytics, technology solutions and clinical research services to the life sciences industry.

The company is a wholly owned subsidiary of IQVIA Holdings Inc., a company incorporated in the United States of America and listed on the New York Stock Exchange (together with its subsidiaries, "IQVIA"). Any reference made to IQVIA throughout the financial statements refers to IQVIA as a group.

### **Results and dividends**

The profit and loss account for the year is set out on page 28. During the year, the company made a profit for the financial year of £539.79 million (2022: £362.66 million). As at 31 December 2023, the company had net assets of £3,713.07 million (2022: £4,471.23 million).

The company paid £1,276.56 million dividend to its immediate parent company in 2023 (2022: £nil million).

### **Business review and future developments**

As it relates to Research & Development Services (RDS) activities, the company is an international Contract Research Organisation (CRO) providing full service solutions from Phase 1 to late Phase Clinical trials.

As it relates to Technology & Analytics Solutions (TAS) activities, as a licensee of IQVIA, the company undertakes certain management, operational, consulting and technical activities, including the management of data transformation services, software development and coordination of analytics services for the IQVIA TAS business.

The markets for Research & Development Services offerings are highly competitive, and IQVIA Ltd. compete against traditional contract research organizations ("CROs"), the in-house research and development departments of biopharmaceutical companies, universities and teaching hospitals. Among the traditional CROs, there are several-hundred small, limited-service providers, several medium-sized firms and only a few full-service companies with global capabilities.

We address the needs of the healthcare industry by providing product development and integrated healthcare services to help our customers navigate the complex healthcare environment and improve outcomes. The broad scope of our services allows us to help our customers rapidly assess the viability of a growing number of potential new therapies, cost-effectively accelerate development of the most promising ones, launch new products to the market quickly, and evaluate their impact and appropriate use on patients.

In total 3,615 (2022: 3,389) people, on a monthly average basis, were employed, with revenue of £2,752.68 million (2022: £2,491.90million). The company's profit before income tax was £582.17 million (2022: £399.38million). The company's profit before tax has increased by 53.13% compared to the previous year, primarily due to £361.77 million dividend received from subsidiary undertakings offset against investment impairments, largely due to the reorganisation of subsidiaries, of £51.37million (2022: £401.67 million).

On 28 April 2023, the company acquired the entire issued share capital of EPG Communication Holdings Limited and 51% of the issued ordinary shares of IMR International (Australia) PTY Ltd for £17.50 million.

On 11 July 2023, the company acquired the entire issued share capital of Healthcare Business Information Limited for £7.0 million.

On 31 August 2023, the company acquired the entire issued share capital of PHR Topco Limited for £53.41 million.

On 11 October 2023 the company acquired the remaining 50% of the issued share capital in Prioritis UK from Prioritis SAS being 50 ordinary for €8.8 million (£7.68 million). In addition, the company sold its investment in Prioritis SAS with a carrying value of £18.74 million to IQVIA Operations France a fellow undertaking for €19.27 million (£16.33 million). As part of a restructuring project undertaken by the IQVIA group, on 23 October 2023 the company acquired the trade and assets of Prioritis Limited for £15.18 million.

On 24 January 2023, the company acquired the entire issued share capital of Clintec International Norway AS from its immediate parent company Clintec International Ltd for \$377,497 (£296,495).



## IQVIA Ltd.

### Strategic Report for the Year Ended 31 December 2023 (continued)

The company's key financial and other performance indicators during the year were as follows:

| <b>Financial KPIs</b> | <b>Unit</b> | <b>2023</b> | <b>2022</b> |
|-----------------------|-------------|-------------|-------------|
| Revenue               | £ 000       | 2,752,678   | 2,491,900   |
| Operating profit      | £ 000       | 255,841     | 251,900     |
| Operating margin      | %           | 9.29        | 10.11       |

Detailed discussion on the KPIs affecting the Group as a whole is provided in the IQVIA Holdings Inc. 2023 Annual Report and Financial Statements.

#### **Section 172(1) statement**

This statement aligns to the section 172 statement requirements contained in Section 414CZA of the Companies Act 2006.

This statement focuses on how the directors have had regard during the year to the matters set out in Section 172(1) (a) to (f) of the Act when performing their duties by incorporating information from other areas of the Annual Report to avoid unnecessary duplication. The Board considers that the statement focuses on those risks and opportunities that were of strategic importance to IQVIA.

IQVIA Ltd.'s ultimate controlling party, IQVIA Holdings Inc., shapes the business strategies for the IQVIA worldwide group ("IQVIA") which has a direct impact on the long-term development of IQVIA Ltd. (the "company"). The company's strategic decisions are aligned with IQVIA, consequently, all decisions and policies affecting employees, suppliers and business relationships with stakeholders implemented by the directors are in line with the business vision of IQVIA. Further information on vision and governance may be obtained from the IQVIA website [www.iqvia.com](http://www.iqvia.com).

The directors of IQVIA Ltd. (the "company") are aware of their duty under section 172 of the Companies Act 2006 to act in the way they consider, in good faith, would be most likely to promote the success of the company and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long-term;
- the interests of the company's employees;
- the need to foster the company's business relationships with suppliers, customers and others;
- the impact of the company's operations on the community and the environment;
- the desirability of the company to maintain a reputation for high standards of business conduct; and
- the need to act fairly between shareholders of the company.

The company is focused on having a positive impact on the healthcare community, industry, and its environment. Whilst the company's business is run for the benefit of our shareholders, it is committed to the wellness and safety of its employees and customers, acting ethically, with integrity, and with consideration to the communities and environment in which it operates.

#### ***Long-term decisions and actions***

As a world leader in using advanced analytics, technology, and science to drive healthcare forward, we must balance the immediate challenges of the fast paced nature of our industry with longer term developments and emerging technologies, so that our business has the confidence to innovate and maximise opportunities as they arise.

To ensure the business regularly considers and evaluates its long-term strategy, IQVIA hold frequent forums at the operational level that seek to identify and anticipate trends and risks in the market. Information gathered at these meetings is fed through to the leadership team, to help the business to update its long-term roadmap for all service offerings. Market evolution and market shaping is both implicit and explicit in our planning processes and business reviews.

IQVIA consider the possible long-term consequences of any material proposed course of action, including potential safety, financial and reputational risks.

## **IQVIA Ltd.**

### **Strategic Report for the Year Ended 31 December 2023 (continued)**

#### ***Expand portfolio through acquisition***

IQVIA continue to acquire assets and businesses within the group and externally to strengthen our value proposition to clients. The group have developed an internal capability to source, evaluate and integrate acquisitions that have created value for shareholders. The directors review the information provided by the due diligence team prior to approving acquisitions. As the global healthcare landscape evolves, we expect that there will be a growing number of acquisition opportunities across the life sciences, payer and provider sectors. The directors review and approve restructuring plans including internal acquisitions where they are in the interests of the company and the wider group e.g. to increase operating efficiencies and simplify group structure.

#### ***The interests of our employees***

Our success substantially depends on the collective performance, contributions and expertise of our employees. Our employees are critical to our continued success and are a core element of our long-term strategy. We are committed to maintaining a culture of diversity and inclusion in which people from all backgrounds can fully contribute to the growth and success of our business. Our commitment to diversity is reflected in the various policies, programs, training and support we offer, including our Employee Resource Groups and our highly diverse workforce.

Our employees have access to our global learning platform where our diverse workforce can readily find the resources required to help address customer needs. We have a Talent and Learning Hub and Technical Literacy site to provide training and tools that help employees develop the skills needed today and support their readiness for new opportunities. Helping our dedicated people grow, develop, and reach their full potential in this constantly shifting landscape keeps our teams motivated and engaged as they support customers around the globe. More information on our employee engagement is provided in the Directors' report.

#### ***Relationships with suppliers and customers***

IQVIA is committed to supporting sustainable business practices and running our business in a socially responsible way that helps create long-term value.

##### ***Suppliers***

We work with our supplier base to ensure our operations can be carried out as efficiently as possible. We aim to treat all suppliers equally and have established the "Supplier Code of Conduct" to set common values and standards for our suppliers, as well as encouraging them to perform better than their basic requirements in all fields.

Our purchase order system allows suppliers to track their invoices so they have full visibility between submission and payment.

##### ***Customers***

We place our customers at the centre of everything we do. We develop a deep understanding of the challenges they face in order to build successful, enduring relationships with them. We adapt to changing circumstances in partnership with our customers to develop flexible, innovative solutions to enable their success.

Our long relationships with customers are built on our ability to understand their requirements. We have a sophisticated customer account management system which regularly engages in dialogue with our customers about their strategy, goals, challenges and needs. Through this dialogue and our own experience and expertise we design and implement solutions tailored to them.

More information on our customer and supplier engagement is provided in the Directors' report.

#### ***Impact on the community and the environment***

The company recognises that being a responsible business requires a firm commitment to following conscientious environmental practices and it establishes specific objectives and targets to continually reduce its environmental impact where possible. The company complies with all applicable laws and regulations as they relate to the provision of biopharmaceutical-regulated activities. Environmental laws and regulations are incorporated into the company's policies and procedures to promote global awareness across the business.

In recognition of our focus on continuous improvement of our sustainability programs, IQVIA was awarded a Silver Ecovadis rating for 2023, and achieved a CDP Climate Change B rating for our commitment to and progress towards climate action in 2023.

Our employees and suppliers are expected to support IQVIA's waste management and disposal programmes. We strive to segregate and dispose of waste in a way that minimizes adverse impacts and raise awareness for the employees to improve waste minimisation, segregation, and disposal.

## **IQVIA Ltd.**

### **Strategic Report for the Year Ended 31 December 2023 (continued)**

Travel is necessary for global businesses. As our business grows, we will continue to find ways to mitigate and reduce its impact. With the ongoing increase in employee headcount due to our growth, we will continue efforts to decrease airline use and company car carbon emissions.

We recognise that the footprint of our property portfolio is directly connected to our carbon footprint. Although our headcount has grown as a result of increased business, we have managed to reduce our property portfolio and we continue to review office demand across the business.

IQVIA provides financial and in-kind support for a variety of health-related non-profit organisations. We support causes and programmes that are important to our employees. These include community fundraising and volunteer activities, and support for health-related charities and natural disaster fund drives. Our IQVIA Day gives our employees a day off to perform volunteer activities within their local communities.

#### ***Business Conduct***

Wherever IQVIA does business in the world, the fundamental values of honesty, integrity, and ethical conduct form the core of everything we do. The directors are committed to maximising long-term shareholder value while supporting management in the operations of the business, observing ethical standards and adhering to all applicable laws.

Our reputation is shaped by the personal decisions of every employee, and so to guide those decisions, all our employees and directors must adhere to our code of conduct, "Doing the Right Thing". We provide various channels (local and global) for employees to obtain answers to questions or to report potential or actual violations of law, regulation, or policy freely and without fear of retaliation. This helps to ensure we promote a culture where employees are comfortable bringing up their questions or concerns.

We are passionate about our work and want our name to stand for excellence. We are proactive and deliver high-quality solutions.

#### ***Acting fairly between members***

The company's only member is IQVIA RDS Holdings, which is a subsidiary of IQVIA Holdings Inc.. As both the sole member and the company are in the same group, the member has direct access to the Board. The directors are in regular contact with the sole member through monthly financial reporting and ad-hoc communications. This ensures that the member is kept informed of events and has opportunity to take part in the running and strategic direction of the company.

#### **Principal risks and uncertainties**

The key business risks affecting the company are as set out below:

#### ***Business environment***

IQVIA is a leading global provider of advanced analytics, technology solutions and contract research services to the life sciences industry. IQVIA applies human data science - leveraging the analytic rigor and clarity of data science to the ever-expanding scope of human science - to enable companies to reimagine and develop new approaches to clinical development and commercialization, speed innovation, and accelerate improvements in healthcare outcomes for patients.

The group compete in a market of greater than \$330 billion revenue consisting of outsourced research and development, real-world evidence and connected health and technology enabled clinical and commercial operations markets for life sciences companies and the broader healthcare industry.

The group estimate that spending on pharmaceuticals in emerging markets will expand at a 5% to 8% compound annual growth rate through 2028. We believe that further research and development spending, combined with the continued need for cost efficiency across the healthcare landscape, will continue to create opportunities for biopharmaceutical services companies, particularly those with a global reach and broad service offerings, to help biopharmaceutical companies with their pre- and post-launch solutions development and commercialization needs. IQVIA is involved with many stakeholders throughout the industry as we help navigate changes over the coming decade. The outsourcing trend in biopharmaceutical and healthcare spending is an important market growth component. Our clients are looking for new ways to simplify processes and drive operational efficiencies by using automation, consolidating vendors and adopting new technology options such as hosted and cloud-based applications. This provides opportunities for technology services vendors to capture and consolidate the internal spending of life sciences companies by providing lower-cost and variable-cost options that lower clients' research and development, selling, marketing and administrative costs. Advances in science, technology, and focused service providers - like IQVIA Ltd. - allow companies to shed functions in order to become more focused and more efficient, thereby improving their shareholder returns. We have seen this trend in other industries, and it has arrived in biopharmaceuticals and healthcare.

## **IQVIA Ltd.**

### **Strategic Report for the Year Ended 31 December 2023 (continued)**

The main strength of IQVIA Ltd. is to tailor our service delivery to meet the specific needs of our customers, utilising our global infrastructure, data and expertise of our employees.

#### ***IT and systems information***

Security breaches and unauthorised use of our IT systems and information could expose us, our clients, our data suppliers or others, to risk of data loss. We may experience challenges with the acquisition, development, enhancement or deployment of technology necessary for our business.

Our business depends on the continued effectiveness and availability of our information systems, including the information systems we use to provide our services to our clients.

Data protection, privacy and similar laws restrict access, use and disclosure of personal information, and failure to comply with these laws could materially harm our business.

#### ***Pharmaceutical environment***

Revenue and margins are dependent on a variety of factors at play in the industry. To mitigate this risk the company is expanding service offerings and is now supplying services to a broader range of customers including government agencies.

#### ***Competition***

The company operates in a highly competitive market which places pressure on margins. To mitigate this risk the company is focusing on service development and continually adding value to its current offerings.

#### ***Financial risk management***

The company's operations expose it to a variety of financial risks that include the effects of changes in foreign exchange rates, interest rate risk, liquidity risk and credit risk. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company. The policies are set by IQVIA in conjunction with the company and are implemented by the company's finance department.

#### ***Foreign exchange rate risk***

The company is exposed to movements in foreign exchange rates as a result of transactions with a number of customers and intercompany organisations. IQVIA's treasury function measure the risk to the company of the foreign currency exposure by considering the effect on the company's net asset value and income of a movement in the rates of exchange to which the company's assets, liabilities, income and expenses are exposed. The company may use short term forward currency contracts to manage foreign exchange exposure, variability of results and to manage the changes in working capital.

The company's ultimate parent undertaking (see note 31) manages the foreign exchange rate risk associated with the whole group, as disclosed in the financial statements of that company.

#### ***Interest rate risk***

The company has interest bearing and non-interest bearing assets and liabilities in the form of inter-company loans and cash. Cash balances earn interest at floating rates through a cash-pooling facility with other group companies. Inter-company operating balances where appropriate are unsecured, interest free, have no fixed date of repayment and are repayable on demand and inter-company loans where appropriate are unsecured, interest-bearing and have scheduled repayments with notice but auto-renew for a further term if no notice is given.

#### ***Liquidity risk***

The company manages a liquidity position with the objective of maintaining the ability to fund commitments and repay liabilities in accordance with their required terms. The financing of operations is managed at a group level by the company's ultimate parent undertaking.

#### ***Credit risk***

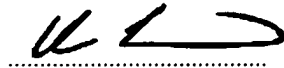
The company generally has no significant concentrations of exposure to credit risk. The company has implemented policies that require appropriate checks on potential new customers before sales commence and the amount of any individual counterparty is subject to a limit which is reassessed regularly by the company's management.

**IQVIA Ltd.**

**Strategic Report for the Year Ended 31 December 2023 (continued)**

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with a minimum rating of 'BBB+' are accepted.

Approved by the board on 12 September 2024 and signed on its behalf by:

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K J Turland  
Director

## **IQVIA Ltd.**

### **Directors' Report for the Year Ended 31 December 2023**

The directors present their report and the audited financial statements for the year ended 31 December 2023.

#### **Business review**

##### ***Fair review of the business***

For Business review and future developments, please refer to Business review and future developments section of the Strategic Report on page 2.

#### **Research and development & technology & analytics solutions**

The company's principal activities are the provision of advanced analytics, technology & analytics solutions and research & development services to the life sciences industry.

The key trends affecting our end markets that will create increasing demand for research and development services and technology & analytics solutions:

##### ***Growth and innovation in the life sciences industry***

The life sciences industry is a large and critical part of the global healthcare system. The growth of emerging markets demonstrates their strategic importance to global life sciences organizations along with the emergence of local and regional companies with similar operational and informational needs. We expect all of these organizations to apply a high degree of sophistication to their commercial operations in these countries, especially as some begin to emerge as sources of original innovative products. For global companies, this requires highly localized knowledge and information assets, the development of market access strategies and performance benchmarking. In addition, local players are learning that they need to compete on the basis of improved information and analytics.

##### ***Growth in Research and Development***

Spending trends in research and development are impacted as a result of several factors, including major biopharmaceutical companies' efforts to replenish revenues lost from the so-called "patent cliff," increased access to capital by the small and midcap biotechnology industry, and recent increases in pharmaceutical approvals by regulatory authorities. We believe that further research and development spending, combined with the continued need for cost efficiency across the healthcare landscape, will continue to create opportunities for biopharmaceutical services companies, particularly those with a global reach and broad service offerings, to help biopharmaceutical companies with their pre- and post-launch solutions development and commercialisation needs.

##### ***Increased Complexity in Research and Development***

Biopharmaceutical companies face environments in which it has become increasingly difficult to operate. Improved standards of care in many therapeutic areas and the emergence of new types of therapies, such as biologics, genetically targeted therapies, gene and stem cell therapies, and other treatment modalities have led to more complex development and regulatory pathways. We believe that our global clinical development capabilities, including our expertise in biomarkers and genomics and our global laboratory network, position us well to help biopharmaceutical companies manage the complexities inherent in an environment where this type of expertise is important. For example, IQVIA Connected Intelligence helps us validate protocols to ensure studies in new disease areas have greater accuracy and also enables us, through innovations such as predictive analytics, to find patients who may not have been diagnosed.

Regulators require clinical trials to involve local populations as part of the process for approving new pharmaceutical products, especially in certain Asian and emerging markets. Understanding the epidemiological and physiological differences in different ethnic populations and being able to conduct clinical trials locally in certain geographies will be important to pharmaceutical product growth strategies, both for multinational and local/regional biopharmaceutical companies. We believe that our global clinical development capabilities and unmatched presence in Asia and other emerging markets make us a strong partner for biopharmaceutical companies managing the complexities of international drug development.

## **IQVIA Ltd.**

### **Directors' Report for the Year Ended 31 December 2023 (continued)**

#### ***Financial pressures driving the need for increased efficiency***

Despite expected accelerating growth in the global life sciences market, we believe our clients will face increased operating margin pressure due to their changing product mix, pricing and reimbursement challenges, and rising costs of compliance. Product portfolios for life sciences companies have shifted toward specialty products with lower peak market sales potential than traditional primary care medicines. We believe that the need for biopharmaceutical companies to maximize productivity and lower costs across their processes from research and development through commercial operations will cause them to look to partners as they enter into outsourcing arrangements to improve efficiency. Further, our clients are looking for new ways to simplify processes and drive operational efficiencies by using automation, consolidating vendors and adopting new technology options such as hosted and cloud-based applications. This provides opportunities for technology services vendors to capture and consolidate the internal spending of life sciences companies by providing lower-cost and variable-cost options that lower clients' research and development, selling, marketing and administrative costs.

#### ***Evolving need to integrate and structure expanding sources of data***

Over the past decade, many health systems around the world have focused on digitizing medical records. While such records theoretically enhance access to data, relevant information is often unintegrated, unstructured, siloed in disparate software systems, or entered inconsistently. In addition, new sources of data from the internet, such as social media and information on limited patient pools, and information resulting from enhanced diagnostic technologies are creating new sources of healthcare data. In order to derive valuable insights from existing and expanding sources of information, clients need access to statistically significant data sets organised into databases that can be queried and analysed. This information is highly relevant to healthcare stakeholders and we believe the opportunity to more broadly apply healthcare data can only be realised through structuring, organising and integrating new and existing forms of data in conjunction with sophisticated analytics.

We are well positioned for continued growth as we:

- Continue to innovate through our IQVIA Connected Intelligence by leveraging our information, advanced analytics, transformative technology and significant domain expertise;
- Build upon our extensive client relationships;
- Expand the penetration of our offerings to the broader healthcare marketplace; and
- Expand portfolio through strategic acquisitions.

#### **Results and dividends**

The profit and loss account for the year is set out on page 28. During the year, the company made a profit £539.8 million (2022: £362.7 million). The company paid £1,276.6 million dividend to its immediate parent company in 2023 (2022: £nil million).

#### **Directors' of the company**

The directors of company who were in office during the year ended 31 December 2023 and up to the date of signing the financial statements (unless otherwise indicated), were:

K J Turland

J G Berkshire

T P Sheppard

N A Kotchie

K L Randall (appointed 28 November 2023)

#### **Political donations**

There were no political donations made in the year (2022: £nil).

## **IQVIA Ltd.**

### **Directors' Report for the Year Ended 31 December 2023 (continued)**

#### **Employees**

The company fully acknowledges the special needs of disabled people and gives full and fair consideration (having regard to the person's particular aptitudes and abilities) to applications for employment from disabled persons (as defined in the Disabled Persons (Employment) Act 1944). Those appointed are afforded the same opportunities for advancement as other members of staff.

The company will make every effort if an existing employee becomes disabled to retrain and retain them within the company, whenever reasonable and practicable.

The company continues to seek the active involvement of all employees through systematically providing employees with information on matters of concern to them as employees and consulting with employees on a regular basis so that the company can take the views of employees into account in making decisions that are likely to affect their interests.

#### **Employee engagement**

Attracting, developing, and advancing talent at all levels at IQVIA is critical to our business and an essential element of our inclusive and innovative workplace. IQVIA is dedicated to creating a productive work environment that exhibits teamwork, leadership, customer focus, integrity, and quality.

We are committed to recruiting, training and retaining the best talent we can find. We provide employees with comprehensive training and career development opportunities. We encourage mentoring and establishing support networks as well as providing tools to help employees map out and achieve their goals. We continue to organise courses to assist managers on effective management for the company to achieve higher performance. Strict selection procedures and standards are in place to ensure non-discrimination in our employment policy. IQVIA is an equal opportunity employer and we make our employment decisions based on qualifications and merit.

IQVIA maintains a culture of diversity and inclusion in which people from all backgrounds are treated fairly and can fully contribute to the growth and success of our business. Employee Resource Groups (ERGs) provide a framework for employees to connect and collaborate with colleagues with similar interests. These groups support our values and business goals and foster the diverse thinking required for innovation. They provide a forum for the exchange of ideas and opportunities for mentoring and professional development. These ERGs are a reflection of our commitment to diversity and inclusion.

The company operates a number of bonus and incentive schemes which encourage employees to contribute directly to the achievement of the company's goals and reward individual and collective success.

We engage with our employees through our intranet site, regular staff meetings and email notifications, on a range of topics including safety, welfare, career development and sustainability strategies. We also listen to our employees through regular surveys and focus groups within the company. This feedback helps us to review processes and identify any additional initiatives to increase our employee engagement and retention.

The company strives to enhance employee safety and care. The directors instruct management to hold health and safety review and planning meetings, and we have a comprehensive employee health and training programme that encourages employee involvement in monitoring and enhancing health and safety practices throughout the company.

We deal with grievances and complaints in a serious and timely manner. Anti-discrimination, anti-harassment and anti-retaliation policies are available to employees on our global intranet and are summarised in our Code of Conduct, which all employees must adhere to. IQVIA provide an ethics line, which is run by an external provider, where employees can report any concerns they may have anonymously.

#### **Engagement with suppliers, customers and other relationships**

The directors have a duty to promote the success of the company, and this relies on effective communication and engagement with stakeholders. The company acknowledges the importance of its stakeholders' opinions, and considers these within its decision making and operations.

#### **Engagement with suppliers**

The company has invested many years in developing strong relationships with a supply chain that shares our values. We recognise the value that these relationships bring. We aim to maintain these relationships in the same way that we do our customer relationships - through being accessible, easy to do business with and by doing what we say.



## **IQVIA Ltd.**

### **Directors' Report for the Year Ended 31 December 2023 (continued)**

IQVIA actively seeks to foster an environment where our supply chain partners are held to sustainability standards that align with IQVIA's own values and objectives. IQVIA considers its ability to effectively leverage the various backgrounds, capabilities, and contributions of its supply chain partners to be a major factor in creating mutually rewarding business opportunities and enhancing its own business performance.

Our Supplier Code of Conduct sets out the expectations for our supply chain partners in a number of key areas, including:

- Ethics and Compliance
- Labour and Human Rights
- Environment
- Health and Safety

#### ***Engagement with customers***

IQVIA seeks to maintain long-lasting customer relationships and deliver excellent customer service. Successful customer relationships require a thorough understanding of customer needs and challenges.

We harness our resources and expertise to identify, understand, and address unmet public health needs and through our innovative technologies and offerings, we help our customers bring much needed therapies to market. Together with the companies we serve, we are enabling a more modern, effective and efficient healthcare system, and creating breakthrough solutions that transform business and improve patient outcomes.

IQVIA's flexible business solutions and commitment to customers' objectives allow it to provide customers with customized operational delivery models to meet their needs. We have access to one of the largest and most comprehensive collections of healthcare information in the world, and can analyse this data in ways that allow our customers to run their clinical, commercial and financial operations more effectively.

The company provides an added value service to its customers, focusing on high levels of personal service and maintaining strong relationships with its customer base. The company continues to focus on growing the business to expand its customer portfolio. Our service managers work to ensure we understand our customers' requirements and can deliver to meet their demands.

#### ***Engagement with others***

Our other stakeholders include regulatory agencies, government, communities research institutions and universities. IQVIA seeks to maintain long-lasting customer relationships and deliver excellent customer service. Successful customer relationships require a thorough understanding of customer needs and challenges.

We partner with academic research organisations to provide data resources and analysis to further their research endeavours. IQVIA also publish a range of reports each year through our Institute for Human Data Science which are freely available and made use of by the healthcare community.

#### **Our Response to the CFD recommendations**

IQVIA Ltd. (the "company") has conducted work and developed this report in accordance with the climate-related financial disclosure requirements under the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022.

#### **Governance**

##### ***Board oversight***

The company's ultimate parent company, IQVIA Holdings Inc., shapes the business strategies for the IQVIA worldwide group (the "IQVIA Group") which has a direct impact on the company's long-term development. The company's strategic decisions, including those related to climate-related matters (both risks and opportunities), are aligned with the IQVIA Group. The IQVIA Holdings Inc. Board (the "IQVIA Board") actively oversees our corporate sustainability efforts. The IQVIA Board has delegated oversight responsibility of the IQVIA Group's Environmental, Social and Governance (ESG) program to the Nominating and Governance (N&G) Committee, which is responsible for oversight of ESG matters, including consideration of key climate-related risks and opportunities. The chair of the N&G Committee coordinates oversight on behalf of the N&G Committee and regularly reports back to the full IQVIA Board on the progress of our sustainability-related efforts and initiatives.

The IQVIA Board delegates responsibility for climate-related processes to various committees:

## **IQVIA Ltd.**

### **Directors' Report for the Year Ended 31 December 2023 (continued)**

- The Leadership Development and Compensation Committee is responsible for remuneration targets. The Committee considers ESG-related metrics in the individual performance components of each named executive officer's short-term incentive payout. This ensures leadership's support of the IQVIA Group's growing ESG and climate-related efforts, and progress toward its climate goals.
- The Audit Committee reviews the enterprise risk framework semi-annually, which includes ESG-related risks.

The IQVIA Board has ultimate responsibility for the IQVIA Group's strategy, including in relation to climate-related matters, while the Chairman and CEO have responsibility for integrating these matters into the broader organisation through engagement with senior management, stockholders and other key external stakeholders. The Chairman and CEO report on these activities to the IQVIA Board.

The company has a company-specific Board of directors (the "Board") which ensures clear accountability for the management of the company and oversight of the management teams. In 2023, members of the Board participated in climate change training, facilitated by third-party ESG advisors, to increase their awareness of, and engagement with, climate-related matters. The Board has also reviewed and approved the assessment of climate-related risks and opportunities to the company as part of the preparation of this report. Should the Board become aware of additional relevant climate-related matters in future, these will be evaluated and reported to the IQVIA Board as appropriate.

#### ***Role of management***

The ESG Executive Steering Committee meets quarterly and is responsible for setting our group sustainability strategy, developing and managing our climate transition action plan, setting climate-related corporate targets, and monitoring progress against these targets. It is made up of senior executives, including our Chief Financial Officer, General Counsel and Chief Human Resources Officer. The Committee was led by the VP of Business Operations in 2023 and will be led by the director of ESG ("IQVIA's ESG Lead") moving forward. Management of specific net zero initiatives is led by IQVIA's ESG Lead who informs the ESG Executive Steering Committee of progress on a regular basis.

#### **Risk management**

##### ***Risks and opportunity identification and assessment***

The IQVIA Board discusses and considers ESG- and climate-related risks across the full value chain. To evaluate these risks, leaders from our principal functional areas and business units meet on a quarterly basis. Together they form the IQVIA Group Enterprise Risk Council and are responsible for implementing and updating our enterprise risk framework. The framework tracks internal and external factors that could impede the achievement of our business objectives or damage our brand, reputation or financial condition.

The IQVIA Group uses a variety of strategies and methods to identify climate-related risks and opportunities. One of these is a risk tool, which is used annually (or more often as needed) to identify threats and vulnerabilities to the local environment, including, as a result of climate change. The IQVIA Group also works with its global property insurer to assess natural catastrophes based on data provided through established credible sources (e.g., flood maps, earthquake zones). Additionally, the IQVIA Group's Business Continuity Team conducts a Threats, Risks and Vulnerabilities assessment every 2 years to account for any changes in circumstances, including those related to climate change.

Key climate-related risks identified through these processes were analysed further to understand the impacts on the business. The IQVIA Group assesses risks based on likelihood and financial or reputational impact.

To identify and assess climate-related matters specific to the company, a list of risks and opportunities was developed through consideration of (but not limited to) the IQVIA Group risks and opportunities, existing and emerging climate regulatory requirements affecting the company, and potential climate outcomes resulting from varying levels of global warming. The company also has a number of investments held on the balance sheet, including investments in companies in the UK and overseas. Climate risks and opportunities that may impact these subsidiaries were therefore also identified.

This evaluation formed the company's list of climate-related risks and opportunities. This list was then discussed by members of the company's Finance and ESG teams to understand and assess their potential impacts. The most material risks and opportunities were prioritised and selected for further analysis and modelling.

## IQVIA Ltd.

### Directors' Report for the Year Ended 31 December 2023 (continued)

#### *Risks management and integration into overall processes*

ESG and climate-related matters (in the enterprise risk framework and otherwise) are discussed by the N&G Committee regularly throughout the year. The N&G Committee is responsible for making decisions to mitigate, transfer, accept or control these risks. The Business Continuity and Disaster Recovery team oversees our risk management strategy and processes related to anticipating and responding to disruptive events, including those resulting from climate change. While we have determined that, at this time, climate change does not present a material risk to our business given the nature of our activities, we continue to evaluate and mitigate our business risks associated with climate change, and we recognise that there are inherent climate-related risks wherever business is conducted.

#### **Strategy**

We conducted scenario analysis of the prioritised physical and transition risks across the following time periods:

| Time period | Years                | Reason                                                                                                                                                            |
|-------------|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Short-term  | 0-3 years<br>2024-27 | Aligned to our scope 3 supplier engagement target for 70% of the IQVIA Group's suppliers by emissions to have set their own SBTs by 2027.                         |
| Medium-term | 6 years<br>2030      | Aligned to our interim group-wide science-based target (SBT), which is to reduce scope 1 and 2, and scope 3 business travel, emissions by 55% from the base year. |
| Long-term   | 26 years<br>2050     | Aligned to our group-wide SBT, which is to reduce scope 1, 2 and 3 emissions by 90%.                                                                              |

The analysis has used data from a range of sources, with risks assessed both quantitatively and qualitatively. Physical risk analysis was conducted quantitatively by assessing the exposure of the company's sites and the registered office sites of the company's subsidiaries to a range of climate outcomes.

Scenario analysis was conducted over two scenarios that depict contrasting climate change pathways – Representative Concentration Pathway (RCP) 2.6 and RCP 8.5 – which were aligned with the Intergovernmental Panel on Climate Change (IPCC) Shared Socio-Economic Pathways (SSPs) to understand how various socio-economic factors could influence risks in future. These have been outlined in the table below.

| Scenario     | Temperature Rise<br>Post 2100 | Description                                                                                                                                                                                                                                                                                                                |
|--------------|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| SSP1 RCP 2.6 | Below 2°C                     | There is a significant reduction in emissions, with the aim of limiting global warming. This is achieved through stringent environmental legislation, increased use of sustainable energy sources, high stakeholder pressure regarding sustainability, and rapid technological advancements supporting decarbonisation.    |
| SSP5 RCP 8.5 | Above 4°C                     | There is a continuation of current emissions trends without significant mitigation efforts. The future involves very high greenhouse gas emissions, leading to severe global warming. The global economy grows quickly with energy-intensive lifestyles, strong globalisation and weak international climate regulations.. |

## IQVIA Ltd.

### Directors' Report for the Year Ended 31 December 2023 (continued)

#### *Our risks and opportunities*

The results of the physical and transition risk analysis, as well as mitigating actions that are in place in response to these, are outlined below.

| <b>Risk</b>                                                | <b>Below 2°C</b>                                                                                                                                                                                                                                                                                  | <b>Above 4°C</b>                                                                                                                                                                                                                                                                                           | <b>Our response</b>                                                                                                                                                                                                                                                                                                                                                                                                            |
|------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Physical risks</b>                                      |                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Increased frequency of flooding</b>                     | Some of our subsidiaries, particularly those in Europe, will be exposed to risk of flooding. This will be highest in the long term. Flooding could result in changes to operational capacity limits due to disruptions or delays. Costs would be incremental based on the duration of disruption. | In the long term, our exposure to high impact flooding increases significantly compared to the medium term. High impact flooding could result in damage to infrastructure or physical assets. There may be costs associated with replacement of assets as well as operational capacity limits.             | We have many tools and systems in place to monitor, assess, mitigate and respond to chronic and acute physical risks. We have playbooks at both an enterprise and facility level, and business continuity and disaster resilience plans, all of which support impact mitigation should an event occur.                                                                                                                         |
| <b>Medium risk</b>                                         |                                                                                                                                                                                                                                                                                                   | <b>High impact</b>                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Medium-long term                                           |                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Medium impact</b>                                       |                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Increased frequency of extreme heat and overheating</b> | Some of our Asian subsidiaries will be exposed to higher risk of extreme heat events. Increased use of cooling may be required to maintain worker productivity and manufacturing compliance standards. Exposure is higher in the long term but is still low overall.                              | Global subsidiaries face increased exposure to extreme heat. This may cause fluctuations in the cost and security of energy supply due to higher demands for energy for cooling. Direct operating costs could increase, particularly for subsidiaries that operate labs, which are energy-intensive sites. | We have invested in a third party data collection tool to capture and monitor energy use, which covers use of electricity, natural gas and diesel. The tool works in real-time facilitating continuous quality assurance and flagging abnormal consumptions to allow corrective actions to be taken. Labs, data centres and offices with critical operations all have access to systems that provide power in case of outages. |
| <b>Medium risk</b>                                         |                                                                                                                                                                                                                                                                                                   | <b>Medium impact</b>                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Medium-long term                                           |                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Low impact</b>                                          |                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                |

## IQVIA Ltd.

### Directors' Report for the Year Ended 31 December 2023 (continued)

|                                                                                       |                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                    |
|---------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Transition risks</b>                                                               | As the world shifts to a more sustainable path, customers are likely to have ambitious climate goals to align to governmental policies and consumer demands. If we are unable to provide information on our climate-related activities, we risk losing business. | Climate-related demands will be less common and extensive. Revenue will not be affected by customer demand for climate action.                                                                        | ESG is a key component of our long-term strategy, and we made significant climate-related commitments in 2023, including developing emission reduction Science-Based targets (SBTs) which were validated by the SBT Initiative (SBTi). We are members of the UN Global Compact, to publicly signal our commitment to incorporate sustainability across our business.                                               |
| <b>Increased customer demands for partners with aligned climate targets and goals</b> |                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Low risk</b>                                                                       |                                                                                                                                                                                                                                                                  | <b>Low impact</b>                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Short-medium term                                                                     |                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                    |
|                                                                                       | <b>Medium impact</b>                                                                                                                                                                                                                                             |                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Additional unforeseen regulation</b>                                               | Swift implementation of new climate-related laws and regulations may require us to incur significant additional costs to comply. If we fail to comply, our reputation could be adversely impacted.                                                               | As the risk of extreme weather events becomes greater in the medium and long term, laws and regulations may be introduced to mitigate their impacts on infrastructure and employee health and safety. | IQVIA Group has developed a net zero goal, strategy and roadmap, and has defined governance structures in place to support delivery. We believe progress toward this goal will mitigate risk of unexpected climate-related regulation having a negative impact on the Company. The ESG team also regularly engages with legal entities globally for support in understanding and complying with local regulations. |
| <b>Low risk</b>                                                                       |                                                                                                                                                                                                                                                                  | <b>Low impact</b>                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Short-long term                                                                       |                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                    |
|                                                                                       | <b>Medium impact</b>                                                                                                                                                                                                                                             |                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                    |

#### Opportunities

We believe that climate change not only poses risks to the business, but also opportunities. As an organisation with an ambitious climate strategy, we feel well placed to take advantage of these opportunities, leveraging support from the IQVIA Group to access new markets and adopt more efficient processes. The table below represents the significant climate-related opportunities for our business, and our response to capitalise on them.

| Opportunity                                                              | Description                                                                                                                                                                                                                 | Our response                                                                                                                                                                                                                                |
|--------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Increased demand for products and services due to a warming world</b> | As chronic physical impacts increasingly affect human health in a warming world, the healthcare industry has more need to develop treatments, which can result in increased demand for IQVIA Group's products and services. | The IQVIA Group runs clinical trials focusing on a range of therapeutic areas and diseases including climate-related diseases, and supports our customers to continue their important research in treating patients and driving innovation. |
| Medium Opportunity                                                       |                                                                                                                                                                                                                             |                                                                                                                                                                                                                                             |
| Long-term                                                                |                                                                                                                                                                                                                             |                                                                                                                                                                                                                                             |

## IQVIA Ltd.

### Directors' Report for the Year Ended 31 December 2023 (continued)

|                                                                                                                                  |                                                                                                                                               |                                                                                                                                                                                                                                                                                       |
|----------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Increased customer demands for partners with aligned climate targets and goals</b><br>Medium opportunity<br>Short-medium term | Customer demands for climate action that mirror their own ambitions can result in sustained or increased business.                            | We have completed our fourth annual IQVIA Group corporate inventory of scope 1, 2 and 3 emissions. We have validated SBTs and will report on our progress toward these each year.                                                                                                     |
| <b>Resource efficiency</b><br>Medium opportunity<br>Short-term                                                                   | Reducing resource consumption, such as consumption of energy and fuels, can reduce costs and protect against increasing regulation and taxes. | We have implemented a hybrid work practice, which has reduced the energy consumed by our office facilities and overall fuel consumed through business travel and employee commuting. Our global real estate and facilities group continues to assess potential office consolidations. |

#### Impact on strategy of a Below 2°C scenario

If the world progresses toward a low-carbon economy, the increase in climate policies, regulations and customer demands for partners with products and policies that are aligned to their own climate ambitions will pose the most significant risk for the company. The adoption of new laws and regulations may require us to incur additional costs to comply, including the implementation of significant additional internal controls processes and procedures regarding matters that have not been subject to such controls in the past. If we are not effective in addressing environmental matters affecting our business, or setting and meeting relevant sustainability goals, our reputation and financial results may suffer.

The company and its subsidiaries benefit from the IQVIA Group's robust sustainability strategy and emission reduction targets, which we believe mitigate the impacts of these transition risks. The IQVIA Group's emission reduction targets are science-based and were validated by the SBTi in October 2023, signalling our commitment to combatting climate change. Our targets also align with the UK Government's net zero goals, reducing the risk of additional climate-related regulation resulting in high costs to comply.

Physical climate risks do pose a threat to sites operated by our subsidiaries, particularly the threat of flooding events, which could result in workers being unable to access sites and cause a loss of operational capacity for the duration of the event. We have already implemented hybrid working practices across many of our sites, lowering the risk of such disruptions. However, disruptions may still occur where hybrid work is not an option (for example, at labs operated by our subsidiaries), or where employees themselves are affected. We utilise a risk tool to support the identification of threats and vulnerabilities to our local environments and will continue to monitor these risks.

#### Impact on strategy of an Above 4°C scenario

The most significant risks in this scenario relate to adverse weather events in the long term, specifically flooding and extreme heat. The company itself has very few sites, does not directly operate any labs, and has few, short-leased data centres. We therefore do not have high levels of exposure to flooding and extreme heat. However, some of our subsidiaries will be exposed to these events. Flooding could impact infrastructure and physical assets, while extreme heat could result in reduced worker productivity and increased energy costs and insecurity due to high energy demands. Both could cause losses in revenues and additional costs to maintain or resume operations.

To address these risks, the IQVIA Group has developed an Executive Summary for Business Continuity and Disaster Recovery which we use to monitor, assess, deploy and communicate strategies to minimise impact. We have Facility Business Continuity Plans that are designed to ensure operating continuity at our various facilities. Our Global Emergency Notification system is set up to notify all employees in the case of an event. We also have a Disaster Recovery Plan, which is reviewed and updated annually. All our mission and business critical systems and data assets are covered by restoration procedures and backed up.

We have invested in a third party data collection tool to capture and monitor energy use. This will support us to identify fluctuations in energy consumption at specific sites, and sites that are experiencing overheating and may therefore require increased cooling capacity to cover periods of extreme heat.

## IQVIA Ltd.

### Directors' Report for the Year Ended 31 December 2023 (continued)

#### Metrics and targets

As part of managing key climate risks and taking advantage of opportunities, the IQVIA Board instructed the development of emission reduction targets and a net zero roadmap, including action plans to achieve the targets. The roadmap has been developed at the IQVIA Group level, and all progress will also be tracked at this level.

By taking steps to reduce our climate impact, we not only contribute to lower levels of warming and therefore reduced physical risks, but we also prepare ourselves to meet changing customer demands and to mitigate exposure to unforeseen regulatory requirements associated with the transition to a low-carbon world. The IQVIA Group's net zero roadmap therefore supports the company to manage our climate-related risks and to realise climate-related opportunities.

The IQVIA Group also collaborates with non-profit My Green Lab (MGL) to reduce the environmental impact of its labs, which are energy-intensive sites. MGL certification is considered the industry gold standard for sustainability practices in scientific labs, involving reduction of environmental impacts across categories such as energy, water and waste. A Scotland-based lab operated by one of the company's subsidiaries achieved MGL certification in 2022, and twelve additional IQVIA Group labs achieved certification in 2023.

We disclose the company's carbon emissions through our Streamlined Energy and Carbon Reporting (SECR), which can be found on page 18 of this report and describes the calculations that have been performed to report on emissions. This is one of the key performance indicators that we use to track our progress toward our group-level emission reduction targets, which are outlined below. We report only on emissions for the company and not our subsidiaries. However, the emissions of subsidiaries are included in overall group emissions and were taken into consideration when developing the net zero roadmap.

The table below highlights the key climate-related targets that are relevant to managing our climate-related risks and taking advantage of the opportunities. Targets and progress toward them are set and tracked at the IQVIA Group level.

| Target area                       | Target                                                                                                                                                                                                                                                                                                                                                     | Progress                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Science-based emissions reduction | <ul style="list-style-type: none"> <li>• Scope 1 &amp; 2 — 55% absolute reduction of emissions by 2030 from a 2019 baseline</li> <li>• Scope 3 Business Travel — 55% absolute reduction per FTE by 2030 from a 2019 baseline</li> <li>• Net Zero by 2050 – Scope 1, 2, and 3 — 90% absolute reduction of emissions by 2050 from a 2019 baseline</li> </ul> | <p>Scope 1 and 2:</p> <ul style="list-style-type: none"> <li>• Increase in IQVIA Group emissions from 2021 to 2022 due to addition of new sites and return to standard operating levels during the year</li> <li>• 6% increase in company emissions from 2022 to 2023</li> </ul> <p>Scope 3:</p> <ul style="list-style-type: none"> <li>• 31% decrease in IQVIA Group emissions from 2021 to 2022, largely due to reductions in emissions from purchased goods and services, capital goods, and transport and distribution</li> <li>• 22% decrease in company business travel emissions from 2022 to 2023</li> </ul> |
|                                   | <ul style="list-style-type: none"> <li>• 70% of our suppliers by emissions to have their own SBTs set by 2027</li> </ul>                                                                                                                                                                                                                                   | <ul style="list-style-type: none"> <li>• 33% of the IQVIA Group's in-scope suppliers have or have committed to SBTs</li> <li>• The IQVIA Group has engaged with 100 suppliers – representing 47% of supplier emissions – in targeted conversations about ESG</li> </ul>                                                                                                                                                                                                                                                                                                                                              |
| Supplier engagement               |                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

## IQVIA Ltd.

### Directors' Report for the Year Ended 31 December 2023 (continued)

#### Carbon emissions report

As IQVIA Ltd. is classified as a large unquoted company under the definitions set in Section 465 and 466, Chapter 15 of Companies Act 2006, it needs to comply with the government legislation implemented by The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") on Streamlined Energy and Carbon Reporting (SECR).

To fulfil this, we have measured our UK energy and greenhouse gas emissions as classified within Scope 1, Scope 2 and mandatory element of Scope 3 of the Streamlined Energy and Carbon Reporting (SECR) regulations, which are presented in tables 1, 2 and 3 as these are material to our organisation's activities.

#### Organisational and operational boundaries of the company

IQVIA Ltd.'s structural and operational boundaries are the same. The company operates from six sites within UK. The company is not directly responsible for purchasing the energy. Therefore, electricity and gas consumption for all six offices is billed via the service charge.

#### Environmental Performance

IQVIA Ltd. decided to follow and adapt, for SECR reporting, a widely recognised Greenhouse Gas Reporting Protocol - Corporate Standard methodology. As at 31 December 2023 the company's energy usage and associated carbon emissions for the year, 1 January to 31 December 2023 were as follows:

**Table 1 Total energy consumption and associated greenhouse gas emissions from Scope 1, 2 and 3 for SECR Year 2023**

| Name and description        | Energy Use (kWh) | % Split (kWh)  | Emissions (tCO <sub>2</sub> e/yr.) | % Split (tCO <sub>2</sub> e) |
|-----------------------------|------------------|----------------|------------------------------------|------------------------------|
| Combustion of Gas (Scope 1) | 875,535          | 35.66%         | 160.2                              | 31.38%                       |
| Electricity (Scope 2)       | 892,369          | 36.34%         | 184.8                              | 36.21%                       |
| Transport (Scope 1 and 3)   | 687,441          | 28.00%         | 165.4                              | 32.41%                       |
|                             | <u>2,455,345</u> | <u>100.00%</u> | <u>510.4</u>                       | <u>100.00%</u>               |

Note: Columns may not always add up due to rounding of numbers.

#### Historical data – energy trend

The tables and graphs below show energy and GHG emissions for the current SECR Year 4 reporting period as well as for the baseline year, (SECR Year 1 reporting period), SECR Year 2 and SECR Year 3 energy and GHG emissions.

**Table 2: Energy Use – 5-year trend**

| Energy Type:                      | Energy Use – 5-year trend (kwh) |                  |                  |                  |
|-----------------------------------|---------------------------------|------------------|------------------|------------------|
|                                   | Baseline Year- (SECR Year 1)    | SECR Year 2      | SECR Year 3      | SECR Year 4      |
|                                   | 2020                            | 2021             | 2022             | 2023             |
| Combustion of Gas (Scope 1)       | 1,024,918                       | 885,477          | 841,254          | 875,535          |
| Electricity (Scope 2)             | 1,044,516                       | 885,477          | 855,156          | 892,369          |
| Transport (Scope 1 & 3)           | 336,630                         | 438,192          | 700,943          | 687,441          |
| <b>Total (Scope 1, 2 &amp; 3)</b> | <u>2,406,064</u>                | <u>2,209,145</u> | <u>2,397,353</u> | <u>2,455,346</u> |

**Table 3: GHG emissions – 5-year trend**



# IQVIA Ltd.

## Directors' Report for the Year Ended 31 December 2023 (continued)

| Energy Type:                      | Energy Use – 5-year trend<br>(tCO <sub>2</sub> e/yr.) |                |                |                |
|-----------------------------------|-------------------------------------------------------|----------------|----------------|----------------|
|                                   | Baseline Year-<br>(SECR Year 1)                       | SECR<br>Year 2 | SECR<br>Year 3 | SECR<br>Year 4 |
|                                   | 2020                                                  | 2021           | 2022           | 2023           |
| Combustion of Gas (Scope 1)       | 188.5                                                 | 163.3          | 153.5          | 160.2          |
| Electricity (Scope 2)             | 243.5                                                 | 188.0          | 165.4          | 184.8          |
| Transport (Scope 1 & 3)           | 79.4                                                  | 107.7          | 171.8          | 165.4          |
| <b>Total (Scope 1, 2 &amp; 3)</b> | <b>511.4</b>                                          | <b>459.0</b>   | <b>490.7</b>   | <b>510.4</b>   |

### Intensity ratio

Intensity ratios compare emissions data with an appropriate business metric or financial indicator. This allows a comparison of energy efficiency performance over time and with other similar types of organisations.

IQVIA chose to compare overall energy consumption and associated emissions against the annual turnover figure and the total number of full-time equivalent employees in the base year (2020) and this has been repeated for the 2021, 2022 and 2023 fiscal years, which is the Company SECR Year 2, 3 and 4 reporting periods respectively. The historic SECR energy performance and employee intensity ratios are presented below to show IQVIA intensity ratio trend.

**Table 2 Intensity Ratio - Energy consumption and associated greenhouse gas emissions per £100,000 of annual turnover**

| Reporting Year | Total Energy<br>Consumption<br>(kWh) | Total GHG<br>emissions<br>(tCO <sub>2</sub> e) | Annual<br>turnover<br>(£) | Intensity<br>Ratio<br>(kWh/<br>£100,000 of<br>turnover) | Intensity<br>Ratio<br>(tCO <sub>2</sub> e/ per<br>£100,000 of<br>turnover) |
|----------------|--------------------------------------|------------------------------------------------|---------------------------|---------------------------------------------------------|----------------------------------------------------------------------------|
| SECR Year 2020 | 2,406,064                            | 511.40                                         | 1,880,446,971             | 127.95                                                  | 0.027                                                                      |
| SECR Year 2021 | 2,209,145                            | 458.97                                         | 2,139,115,632             | 103.27                                                  | 0.021                                                                      |
| SECR Year 2022 | 2,397,353                            | 490.75                                         | 2,491,900,040             | 96.21                                                   | 0.020                                                                      |
| SECR Year 2023 | 2,455,345                            | 510.36                                         | 2,752,678,161             | 89.20                                                   | 0.019                                                                      |

**Table 3 Intensity Ratio - Energy consumption and associated GHG emissions per the number of full-time employees**

| Reporting Year | Total Energy<br>Consumption<br>(kWh) | Total GHG<br>emissions<br>(tCO <sub>2</sub> e) | Number of<br>FTE<br>Employees<br>(-) | Intensity<br>Ratio<br>(kWh/ FTE<br>Employees) | Intensity<br>Ratio<br>(tCO <sub>2</sub> e/ FTE<br>Employees) |
|----------------|--------------------------------------|------------------------------------------------|--------------------------------------|-----------------------------------------------|--------------------------------------------------------------|
| SECR Year 2020 | 2,406,064                            | 511.40                                         | 2,834                                | 849.00                                        | 0.180                                                        |
| SECR Year 2021 | 2,209,145                            | 458.97                                         | 3,161                                | 698.88                                        | 0.145                                                        |
| SECR Year 2022 | 2,397,353                            | 490.75                                         | 3,389                                | 707.18                                        | 0.145                                                        |
| SECR Year 2023 | 2,455,345                            | 510.36                                         | 3,615                                | 679.20                                        | 0.141                                                        |

The figures indicate that since 2020, turnover has risen by almost 30%, whereas the increase in energy consumption has been considerably smaller. The turnover intensity ratio in the base year may be distorted due the Covid 19 pandemic. The turnover intensity ratios have been similar for the last three years

At the same time, the number of FTE employees has increased significantly and this has led to an increase in energy consumption, The net result is a small change in the employee intensity ratios over the last three years.

Energy intensity ratios are calculated and presented as advised by ESNZ recommendations.

## IQVIA Ltd.

### Directors' Report for the Year Ended 31 December 2023 (continued)

#### **Energy Efficiency Actions**

In 2023, IQVIA Limited's parent company, IQVIA Inc., interviewed senior staff and managers to identify opportunities for reducing greenhouse gas emissions. IQVIA Inc. also engaged with 100 suppliers in targeted conversations about Environment, Social and Governance (ESG) in order to set science-based targets. These insights informed IQVIA's net zero roadmap, our long-term emissions reduction plan to achieve net zero emissions by 2050.

In October 2023, the Science-Based Targets initiative (SBTi) validated our GHG emissions reduction targets. IQVIA Inc's approach is aligned with SBTi guidance, which is currently recognised as the global gold standard for corporate emissions reduction targets.

#### **Methodology**

The methodology used for determining energy and carbon emissions originates from a number of sources of greenhouse emissions:

- Natural gas used for building heating and domestic hot water (Scope 1)
- Electricity used for lighting, heating, ventilation and air conditioning (HVAC), and the operation of office equipment (Scope 2)
- Transport activities (Scope 1 and Scope 3)

We do not have direct responsibility for the energy use within our sites, and hence gas and electricity consumption are paid within the service charge, and therefore the energy has been estimated. The calculations are based on the occupied office floor area and Department for Business, Energy and Industrial Strategy "Building Energy Efficiency Survey: Office sector, 2014-15" energy benchmarks (private sector offices median for electrical and non-electrical energy intensities of 88 and 88 kWh/m<sup>2</sup> respectively) were used.

Transport emissions were determined from the mileage travelled on business in company cars broken down by engine size and fuel type. Engine size was used to classify the cars in to small, medium and large by fuel type in order to convert the mileage into carbon dioxide equivalent emissions. Transport emissions from personal cars (grey fleet) assuming an average car and unknown fuel conversion factors. This information was obtained through the company's expense claim system.

GHG emissions have been calculated using the UK Government approved and published conversion factors for company reporting, 2023.

**Table 6 – Energy and Carbon Conversion Factors, gas, electricity and company car**

| Activity                  | Fuel            | Unit | Year | kgCO <sub>2</sub> e |
|---------------------------|-----------------|------|------|---------------------|
| Combustion of Gas         | Natural Gas     | kWh  | 2023 | 0.20707             |
| Grid supplied electricity | Electricity: UK | kWh  | 2023 | 0.18293             |

| Fuel        | Car size | Conversion factor (kg/ mile) | Conversion factor (kWh/mile) |
|-------------|----------|------------------------------|------------------------------|
| Diesel      | Small    | 0.2242                       | 0.88329                      |
| Diesel      | Medium   | 0.26902                      | 1.062                        |
| Diesel      | Large    | 0.3357                       | 1.32794                      |
| Petrol      | Small    | 0.2266                       | 0.97028                      |
| Petrol      | Medium   | 0.28676                      | 1.22913                      |
| Petrol      | Large    | 0.43812                      | 1.88037                      |
| Average car |          | 0.275805                     | 0.26817                      |

#### **Directors' liabilities**

Qualifying third party indemnity provisions (as defined in the Companies Act 2006) are in force for the benefit of Directors and former Directors who held office during 2023 and up to the approval and signature of the Annual Report.

## **IQVIA Ltd.**

### **Directors' Report for the Year Ended 31 December 2023 (continued)**

#### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Accounting Standards United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

#### **Matters covered in the Strategic report**

Disclosure of the company's Financial Risk Management is provided in the Strategic report.

#### **Important non adjusting events after the financial year**

The post balance sheet events are disclosed in note 32 of the financial statements.

#### **Disclosure of information to the auditors**

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

#### **Reappointment of auditors**

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of PricewaterhouseCoopers LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

#### **Corporate governance**

For the year ended 31 December 2023, the Company has applied the Wates Corporate Governance Principles for Large Private Companies (published by the Financial Reporting Council ('FRC') in December 2018 and available on the FRC website) to meet its corporate governance reporting requirements under The Companies (Miscellaneous Reporting) Regulations 2018. The Directors set out below how the Company has applied the principles over the past year.

#### **Wates Principles**

##### **Principle 1 - Purpose and leadership**

The Company's vision is to deploy disruptive technology and scientific innovation to help customers and key stakeholders advance healthcare and improve patient outcomes. Our solutions help customers innovate with confidence, maximise opportunities and, ultimately, drive healthcare forward.

## **IQVIA Ltd.**

### **Directors' Report for the Year Ended 31 December 2023 (continued)**

We support the life sciences industry across the full product lifecycle, from molecule to market. Together with our life sciences and National Health Service (NHS) customers, we aim to enable a more modern, effective healthcare system, and to create breakthrough solutions that transform patient outcomes.

The Directors promote the Company's vision to all employees by integrating this into our internal documentation, such as our Code of Conduct, which our employees are required to periodically review.

The Board of Directors (Board) is committed to maximising long-term stakeholder value while supporting management in the business and operations of the Company, observing ethical standards, and adhering to the laws of the jurisdictions within which the Company operates.

The primary responsibility of the Board is to exercise its business judgement to act in what it reasonably believes to be the best interests of the Company and its key stakeholders.

#### **Principle 2 - Board composition**

As a subsidiary undertaking of IQVIA, the Company benefits from the wealth of experience of IQVIA's larger Board. The guidance from IQVIA allows the Company to function with a reduced size of Board. During the 2023 year, the Company had four directors, however an additional director was appointed at the end of the year. The Company considers this to be an appropriate balance of expertise and effective decision-making for efficiently delivering the Company's vision.

The composition of the Board is designed to ensure clear accountability for the management of the business and oversight of the management team, and brings together deep experience of the sector and other financial based experience.

During 2023, the Board was comprised of: a Tax Director; a VP of Finance (a senior VP of Business Operations) who is responsible for operational effectiveness across IQVIA; a senior VP & General Manager of North Europe, who is responsible for the commercial operations within Northern Europe; a VP of RDS Applied Data Science; and a VP for Global Site Activation. The Directors are experienced business leaders with multiple directorships.

We are conscious of the diversity of our Board, however we are committed to making appointments based solely on merit, without any discrimination relating to age, gender, race, or any other matter that has no bearing on an individual's ability to fulfil the role of Director. Our Board benefits from the differing backgrounds and experience of our Directors, who bring different approaches, ideas and diversity of thought.

For example, as can be seen above our current directors each bring a different perspective, reflecting their diverse backgrounds in operations, finance and compliance. In this context, we consider our Board is appropriately balanced to undertake its functions effectively.

#### **Principle 3 - Director responsibilities**

The Board holds frequent meetings, which are on an ad-hoc basis to give flexibility to allow the Board to meet when it is most necessary. This minimises bureaucracy and focusses the Board to respond appropriately. In 2023, the Board held a total of 17 meetings, which covered a range of purposes that were of strategic and operational importance to the Company, both at the present time, and for the future.

Each meeting is led by the Director with the most experience on the topic under consideration. This helps to ensure meetings are guided effectively.

The Board members are provided with timely management information on a regular basis. This includes information on financial performance, financial forecasts and risk.

During 2023, a key area of focus for the Directors was a corporate reorganisation within the IQVIA group, which has seen the Company acquire the trade and assets of certain fellow group undertakings and also the rationalisation of subsidiaries.

## **IQVIA Ltd.**

### **Directors' Report for the Year Ended 31 December 2023 (continued)**

#### **Principle 4 - Opportunity and risk**

In order to ensure the sustainable long-term success of the business, we must identify both the opportunities which are available to the business and the risks which impact on it.

The key risks to the Company are summarised in the 'principal risks and uncertainties' section of the Strategic Report. Our business is normally very consistent and as such, risks to the Company do not tend to change. Despite this, IQVIA review the risks facing the business on an annual basis to consider whether the identified risks are still applicable. The Directors are also made aware of any significant risks that come to light during the year, either from the Company's service line heads or from the IQVIA Board, and they respond as required in order to mitigate the impact as far as is possible.

The Company consists of multiple service lines, which are each ultimately managed by the IQVIA Board. The Company's Board does not actively monitor or seek opportunities for the Company as this is performed at the IQVIA level. Should the Directors become aware of suitable opportunities for the Company and wider business to pursue, such opportunities will be notified to the IQVIA Board for consideration.

The Directors maintain an awareness of opportunities for future developments, and these are explained in the 'business review and future developments' section of our Directors' Report.

#### **Principle 5 - Remuneration**

The Directors of the Company do not receive remuneration directly for their appointments on the Board. They have positions as senior employees within the Company and are remunerated for these roles. Remuneration forms part of the annual appraisal process that all employee and Directors are subject to. Remuneration is set based on the performance of the individual and the performance the Company, and subject to remuneration guidelines that are determined by the Human Resources team and are benchmarked to our competitors.

Certain Directors and other senior employees can participate in IQVIA's share option scheme, allowing them to participate in the success of the Company's and wider Group's business. This helps to ensure that the goals of our key employees and directors are aligned towards our shareholder's requirement for long-term value generation.

All Directors can benefit from the Company's bonus scheme, which is based on the achievement of individual performance objectives and the financial result of the Company. This provides the opportunity for our Directors to share in the success of the Company.

The Company monitors its gender pay gap on an annual basis and reports this in its Gender Pay Gap Report available on the IQVIA website. The Company is committed to providing a culture of inclusion and aims to reflect equality of pay for equal roles.

#### **Principle 6 - Stakeholder relationships and engagement**

We believe that effective communication and acting as a good corporate citizen are essential to deliver our vision and to protect the Company's brand, reputation and relationships with our stakeholders, who include our shareholder, our customers, our employees, our suppliers and the local communities in which we work.

We are committed to running our business in a sustainable way and we believe this helps create long-term shareholder value. We undertake this through the adoption of policies and practices related to sustainable development, including environmental, health and safety; corporate social giving; supporting the human rights of workers; and ethical business practices. Our sustainability programme focuses on three core areas:

- Planet – Making a positive impact on the environments in which we work
- People – Creating a workplace of highly engaged, diverse, safe, and healthy employees
- Public – Engaging consistently and transparently in a manner that inspires participation and demonstrates leadership insustainability

We have set out details on how we engage with our employees and other stakeholders within the 'employee engagement' and 'engagement with other stakeholders' sections of our Directors' Report.

**IQVIA Ltd.**  
**Directors' Report for the Year Ended 31 December 2023 (continued)**

Approved by the board on 12 September 2024 and signed on its behalf by:



.....  
K J Turland  
Director

## **IQVIA Ltd.**

### **Independent auditors' report to the members of IQVIA Ltd.**

#### **Report on the audit of the financial statements**

##### **Opinion**

In our opinion, IQVIA Ltd.'s financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Balance Sheet as at 31 December 2023; the Profit and Loss Account, the Statement of Other Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

##### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to other entities of public interest, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

We have provided no non-audit services to the company or its controlled undertakings in the period under audit.

##### **Conclusions relating to going concern**

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

##### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

## **IQVIA Ltd.**

### **Independent auditors' report to the members of IQVIA Ltd. (continued)**

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

#### **Strategic report and Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

#### **Responsibilities for the financial statements and the audit**

##### **Responsibilities of the directors for the financial statements**

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

##### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to direct and indirect tax laws relevant to the company's operations and Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management and those charged with governance with regard to consideration of known instances of non-compliance with laws and regulations or fraud
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations or fraud
- Reading minutes of meetings of those charged with governance
- Evaluation of management's controls designed to prevent and detect irregularities
- Reading financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations



## **IQVIA Ltd.**

### **Independent auditors' report to the members of IQVIA Ltd. (continued)**

- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, testing accounting estimates such as those relating to costs to complete for revenue recognition in fixed-price revenue contracts and evaluating the business rationale of significant transactions outside the normal course of business
- Incorporating elements of unpredictability into the audit
- Designing and executing appropriate testing approaches for areas of the audit deemed to be significant audit risks, namely accuracy of revenue recognition on long-term contracts and accuracy of price allocation on contracts with multiple performance obligations, valuation of investments, and valuation of pension plan liabilities
- Assessing the appropriateness of potential contingent liabilities

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### **Use of this report**

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

#### **Other required reporting**

##### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



.....  
David Farmer (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Reading

12 September 2024

**IQVIA Ltd.**  
**Profit and Loss Account for the Year Ended 31 December 2023**

|                                          | Notes | 2023<br>£ 000         | 2022<br>£ 000         |
|------------------------------------------|-------|-----------------------|-----------------------|
| Turnover                                 | 5     | 2,752,678             | 2,491,900             |
| Cost of sales                            |       | <u>(2,270,705)</u>    | <u>(2,033,777)</u>    |
| Gross profit                             |       | 481,973               | 458,123               |
| Administrative expenses                  |       | (203,433)             | (196,375)             |
| Other operating expenses                 |       | <u>(22,699)</u>       | <u>(9,848)</u>        |
| Operating profit                         | 6     | 255,841               | 251,900               |
| Income from shares in group undertakings | 13    | 361,773               | 591,099               |
| Investment impairment                    | 18    | (51,371)              | (401,671)             |
| Interest receivable and similar income   | 10    | 56,600                | 24,651                |
| Interest payable and similar expenses    | 11    | <u>(40,677)</u>       | <u>(66,602)</u>       |
| Profit before tax                        |       | 582,166               | 399,377               |
| Tax on profit                            | 12    | <u>(42,376)</u>       | <u>(36,713)</u>       |
| Profit for the financial year            |       | <u><u>539,790</u></u> | <u><u>362,664</u></u> |

The above results were derived from continuing operations.

The notes on pages 32 to 81 form an integral part of these financial statements.

**IQVIA Ltd.**

**Statement of Other Comprehensive Income for the Year Ended 31 December 2023**

|                                                                      | Notes | 2023<br>£ 000 | 2022<br>£ 000 |
|----------------------------------------------------------------------|-------|---------------|---------------|
| Profit for the financial year                                        |       | 539,790       | 362,664       |
| <b>Items that will not be reclassified to profit or loss</b>         |       |               |               |
| Actuarial (loss)/gain on pension scheme                              | 19    | (4,398)       | 2,739         |
| Current tax on pension scheme                                        |       | (407)         | 3,211         |
|                                                                      |       | (4,805)       | 5,950         |
| <b>Items that may be subsequently reclassified to profit or loss</b> |       |               |               |
| Gain on cash flow hedges                                             | 4     | 2,065         | 1,722         |
| Current tax relating to cash flow hedge                              |       | (516)         | 431           |
|                                                                      |       | 1,549         | 2,153         |
| Total comprehensive income for the year                              |       | 536,534       | 370,767       |

The above results were derived from continuing operations.

The notes on pages 32 to 81 form an integral part of these financial statements.

**IQVIA Ltd.**  
**Balance Sheet as at 31 December 2023**

|                                                                | Note | 2023<br>£ 000    | 2022<br>£ 000    |
|----------------------------------------------------------------|------|------------------|------------------|
| <b>Fixed assets</b>                                            |      |                  |                  |
| Intangible assets                                              | 14   | 23,929           | 18,509           |
| Tangible assets                                                | 15   | 12,550           | 13,407           |
| Right of use assets                                            | 16   | 12,626           | 12,298           |
| Investments                                                    | 18   | 4,078,502        | 4,088,286        |
| Pension assets                                                 | 19   | 37,223           | 35,630           |
|                                                                |      | <u>4,164,830</u> | <u>4,168,130</u> |
| <b>Non current assets</b>                                      |      |                  |                  |
| Debtors: amounts falling due after more than one year          | 21   | <u>944,264</u>   | <u>-</u>         |
| <b>Current assets</b>                                          |      |                  |                  |
| Stock                                                          | 20   | 95               | 95               |
| Trade and other debtors                                        | 21   | 741,861          | 1,531,478        |
| Cash at bank and in hand                                       |      | 22,203           | 22,190           |
| Contract assets                                                | 5    | <u>265,408</u>   | <u>263,434</u>   |
|                                                                |      | 1,029,567        | 1,817,197        |
| <b>Creditors: Amounts falling due within one year</b>          | 22   | (1,163,889)      | (1,143,450)      |
| Contract liabilities                                           | 5    | <u>(358,175)</u> | <u>(333,932)</u> |
| <b>Net current (liabilities)/assets</b>                        |      | <u>(492,497)</u> | <u>339,815</u>   |
| <b>Total assets less current liabilities</b>                   |      | 4,616,597        | 4,507,945        |
| <b>Creditors: Amounts falling due after more than one year</b> | 23   | (887,609)        | (23,862)         |
| <b>Provisions for liabilities</b>                              | 24   | <u>(15,920)</u>  | <u>(12,851)</u>  |
| <b>Net assets</b>                                              |      | <u>3,713,068</u> | <u>4,471,232</u> |
| <b>Capital and reserves</b>                                    |      |                  |                  |
| Called up share capital                                        | 25   | 2,996,958        | 2,996,958        |
| Share premium account                                          |      | -                | 512,508          |
| Other reserves                                                 | 27   | (136,131)        | (121,144)        |
| Retained earnings                                              |      | <u>852,241</u>   | <u>1,082,910</u> |
| Shareholders' funds                                            |      | <u>3,713,068</u> | <u>4,471,232</u> |

The notes on pages 32 to 81 form an integral part of these financial statements.

The financial statements on pages 28 to 81 were authorised for issue by the board of directors on 12 September 2024 and were signed on its behalf.



.....  
K J Turland

Director

IQVIA Ltd.

Company registration number: 03022416

**IQVIA Ltd.**

**Statement of Changes in Equity for the Year Ended 31 December 2023**

|                                                                    | Notes | <b>Called up<br/>share capital<br/>£ 000</b> | <b>Share<br/>premium<br/>account<br/>£ 000</b> | <b>Other<br/>reserves<br/>£ 000</b> | <b>Retained<br/>earnings<br/>£ 000</b> | <b>Total<br/>£ 000</b> |
|--------------------------------------------------------------------|-------|----------------------------------------------|------------------------------------------------|-------------------------------------|----------------------------------------|------------------------|
| At 1 January 2023                                                  |       | 2,996,958                                    | 512,508                                        | (121,144)                           | 1,082,910                              | 4,471,232              |
| Profit for the year                                                |       | -                                            | -                                              | -                                   | 539,790                                | 539,790                |
| Other comprehensive expense                                        |       | -                                            | -                                              | -                                   | (3,256)                                | (3,256)                |
| Total comprehensive income                                         |       | -                                            | -                                              | -                                   | 536,534                                | 536,534                |
| Dividends                                                          | 26    | -                                            | -                                              | -                                   | (1,276,562)                            | (1,276,562)            |
| Other share premium reserve movements                              | 25    | -                                            | (512,508)                                      | -                                   | 512,508                                | -                      |
| Credit relating to equity-settled share-based payments             | 28    | -                                            | -                                              | -                                   | 20,945                                 | 20,945                 |
| Excess charge from parent for equity-settled shared based payments |       | -                                            | -                                              | -                                   | (31,495)                               | (31,495)               |
| Tax credit relating to share option                                |       | -                                            | -                                              | -                                   | 7,401                                  | 7,401                  |
| Investment merger                                                  | 27    | -                                            | -                                              | (14,987)                            | -                                      | (14,987)               |
| At 31 December 2023                                                |       | <u>2,996,958</u>                             | <u>-</u>                                       | <u>(136,131)</u>                    | <u>852,241</u>                         | <u>3,713,068</u>       |

The notes on pages 32 to 81 form an integral part of these financial statements.

|                                                                    | Notes | <b>Called up<br/>share capital<br/>£ 000</b> | <b>Share<br/>premium<br/>account<br/>£ 000</b> | <b>Other<br/>reserves<br/>£ 000</b> | <b>Retained<br/>earnings<br/>£ 000</b> | <b>Total<br/>£ 000</b> |
|--------------------------------------------------------------------|-------|----------------------------------------------|------------------------------------------------|-------------------------------------|----------------------------------------|------------------------|
| At 1 January 2022                                                  |       | 2,996,958                                    | 512,508                                        | (116,856)                           | 714,591                                | 4,107,201              |
| Profit for the year                                                |       | -                                            | -                                              | -                                   | 362,664                                | 362,664                |
| Other comprehensive expense                                        |       | -                                            | -                                              | -                                   | 8,103                                  | 8,103                  |
| Total comprehensive income                                         |       | -                                            | -                                              | -                                   | 370,767                                | 370,767                |
| Credit relating to equity-settled share-based payments             | 28    | -                                            | -                                              | -                                   | 20,769                                 | 20,769                 |
| Excess charge from parent for equity-settled shared based payments |       | -                                            | -                                              | -                                   | (24,672)                               | (24,672)               |
| Tax credit relating to share option                                |       | -                                            | -                                              | -                                   | 4,687                                  | 4,687                  |
| Deferred tax on share option                                       | 12    | -                                            | -                                              | -                                   | (3,232)                                | (3,232)                |
| Investment merger                                                  | 27    | -                                            | -                                              | (4,288)                             | -                                      | (4,288)                |
| At 31 December 2022                                                |       | <u>2,996,958</u>                             | <u>512,508</u>                                 | <u>(121,144)</u>                    | <u>1,082,910</u>                       | <u>4,471,232</u>       |

## **IQVIA Ltd.**

### **Notes to the Financial Statements for the Year Ended 31 December 2023**

#### **1 General information**

The company's principal activities are the provision of advanced analytics, technology & analytics solutions and research & development services to the life sciences industry.

The company is a private company limited by share capital, incorporated and domiciled in England, UK.

The address of its registered office is:

3 Forbury Place  
23 Forbury Road  
Reading  
Berkshire  
RG1 3JH  
United Kingdom

These financial statements were authorised for issue by the board on 12 September 2024.

#### **2 Accounting policies**

##### **Summary of material accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Basis of preparation**

The financial statements of IQVIA Ltd. have been prepared in accordance with Financial Reporting Standard 101, "Reduced Disclosure Framework" (FRS 101). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of derivative financial assets and financial liabilities measured at fair value through other comprehensive income, and in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

##### **Summary of disclosure exemptions**

In these financial statements, the company has taken advantage of the exemptions available under FRS 101 in respect of the following disclosures:

- Paragraphs 45(b) and 46 to 52 of IFRS 2 - 'Share-based payments' (how the fair value of goods/services received or equity instruments granted was determined and details of the number and weighted average exercise prices of share options).
- IFRS 7 - 'Financial instruments: Disclosures'.
- Paragraphs 91 to 99 of IFRS 13 - 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).

## **IQVIA Ltd.**

### **Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

#### **2 Accounting policies (continued)**

- Paragraph 38 of IAS 1 - 'Presentation of financial statements' (comparative information requirements in respect of):
  - paragraph 79(a)(iv) of IAS 1  
(reconciliation of number of shares at the beginning and end of the period)
  - paragraph 73(e) of IAS 16, 'Property, plant and equipment'  
(reconciliations between the carrying amount at the beginning and end of the period)
  - paragraph 118(e) of IAS 38, 'Intangible assets'  
(reconciliations between the carrying amount at the beginning and end of the period)
- The following paragraphs of IAS 1 - 'Presentation of financial statements' (removing the requirement to present):
  - 10(d) (statement of cash flows);
  - 16 (statement of compliance with all IFRS);
  - 38A (minimum of two primary statements, including cash flow statements);
  - 38B-D (additional comparative information);
  - 111 (cash flow statement information);
  - 134-136 (capital management disclosures)
- IAS 7 - 'Statement of cash flows'.
- Paragraphs 30 and 31 of IAS 8 - 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraph 17 of IAS 24 - 'Related party disclosures' (key management compensation).
- The requirements in IAS 24, 'Related party disclosures' (to disclose related party transactions entered into between two or more members of a group).
- The requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36, 'Impairment of Assets'

#### **Changes in accounting policy**

##### **New standards, interpretations and amendments effective**

The following have been applied for the first time from 1 January 2023 and have had no effect on the financial statements:

IFRS 17 Insurance Contracts

##### **IFRIC Interpretations and new relevant disclosure requirements**

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2023 that have a material impact on the company's financial statements.

None of the other standards, interpretations and amendments effective for the first time from 1 January 2023 have had a material effect on the financial statements.

##### **Exemption from preparing group financial statements**

The company is exempt under Section 401 of the Companies Act from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent, IQVIA Holdings Inc., a company incorporated in USA, which are publicly available. The consolidated financial statements of IQVIA Holdings Inc. may be obtained from the company's website [www.iqvيا.com](http://www.iqvيا.com).

## **IQVIA Ltd.**

### **Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

#### **2 Accounting policies (continued)**

##### **Going concern**

The financial statements have been prepared on a going concern basis.

At the balance sheet date, the company had net current liabilities of £492.5 million (2022: net current assets £339.8 million) and has made a profit in this financial year. The ultimate parent company, IQVIA Holdings Inc., has confirmed that it will continue to provide such financial support as necessary to enable the company to meet its financial obligations as they fall due for a period of at least 12 months from the date of signing of these financial statements. The directors have performed sufficient procedures to satisfy themselves that the group will fulfill the commitment made in the letter of support if required. For this reason, the directors consider it appropriate to prepare the financial statements on the going concern basis.

##### **Foreign currency transactions and balances**

###### **(a) Functional and presentation currency**

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in 'Pounds Sterling', which is also the company's functional currency.

###### **(b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges. All other foreign exchange gains and losses are presented in the profit and loss within 'Other operating expenses'.

##### **Tangible assets**

Property, plant and equipment are stated at historical purchase cost less accumulated depreciation and less any accumulated impairment. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

##### **Depreciation**

Depreciation is calculated to write off the cost of tangible fixed assets, less their residual values, over their expected useful lives using the straight-line basis as follows:

| <b>Asset class</b>           | <b>Depreciation method and rate</b> |
|------------------------------|-------------------------------------|
| Leasehold improvements       | Period of the lease                 |
| Data processing equipment    | 3 years                             |
| Motor vehicles               | 4 years                             |
| Fixtures & fittings          | 3 - 10 years                        |
| Plant, machinery & equipment | 3 - 10 years                        |

The expected useful lives of the assets to the business are reassessed periodically in the light of experience. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial year in which they are incurred. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other operating expenses' in the profit and loss account.



## **IQVIA Ltd.**

### **Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

#### **2 Accounting policies (continued)**

##### **Intangible assets**

Capitalised software licences are carried at acquisition cost less accumulated amortisation, less any accumulated impairment. Computer software development costs which are assets controlled by the entity and from which the entity expects to derive future economic benefits are capitalised. These costs may be acquired externally or generated internally when they are directly attributable to the development of the computer software.

##### **Amortisation**

Computer software maintenance costs are recognised as expenses in the statement of comprehensive income. Computer software licences and development costs are amortised as follows;

##### **Asset class**

Computer software licences and development costs

##### **Amortisation method and rate**

Straight-line over the useful life, not exceeding a period of 7 years

##### **Impairment of non-financial assets**

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). Prior impairments of non-financial assets are reviewed for possible reversal at each reporting date.

##### **Financial instruments**

##### **Classification and measurement**

The company classifies its financial assets in the following categories: at amortised cost, at fair value through other comprehensive income and at fair value through profit or loss. The classification depends on the business model within which the financial asset is held and contractual cash flow characteristics of the financial assets. Management determines the classification of its financial assets at initial recognition.

##### **Financial assets at amortised cost**

A financial asset is measured at amortised cost if it meets both of the following conditions, and is not designated as at fair value through profit or loss:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The company holds several financial assets at amortised cost, as follows:

- Trade receivables;
- Amounts owed by group undertakings;
- Other receivables; and
- Contract assets.

##### **Financial assets at fair value through the profit or loss (FVTPL)**

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. On initial recognition, the company may irrevocably designate a financial asset as at fair value through profit or loss, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

##### **Initial recognition**

Purchases and sales of financial assets are recognised on the trade date – the date on which the company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement.

## **IQVIA Ltd.**

### **Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

#### **2 Accounting policies (continued)**

##### **Subsequent recognition**

###### *Financial assets*

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership.

Financial assets at fair value through profit or loss are subsequently carried at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss, except for derivative financial assets designated as hedging instruments.

Financial assets at amortised cost are subsequently carried at amortised cost using the effective interest method.

Financial assets at fair value through other comprehensive income (except for investment in equity instruments) are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses, and impairment losses are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Investment in equity instruments, if designated as fair value through other comprehensive income, are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in other comprehensive income and are never classified to profit or loss.

##### **Impairment of financial assets**

###### *Measurement of Expected Credit Losses*

The company recognises impairment losses for most financial assets (except for purchased or originated credit-impaired financial assets) on initial recognition at an amount equal to 12-month expected credit losses, which reflect the portion of lifetime cash shortfalls resulting from possible default events within 12 months after the reporting date. However, if there is a significant increase in credit risk since initial recognition, the impairment loss is measured at an amount equal to full lifetime expected credit losses, which reflect the lifetime cash shortfalls resulting from all possible default events over the life of the financial asset.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and informed credit assessment and including forward-looking information.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime expected credit losses.

##### **Investments in subsidiaries**

Investments in subsidiaries are initially recorded at purchase price. Impairment reviews are undertaken if there is an impairment trigger in accordance with IAS 36. When an impairment review is required, discounted future cash flow forecasts, based on financial budgets covering 4 years and include an investment terminal value after 4 years, are carried-out. A provision is made for impairment should this arise from the impairment review.

## **IQVIA Ltd.**

### **Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

#### **2 Accounting policies (continued)**

##### **Derivative financial instruments and hedging activities**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of any derivative instruments are recognised immediately in the statement of comprehensive income within 'other operating expenses' unless the derivative is designated as a hedging instrument. The company has entered into certain derivative contracts for the purpose of hedging activities. Derivatives associated with hedging activities are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting fair value gain or loss depends on the nature of the item being hedged. The company has designated derivatives as hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (i.e. cash flow hedges). The company documents at the inception of the transaction the relationship between hedging instruments and hedged item, as well as its risk management objectives and strategy for undertaking various hedging transactions. The company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in cash flows of hedged items.

##### *Fair value hedges*

The fair values of various derivative instruments used for hedging purposes are disclosed in note 4. Movements on the hedging reserve are shown in the statements of comprehensive income. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining hedged item is more than 12 months, and as a current asset or a liability when the remaining term of the hedged item is less than 12 months.

##### *Cash flow hedges*

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the statement of comprehensive income within 'Other operating expenses'. Amounts accumulated in equity are recycled in the statement of comprehensive income in the year when the hedged item affects profit or loss. The gain or loss relating to the ineffective portion is recognised in the profit and loss account within 'Other operating expenses'.

##### **Stock**

Stock relate to consumables and are stated at the lower of cost and net realisable value. Cost is determined using the first in first out method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

##### **Trade debtors**

Trade and other receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

##### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months.

IQVIA Ltd. is a member of Quintiles Treasury EEIG, a membership formed to facilitate and develop the economic activities of its members by undertaking treasury and administrative services. As part of these services some cash balances are swept regularly to a Group cash facility administered by Quintiles Treasury EEIG. The balances are maintained in separate bank accounts and IQVIA Ltd. is deemed to remain the beneficial owner of the cash balance with the role of Quintiles Treasury EEIG being that of a trustee and as such these balances are disclosed as cash in these financial statements.

## **IQVIA Ltd.**

### **Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

#### **2 Accounting policies (continued)**

##### **Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

##### **Trade creditors**

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

##### **Tax**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. The company has chosen to present a credit relating to the company's Research and Development Expenditure Credit (RDEC) claim in pre-tax profit following the principles of accounting for government grants. The costs on which the RDEC is based are included in Note 6 as research and development expenditure.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; or arise from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

##### **Defined contribution pension obligation**

The company operates two defined contribution pension schemes. One of the defined contribution pension schemes forms part of a hybrid pension plan. As such it is a defined contribution and defined benefit arrangement. Within the defined contribution section there are a selection of members (who hold pre 2004 benefits) with a defined benefit underpin. The company pays contributions to privately administered pension insurance plans on a contractual basis. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

## **IQVIA Ltd.**

### **Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

#### **2 Accounting policies (continued)**

##### **Defined benefit pension obligation**

In addition, the company operates two defined benefit pension schemes for the benefit of a minority of its employees, the assets of which are held separately from those of the company in independently administered funds.

Pension scheme liabilities are measured using the projected unit actuarial method and are discounted at the current rate of return on a high quality corporate bond of equivalent terms and currency to the liability. The increase in the net present value of the liabilities of the company's defined benefit pension scheme expected to arise from employee service in the year is charged to operating profit. The expected return on the schemes' assets and the increase during the year in the present value of the schemes' liabilities arising from the passage of time are included in other finance income. Actuarial gains and losses are recognised in other comprehensive income.

The company is also a member of the IMS (UK) Pension Plan which is a hybrid pension plan. As such it is a defined benefit and a defined contribution arrangement. Within the defined contribution section there are a selection of members (who hold pre 2004 benefits) with a defined benefit underpin. This is a pension plan operated for employees in IQVIA Ltd. Under IAS 19, a DC scheme is any scheme in which the company pays fixed contributions and has no legal or constructive obligation to make further contributions. Any scheme which does not meet the definition of a DC scheme is treated as a Defined Benefit scheme. Accordingly, due to the underpin, an element of this scheme must be treated as a DB scheme and the liabilities have been valued by an actuary.

Pension scheme surpluses, to the extent that they are considered recoverable (in line with IFRS 19), or deficits are recognised in full and presented on the face of the balance sheet net of the related deferred tax. The company has recognised a surplus in respect of the Quintiles Scotland Pension Plan and IMS (UK) Pension Plan on the basis of legal advice taken since under the gradual settlement scenario any surplus would be returned to the employer. See note 19.

##### **Share based payments**

IQVIA Ltd. applies the requirements of IFRS 2 'Share based payments'.

All awards granted under these stock incentive plans to date are subject to service-based vesting. All option awards are exercisable for shares of IQVIA Inc. stock and are nonqualified stock options. Each option will terminate upon the tenth anniversary of the date of the grant.

Each restricted stock unit represents the right to receive one share of IQVIA Inc. stock shortly after vesting. These restricted stock units will settle in shares of our stock within 45 days of the applicable vesting date. The fair values of these options and awards are calculated at their grant dates using a Black-Scholes option pricing model and charged to the income statement over the relevant vesting periods.

When the options are exercised, the company is recharged the options' intrinsic value at exercise by IQVIA Holdings Inc.. This recharge is accounted for as a deduction from shareholders' funds.

##### **Provisions**

Provisions for dilapidations, restructuring costs and legal claims are recognised when; the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Reorganisation provisions comprise employee termination payments. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

## **IQVIA Ltd.**

### **Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

#### **2 Accounting policies (continued)**

##### **Revenue recognition**

###### *Recognition*

The company recognises revenue from the following major sources:

- Clinical services (RDS);
- Integrated health services;
- Technology and analytics solutions (TAS)

###### *Clinical services and Integrated health services*

Revenue from providing clinical services and integrated health services is recognised in the accounting period in which the services are rendered. When operating as a principal in a revenue arrangement, the company recognises revenue as the gross amount to which it expects to be entitled. When acting as an agent, the company recognises revenue as the net amount to which it is entitled to retain in return for its services. The company receives intercompany revenue to compensate for work performed in supporting other territories' contracts in the accounting period in which the services are rendered.

The company incurs a significant amount of costs fulfilling promises on contracts that are reimbursed by our customers. Those costs are pass-through expenses which represent "out of pocket expenses" such as payments to investigators and travel expenses for the company's clinical monitors and sales representatives. The company has concluded that it is the principal in regard to these reimbursed expenses and will record them as part of revenue on a gross basis. The transaction price is based on the amount to which the entity expects to be entitled for providing the services. The transaction price includes both fixed amounts and variable amounts. The company's forms of variable consideration included in contracts generally consist of KPI bonuses and contract penalties. An estimate of variable consideration is included in the transaction price to the extent that it is highly probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. In assessing whether it is probable that a significant reversal in revenue will occur, the company considers both the likelihood and the magnitude of the revenue reversal. The amount of variable consideration is estimated by using either the expected value method or the most likely amount method, depending on the suitability of the method for each type of variable consideration. Revenue relating to the services is recognised over time and progress is measured using the input method.

Long-term contracts for Integrated health services revenue are recognised according to fee for service for the vast majority of revenue. This is booked on actual days delivered or as a fixed fee and only when there is commitment from a contract. The balance of revenue is booked when key performance indicators, agreed between IQVIA Ltd. and the customer have been fully achieved and we have received mutual written agreement. Actual costs are recognised as they occur.

###### *Technology and analytics services*

Revenue represents the invoiced value of projects completed and services supplied to customers during the year excluding value added tax. When operating as a principal in a revenue arrangement, the company recognises revenue as the gross amount to which it expects to be entitled. When acting as an agent, the company recognises revenue as the net amount to which it is entitled to retain in return for its services. The company recognises revenue as earned, which is over the service period as the information is delivered or related services are performed. Advance payments for services and subscriptions are deferred as contract liabilities and reflected in revenue over the subscription term, which is generally one year. Revenue from customised solutions is recognised on an 'efforts-based' basis. 'Efforts-based' revenue recognition is based on the ratio of the number of hours or costs incurred for services provided during the year compared to the total estimated hours or costs to be incurred over the entire arrangement. The company receives intercompany revenue to compensate for work performed in supporting other territories' contracts in the accounting period in which the services are rendered.

The transaction price is allocated to each performance obligation at contract inception based on the standalone selling prices. Where goods or services are not sold separately transaction price is allocated based on established using price lists. Discounts are allocated to all of the performance obligations proportionally.

## **IQVIA Ltd.**

### **Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

#### **2 Accounting policies (continued)**

##### **Leases**

###### *Definition*

At inception of a contract, the company assesses whether a contract is, or contains a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether:

- The contract involved the use of an identified asset - this may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified
- The company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The company has the right to direct the use of the asset. The company has this right when it has the decision-making rights that are most relevant to changing how and for what purposes the asset is used.

On lease commencement date, the company recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate. Lease payments included in the measurement of the lease liability comprise:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; and
- Lease payments in an option renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

Lease payments are allocated between principal and finance cost. The finance cost is charged to the profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if the company changes its assessment of whether it will exercise an extension or termination option.

## **IQVIA Ltd.**

### **Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

#### **2 Accounting policies (continued)**

##### *Lease modifications*

If a lease is modified, the modified contract is evaluated to determine whether it is or contains a lease. If a lease continues to exist, the lease modification will result in either a separate lease or a change in the accounting for the existing lease.

The modification is accounted for as a separate lease if both:

- (a) The modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- (b) The consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

If both of these conditions are met, the lease modification results in two separate leases, the unmodified original lease and a separate lease. The company then accounts for these in line with the accounting policy for new leases.

If either of the conditions are not met, the modified lease is not accounted for as a separate lease and the consideration is allocated to the contract and the lease liability is re-measured using the lease term of the modified lease and the discount rate as determined at the effective date of the modification.

For a modification that fully or partially decreases the scope of the lease (e.g., reduces the square footage of leased space), IFRS 16 requires a lessee to decrease the carrying amount of the right-of-use asset to reflect partial or full termination of the lease. Any difference between those adjustments is recognised in profit or loss at the effective date of the modification.

For all other lease modifications which are not accounted for as a separate lease, IFRS 16 requires the lessee to recognise the amount of the re-measurement of the lease liability as an adjustment to the corresponding right-of-use asset without affecting profit or loss.

##### *Short-term and low value leases*

The company has made an accounting policy election, by class of underlying asset, not to recognise lease assets and lease liabilities for leases with a lease term of 12 months or less (i.e., short-term leases).

The company has made an accounting policy election on a lease-by-lease basis, not to recognise lease assets on leases for which the underlying asset is of low value.

Lease payments on short-term and low value leases are accounted for on a straight line bases over the term of the lease or other systematic basis if considered more appropriate. Short-term and low value lease payments are included in operating expenses in the profit and loss account.

##### *Sub leases*

If an underlying asset is re-leased by the company to a third party and the company retains the primary obligation under the original lease, the transaction is deemed to be a sublease. The company continues to account for the original lease (the head lease) as a lessee and accounts for the sublease as a lessor (intermediate lessor). When the head lease is a short-term lease, the sublease is classified as an operating lease. Otherwise, the sublease is classified using the classification criteria applicable to Lessor Accounting in IFRS 16 by reference to the right-of-use asset in the head lease (and not the underlying asset of the head lease).

After classification lessor accounting is applied to the sublease.

##### **Dividends**

Dividend income is recognised when the right to receive payment is established.

Dividend distributions to the company's shareholders are recognised as a liability in the company's financial statements in the year in which the dividends are approved by the company's shareholders.

##### **Business combinations under common control (Group reconstructions)**

Business combinations under common control are out of scope of IFRS 3. The company has adopted an accounting policy to apply merger accounting principles for group reconstructions using the predecessor method. Differences between the net book value of assets acquired and their purchase price are taken to the other reserves in equity.



## **IQVIA Ltd.**

### **Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

#### **3 Critical accounting judgements and key sources of estimation uncertainty**

In preparing the financial statements, management has to make certain judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses. The actual outcome may differ from these judgements, estimates and assumptions, and therefore could have a material effect on the carrying amount of the asset or liability involved. The timing of outflow of resources to settle the provisions is subject to the same uncertain factors. Judgements, estimates and assumptions are reviewed on an ongoing basis and are based on historical experience and various other factors, including expectations about future events, which are believed to be reasonable under the circumstances and for the item involved. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future years affected.

##### **Accounting estimates**

The company considers the following accounting estimates and assumptions as critical:

##### **Revenue recognition for service contracts**

The company makes an estimate of the stage of contract completion, including estimating the costs still to be incurred and assessing the likely engagement outcome. The majority of clinical services and integrated health services revenue comprise long term contracts which can extend up to 10 years. On a monthly basis the company recognises revenue for each project using the input method, comprising labour and passthrough cost actuals as a proportion of total estimated project costs, known as Estimate at Completion (EAC). The sensitivity in this estimate lies around the estimated total costs spread across multiple individual contracts which could fluctuate over time given the quantity and length of the contracts.

##### **Allocation of revenue on contracts with multiple performance obligations**

For arrangements that include multiple performance obligations, the transaction price is allocated to the identified performance obligations based on their relative standalone selling prices. For these contracts, the standalone selling prices are based on the company's normal pricing practices when sold separately with consideration of market conditions and other factors, including customers' demographic and geographic location. The total amount for which the allocation of revenue is required is £300m.

##### **Transfer pricing**

The company receives regional benchmarking analysis results from external advisors which is used as the basis for the arm's length return to be applied to all transactions; the benchmarking analysis is a search of comparable transactions in each of the jurisdictions, utilizing independent data. While the data used is independent, judgement is used in selecting the appropriate benchmark for a transaction. Applying the median used for benchmarks to the largest types of transactions, would result in an impact of approximately £100 million to the Profit and Loss Account.

##### **Impairment of investments in subsidiaries**

Impairment reviews of investment in subsidiaries are undertaken if there is an impairment trigger in accordance with IAS 36. When an impairment review is required, discounted future cash flow forecasts are carried-out, which requires estimation for significant assumptions such as revenue growth, profit margins and discount rates. As disclosed in note 18, the company impaired its investments in: IQVIA Technology Services Limited by £6.81m; Pharmaspectra Topco Ltd by £27.82m; LH Perspectives Limited by £9.89m and Clintec Luxembourg S.A. by £6.86m in 2023. The carrying values of the investments in subsidiaries is disclosed in note 18. The largest investment held is IQVIA RDS East Asia Pte. Ltd.. This investment discount rate would be required to increase by 10.39% (from 9.80% to 10.82%) before an impairment would be indicated.

## **IQVIA Ltd.**

### **Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

#### **3 Critical accounting judgements and key sources of estimation uncertainty (continued)**

##### **Judgements**

The following judgements are considered to be significant: "Principal versus agent in providing services" and "Identification of impairment triggers."

##### **Identification of impairment triggers**

IAS 36 requires judgement to assess whether there has been a trigger, in particular, adverse business move.

Management consider that an impairment trigger would be a significant change in the business; a significant change in profitability or a change in the Biopharmaceutical market place that would lead to a more uncertain or reduced business.

#### **4 Financial instruments**

The company has the following financial assets and liabilities measured at fair value:

##### **Cash flow hedges**

|                                                  | <b>2023</b>         | <b>2022</b>         |
|--------------------------------------------------|---------------------|---------------------|
|                                                  | <b>£ 000</b>        | <b>£ 000</b>        |
| Forward foreign exchange contracts - assets      | 1,955               | 1,558               |
| Forward foreign exchange contracts - liabilities | <u>(270)</u>        | <u>(1,938)</u>      |
|                                                  | <u><b>1,685</b></u> | <u><b>(380)</b></u> |

For 2023 there was no ineffective portion arising from cash flow hedges (2022: none).

Gains and losses relating to the effective portion of the hedge are recognized in reserves in other comprehensive income. Subsequently these amounts are recognized in the statement of comprehensive income in the year or years during which the hedged forecast transaction affects the statement of comprehensive income.

# IQVIA Ltd.

## Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

### 5 Turnover

The revenue of the company is wholly attributable to the company's principal activity arising in the UK. See Note 2.

|                                | 2023<br>£ 000    | 2022<br>£ 000    |
|--------------------------------|------------------|------------------|
| Clinical                       | 1,844,871        | 1,669,497        |
| Technology analytics solutions | 907,807          | 822,403          |
|                                | <u>2,752,678</u> | <u>2,491,900</u> |

| Geographical information | 2023<br>£ 000    | 2022<br>£ 000    |
|--------------------------|------------------|------------------|
| Europe                   | 1,775,301        | 1,438,573        |
| USA                      | 841,879          | 911,692          |
| Asia Pacific             | 135,498          | 141,635          |
|                          | <u>2,752,678</u> | <u>2,491,900</u> |

### Current assets and liabilities

|                                   | 2023<br>£ 000    | 2022<br>£ 000    |
|-----------------------------------|------------------|------------------|
| Contract assets                   | 265,408          | 263,434          |
| Contract liabilities              | <u>(358,175)</u> | <u>(333,932)</u> |
| Net unbilled contract liabilities | <u>(92,767)</u>  | <u>(70,498)</u>  |

In the case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the company exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

### Revenue recognised in the period from:

|                                                                       | 2023<br>£ 000  | 2022<br>£ 000  |
|-----------------------------------------------------------------------|----------------|----------------|
| Amounts included in contract liability at the beginning of the period | <u>273,344</u> | <u>274,550</u> |

Revenue recorded in the year includes an element relating to performance obligations completed or partially completed in the previous year due to cumulative catch-up adjustments as a result of changes in transaction price. These amounts are not material.

# IQVIA Ltd.

## Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

### 6 Operating profit

|                                                                      | 2023<br>£ 000   | 2022<br>£ 000 |
|----------------------------------------------------------------------|-----------------|---------------|
| Reorganisation expense                                               | 5,302           | 1,152         |
| Gain on disposal of property, plant and equipment and motor vehicles | -               | (104)         |
| Impairment/(reversal) of trade receivables and contract assets       | 1,868           | (735)         |
| Franchise fee – payable to other group undertakings                  | 64,347          | 42,656        |
| Research and development expenditure                                 | 83,701          | 90,700        |
| Depreciation                                                         | 4,043           | 4,304         |
| Depreciation charge for right of use assets - leasehold properties   | 3,304           | 2,374         |
| Amortisation                                                         | 6,830           | 4,945         |
| Foreign exchange (gains)/losses                                      | <u>(16,964)</u> | <u>19,501</u> |

### 7 Staff costs

|                                     | 2023<br>£ 000  | 2022<br>£ 000  |
|-------------------------------------|----------------|----------------|
| Wages and salaries                  | 277,694        | 265,710        |
| Research and development tax credit | (15,272)       | (11,791)       |
| Social security costs               | 37,451         | 35,769         |
| Other pension costs                 | 19,893         | 17,539         |
| Share-based payments                | <u>20,945</u>  | <u>20,769</u>  |
|                                     | <u>340,711</u> | <u>327,996</u> |

Included within the overall staff cost of £340.71 million (2022: £328.00 million) is a credit of £15.27 million (2022: £11.79 million) related to the research and development tax credit.

The monthly average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

|                           | 2023<br>No.  | 2022<br>No.  |
|---------------------------|--------------|--------------|
| Office and administration | 517          | 515          |
| Laboratory and research   | 1,604        | 1,559        |
| Data production           | <u>1,494</u> | <u>1,315</u> |
|                           | <u>3,615</u> | <u>3,389</u> |

# IQVIA Ltd.

## Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

### 8 Directors' remuneration

The directors' remuneration for the year was as follows:

|                                                           | 2023<br>£ 000 | 2022<br>£ 000 |
|-----------------------------------------------------------|---------------|---------------|
| Aggregate emoluments                                      | 4,491         | 3,509         |
| Company contributions paid to defined contribution scheme | 48            | 34            |
|                                                           | <u>4,539</u>  | <u>3,543</u>  |

During the year the number of directors who were receiving benefits and share incentives was as follows:

|                                                                               | 2023<br>No. | 2022<br>No. |
|-------------------------------------------------------------------------------|-------------|-------------|
| Received or were entitled to receive shares under long-term incentive schemes | 3           | 3           |
| Exercised share options                                                       | 1           | 3           |
| Accruing benefits under defined benefit pension scheme                        | <u>4</u>    | <u>4</u>    |

In respect of the highest paid director:

|                                                               | 2023<br>£ 000 | 2022<br>£ 000 |
|---------------------------------------------------------------|---------------|---------------|
| Remuneration                                                  | 281           | 273           |
| Benefits under long-term incentive schemes (excluding shares) | 2,208         | 1,349         |
| Company contributions to money purchase pension schemes       | 8             | 4             |
|                                                               | <u>2,497</u>  | <u>1,626</u>  |

During the year the highest paid director exercised share options and also received or was entitled to receive shares under a long-term incentive scheme.

The highest paid director is not a member of company's defined benefit pension scheme. At the year end, the accrued pension for the highest paid director amounts to £nil (2022: £nil).

### 9 Auditors' remuneration

|                                                                                      | 2023<br>£ 000 | 2022<br>£ 000 |
|--------------------------------------------------------------------------------------|---------------|---------------|
| Fees payable to the company's auditors and their associates for audit of the company | <u>612</u>    | <u>623</u>    |
| <b>Other fees to auditors</b>                                                        |               |               |
| Audit related assurance services                                                     | <u>422</u>    | <u>461</u>    |

The audit related assurance services were paid by IQVIA Holdings Inc..

**IQVIA Ltd.**

**Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

**10 Interest receivable and similar income**

|                                         | <b>2023</b>   | <b>2022</b>   |
|-----------------------------------------|---------------|---------------|
|                                         | <b>£ 000</b>  | <b>£ 000</b>  |
| Interest income on bank deposits        | 2,257         | 1,172         |
| Interest income from group undertakings | 54,343        | 23,479        |
|                                         | <u>56,600</u> | <u>24,651</u> |

**11 Interest payable and similar expenses**

|                                                           | <b>2023</b>   | <b>2022</b>   |
|-----------------------------------------------------------|---------------|---------------|
|                                                           | <b>£ 000</b>  | <b>£ 000</b>  |
| Interest on bank overdrafts and borrowings                | 3,681         | 1,432         |
| Interest expense from group undertakings                  | 38,379        | 20,956        |
| Foreign exchange (gain)/loss                              | (1,929)       | 43,663        |
| Interest expense on leases - Other                        | 55            | -             |
| Interest expense on right of use assets - Leased property | 491           | 551           |
|                                                           | <u>40,677</u> | <u>66,602</u> |

**12 Tax on profit**

Tax charged in the profit and loss account

|                                                | <b>2023</b>   | <b>2022</b>   |
|------------------------------------------------|---------------|---------------|
|                                                | <b>£ 000</b>  | <b>£ 000</b>  |
| <b>Current taxation</b>                        |               |               |
| UK Corporation tax on profit for the year      | 39,906        | 33,164        |
| Adjustment in respect of prior periods         | 2,732         | 4,380         |
|                                                | <u>42,638</u> | <u>37,544</u> |
| <b>Deferred taxation</b>                       |               |               |
| Origination and reversal of timing differences | (835)         | (935)         |
| Adjustment in respect of prior periods         | 573           | 104           |
| Total deferred taxation                        | <u>(262)</u>  | <u>(831)</u>  |
| Tax expense in the profit and loss account     | <u>42,376</u> | <u>36,713</u> |

|                                                           | <b>2023</b>  | <b>2022</b>  |
|-----------------------------------------------------------|--------------|--------------|
|                                                           | <b>£ 000</b> | <b>£ 000</b> |
| <b>Tax expense included in other comprehensive income</b> |              |              |
| Deferred tax:                                             |              |              |
| Origination and reversal of timing differences            | (924)        | 3,641        |
| Total tax expense included in other comprehensive income  | <u>(924)</u> | <u>3,641</u> |

## IQVIA Ltd.

### Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

#### 12 Tax on profit (continued)

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2022 : lower than the standard rate of corporation tax in the UK) of 23.5% (2022 : 19%).

The differences are reconciled below:

|                                                                                          | 2023<br>£ 000 | 2022<br>£ 000 |
|------------------------------------------------------------------------------------------|---------------|---------------|
| Profit before tax                                                                        | 582,166       | 399,377       |
| Corporation tax at standard rate                                                         | 136,809       | 75,882        |
| Increase in current tax from adjustment for prior periods                                | 3,306         | 4,485         |
| Decrease from effect of revenues exempt from taxation                                    | (85,017)      | (112,309)     |
| Increase from effect of expenses not deductible in determining taxable profit (tax loss) | 17,071        | 79,619        |
| Decrease from effect of exercise employee share options                                  | -             | (496)         |
| Decrease arising from group relief tax reconciliation                                    | (28,753)      | (22,422)      |
| Deferred tax credit relating to changes in tax rates or laws                             | (722)         | -             |
| Other tax effects for reconciliation between accounting profit and tax (income)/expense  | (318)         | 11,954        |
| Total tax charge                                                                         | 42,376        | 36,713        |

#### Factors that may affect future tax charges

Following the Spring Budget of 2021 receiving Royal Assent on 10 June 2021 the corporation tax rate of 25%, from 1 April 2023, is included in these financial statements.

The Organisation for Economic Co-operation and Development (OECD) rules set out a mechanism for the Global Anti-Base Erosion (GloBE) rules under Pillar Two that introduce a global minimum corporate tax rate set at 15%. These rules aim to ensure that large Multi-National Entity (MNE) groups pay a minimum level of tax on income arising in each of the jurisdictions in which they operate. The rules require a "top-up tax" to be applied whenever the effective tax rate, determined on a jurisdictional basis, is below the minimum 15% rate. These rules apply to MNEs with revenue above €750 million.

For UK purposes, the UK government has published legislation that sets out an income inclusion rule (multinational top-up tax) and a qualified domestic minimum top-up tax, which are broadly aligned with the OECD's global minimum tax rules under Pillar Two. In the UK, the tax reform will apply for accounting periods beginning on or after 31 December 2023. The legislation was substantively enacted on 20 June 2023, as part of the Spring Finance Bill 2023.

The company is applying the temporary exception to the recognition and disclosure of information of deferred taxes resulting from the implementation of the tax rules which has been introduced under IAS 12. The company's exposure to income taxes arising from the OECD Pillar Two rules is not yet known however work is currently in progress to understand this further. Notwithstanding this, given the company is UK resident for tax purposes it is not expected to have to pay top-up taxes given the corporation tax rates currently applicable in the UK.

**IQVIA Ltd.**

**Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

**12 Tax on profit (continued)**

**Deferred tax**

Deferred tax consists of the following deferred tax assets/(liabilities):

|                                                        | <b>2023</b>    | <b>2022</b>     |
|--------------------------------------------------------|----------------|-----------------|
|                                                        | <b>£ 000</b>   | <b>£ 000</b>    |
| Deferred tax assets due within 12 months               | -              | 95              |
| Deferred tax liabilities due within 12 months          | <u>(421)</u>   | <u>(357)</u>    |
| Total liabilities                                      | <u>(421)</u>   | <u>(262)</u>    |
|                                                        | <b>2023</b>    | <b>2022</b>     |
|                                                        | <b>£ 000</b>   | <b>£ 000</b>    |
| Deferred tax assets due after more than 12 months      | 9,334          | 10,092          |
| Deferred tax liabilities due after more than 12 months | <u>(9,866)</u> | <u>(10,121)</u> |
| Total liabilities                                      | <u>(532)</u>   | <u>(29)</u>     |
|                                                        | <b>2023</b>    | <b>2022</b>     |
|                                                        | <b>£ 000</b>   | <b>£ 000</b>    |
| Total deferred tax liabilities                         | <u>(953)</u>   | <u>(291)</u>    |
| Deferred tax assets and liabilities                    |                |                 |

|                              | <b>Asset</b>  | <b>Liability</b> | <b>Net deferred</b> |
|------------------------------|---------------|------------------|---------------------|
|                              | <b>£ 000</b>  | <b>£ 000</b>     | <b>tax</b>          |
| <b>2023</b>                  |               |                  | <b>£ 000</b>        |
| Accelerated tax depreciation | -             | (561)            | (561)               |
| Derivatives                  | -             | (421)            | (421)               |
| Other items                  | <u>9,334</u>  | <u>(9,305)</u>   | <u>29</u>           |
|                              | <u>9,334</u>  | <u>(10,287)</u>  | <u>(953)</u>        |
|                              | <b>Asset</b>  | <b>Liability</b> | <b>Net deferred</b> |
|                              | <b>£ 000</b>  | <b>£ 000</b>     | <b>tax</b>          |
| <b>2022</b>                  |               |                  | <b>£ 000</b>        |
| Accelerated tax depreciation | -             | (1,223)          | (1,223)             |
| Derivatives                  | 95            | -                | 95                  |
| Other items                  | <u>10,092</u> | <u>(9,255)</u>   | <u>837</u>          |
|                              | <u>10,187</u> | <u>(10,478)</u>  | <u>(291)</u>        |



**IQVIA Ltd.**

**Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

**12 Tax on profit (continued)**

Deferred tax movement during the year:

|                              | At 1 January<br>2023<br>£ 000 | Recognised in<br>income<br>£ 000 | Recognised in<br>other<br>comprehensive<br>income<br>£ 000 | At<br>31 December<br>2023<br>£ 000 |
|------------------------------|-------------------------------|----------------------------------|------------------------------------------------------------|------------------------------------|
| Accelerated tax depreciation | (1,223)                       | 662                              | -                                                          | (561)                              |
| Derivatives                  | 95                            | -                                | (516)                                                      | (421)                              |
| Other items                  | 837                           | (400)                            | (408)                                                      | 29                                 |
|                              | <u>(291)</u>                  | <u>262</u>                       | <u>(924)</u>                                               | <u>(953)</u>                       |

**13 Income from shares in group undertakings**

During the year, the company received dividend income of £361.77 million (2022: £591.10 million) from subsidiary undertakings.

**14 Intangible assets**

|                                 | Software<br>development<br>costs<br>£ 000 | Total<br>£ 000 |
|---------------------------------|-------------------------------------------|----------------|
| <b>Cost or valuation</b>        |                                           |                |
| At 1 January 2023               | 32,166                                    | 32,166         |
| Additions                       | <u>12,250</u>                             | <u>12,250</u>  |
| At 31 December 2023             | <u>44,416</u>                             | <u>44,416</u>  |
| <b>Accumulated amortisation</b> |                                           |                |
| At 1 January 2023               | 13,657                                    | 13,657         |
| Charge for year                 | <u>6,830</u>                              | <u>6,830</u>   |
| At 31 December 2023             | <u>20,487</u>                             | <u>20,487</u>  |
| <b>Carrying amount</b>          |                                           |                |
| At 31 December 2023             | <u>23,929</u>                             | <u>23,929</u>  |
| At 31 December 2022             | <u>18,509</u>                             | <u>18,509</u>  |

Software intangible asset amortisation is recorded in administrative expenses in the Profit and Loss Account.

**IQVIA Ltd.**

**Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

**15 Tangible assets**

|                                 | <b>Leasehold<br/>improvements<br/>£ 000</b> | <b>Plant,<br/>machinery<br/>and<br/>equipment<br/>£ 000</b> | <b>Fixtures and<br/>fittings<br/>£ 000</b> | <b>Data<br/>processing<br/>equipment<br/>£ 000</b> | <b>Total<br/>£ 000</b> |
|---------------------------------|---------------------------------------------|-------------------------------------------------------------|--------------------------------------------|----------------------------------------------------|------------------------|
| <b>Cost or valuation</b>        |                                             |                                                             |                                            |                                                    |                        |
| At 1 January 2023               | 8,309                                       | 10,219                                                      | 1,476                                      | 12,213                                             | 32,217                 |
| Additions                       | 179                                         | 73                                                          | 66                                         | 2,868                                              | 3,186                  |
| Disposals                       | -                                           | (24)                                                        | -                                          | (39)                                               | (63)                   |
| At 31 December 2023             | <u>8,488</u>                                | <u>10,268</u>                                               | <u>1,542</u>                               | <u>15,042</u>                                      | <u>35,340</u>          |
| <b>Accumulated depreciation</b> |                                             |                                                             |                                            |                                                    |                        |
| At 1 January 2023               | 3,239                                       | 8,707                                                       | 910                                        | 5,954                                              | 18,810                 |
| Charge for the year             | 963                                         | 904                                                         | 192                                        | 1,984                                              | 4,043                  |
| Eliminated on disposal          | -                                           | (24)                                                        | -                                          | (39)                                               | (63)                   |
| At 31 December 2023             | <u>4,202</u>                                | <u>9,587</u>                                                | <u>1,102</u>                               | <u>7,899</u>                                       | <u>22,790</u>          |
| <b>Carrying amount</b>          |                                             |                                                             |                                            |                                                    |                        |
| At 31 December 2023             | <u>4,286</u>                                | <u>681</u>                                                  | <u>440</u>                                 | <u>7,143</u>                                       | <u>12,550</u>          |
| At 31 December 2022             | <u>5,070</u>                                | <u>1,512</u>                                                | <u>566</u>                                 | <u>6,259</u>                                       | <u>13,407</u>          |

During the year the company sold motor vehicles with book value of £nil (2022: £nil) for £nil (2022: £104,259).

**16 Right of use assets**

|                                 | <b>Motor vehicles<br/>£ 000</b> | <b>Property<br/>£ 000</b> | <b>Other<br/>£ 000</b> | <b>Total<br/>£ 000</b> |
|---------------------------------|---------------------------------|---------------------------|------------------------|------------------------|
| <b>Cost or valuation</b>        |                                 |                           |                        |                        |
| At 1 January 2023               | -                               | 18,741                    | -                      | 18,741                 |
| Additions                       | 2,292                           | 208                       | 1,132                  | 3,632                  |
| Disposals                       | (5)                             | -                         | -                      | (5)                    |
| At 31 December 2023             | <u>2,287</u>                    | <u>18,949</u>             | <u>1,132</u>           | <u>22,368</u>          |
| <b>Accumulated depreciation</b> |                                 |                           |                        |                        |
| At 1 January 2023               | -                               | 6,443                     | -                      | 6,443                  |
| Charge for the year             | 371                             | 2,418                     | 515                    | 3,304                  |
| Eliminated on disposal          | (5)                             | -                         | -                      | (5)                    |
| At 31 December 2023             | <u>366</u>                      | <u>8,861</u>              | <u>515</u>             | <u>9,742</u>           |
| <b>Carrying amount</b>          |                                 |                           |                        |                        |
| At 31 December 2023             | <u>1,921</u>                    | <u>10,088</u>             | <u>617</u>             | <u>12,626</u>          |

# IQVIA Ltd.

## Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

### 16 Right of use assets (continued)

|                     | Motor vehicles<br>£ 000 | Property<br>£ 000 | Other<br>£ 000 | Total<br>£ 000 |
|---------------------|-------------------------|-------------------|----------------|----------------|
| At 31 December 2022 | -                       | 12,298            | -              | 12,298         |

The total cash outflow for the leases was £3,873,000 (2022: £2,359,000).

### 17 Leases

#### Leases included in creditors

|                                                | 2023<br>£ 000 | 2022<br>£ 000 |
|------------------------------------------------|---------------|---------------|
| Current portion of long-term lease liabilities | 3,807         | 2,355         |
| Long-term lease liabilities                    | 12,678        | 13,807        |
|                                                | <u>16,485</u> | <u>16,162</u> |

The company leases buildings for periods of between 2 and 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms. In determining the lease term, extension options (or periods after termination options) are included where it is reasonably certain that the lease will be extended (or not terminated). This is the case for property leases where leasehold improvements are expected to have significant remaining value.

### 18 Investments

|                                               | 2023<br>£ 000    | 2022<br>£ 000    |
|-----------------------------------------------|------------------|------------------|
| <b>Subsidiaries</b>                           |                  |                  |
| <b>Cost or valuation</b>                      |                  |                  |
| At 1 January                                  | 4,088,286        | 4,358,392        |
| Additions                                     | 84,801           | 131,565          |
| Disposals                                     | (18,744)         | -                |
| Impairment                                    | (51,371)         | (401,671)        |
| Reduction in purchase price of the investment | (24,470)         | -                |
| At 31 December                                | <u>4,078,502</u> | <u>4,088,286</u> |

On 28 April 2023, the company acquired the entire issued share capital of EPG Communication Holdings Limited and 51% of the issued ordinary shares of IMR International (Australia) PTY Ltd for £17.50 million.

On 11 July 2023, the company acquired the entire issued share capital of Healthcare Business Information Limited for £7.0 million.

On 31 August 2023, the company acquired the entire issued share capital of PHR Topco Limited for £53.41 million.

On 11 October 2023 the company acquired the remaining 50% of the issued share capital in Prioritis UK from Prioritis SAS being 50 ordinary for €8.8 million (£7.68 million). In addition, the company sold its investment in Prioritis SAS with a carrying value of £18.74 million to IQVIA Operations France a fellow undertaking for €19.27 million (£16.33 million).

## IQVIA Ltd.

### Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

#### 18 Investments (continued)

On 24 January 2023, the company acquired the entire issued share capital of Clintec International Norway AS from its immediate parent company Clintec International Ltd for \$377,497 (£296,495).

On 1 November 2023, the company sold its investment in IMS Health Network Limited with a carrying value of £3 to Innovex Merger Corp. a fellow company for £2.

During the year, the company impaired its investments in: IQVIA Technology Services Limited by £6.81m; Pharmaspectra Topco Ltd by £27.82m; LH Perspectives Limited by £9.89m and Clintec Luxembourg S.A. by £6.86m.

During the year, the company received a repayment of its investment in IQVIA RDS Austria GmbH (£12.3m) and reduced the value of investments in: LH Perspectives Limited (£8.1m) and Pharmaspectra Topco Ltd (£4.0m).

Details of the investments as at 31 December 2023 are as follows:

\* indicates direct investment of the company

| Name of investment                            | Principal activity                    | Registered office                                                                         | Holding            | Percentage ownership |
|-----------------------------------------------|---------------------------------------|-------------------------------------------------------------------------------------------|--------------------|----------------------|
| IQVIA RDS and Integrated Services Belgium NV* | Sales & Marketing                     | Medialaan 32, Vilvoorde, 1800 Belgium                                                     | Ordinary           | 1.8%                 |
| IQVIA RDS Egypt LLC                           | Clinical Research                     | Building 67, 6th Floor, Street 90, 5th settlement, 11835, Cairo Egypt                     | Ordinary           | 1%                   |
| Oxford Cancer Biomarkers Limited*             | Oncology<br>Diagnostics<br>Consulting | Cancer & C/O Douglas McDonald Ca, 2 Octavia Buildings, Kilmacolm, PA13 4AE United Kingdom | Ordinary           | 6.3%                 |
| ClinTec International Off-Shore S.A.L.        | Clinical Research                     | Ashrafieh, 738 Sioufi Street, Beirut Lebanon                                              | Ordinary           | 0.5%                 |
| IQVIA Integrated Services NL (Branch)         | Clinical Research                     | Siriusdreef 10, 2132 WT, Hoofddorp Netherlands                                            | Ordinary           | 1.8%                 |
| IQVIA MedTech NV                              | Service Provider                      | Justitiestraat 6B, 2018, Antwerpen Belgium                                                | Ordinary           | 1.8%                 |
| Belongtail                                    | Technology Services                   | 50, Moshav BNEI ATAROT, 6099100 Israel                                                    | Series B Preferred | 17.54%               |

**IQVIA Ltd.**

**Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

**18 Investments (continued)**

| <b>Name of investment</b> | <b>Principal activity</b> | <b>Registered office</b>                                                                               | <b>Holding</b>         | <b>Percentage ownership</b> |
|---------------------------|---------------------------|--------------------------------------------------------------------------------------------------------|------------------------|-----------------------------|
| Quant Health LTD          | Technology Services       | 5 Hakeshet Street, Ra'anana<br>Israel                                                                  | Ordinary               | 2.6%                        |
| SV Biotech                | Technology Services       | 71 Kingsway, London, WC2B 6ST<br>United Kingdom                                                        | Ordinary               | 5.7%                        |
| Pureos Bioventures Fund 2 | Technology Services       | P.O. Box 255, Trafalgar Court, Les<br>Banques, St. Peter Port, Guernsey,<br>GY1 3QL<br>Channel Islands | Limited<br>Partnership | 0%                          |
| Dementia Discovery Fund 2 | Technology Services       | 71 Kingsway, London, WC2B 6ST<br>United Kingdom                                                        | Limited<br>Partnership | 0%                          |

Details of the subsidiaries as at 31 December 2023 are as follows:

\* indicates direct investment of the company

| <b>Name of subsidiary</b>                 | <b>Principal activity</b>         | <b>Registered office</b>                                                | <b>Holding</b> | <b>Percentage ownership</b> |
|-------------------------------------------|-----------------------------------|-------------------------------------------------------------------------|----------------|-----------------------------|
| Q Squared Solutions Holdings Limited*     | Holding Company                   | 3 Forbury Place, 23 Forbury Road,<br>Reading, RG1 3JH<br>United Kingdom | Ordinary       | 60%                         |
| Clintec Luxembourg S.A.*                  | Holding Company                   | 7, rue de Bitbourg, L-1273<br>Luxembourg                                | Ordinary       | 100%                        |
| Clinical Lab Minority Shareholder Limited | Lab                               | 3 Forbury Place, 23 Forbury Road,<br>Reading, RG1 3JH<br>United Kingdom | Ordinary       | 100%                        |
| IQVIA RDS Austria GmbH*                   | Clinical Research                 | Stella-Klein-Löw-Weg 15,Rund 4,<br>Haus B, OG 5,1020 Vienna<br>Austria  | Ordinary       | 100%                        |
| IQVIA RDS Pty. Limited*                   | Clinical Research                 | Level 9, 67 Albert Avenue,<br>Chatswood NSW 2067<br>Australia           | Ordinary       | 100%                        |
| IQVIA Investment Holdings Limited*        | Clinical Professional<br>Services | 3 Forbury Place, 23 Forbury Road,<br>Reading, RG1 3JH<br>United Kingdom | Ordinary       | 100%                        |

# IQVIA Ltd.

## Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

### 18 Investments (continued)

| Name of subsidiary                   | Principal activity            | Registered office                                                                              | Holding  | Percentage ownership |
|--------------------------------------|-------------------------------|------------------------------------------------------------------------------------------------|----------|----------------------|
| IQVIA RDS Finland Oy*                | Clinical Research             | Metsänneidonkuja 6, 02130 Espoo<br>Finland                                                     | Ordinary | 100%                 |
| IQVIA RDS Magyarország Kft.*         | Clinical Research             | 1117 Budapest, Budafoki út 91-93<br>Hungary                                                    | Ordinary | 100%                 |
| IQVIA RDS Ireland (Finance) Ltd.*    | Holding Company               | Estuary House, Block P7, East<br>Point Business Park, Alfie Byrne<br>Road, Dublin 3<br>Ireland | Ordinary | 100%                 |
| IQVIA RDS Latvia SIA*                | Clinical Research             | Gunaras Astras iela 8b, Riga,<br>LV-1082<br>Latvia                                             | Ordinary | 100%                 |
| IQVIA RDS UAB*                       | Clinical Research             | Savanoriu str. 349, Kaunas<br>Lithuania                                                        | Ordinary | 100%                 |
| Linguamatics Limited*                | Dormant                       | 3 Forbury Place, 23 Forbury Road,<br>Reading, RG1 3JH<br>United Kingdom                        | Ordinary | 100%                 |
| DrugDev Limited*                     | Dormant                       | 3 Forbury Place, 23 Forbury Road,<br>Reading, RG1 3JH<br>United Kingdom                        | Ordinary | 100%                 |
| GCE Solutions International, LLC*    | Recruitment & FSP<br>Delivery | 4023 Kennett Pike, Wilmington,<br>Delaware, 19807-2018<br>USA                                  | Ordinary | 100%                 |
| IQVIA Solutions Finance UK V Ltd.*   | Holding Company               | 3 Forbury Place, 23 Forbury Road,<br>Reading, RG1 3JH<br>United Kingdom                        | Ordinary | 100%                 |
| IQVIA Biotech Ltd.*                  | Clinical Research             | 3 Forbury Place, 23 Forbury Road,<br>Reading, Berkshire, RG1 3JH<br>United Kingdom             | Ordinary | 100%                 |
| Interface Clinical Services Limited* | Clinical Research             | 3 Forbury Place, 23 Forbury Road,<br>Reading, RG1 3JH<br>United Kingdom                        | Ordinary | 100%                 |
| QH Research Ltd*                     | Holding Company               | 3 Forbury Place, 23 Forbury Road,<br>Reading, RG1 3JH<br>United Kingdom                        | Ordinary | 100%                 |
| GCE Clin Solutions Limited*          | Recruitment & FSP<br>Delivery | 3 Forbury Place, 23 Forbury Road,<br>Reading, RG1 3JH<br>United Kingdom                        | Ordinary | 100%                 |

**IQVIA Ltd.**

**Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

**18 Investments (continued)**

| <b>Name of subsidiary</b>                      | <b>Principal activity</b>          | <b>Registered office</b>                                                              | <b>Holding</b> | <b>Percentage ownership</b> |
|------------------------------------------------|------------------------------------|---------------------------------------------------------------------------------------|----------------|-----------------------------|
| Redsite Limited*                               | Dormant                            | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom                  | Ordinary       | 100%                        |
| Linguamatics Solutions Limited*                | Dormant                            | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom                  | Ordinary       | 100%                        |
| IQVIA RDS East Asia Pte. Ltd.*                 | Clinical Research                  | 79 Anson Road, Singapore, 079906<br>Singapore                                         | Ordinary       | 100%                        |
| IMS (UK) Pension Plan Trustee Company Limited* | Dormant                            | 3 Forbury Place, 23 Forbury Road, Reading, United Kingdom, RG1 3JH<br>United Kingdom  | Ordinary       | 100%                        |
| IQVIA Solutions Denmark*                       | Regulatory Intelligence Compliance | Blegdamsvej 104C 2100, & Kobenhavn Ø, Hovedstaden<br>Denmark                          | Ordinary       | 100%                        |
| IQVIA Cancer Research*                         | Clinical Research                  | Besloten vennootschap te Corporate Village, Da Vincilaan 7, 1930, Zaventem<br>Belgium | Ordinary       | 100%                        |
| Q Squared Solutions S.A.                       | Lab                                | Teniente General Juan Domingo Peron 555, Buenos Aires<br>Argentina                    | Ordinary       | 100%                        |
| Q Squared Solutions Holding B.V.               | Dormant                            | Siriusdreef 10, 2132WT, Hoofddorp<br>Netherlands                                      | Ordinary       | 100%                        |
| Q Squared Solutions B.V.                       | Dormant                            | Siriusdreef 10, 2132WT, Hoofddorp<br>Netherlands                                      | Ordinary       | 100%                        |
| Q Squared Solutions Pte. Ltd.                  | Lab                                | 1 Marina Boulevard #28-00, 018989<br>Singapore                                        | Ordinary       | 100%                        |
| Q Squared Solutions Limited                    | Lab                                | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom                  | Ordinary       | 100%                        |
| Q Squared Solutions (Quest) Limited            | Dormant                            | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom                  | Ordinary       | 100%                        |

**IQVIA Ltd.**

**Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

**18 Investments (continued)**

| <b>Name of subsidiary</b>                                                 | <b>Principal activity</b> | <b>Registered office</b>                                                                                                | <b>Holding</b> | <b>Percentage ownership</b> |
|---------------------------------------------------------------------------|---------------------------|-------------------------------------------------------------------------------------------------------------------------|----------------|-----------------------------|
| Q Squared Solutions Proprietary Limited                                   | Lab                       | 1011 Pretorius Avenue South,<br>Lyttelton, 1057<br>South Africa                                                         | Ordinary       | 100%                        |
| Q Squared Solutions China Limited                                         | Dormant                   | 3 Forbury Place, 23 Forbury Road,<br>Reading, RG1 3JH<br>United Kingdom                                                 | Ordinary       | 90%                         |
| Q Squared Solutions (Beijing) Co. Limited                                 | Lab                       | Unit 901-919, Office Tower 3, Sun<br>Dong An Plaza, 138 Wangfujin<br>Avenue, Dongcheng Dist, Beijing<br>100176<br>China | Ordinary       | 90%                         |
| Q Squared Solutions KK                                                    | Lab                       | 4-1-18 Takanawa, Minato-ku,<br>Tokyo<br>Japan                                                                           | Ordinary       | 100%                        |
| Q Squared Solutions China (Quest) Limited                                 | Dormant                   | 3 Forbury Place, 23 Forbury Road,<br>Reading, RG1 3JH<br>United Kingdom                                                 | Ordinary       | 100%                        |
| ClinTec International Ltd.                                                | Clinical Research         | Landmark Plaza, Argwings<br>Kodhek Road, Nairobi<br>Kenya                                                               | Ordinary       | 100%                        |
| ClinTec International (PTY) Ltd                                           | Clinical Research         | The Campus, Twickenham<br>Building, Ground Floor, Corner<br>Sloane and Main Road, Bryanston<br>2021<br>South Africa     | Ordinary       | 100%                        |
| ClinTec International (PTY) Ltd -Malawi<br>branch                         | Clinical Research         | 119 Hertzog Boulevard Foreshore,<br>Cape Town 8001<br>South Africa                                                      | Ordinary       | 100%                        |
| ClinTec Turkey Medikal ve Farmasotik<br>Hizmetler Ticaret Limited Sirketi | Clinical Research         | Göztepe Nidakule, Merdivenköy<br>Mah. Bora Sok. Nida Kule İş Mrk.<br>No:1 Kat:7 34732 Kadıköy,<br>Istanbul<br>Turkey    | Ordinary       | 100%                        |
| ClinTec International LLC                                                 | Clinical Research         | 12 Mykoly Amosova Str., Kiev<br>03680<br>Ukraine                                                                        | Ordinary       | 100%                        |
| ClinTec International FZ-LLC                                              | Clinical Research         | 7th Floor Dubai Health Care City,<br>PO Box 505 117<br>Dubai United Arab Emirates                                       | Ordinary       | 100%                        |



# IQVIA Ltd.

## Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

### 18 Investments (continued)

| Name of subsidiary                          | Principal activity | Registered office                                                                                                                                    | Holding  | Percentage ownership |
|---------------------------------------------|--------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------------------|
| ClinTec International Ltd.                  | Clinical Research  | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom                                                                                 | Ordinary | 100%                 |
| ClinTec International Bulgaria OOD          | Clinical Research  | The City of Sofia 1303, Stolichna Municipality, Vazrajdana Region, 103 Aleksandar Stamboliyski Blvd, Business Building Sofia Tower, fl 7<br>Bulgaria | Ordinary | 55%                  |
| ClinTec International Norway AS*            | Clinical Research  | Tollbugata 8B, 0152, Oslo<br>Norway                                                                                                                  | Ordinary | 100%                 |
| ClinTec International Russia LLC            | Clinical Research  | Regus Business Centre Citydel LLC, Zemlyanoy Val, 9, 105064<br>Moscow<br>Russian Federation                                                          | Ordinary | 100%                 |
| ClinTec International doo                   | Clinical Research  | 2 Rudnička Street, Belgrade<br>Republic of Serbia                                                                                                    | Ordinary | 100%                 |
| IQVIA RDS GmbH                              | Clinical Research  | Unterschewinstiege 2 – 14 60549<br>Frankfurt am Main<br>Germany                                                                                      | Ordinary | 100%                 |
| IQVIA Clinical AB                           | Clinical Research  | Strandbodgatan 1, P.O. Box 1543, S-751,Uppsala<br>Sweden                                                                                             | Ordinary | 100%                 |
| IQVIA Clinical, Filial af IQVIA Clinical AB | Clinical Research  | Blegdamsvej 104C, DK-2100, Copenhagen<br>Denmark                                                                                                     | Ordinary | 100%                 |
| IQVIA RDS Norway                            | Clinical Research  | c/o Advokatfirmaet CLP DA, Ruselokkveien 14,0251 Oslo<br>Norway                                                                                      | Ordinary | 100%                 |
| IQVIA RDS Italy SRL                         | Clinical Research  | Via Roma 108, 20060 Cassina de'Pecchi (MI), Palazzo Taurus, Viale Colleoni 3,Milan, 20041<br>Italy                                                   | Ordinary | 100%                 |
| IQVIA RDS Netherlands B.V.                  | Clinical Research  | Siriusdreef 10, 2132 WT, Hoofddorp,<br>Netherlands                                                                                                   | Ordinary | 100%                 |

**IQVIA Ltd.**

**Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

**18 Investments (continued)**

| <b>Name of subsidiary</b>                           | <b>Principal activity</b>  | <b>Registered office</b>                                                                     | <b>Holding</b>     | <b>Percentage ownership</b> |
|-----------------------------------------------------|----------------------------|----------------------------------------------------------------------------------------------|--------------------|-----------------------------|
| Octopus Health Ltd.                                 | Technology Services        | Rehov Habarzal 38, 6971054, Tel Aviv<br>Israel                                               | Preferred A Shares | 44%                         |
| GCE Global Solutions, LLC                           | Recruitment & FSP Delivery | 4023 Kennett Pike, Wilmington, Delaware, 19807-2018<br>USA                                   | Ordinary           | 100%                        |
| GCE Solutions, S. de R.L. de C.V.                   | Recruitment & FSP Delivery | Oxford No. 30, Colonia Juarez, Delegacion Cuauhtemoc, C.P. 06600, Distrito Federal<br>Mexico | Ordinary           | 100%                        |
| Pharmadeals Limited*                                | Dormant                    | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom                         | Ordinary           | 100%                        |
| IMS Information Solutions Medical Research Limited* | Dormant                    | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom                         | Ordinary           | 100%                        |
| Hospital Marketing Services Ltd.*                   | Dormant                    | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom                         | Ordinary           | 100%                        |
| IMS Technology Solutions UK Limited*                | Dormant                    | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom                         | Ordinary           | 100%                        |
| Infopharm Ltd.*                                     | Dormant                    | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom                         | Ordinary           | 100%                        |
| IQVIA Solutions UK Limited*                         | Dormant                    | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom                         | Ordinary           | 100%                        |
| IQVIA World Publications Ltd.*                      | Dormant                    | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom                         | Ordinary           | 100%                        |
| Themis Limited*                                     | Dormant                    | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom                         | Ordinary           | 100%                        |
| Cambridge Pharma Consultancy Limited*               | Dormant                    | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom                         | Ordinary           | 100%                        |

**IQVIA Ltd.**

**Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

**18 Investments (continued)**

| <b>Name of subsidiary</b>        | <b>Principal activity</b> | <b>Registered office</b>                                                    | <b>Holding</b> | <b>Percentage ownership</b> |
|----------------------------------|---------------------------|-----------------------------------------------------------------------------|----------------|-----------------------------|
| IMS Health Surveys Limited*      | Dormant                   | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom        | Ordinary       | 100%                        |
| IMS Hospital Group Limited*      | Dormant                   | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom        | Ordinary       | 100%                        |
| Quality Health Limited           | Technology Services       | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom        | Ordinary       | 100%                        |
| IQVIA RDS Ireland Ltd.           | Clinical Research         | Estuary House East Point Business Park, Fairview, Dublin 3<br>Ireland       | Ordinary       | 100%                        |
| IQVIA RDS Poland Sp. Zoo         | Clinical Research         | ul. Domaniewska 48,02-672<br>Warszawa<br>Poland                             | Ordinary       | 100%                        |
| IQVIA RDS GesmbH                 | Clinical Research         | Stella-Klein-Löw-Weg 15,Rund 4, Haus B, OG4,1020 Vienna<br>Austria          | Ordinary       | 100%                        |
| IQVIA RDS Slovakia s.r.o.        | Clinical Research         | Vajnorska 100/B, 831 04<br>Bratislava<br>Slovakia                           | Ordinary       | 99.93%                      |
| IQVIA Zagreb d.o.o.              | Clinical Research         | Radnicka cesta 80, 17th floor,10000 Zagreb<br>Croatia                       | Ordinary       | 100%                        |
| IQVIA RDS Ukraine                | Clinical Research         | 12 Mykoly Amosova Str., Kiev, 03680<br>Ukraine                              | Ordinary       | 100%                        |
| IQVIA Romania S.R.L.             | Clinical Research         | Sos. Bucuresti Nord, Nr.10, Cladirea O21, Et.9, Voluntari, Ilfov<br>Romania | Ordinary       | 100%                        |
| IQVIA RDS Bulgaria EOOD          | Clinical Research         | 103 Al. Stamboliyski blvd. Sofia Tower, 1303, Sofia<br>Bulgaria             | Ordinary       | 100%                        |
| IQVIA RDS Czech Republic, s.r.o. | Clinical Research         | Radlicka 714/113A, 158 00, Praha<br>Czech Republic                          | Ordinary       | 99.97%                      |

# IQVIA Ltd.

## Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

### 18 Investments (continued)

| Name of subsidiary                                    | Principal activity                                  | Registered office                                                                                                       | Holding  | Percentage ownership |
|-------------------------------------------------------|-----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|----------|----------------------|
| IQVIA RDS Pty. Limited                                | Clinical Research                                   | 2a Rothwell Avenue, Rosedale, Auckland, 0632 New Zealand                                                                | Ordinary | 100%                 |
| IQVIA RDS HELLAS Single Member Societe Anonyme        | Research<br>Experimental<br>Development<br>Services | & 284 Kifissias Ave, 15232, Halandri Greece                                                                             | Ordinary | 100%                 |
| Quintiles Lanka Private Limited                       | Clinical Research                                   | World Trade Center 26, Echelon Square, Colombo Sri Lanka                                                                | Ordinary | 100%                 |
| IQVIA Medical Development (Dalian) Co., Ltd.          | Clinical Research                                   | 10-02/04, 1 Hui Xian Yuan, Dalian, 116025 China                                                                         | Ordinary | 100%                 |
| IQVIA RDS (Shanghai) Co. Ltd                          | Clinical Research                                   | Crystal Plaza, 1359 YaoLong RD, Pudong district, Shanghai, 200032 China                                                 | Ordinary | 100%                 |
| AVACARE Clinical Research Network (Shanghai) Co., Ltd | Clinical Research                                   | Crystal Plaza, 1359 YaoLong RD, Pudong district, Shanghai, 200032 China                                                 | Ordinary | 100%                 |
| ClinTec International Pte Ltd                         | Clinical Research                                   | 79 Anson Road, 19-01, Singapore, 079906 Singapore                                                                       | Ordinary | 100%                 |
| ClinTec International (Thailand) Limited              | Clinical Research                                   | 23rd Floor, Room No. 1 – 5, Silom Complex Building, 191, Silom Road, Kwaeng Silom, Khet Bangrak, Bangkok 10500 Thailand | Ordinary | 49%                  |
| CT Consulting Inc.                                    | Consulting                                          | 18/F, Philamlife Tower, 8767 Paseo de Roxas, Makati City Metro, Manila, 1226. Philippines                               | Ordinary | 99.99%               |
| IQVIA Korea Co. Ltd.                                  | Clinical Research                                   | 13F WorldTower Bldg. 558 Songpa-daero, Songpa-gu, Seoul, 138-731 Korea                                                  | Ordinary | 100%                 |
| IQVIA RDS Hong Kong Limited                           | Clinical Research                                   | Level 22, Metroplaza Tower 1, 223 Hing Fong Road, Kwai Fong, N.T Hong Kong                                              | Ordinary | 100%                 |

**IQVIA Ltd.**

**Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

**18 Investments (continued)**

| <b>Name of subsidiary</b>                                 | <b>Principal activity</b> | <b>Registered office</b>                                                                         | <b>Holding</b> | <b>Percentage ownership</b> |
|-----------------------------------------------------------|---------------------------|--------------------------------------------------------------------------------------------------|----------------|-----------------------------|
| IQVIA RDS Malaysia Sdn. Bhd.                              | Clinical Research         | 301 Level 3, Uptown 1, 1 Jalan SS21/58, Damansara Uptown, 47400 Petaling Jaya, Selangor Malaysia | Ordinary       | 100%                        |
| IQVIA RDS Taiwan Ltd.                                     | Clinical Research         | 7th Floor, No. 138, Section 3, Minsheng East Road, Songshan District, Taipei City 10596 Taiwan   | Ordinary       | 100%                        |
| IQVIA RDS France SAS                                      | Clinical Research         | 151-161 Blvd Victor Hugo Saint-Ouen, 93400 France                                                | Ordinary       | 100%                        |
| ClinTec International Off-Shore S.A.L.*                   | Clinical Research         | Ashrafieh, 738 Sioufi Street, Beirut Lebanon                                                     | Ordinary       | 99%                         |
| IMS Information Solutions UK Ltd.*                        | Dormant                   | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH United Kingdom                                | Ordinary       | 100%                        |
| Q Squared Solutions Holdings Limited                      | Holding Company           | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH United Kingdom                                | Ordinary       | 40%                         |
| Kun Tai Medical Development Hong Kong Limited             | Clinical Research         | Room 1901, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay Hong Kong                         | Ordinary       | 100%                        |
| Kun Tuo Medical Research & Development (Beijing) Co. Ltd. | Clinical Research         | Room 1102-1109, Building 1, NO.18 Guang Qu Road Chaoyang Dist., Beijing 100006 China             | Ordinary       | 100%                        |
| Pharmaspectra Topco Ltd*                                  | Holding Company           | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH United Kingdom                                | Ordinary       | 100%                        |
| LH Perspectives Limited*                                  | Technology Services       | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH United Kingdom                                | Ordinary       | 100%                        |
| Pharmaspectra Midco 1 Ltd                                 | Holding Company           | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH United Kingdom                                | Ordinary       | 100%                        |

**IQVIA Ltd.**

**Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

**18 Investments (continued)**

| <b>Name of subsidiary</b>          | <b>Principal activity</b> | <b>Registered office</b>                                             | <b>Holding</b> | <b>Percentage ownership</b> |
|------------------------------------|---------------------------|----------------------------------------------------------------------|----------------|-----------------------------|
| Pharmaspectra Midco 2 Ltd          | Holding Company           | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom | Ordinary       | 100%                        |
| Pharmaspectra Dollarco Ltd         | Holding Company           | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom | Ordinary       | 100%                        |
| Pharmaspectra Group Ltd.           | Technology Services       | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom | Ordinary       | 100%                        |
| Pharmaspectra US LLC               | Technology Services       | 210 Main Street Madison, NJ, 07940<br>USA                            | Ordinary       | 100%                        |
| Prioritis Limited*                 | Technology Services       | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom | Ordinary       | 100%                        |
| Silverbullet A/S                   | Technology Services       | Søren Frichs Vej 42F, 1. Tv Åbyhøj 8230<br>Denmark                   | Ordinary       | 100%                        |
| IQVIA Technology Services Limited* | Technology Services       | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom | Ordinary       | 100%                        |
| EPS Research Limited*              | Dormant                   | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom | Ordinary       | 100%                        |
| EPS Software Limited*              | Dormant                   | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom | Ordinary       | 100%                        |
| Ardentia International Ltd *       | Dormant                   | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom | Ordinary       | 100%                        |
| Infocus Health Ltd *               | Dormant                   | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom | Ordinary       | 100%                        |
| Albatross Financial Solutions Ltd* | Dormant                   | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom | Ordinary       | 100%                        |

# IQVIA Ltd.

## Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

### 18 Investments (continued)

| Name of subsidiary                          | Principal activity  | Registered office                                                    | Holding  | Percentage ownership |
|---------------------------------------------|---------------------|----------------------------------------------------------------------|----------|----------------------|
| Optimum Contact Limited*                    | Dormant             | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom | Ordinary | 100%                 |
| Open Applications Consulting Limited        | Technology Services | Estuary House, Eastpoint Business Park, Dublin<br>Ireland            | Ordinary | 100%                 |
| IQVIA Medical Development (Hefei) Co., Ltd. | Clinical Research   | Hefei<br>China                                                       | Ordinary | 100%                 |
| Pharmaspectra Informatics Private Limited   | Technology Services | Central Square 1, Chennai, 600032<br>India                           | Ordinary | 99.99%               |
| EPG Communication Holdings Limited *        | Technology Services | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom | Ordinary | 100%                 |
| IMR International (Australia) PTY Ltd       | Technology Services | 141 Walker Street, Sydney, 2060<br>Australia                         | Ordinary | 49%                  |
| IMR International (Australia) PTY Ltd *     | Technology Services | 141 Walker Street, Sydney, 2060<br>Australia                         | Ordinary | 51%                  |
| PhR Topco Limited *                         | Technology Services | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom | Ordinary | 100%                 |
| PhR Upper Midco Limited                     | Technology Services | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom | Ordinary | 100%                 |
| PhR Warehouse Limited                       | Technology Services | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom | Ordinary | 100%                 |
| PhR Lower Midco Limited                     | Technology Services | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom | Ordinary | 100%                 |

## **IQVIA Ltd.**

### **Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

#### **18 Investments (continued)**

| <b>Name of subsidiary</b>                 | <b>Principal activity</b> | <b>Registered office</b>                                             | <b>Holding</b> | <b>Percentage ownership</b> |
|-------------------------------------------|---------------------------|----------------------------------------------------------------------|----------------|-----------------------------|
| PhR BidCo Limited                         | Technology Services       | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom | Ordinary       | 100%                        |
| PharmaReview Limited                      | Technology Services       | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom | Ordinary       | 100%                        |
| PharmaReview Inc.                         | Technology Services       | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom | Ordinary       | 100%                        |
| Healthcare Business Information Limited * | Technology Services       | 3 Forbury Place, 23 Forbury Road, Reading, RG1 3JH<br>United Kingdom | Ordinary       | 100%                        |

The directors consider the net carrying value of the investments are supported by the value of future discounted cash flows and the net carrying value of the remaining investments are supported by their underlying net asset value.

#### **19 Pension and other schemes**

##### **Defined contribution pension scheme**

The company is a member of the Hargreaves Lansdown (HL) & IMS (UK) Pension Plan. These are defined contribution pension schemes operated for employees in IQVIA Ltd.. The assets of the schemes are held separately from the company in independently administered funds. The pension costs charged for the year represent contributions payable by the company to the funds and amounted to £5.5m (Hargreaves Lansdown, 2022: £5.3m) and £14.8m (IMS (UK) Pension Plan, 2022: £12.2m).

Contributions totalling £859,000 (2022: £859,000) were payable to the scheme at the end of the year and are included in creditors.



## **IQVIA Ltd.**

### **Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

#### **19 Pension and other schemes (continued)**

##### **Defined contribution scheme with a defined benefit underpin**

The company is a member of the IMS (UK) Pension Plan which is a hybrid pension plan. As such it is a defined benefit and a defined contribution arrangement. Within the defined contribution section there are a selection of members (who hold pre 2004 benefits) with a defined benefit underpin. This is a pension plan operated for employees in IQVIA Ltd.. Under IAS 19, a DC scheme is any scheme in which the company pays fixed contributions and has no legal or constructive obligation to make further contributions. Any scheme which does not meet the definition of a DC scheme is treated as a Defined Benefit scheme. Accordingly, due to the underpin, an element of this scheme must be treated as a DB scheme and the liabilities have been valued by an actuary. The assets of the scheme at 31 December 2023 were £22.5m (2022: £20.3m) and the liabilities £24.5m (2022: £22.5m). The £2.0m net liability for the defined benefit underpin is included within the £29.2m net surplus of the IMS (UK) Pension Plan.

The below disclosures are applicable for the defined benefit underpin as detailed above.

##### **Defined benefit pension schemes**

The company operates two defined benefit pension schemes for the benefit of its employees Quintiles Scotland Pension Plan and IMS (UK) Final Salary Pension Plan.

Plan assets held in the funds are governed by local regulations and practice in the United Kingdom. Responsibility for the governance of the plans including investment decisions and contribution schedules lies jointly with the company and the board of trustees of the fund. The assets of the Plans are held in a separate trustee administered fund.

##### **Risks**

###### ***Asset volatility***

The plans liabilities are calculated using a discount rate set with reference to corporate bond yields; if plans assets underperform this yield, this will create a deficit. The plans hold a significant proportion of equities, which are expected to outperform corporate bonds in the long -term while providing volatility and risk in the short-term.

As the plans mature, the company intends to reduce the level of investment risk by investing more in assets that better match the liabilities.

There is a legal case in progress involving Virgin Media and NTL Pension Trustee, which could potentially lead to additional liabilities for some pension schemes and sponsors. This case is subject to appeal and the impact (if any) is not known and will be assessed as relevant in future.

However, the company believes that due to the long-term nature of the plans liabilities and the strength of the supporting group, a level of continuing equity investment is an appropriate element of the group's long-term strategy to manage the plans efficiently.

###### ***Changes in bond yields***

A decrease in corporate bond yields will increase plans liabilities, although this will be partially offset by an increase in the value of the plans bond holdings.

###### ***Life expectancy***

The majority of the plans obligations are to provide benefits for the life of the member, so increases in the life expectancy will result in an increase in the plans liabilities.

###### ***Inflation risk***

The pension obligations are linked to inflation, and higher inflation will lead to higher liabilities (although, in most cases, caps on the level of inflationary increases are in place to protect the plan against extreme inflation). The majority of the plans assets are either unaffected by (fixed interest bonds) or loosely correlated with (equities) inflation, meaning that an increase in inflation will also increase the deficit, however the pension is in net asset position overall.

# IQVIA Ltd.

## Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

### 19 Pension and other schemes (continued)

#### Quintiles Scotland Pension Plan

The results of the formal actuarial valuation as at 31 December 2023 were updated to the accounting date by an independent qualified actuary as at the 31 December 2023 in accordance with IAS 19.

The pension costs charged for the year under IAS 19 was of £40,000 (2022: £20,000).

Contributions payable to the pension scheme at the end of the year are £nil (2022: £nil m).

The expected contributions to the plan for the next reporting period are £nil.

The scheme was most recently valued on 31 December 2023. A comprehensive actuarial valuation of the company pension scheme, using the projected unit basis, was carried by Lane Clark & Peacock LLP, independent consulting actuaries. Adjustments to the valuation at that date have been made.

#### Principal actuarial assumptions

The significant actuarial assumptions used to determine the present value of the defined benefit obligation at the balance sheet date are as follows:

|                          | 2023<br>%   | 2022<br>%   |
|--------------------------|-------------|-------------|
| Discount rate            | 4.60        | 4.90        |
| Future pension increases | 2.80        | 2.90        |
| Inflation                | <u>3.10</u> | <u>3.30</u> |

#### Post retirement mortality assumptions

Assumption regarding future mortality is set based on actuarial advice in accordance with published statistics and experience in the UK. These assumptions translate into an average life expectancy in years for a pensioner retiring at age 60:

|                                                  | 2023<br>Years | 2022<br>Years |
|--------------------------------------------------|---------------|---------------|
| Current UK pensioners at retirement age - male   | 26.90         | 27.40         |
| Current UK pensioners at retirement age - female | 29.60         | 30.10         |
| Future UK pensioners at retirement age - male    | 28.40         | 28.90         |
| Future UK pensioners at retirement age - female  | <u>31.00</u>  | <u>31.50</u>  |

**IQVIA Ltd.**

**Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

**19 Pension and other schemes (continued)**

***Reconciliation of scheme assets and liabilities to assets and liabilities recognised***

The amounts recognised in the balance sheet are as follows:

|                                        | <b>2023</b>        | <b>2022</b>        |
|----------------------------------------|--------------------|--------------------|
|                                        | <b>£'m</b>         | <b>£'m</b>         |
| Fair value of scheme assets            | 43.20              | 42.80              |
| Present value of scheme liabilities    | <u>(35.20)</u>     | <u>(34.20)</u>     |
| Defined benefit pension scheme surplus | <u><u>8.00</u></u> | <u><u>8.60</u></u> |

***Scheme assets***

Changes in the fair value of scheme assets are as follows:

|                                                                      | <b>2023</b>         | <b>2022</b>         |
|----------------------------------------------------------------------|---------------------|---------------------|
|                                                                      | <b>£'m</b>          | <b>£'m</b>          |
| Fair value at start of year                                          | 42.80               | 64.80               |
| Return on plan assets, excluding amounts included in interest income | 2.00                | 1.20                |
| Actuarial losses arising from experience adjustments                 | (0.50)              | (21.50)             |
| Contributions by scheme participants                                 | 0.40                | -                   |
| Assets acquired in business combinations                             | <u>(1.50)</u>       | <u>(1.70)</u>       |
| Fair value at end of year                                            | <u><u>43.20</u></u> | <u><u>42.80</u></u> |

***Scheme liabilities***

Changes in the present value of scheme liabilities are as follows:

|                                | <b>2023</b>           | <b>2022</b>           |
|--------------------------------|-----------------------|-----------------------|
|                                | <b>£'m</b>            | <b>£'m</b>            |
| Present value at start of year | (34.20)               | (54.10)               |
| Current service cost           | -                     | (0.10)                |
| Remeasurement (losses)/gains   | (0.90)                | 19.30                 |
| Interest cost                  | (1.60)                | (1.00)                |
| Benefits paid                  | <u>1.50</u>           | <u>1.70</u>           |
| Present value at end of year   | <u><u>(35.20)</u></u> | <u><u>(34.20)</u></u> |

***Analysis of assets***

The major categories of scheme assets are as follows:

|                             | <b>2023</b>         | <b>2023</b>        | <b>2022</b>         | <b>2022</b>        |
|-----------------------------|---------------------|--------------------|---------------------|--------------------|
|                             | <b>£'m</b>          | <b>Allocation</b>  | <b>£'m</b>          | <b>Allocation</b>  |
| Equity instruments          | -                   | -                  | 3.30                | 8%                 |
| Bonds                       | 42.40               | 98%                | 35.70               | 83%                |
| Diversified Growth Funds    | -                   | -                  | 3.40                | 8%                 |
| Cash & Money Purchase AVC's | <u>0.80</u>         | <u>2%</u>          | <u>0.40</u>         | <u>1%</u>          |
|                             | <u><u>43.20</u></u> | <u><u>100%</u></u> | <u><u>42.80</u></u> | <u><u>100%</u></u> |

## IQVIA Ltd.

### Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

#### 19 Pension and other schemes (continued)

All Plan assets have quoted prices in active markets. The Plan does not invest directly in property occupied by the company or in financial securities issued by the company.

##### *Actual return on scheme's assets*

|                 | 2023<br>£'m | 2022<br>£'m    |
|-----------------|-------------|----------------|
| Interest income | 2.00        | 1.20           |
| Remeasurements  | (0.50)      | (21.50)        |
|                 | <u>1.50</u> | <u>(20.30)</u> |

The pension scheme has not invested in any of the company's own financial instruments or in properties or other assets used by the company.

#### Sensitivity analysis

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is set out below:

|                               | Changes in<br>assumption | Impact on defined benefit obligation |                                      |
|-------------------------------|--------------------------|--------------------------------------|--------------------------------------|
|                               |                          | Increase/(decrease)<br>in assumption | Increase/(decrease)<br>in assumption |
|                               |                          | 2023<br>£'m                          | 2022<br>£'m                          |
| Discount rate                 | 1.0% p.a.                | 4.10                                 | 4.10                                 |
| Price inflation rate          | 1.0% p.a.                | (2.80)                               | (2.70)                               |
| Life expectancy (at 65 years) | 1 yr                     | (1.20)                               | (1.00)                               |
| Equity market                 | 25.00%                   | <u>-</u>                             | <u>0.80</u>                          |

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practise, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

# IQVIA Ltd.

## Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

### 19 Pension and other schemes (continued)

Amounts recognised in the profit and loss account

|                                                      | 2023<br>£'m | 2022<br>£'m |
|------------------------------------------------------|-------------|-------------|
| <b>Amounts recognised in operating profit</b>        |             |             |
| Current service cost                                 | -           | 0.10        |
| <b>Amounts recognised in finance income or costs</b> |             |             |
| Net interest                                         | (0.40)      | (0.20)      |
| Total recognised in the profit and loss account      | (0.40)      | (0.10)      |

Amounts taken to the Statement of Comprehensive Income

|                                           | 2023<br>£'m | 2022<br>£'m |
|-------------------------------------------|-------------|-------------|
| Remeasurement                             | (1.40)      | (2.20)      |
| <b>IMS (UK) Final Salary Pension Plan</b> |             |             |

IMS (UK) Final Salary Pension Plan was established as at 4 April 1997. The Pension Plan is contributory and offers both a Final Salary and a Money Purchase Section. The assets of the Pension Plan are held separately from those of the company, being invested in a separate fund administered by the Pension Fund Trustees. Contributions in respect of the Final Salary Section Pension Plan are determined by an independent qualified actuary on the basis of regular actuarial valuations, the most recent valuation of the Pension Plan being as at 05/04/2021. As at 31 December 2023, the group scheme had a surplus of £29.2 million (2022: £27.0 million). Deficit shortfall for prior years of £4.0 million are payable annually from 31 January 2017 to 31 January 2023.

Contributions payable to the pension scheme at the end of the year are £nil (2022: £nil).

The expected contributions to the plan for the next reporting period are £nil.

The weighted average duration of the defined benefit obligation is 12 years (2022: 12 years).

The Final Salary Section Pension Plan was closed on 30 June 2011 to all members.

#### **Principal actuarial assumptions**

The significant actuarial assumptions used to determine the present value of the defined benefit obligation at the balance sheet date are as follows:

|                          | 2023<br>% | 2022<br>% |
|--------------------------|-----------|-----------|
| Discount rate            | 4.50      | 4.80      |
| Future salary increases  | 2.80      | 2.90      |
| Future pension increases | 3.00      | 3.10      |
| Inflation                | 3.10      | 3.30      |

# IQVIA Ltd.

## Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

### 19 Pension and other schemes (continued)

#### *Post retirement mortality assumptions*

The mortality assumptions used in the determining the value of the scheme's liabilities by an independent qualified actuary are summarized below.

|                                                  | 2023<br>Years | 2022<br>Years |
|--------------------------------------------------|---------------|---------------|
| Current UK pensioners at retirement age - male   | 23.20         | 23.70         |
| Current UK pensioners at retirement age - female | 24.80         | 25.20         |
| Future UK pensioners at retirement age - male    | 24.10         | 24.60         |
| Future UK pensioners at retirement age - female  | <u>25.80</u>  | <u>26.20</u>  |

#### **Year-end balance sheet**

#### *Scheme assets*

Changes in the fair value of scheme assets are as follows:

|                                                          | 2023<br>£'m   | 2022<br>£'m   |
|----------------------------------------------------------|---------------|---------------|
| Market value of Defined Benefit assets including buy-in  | 168.98        | 171.15        |
| Gross assets in relation to the Defined Benefit underpin | <u>22.46</u>  | <u>20.30</u>  |
| Fair value of assets at end of year                      | <u>191.44</u> | <u>191.45</u> |

#### *Scheme liabilities*

Changes in the present value of scheme liabilities are as follows:

|                                                                              | 2023<br>£'m     | 2022<br>£'m     |
|------------------------------------------------------------------------------|-----------------|-----------------|
| Defined Benefit Obligation in relation to the Defined Benefit section        | (137.73)        | (141.98)        |
| Gross Defined Benefit Obligation in relation to the Defined Benefit underpin | <u>(24.47)</u>  | <u>(22.47)</u>  |
| Defined Benefit Obligations at end of year                                   | <u>(162.20)</u> | <u>(164.45)</u> |

#### *Reconciliation of scheme assets and liabilities to assets and liabilities recognised*

The amounts recognised in the balance sheet are as follows:

|                                        | 2023<br>£'m     | 2022<br>£'m     |
|----------------------------------------|-----------------|-----------------|
| Fair value of scheme assets            | 191.44          | 191.45          |
| Present value of scheme liabilities    | <u>(162.20)</u> | <u>(164.45)</u> |
| Defined benefit pension scheme surplus | <u>29.24</u>    | <u>27.00</u>    |

**IQVIA Ltd.**

**Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

**19 Pension and other schemes (continued)**

***Scheme assets***

Changes in the fair value of scheme assets are as follows:

|                                                                | <b>2023</b><br><b>£'m</b> | <b>2022</b><br><b>£'m</b> |
|----------------------------------------------------------------|---------------------------|---------------------------|
| Fair value at start of year                                    | 191.45                    | 231.90                    |
| Gross assets in relation to the DB underpin at start of period | -                         | 19.69                     |
| Interest income                                                | 9.23                      | 4.66                      |
| Remeasurement losses                                           | (7.38)                    | (61.43)                   |
| Employer contributions                                         | 5.20                      | 5.33                      |
| Benefits paid                                                  | <u>(7.06)</u>             | <u>(8.70)</u>             |
| Fair value at end of year                                      | <u><u>191.44</u></u>      | <u><u>191.45</u></u>      |

***Scheme liabilities***

Changes in the present value of scheme liabilities are as follows:

|                                                           | <b>2023</b><br><b>£'m</b> | <b>2022</b><br><b>£'m</b> |
|-----------------------------------------------------------|---------------------------|---------------------------|
| Present value at start of year                            | (164.45)                  | (214.40)                  |
| Gross DBO in relation to the DB underpin at start of year | -                         | (19.69)                   |
| Current service cost                                      | (1.43)                    | (1.17)                    |
| Remeasurement gains                                       | 4.38                      | 66.37                     |
| Interest cost                                             | (7.76)                    | (4.26)                    |
| Benefits paid                                             | <u>7.06</u>               | <u>8.70</u>               |
| Present value at end of year                              | <u><u>(162.20)</u></u>    | <u><u>(164.45)</u></u>    |

# IQVIA Ltd.

## Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

### 19 Pension and other schemes (continued)

#### Analysis of assets

The major categories of scheme assets are as follows:

|                             | 2023<br>£'m   | 2023<br>Allocation | 2022<br>£'m   | 2022<br>Allocation |
|-----------------------------|---------------|--------------------|---------------|--------------------|
| Bonds                       | 117.21        | 69%                | 49.11         | 29%                |
| Insurance contracts         | 46.70         | 28%                | 49.27         | 29%                |
| Diversified Growth Funds    | -             | -                  | 72.55         | 42%                |
| Cash & Money Purchase AVC's | 5.08          | 3%                 | 0.22          | %                  |
|                             | <u>168.99</u> | <u>100%</u>        | <u>171.15</u> | <u>100%</u>        |

All the assets were quoted with the exception of Cash & Money Purchase AVCs.

#### Actual return on scheme's assets

|                 | 2023<br>£'m   | 2022<br>£'m    |
|-----------------|---------------|----------------|
| Interest income | 9.23          | 4.66           |
| Remeasurements  | <u>(7.38)</u> | <u>(61.43)</u> |
|                 | <u>1.85</u>   | <u>(56.77)</u> |

The pension scheme has not invested in any of the company's own financial instruments or in properties or other assets used by the company.

#### Sensitivity analysis

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is set out below:

|                               | Changes in<br>assumption | Impact on defined benefit obligation                |                                                     |
|-------------------------------|--------------------------|-----------------------------------------------------|-----------------------------------------------------|
|                               |                          | Increase/(decrease)<br>in assumption<br>2023<br>£'m | Increase/(decrease)<br>in assumption<br>2022<br>£'m |
| Discount rate                 | 0.25% p.a.               | 4.96                                                | 5.11                                                |
| Price inflation rate          | 0.25% p.a.               | (3.58)                                              | (3.22)                                              |
| Life expectancy (at 65 years) | 1 yr                     | <u>(4.87)</u>                                       | <u>(4.86)</u>                                       |



# IQVIA Ltd.

## Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

### 19 Pension and other schemes (continued)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

Amounts recognised in the profit and loss account

|                                                 | 2023<br>£'m   | 2022<br>£'m   |
|-------------------------------------------------|---------------|---------------|
| <b>Amounts recognised in operating profit</b>   |               |               |
| Administrative expenses paid                    | (1.43)        | (1.17)        |
| Total recognised in the profit and loss account | <u>(1.43)</u> | <u>(1.17)</u> |

Amounts taken to the Statement of Comprehensive Income

|               | 2023<br>£'m   | 2022<br>£'m |
|---------------|---------------|-------------|
| Remeasurement | <u>(3.00)</u> | <u>4.94</u> |

### 20 Stock

|             | 2023<br>£ 000 | 2022<br>£ 000 |
|-------------|---------------|---------------|
| Other stock | <u>95</u>     | <u>95</u>     |

There is no significant difference between the replacement cost of raw materials and consumables and their carrying amounts.

### 21 Trade and other debtors

|                                                            | 2023<br>£ 000  | 2022<br>£ 000    |
|------------------------------------------------------------|----------------|------------------|
| <b>Trade and other debtors falling due within one year</b> |                |                  |
| Trade debtors                                              | 299,532        | 263,914          |
| Provision for impairment of trade debtors                  | <u>(5,195)</u> | <u>(3,476)</u>   |
| Net trade debtors                                          | 294,337        | 260,438          |
| Debtors from related parties                               | 385,447        | 1,212,972        |
| Prepayments                                                | 7,872          | 7,227            |
| Tax recoverable                                            | 35,781         | 31,190           |
| Derivative financial assets                                | 1,955          | 1,558            |
| Other debtors                                              | <u>16,469</u>  | <u>18,093</u>    |
|                                                            | <u>741,861</u> | <u>1,531,478</u> |

# IQVIA Ltd.

## Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

### 21 Trade and other debtors (continued)

#### Trade and other debtors falling due after more than one year

|                                          |                  |                  |
|------------------------------------------|------------------|------------------|
| Debtors from related parties             | 944,264          | -                |
| <b>Total trade and other receivables</b> | <b>1,686,125</b> | <b>1,531,478</b> |

Debtors from related parties, amounts owed from group undertakings, are unsecured and are repayable on demand or have contractual maturities of less than 12 months. £219.59m (2022: £255.23m) consists of balances which are interest-free. The remaining £1,110.12m (2022: £957.74m) comprise balances with variable interest rates, which were between 4.56% and 8.05% during 2023 (2022: 1.27% and 3.86%).

### 22 Creditors: amounts falling due within one year

|                                                | 2023<br>£ 000    | 2022<br>£ 000    |
|------------------------------------------------|------------------|------------------|
| Trade creditors                                | 10,873           | 18,705           |
| Accrued expenses                               | 172,247          | 183,682          |
| Amounts due to related parties                 | 956,801          | 907,502          |
| Social security and other taxes                | 3,592            | 7,324            |
| Other creditors                                | 16,299           | 21,944           |
| Current portion of long-term lease liabilities | 3,807            | 2,355            |
| Derivative financial liabilities               | 270              | 1,938            |
|                                                | <b>1,163,889</b> | <b>1,143,450</b> |

Amounts due to related parties, owed to group undertakings, are unsecured and are repayable on demand or have contractual maturities of less than 12 months. £359.74m (2022: £358.34m) consists of balances which are interest-free. The remaining £597.06m (2022: £549.16m) comprise balances with variable interest rates, which were between 2.57% and 7.08% during 2023 (2022: 1.81% and 7.28%).

### 23 Creditors: amounts falling due after more than one year

|                                         | 2023<br>£ 000  | 2022<br>£ 000 |
|-----------------------------------------|----------------|---------------|
| Other non-current financial liabilities | 4,209          | 10,055        |
| Amounts due to related parties          | 870,722        | -             |
| Long-term lease liabilities             | 12,678         | 13,807        |
|                                         | <b>887,609</b> | <b>23,862</b> |

Amounts owed to group undertakings are unsecured, some of which are interest bearing with variable rates, and falling due for repayment after more than one year. £8.33m (2022: £nilm) consists of balances which are interest-free. The remaining £862.39m (2022: £nilm) comprise balances with a variable interest rate of 5.53% during 2023 (2022: nil%).

## IQVIA Ltd.

### Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

#### 24 Provisions for liabilities

|                       | Onerous<br>contracts<br>£ 000 | Dilapidations<br>provision<br>£ 000 | Total<br>£ 000 |
|-----------------------|-------------------------------|-------------------------------------|----------------|
| At 1 January 2023     | 12,026                        | 534                                 | 12,560         |
| Additional provisions | <u>2,386</u>                  | <u>21</u>                           | <u>2,407</u>   |
| At 31 December 2023   | <u>14,412</u>                 | <u>555</u>                          | <u>14,967</u>  |

#### 25 Called up share capital

##### Allotted, called up and fully paid shares

|                               | 2023             |                  | 2022             |                  |
|-------------------------------|------------------|------------------|------------------|------------------|
|                               | No.              | £ 000            | No.              | £ 000            |
| At 31 December of £1,000 each | <u>2,996,958</u> | <u>2,996,958</u> | <u>2,996,958</u> | <u>2,996,958</u> |

On 25 April 2023, the company performed capital reduction by cancelling the entirety of the company's share premium account of £512,508,374 to £nil.

The company does not have a limited amount of authorised capital. At the year end, the company has 2,996,958 ordinary shares in issue of £1,000 each.

#### 26 Dividends

On 25 April 2023, the company declared a dividend of £276.56 million to its immediate parent company IQVIA RDS Holdings in specie of the intercompany balance receivable from IQVIA Inc..

In addition, on 3 November 2023 the company declared a dividend of £1,000 million to its immediate parent company IQVIA RDS Holdings.

#### 27 Other reserves

##### Other reserves

In 2015 the laboratory business was sold to form a new subsidiary. This business was sold at its fair market value of £112.08 million, this has led to the creation of an unrealised 'Other reserve' in the Statement of Financial Position of £110.25 million.

During 2018 IQVIA Ltd. acquired the trade and assets of a UK Branch owned by an associated Swiss company which has led to recording of an amount in the unrecognised 'Other reserve' of £23.15 million, reducing it to £87.10 million. The acquisition occurred on the 30 November 2018 at a cost of £103.00 million. The net assets on that date were £79.85 million with the difference going to the other reserve.

## **IQVIA Ltd.**

### **Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

#### **27 Other reserves (continued)**

As part of a restructuring project undertaken by the IQVIA group, during 2019 the company acquired the trade and assets of several companies owned by the immediate parent company IQVIA RDS Holdings and indirect parent company IQVIA RDS UK Holdings Ltd. This has led to recording of an amount in the unrecognised 'Other reserve' of £182.03 million, reducing it to negative £94.93 million.

As part of a restructuring project undertaken by the IQVIA group, during 2020 the company acquired the trade and assets of Linguamatics Solutions Limited and Linguamatics Limited owned by the IQVIA group. This has led to recording of an amount in the unrecognised 'Other reserve' of £19.44 million, increasing it to negative £114.37 million.

As part of a restructuring project undertaken by the IQVIA group, during 2021 the company acquired the trade and assets of Cenduit Limited owned by the IQVIA group. This has led to recording of an amount in the unrecognised 'Other reserve' of £1.88 million. In addition, during 2021 the company also acquired the trade and assets of GCE Clin Solutions Limited. This has led to recording of an amount in the unrecognised 'Other reserve' of £0.61 million, increasing the balance on 'Other reserve' to negative £116.86 million.

As part of a restructuring project undertaken by the IQVIA group, during 2022 the company acquired the trade and assets of IQVIA Technology Services Limited owned by the IQVIA group. This has led to recording of an amount in the unrecognised 'Other reserve' of £4.29 million, increasing the balance on 'Other reserve' to negative £121.14 million.

As part of a restructuring project undertaken by the IQVIA group, during 2023 the company acquired the trade and assets of Prioritis Limited owned by the IQVIA group. This has led to recording of an amount in the unrecognised 'Other reserve' of £14.99 million, increasing the balance on 'Other reserve' to negative £136.13 million.

The Directors consider that the 2023 transaction is a 'Business Combination under Common Control'. On this basis the assets and liabilities will remain at their original balance sheet value (Predecessor Method) and the movement between the valuation and the original balance sheet value will be transferred to Equity.

The company has an accounting policy to apply merger accounting principles for group reconstructions. Differences between the net book value of assets acquired and their purchase price at fair value are taken to the other reserve.

#### **28 Share-based payments**

At 31 December 2023 the company's employees were members of share-based compensation plans operated by the ultimate parent company IQVIA Holdings Inc.. The shares outstanding are for contracts under the 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022 and 2023 executive share option plans.

For options outstanding at the end of the year, the range of exercise prices and weighted average remaining contractual life are as follows:

**IQVIA Ltd.**

**Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

**28 Share-based payments (continued)**

**2023**

| Weighted average exercise price | Number of<br>shares | Weighted average remaining life |             |
|---------------------------------|---------------------|---------------------------------|-------------|
|                                 |                     | Expected                        | Contractual |
| \$53.57                         | -                   | 0 years                         | 1 years     |
| \$64.92                         | 13,148              | 0 years                         | 2 years     |
| \$64.67                         | 17,874              | 0 years                         | 3 years     |
| \$78.21                         | 40,793              | 0 years                         | 4 years     |
| \$95.23                         | 73,597              | 0 years                         | 5 years     |
| £131.82                         | 66,861              | 0 years                         | 6 years     |
| \$161.70                        | 104,097             | 0 years                         | 7 years     |
| \$183.82                        | 54,103              | 1 years                         | 8 years     |
| \$250.43                        | 55,383              | 2 years                         | 9 years     |
| 232.11                          | 61,291              | 3 years                         | 10 years    |

**2022**

| Weighted average exercise price | Number of<br>shares | Weighted average remaining life |             |
|---------------------------------|---------------------|---------------------------------|-------------|
|                                 |                     | Expected                        | Contractual |
| \$40.00                         | 26,397              | 0 years                         | 1 years     |
| \$53.57                         | 17,100              | 0 years                         | 2 years     |
| \$64.92                         | 19,089              | 0 years                         | 3 years     |
| \$64.67                         | 22,784              | 0 years                         | 4 years     |
| \$78.21                         | 46,387              | 0 years                         | 5 years     |
| \$95.23                         | 83,800              | 0 years                         | 6 years     |
| £131.82                         | 83,282              | 0 years                         | 7 years     |
| \$161.70                        | 122,651             | 1 years                         | 8 years     |
| \$183.82                        | 59,454              | 2 years                         | 9 years     |
| \$250.43                        | 56,306              | 3 years                         | 10 years    |

The company recognise a share-based payment expense based on the fair value of the award granted, and an equivalent credit directly in equity as capital contribution.

The weighted average fair value of options granted in the year was \$232.11 (2022: \$250.43).

Options were valued using the Black-Scholes option-pricing model. No performance conditions were included in the fair value calculations.

Historical data is used to determine the expected life of the option. The risk-free rate was based on the US Treasury zero-coupon bonds in effect at the time of grant.

## IQVIA Ltd.

### Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)

#### 28 Share-based payments (continued)

##### Restricted Stock Units

The movements in the number of share options during the year were as follows:

|                             | 2023<br>Number | 2022<br>Number |
|-----------------------------|----------------|----------------|
| Outstanding, start of year  | 232,124        | 225,799        |
| Granted during the year     | 107,732        | 84,430         |
| Exercised during the year   | (92,853)       | (72,366)       |
| Expired during the year     | (6,411)        | (4,966)        |
| Transferred during the year | 842            | (773)          |
| Outstanding, end of year    | <u>241,434</u> | <u>232,124</u> |

The movements in the weighted average exercise price of share options during the year were as follows:

|                             | 2023<br>\$    | 2022<br>\$    |
|-----------------------------|---------------|---------------|
| Outstanding, start of year  | 202.63        | 167.39        |
| Granted during the year     | 232.11        | 250.43        |
| Transferred during the year | <u>202.63</u> | <u>167.39</u> |
| Outstanding, end of year    | <u>223.28</u> | <u>202.63</u> |

##### Fair value of options granted

The weighted average fair value of restricted stock units granted during the period at measurement date was \$223.28 (2022: \$250.43).

#### 29 Commitments

##### Capital commitments

The company is party to third party guarantees (no specific assets are secured) to its bankers across certain UK group companies totalling £0.93 million (2022: £0.81 million) in respect of property rental payments and value added tax.

#### 30 Related party transactions

The company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned with the Group.

## **IQVIA Ltd.**

### **Notes to the Financial Statements for the Year Ended 31 December 2023 (continued)**

#### **31 Controlling parties**

The company's immediate parent is IQVIA RDS Holdings, a company incorporated in the United Kingdom.

The ultimate parent undertaking and controlling party is IQVIA Holdings Inc., a company incorporated in the United States of America.

IQVIA Holdings Inc. , registered at 251 Little Falls Drive, Wilmington, Delaware, 19808 United States, is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements at 31 December 2023. The consolidated financial statements of IQVIA Holdings Inc. may be obtained from the company's website [www.iqvia.com](http://www.iqvia.com)

The ultimate controlling party is IQVIA Holdings Inc..

#### **32 Post balance sheet events**

On 4 March 2024, the company acquired the entire issued share capital of Arc Bio Communications Limited for £18.5 million.

On 2 May 2024, the company acquired the entire issued share capital of Ceuta Holdings Limited. The purchase price paid by the company was an upfront price of £55 million in cash and an amount of deferred contingent consideration of up to £5 million in cash.

On 30 June 2024, the company acquired the trade and assets of Healthcare Business information Limited for £10.6 million.

On 30 June 2024, the company acquired the trade and assets of LH Perspectives Limited for £33.2 million.

On 31 July 2024, the company's subsidiary Q Squared Solutions Holdings Limited declared a dividend of £43.2 million in specie of the intercompany balance payable to Q Squared Solutions Limited, In addition, Q Squared Solutions Holdings Limited assigned its right to the company of an intercompany loan payable to IQVIA Biotech Ltd. of £43.8 million. IQVIA Biotech Ltd. then declared a dividend of £43.8 million to the company and to avoid the need for the company or IQVIA Biotech Ltd. to settle such sums in cash, the full amount of the dividend was applied in settling the equivalent amount of the intercompany loan payable to IQVIA Biotech Ltd.

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 10-K**

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2023

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to .

Commission File Number: 001-35907

**IQVIA HOLDINGS INC.**



(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

27-1341991

(I.R.S. Employer Identification Number)

2400 Ellis Rd., Durham, North Carolina 27703

(Address of principal executive office and Zip Code)

(919) 998-2000

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class                      | Trading Symbol(s) | Name of each exchange on which registered |
|------------------------------------------|-------------------|-------------------------------------------|
| Common Stock, par value \$0.01 per share | IQV               | New York Stock Exchange                   |

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or section 15(d) of the Exchange Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding twelve months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

|                         |                                     |                           |                          |
|-------------------------|-------------------------------------|---------------------------|--------------------------|
| Large accelerated filer | <input checked="" type="checkbox"/> | Accelerated filer         | <input type="checkbox"/> |
| Non-accelerated filer   | <input type="checkbox"/>            | Smaller reporting company | <input type="checkbox"/> |
| Emerging growth company | <input type="checkbox"/>            |                           |                          |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒



The aggregate market value of the voting and non-voting common stock held by non-affiliates of the registrant, based upon the closing sale price as reported on the New York Stock Exchange on June 30, 2023, the last business day of the registrant's most recently completed second quarter, was approximately \$40.8 billion.

As of February 5, 2024, there were approximately 181.5 million shares of the registrant's common stock outstanding.

Portions of the registrant's Proxy Statement for the 2024 Annual Meeting of Stockholders are incorporated herein by reference in Part III of this Annual Report on Form 10-K to the extent stated herein. Such proxy statement will be filed with the Securities and Exchange Commission within 120 days of the registrant's fiscal year ended December 31, 2023.

**IQVIA HOLDINGS INC.**  
**FORM 10-K**  
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## FORWARD-LOOKING STATEMENTS

Except for any historical information contained herein, the matters discussed or incorporated by reference in this Annual Report on Form 10-K contains forward-looking statements within the meaning of the federal securities laws, including Section 27A of the Securities Act of 1933, as amended ("Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such forward-looking statements reflect, among other things, our current expectations, our forecasts and our anticipated results of operations, all of which are subject to known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements, market trends, or industry results to differ materially from those expressed or implied by such forward-looking statements. Therefore, any statements contained herein that are not statements of historical fact may be forward-looking statements and should be evaluated as such. Without limiting the foregoing, the words "assumes," "anticipates," "believes," "estimates," "expects," "intends," "may," "forecasts," "plans," "projects," "should," "seeks," "sees," "targets," "will," "would" and similar words and expressions, and variations and negatives of these words are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words.

We caution you that any such forward-looking statements are further qualified by important factors that could cause our actual operating results to differ materially from those in the forward-looking statements, including without limitation, that business disruptions caused by natural disasters, pandemics such as the COVID-19 (coronavirus) outbreak, including any variants, and the public health policy responses to the outbreak, international conflict or other disruptions outside of our control such as the current situation in Ukraine and Russia; most of our contracts may be terminated on short notice, and we may lose or experience delays with large client contracts or be unable to enter into new contracts; the market for our services may not grow as we expect; we may be unable to successfully develop and market new services or enter new markets; imposition of restrictions on our use of data by data suppliers or their refusal to license data to us; any failure by us to comply with contractual, regulatory or ethical requirements under our contracts, including current or future changes to data protection and privacy laws; breaches or misuse of our or our outsourcing partners' security or communications systems; failure to meet our productivity or business transformation objectives; failure to successfully invest in growth opportunities; our ability to protect our intellectual property rights and our susceptibility to claims by others that we are infringing on their intellectual property rights; the expiration or inability to acquire third party licenses for technology or intellectual property; any failure by us to accurately and timely price and formulate cost estimates for contracts, or to document change orders; hardware and software failures, delays in the operation of our computer and communications systems or the failure to implement system enhancements; the rate at which our backlog converts to revenues; our ability to acquire, develop and implement technology necessary for our business; consolidation in the industries in which our clients operate; risks related to client or therapeutic concentration; government regulators or our customers may limit the number or scope of indications for medicines and treatments or withdraw products from the market, and government regulators may impose new regulatory requirements or may adopt new regulations affecting the biopharmaceutical industry; the risks associated with operating on a global basis, including currency or exchange rate fluctuations and legal compliance, including anti-corruption laws; risks related to changes in accounting standards; general economic conditions in the markets in which we operate, including financial market conditions, inflation and risks related to sales to government entities; the impact of changes in tax laws and regulations; and our ability to successfully integrate, and achieve expected benefits from, our acquired businesses.

These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described in Part I, Item 1A, "Risk Factors." If one or more of these risks or uncertainties materialize, or if underlying assumptions prove incorrect, our actual results may vary materially from those expected, estimated or projected or as otherwise suggested by the forward-looking statements that we make for a number of reasons. Given these uncertainties, users of the information included or incorporated by reference in this Annual Report on Form 10-K, including investors and prospective investors, are cautioned not to place undue reliance on such forward-looking statements. All forward-looking statements are made only as of the date hereof. We assume no obligation to update any such forward-looking information to reflect actual results or changes in the factors affecting such forward-looking information.

## GENERAL

When we use the terms "IQVIA," the "Company," "we," "us" or "our" in this Annual Report on Form 10-K, we mean IQVIA Holdings Inc. and its subsidiaries on a consolidated basis, unless we state or the context implies otherwise.

## INDUSTRY AND MARKET DATA

This Annual Report on Form 10-K includes market data and forecasts with respect to the healthcare industry. In some cases, we rely on and refer to market data and certain industry forecasts that were obtained from third party surveys, market research, consultant surveys, publicly available information and industry publications and surveys that we believe to be reliable. However, we have not independently verified data from industry analyses and cannot guarantee their accuracy or completeness. We believe that data regarding the industry, market size and market position and market share within such industry provide general guidance but are inherently imprecise. Other industry and market data included in this annual report are from IQVIA analyses and have been identified accordingly, including, for example, IQVIA Market Prognosis, which is a subscription-based service that provides five-year pharmaceutical market forecasts at the national, regional and global levels. We are a leading global information provider for the healthcare industry and we maintain databases, produce market analyses and deliver information to clients in the ordinary course of our business. Our information is widely referenced in the industry and used by governments, payers, academia, the life sciences industry, the financial community and others. Most of this information is available on a subscription basis. Other reports and information are available publicly through our IQVIA Institute for Human Data Science (the "IQVIA Institute"). All such information is based upon our own market research, internal databases and published reports and has not been verified by any independent sources. Our estimates and assumptions involve risks and uncertainties and are subject to change based on various factors, including those discussed in Part I, Item 1A, "Risk Factors." These and other factors could cause results to differ materially from those expressed in the estimates and assumptions.

## TRADEMARKS AND SERVICE MARKS

All trademarks, trade names, product names, graphics and logos of IQVIA contained herein are trademarks or registered trademarks of IQVIA Holdings Inc. or its subsidiaries, as applicable, in the United States and/or other countries. All other party trademarks, trade names, product names, graphics and logos contained herein are the property of their respective owners. The use or display of other parties' trademarks, trade names, product names, graphics or logos is not intended to imply, and should not be construed to imply, a relationship with, or endorsement or sponsorship of IQVIA Inc. or its subsidiaries by such other party.

Solely for convenience, the trademarks, service marks and trade names referred to in this annual report are listed without the ®, (sm) and (TM) symbols, but we will assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensors to these trademarks, service marks and trade names.

## PART I

### Item 1. Business

#### Our Company

IQVIA is a leading global provider of advanced analytics, technology solutions, and clinical research services to the life sciences industry. IQVIA creates intelligent connections across all aspects of healthcare through its analytics, transformative technology, big data resources, extensive domain expertise and network of partners. IQVIA Connected Intelligence delivers actionable insights and powerful solutions with speed and agility — enabling customers to accelerate the clinical development and commercialization of innovative medical treatments that improve healthcare outcomes for patients. With approximately 87,000 employees, we conduct operations in more than 100 countries.

We are a global leader in protecting individual patient privacy. We use a wide variety of privacy-enhancing technologies and safeguards to protect individual privacy while generating and analyzing information on a scale that helps healthcare stakeholders identify disease patterns and correlate with the precise treatment path and therapy needed for better outcomes. Our insights and execution capabilities help biotech, medical device and pharmaceutical companies, medical researchers, government agencies, payers and other healthcare stakeholders tap into a deeper understanding of diseases, human behaviors and scientific advances, in an effort to advance their path toward cures.

We have one of the largest and most comprehensive collections of healthcare information in the world, which includes more than 1.2 billion comprehensive, longitudinal, non-identified patient records spanning sales, prescription and promotional data, medical claims, electronic medical records, genomics, and social media. Our scaled and growing information set contains approximately 61 petabytes of unique proprietary data sourced from approximately 150,000 data suppliers and covering over one million data feeds globally. Based on this data, we deliver information and insights on over 90% of the world's pharmaceuticals, as measured by 2022 sales. We standardize, curate, structure and integrate this information by applying our sophisticated analytics and leveraging our global technology infrastructure. This helps our clients run their organizations more efficiently and make better decisions to improve their clinical, commercial and financial performance. We have developed a comprehensive portfolio of intelligent, actionable information offerings over a period of many years through innovation, expertise and hard work that differentiates our capabilities to support customers throughout the world.

We combine our proprietary information assets with advanced analytics, transformative technology and domain expertise to develop clinical and commercial capabilities that enable us to grow our relationships with healthcare stakeholders throughout the life science's value chain. This set of capabilities includes:

- ***A leading healthcare-specific global IT infrastructure***, representing what we believe is one of the largest and most sophisticated information technology ("IT") infrastructures in healthcare. We receive approximately 120 billion healthcare records annually, and our infrastructure then connects complex healthcare data while applying a wide range of privacy, security, operational, legal and contractual protections for data in response to local law, supplier requirements and industry leading practices;
- ***Analytics-driven clinical development***, which improves clinical trial design, site identification and patient recruitment by empowering therapeutic, scientific, and domain experts with expansive levels of information, including product level tracking in 94 markets, and information about treatments and outcomes on more than 1.2 billion unique non-identified patient records globally;
- ***Robust real world solutions ecosystem***, with sophisticated retrospective database analytics, prospective real world data collection technology platforms and scientific expertise, which enables us to address critical healthcare issues of cost, value and patient outcomes;
- ***A growing set of proprietary clinical and commercial applications***, which helps our clients increase their clinical operations performance, supports their regulatory and compliance needs and orchestrates their sales operations, sales management, multi-channel marketing and performance management;

- **Integration of information, analytics, technology, and domain expertise through IQVIA Connected Intelligence**, which enables us to provide our clients with more effective options to address their needs from research and development through commercialization as well as truly innovative breakthroughs such as decentralized trials and global real-world evidence networks; and
- **A staff of approximately 87,000 employees across the globe**, including over 30,000 Technology & Analytics Solutions employees, approximately 48,000 Research & Development Solutions employees and approximately 7,000 Contract Sales & Medical Solutions employees.

## Our Market Opportunity

We compete in a market of greater than \$330 billion consisting of outsourced research and development, real-world evidence and connected health and technology enabled clinical and commercial operations markets for life sciences companies and the broader healthcare industry. The following sets forth our estimates for the size of our principal markets:

- **Outsourced research and development:** Biopharmaceutical spending on drug development totaled approximately \$184 billion in 2023. Of that amount, we estimate that our addressable opportunity (clinical development spending excluding preclinical spending) was approximately \$99 billion. The portion of this addressable opportunity that was outsourced in 2023, based on our estimates, was approximately \$50 billion.
- **Real-World Evidence and connected health:** Total addressable market of approximately \$70 billion in 2023 that consists of tightly coupled life sciences and healthcare markets. First, the life sciences market for Real-World Evidence of approximately \$30 billion includes post-launch evidence generation, market access, and medical affairs. Second, the addressable opportunity for connected healthcare is approximately \$40 billion, and includes areas such as revenue cycle management, payer & provider analytics and clinical decision support services.
- **Technology enabled commercial operations:** Total addressable market of approximately \$80 billion in 2023 that includes information, data warehousing, IT outsourcing, software applications and other services in the broader market for IT services. This addressable opportunity also includes commercial services such as recruiting, training, deploying and managing global sales forces, channel management, patient engagement services, market access consulting, brand communication, advisory services, and health information analytics and technology consulting.

In deriving estimates of the size of the various markets described above, we review third-party sources, which include estimates and forecasts of spending in various segments, in combination with internal IQVIA research and analysis informed by our experience serving these segments, as well as projected growth rates for each of these segments. See “Industry and Market Data” above.

We believe there are six key trends affecting our end markets that will create increasing demand for research and development services, technology & analytics solutions and contract sales and medical solutions:

**Growth and innovation in the life sciences industry.** The life sciences industry is a large and critical part of the global healthcare system and, according to the latest information available from the IQVIA Market Prognosis service, is estimated to have generated approximately \$1.63 trillion in revenues in 2023. According to the IQVIA Institute, it is estimated that spending on pharmaceuticals in emerging markets will expand at a 5% to 8% compound annual growth rate (“CAGR”) through 2028. The growth of emerging markets demonstrates their strategic importance to global life sciences organizations along with the emergence of local and regional companies with similar operational and informational needs. We expect all of these organizations to apply a high degree of sophistication to their commercial operations in these countries, especially as some begin to emerge as sources of original innovative products. For global companies, this requires highly localized knowledge and information assets, the development of market access strategies and performance benchmarking. In addition, local players are learning that they need to compete on the basis of improved information and analytics.

**Growth in Research and Development.** Spending trends in research and development are impacted as a result of several factors, including major biopharmaceutical companies' efforts to replenish revenues lost from the so-called "patent cliff," increased access to capital by the small and midcap biotechnology industry, and recent increases in pharmaceutical approvals by regulatory authorities. The IQVIA Institute also estimates that approximately 350 new molecular entities ("NMEs") are expected to be approved between 2024 and 2028, or 70 per year compared to 61 per year on average during the past decade. We believe that further research and development spending, combined with the continued need for cost efficiency across the healthcare landscape, will continue to create opportunities for biopharmaceutical services companies, particularly those with a global reach and broad service offerings, to help biopharmaceutical companies with their pre- and post-launch solutions development and commercialization needs. The impact of recent legislative changes on product launch and industry innovation continues to be evaluated. IQVIA is involved with many stakeholders throughout the industry as we help navigate changes over the coming decade.

**Increased Complexity in Research and Development.** Biopharmaceutical companies face environments in which it has become increasingly difficult to operate. Improved standards of care in many therapeutic areas and the emergence of new types of therapies, such as biologics, genetically targeted therapies, gene and stem cell therapies, and other treatment modalities have led to more complex development and regulatory pathways. We believe that our global clinical development capabilities, including our expertise in biomarkers and genomics and our global laboratory network, position us well to help biopharmaceutical companies manage the complexities inherent in an environment where this type of expertise is important. For example, IQVIA Connected Intelligence helps us validate protocols to ensure studies in new disease areas have greater accuracy and also enables us, through innovations such as predictive analytics, to find patients who may not have been diagnosed.

Regulators require clinical trials to involve local populations as part of the process for approving new pharmaceutical products, especially in certain Asian and emerging markets. Understanding the epidemiological and physiological differences in different ethnic populations and being able to conduct clinical trials locally in certain geographies will be important to pharmaceutical product growth strategies, both for multinational and local/regional biopharmaceutical companies. We believe that our global clinical development capabilities and unmatched presence in Asia and other emerging markets make us a strong partner for biopharmaceutical companies managing the complexities of international drug development.

**Financial pressures driving the need for increased efficiency.** Despite expected accelerating growth in the global life sciences market, we believe our clients will face increased operating margin pressure due to their changing product mix, pricing and reimbursement challenges, and rising costs of compliance. Product portfolios for life sciences companies have shifted toward specialty products with lower peak market sales potential than traditional primary care medicines. We believe that the need for biopharmaceutical companies to maximize productivity and lower costs across their processes from research and development through commercial operations will cause them to look to partners as they enter into outsourcing arrangements to improve efficiency. Further, our clients are looking for new ways to simplify processes and drive operational efficiencies by using automation, consolidating vendors and adopting new technology options such as hosted and cloud-based applications. This provides opportunities for technology services vendors to capture and consolidate the internal spending of life sciences companies by providing lower-cost and variable-cost options that lower clients' research and development, selling, marketing and administrative costs.

**Evolving need to integrate and structure expanding sources of data.** Over the past decade, many health systems around the world have focused on digitizing medical records. While such records theoretically enhance access to data, relevant information is often unintegrated, unstructured, siloed in disparate software systems, or entered inconsistently. In addition, new sources of data from the internet, such as social media and information on limited patient pools, and information resulting from enhanced diagnostic technologies are creating new sources of healthcare data.

In order to derive valuable insights from existing and expanding sources of information, clients need access to statistically significant data sets organized into databases that can be queried and analyzed. For example, real-world evidence studies demonstrate practical and clinical efficacies, which we believe require the aggregation and integration of large clinical data sets across all care settings, types of therapies and patient cohorts. Longitudinal studies require analysis of non-identified patient diagnoses, treatments, procedures and laboratory test results to identify types of patients that will likely best respond to particular therapies. Finally, manufacturers also require the ability to analyze social media activity to identify unmet patient needs and support for new orphan drugs. This information is highly relevant to all healthcare stakeholders and we believe the opportunity to more broadly apply healthcare data can only be realized through structuring, organizing and integrating new and existing forms of data in conjunction with sophisticated analytics.

***Need for demonstrated value in healthcare.*** Participants in the healthcare industry are focused on improving quality and reducing costs, both of which require assessment of quality and value of therapies and providers. As a result, physicians no longer make prescribing decisions in isolation, but rather in the context of guidance and rules from payers, integrated delivery networks and governments. We believe life sciences companies are working to bring alignment across constituents on the value of their treatments in order to successfully develop and commercialize new therapies.

There is increasing pressure on life sciences companies to support and justify the value of their therapies. Many new drugs that are being approved are more expensive than existing therapies and will likely receive heightened scrutiny by regulators and payers to determine whether the existing treatment options would be sufficient. Additionally, many new specialty drugs are molecular-based therapies and require a more detailed understanding of clinical factors and influencers that demonstrate therapeutic value. As a result, leading life sciences companies are utilizing more sophisticated outcome research and data analytics services.

We believe we are well positioned to take advantage of these global trends in healthcare. Beyond our proprietary information assets, we have developed key capabilities to assess opportunities to develop and commercialize therapies, support and defend the value of medicines and help our clients operate more efficiently through the application of insight-driven decision-making and cost-efficient technology solutions.

## **Our Growth Strategy**

We believe we are well positioned for continued growth across the markets we serve. Our strategy for achieving growth includes:

***Continue to innovate through our IQVIA Connected Intelligence by leveraging our information, advanced analytics, transformative technology and significant domain expertise.*** As a leader in the development and commercialization of new pharmaceutical therapies, we can empower our therapeutic, scientific and domain experts with expansive levels of information including product level tracking in 94 markets and information about treatments and outcomes on more than 1.2 billion unique non-identified patient records. By connecting this intelligence, we have the ability to optimize the clinical trial process and enable our clients to reduce costs and get their products to market more quickly through more informed site selection, faster patient recruitment practices and decentralized trials. We transform Real World Evidence by linking prospective and retrospective approaches and introduce innovation such as secondary control arms, which eliminate the need for a placebo group. We bring best in-class Software as a Service ("SaaS") platforms, purpose built for life sciences, to our clients to help them run their clinical and commercial operations more efficiently.

***Build upon our extensive client relationships and leverage our global presence.*** We have a diversified base of over 10,000 clients in over 100 countries and have expanded our client value proposition to address a broader market for research and development and commercial operations which we estimate to be more than \$330 billion in 2023. Through the combined offerings of research and development and commercial services we built a platform that allows us to be a more complete partner to our clients.

***Expand the penetration of our offerings to the broader healthcare marketplace.*** We believe that substantial opportunities exist to use our existing technology and domain expertise to serve additional healthcare stakeholders (payers, providers, healthcare professionals) to quantify and optimize cost of care delivery; provide registry technology to professional association and patient communities and support healthcare providers with system implementation and platform migration.

***Expand portfolio through strategic acquisitions.*** We have and expect to continue to acquire assets and businesses that strengthen our value proposition to clients. We have developed an internal capability to source, evaluate and integrate acquisitions that have created value for stockholders. As the global healthcare landscape evolves, we expect that there will be a growing number of acquisition opportunities across the life sciences, payer and provider sectors. We expect to continue to invest in or explore opportunities for strategic acquisitions to grow our platform and enhance our ability to provide more services to our clients.

## **Our Offerings**

We offer hundreds of distinct services, applications, technology platforms and solutions to help our clients make critical decisions and perform better. We have three reportable segments: Technology & Analytics Solutions, Research & Development Solutions and Contract Sales & Medical Solutions. Their offerings complement each other and can provide enhanced value to our clients when delivered together, with each driving demand for the other.

***Our Technology & Analytics Solutions offerings include:***

**Technology platforms.** We provide an extensive range of cloud-based applications and associated implementation services. SaaS solutions that support a wide range of commercial and clinical processes, including customer relationship management (“CRM”), performance management, real-world evidence generation, compliance and safety reporting, incentive compensation, territory alignment, roster management, call planning, multi-channel marketing, and master data management. These solutions are used by healthcare companies to manage, optimize and execute their clinical and commercial strategies in an orchestrated manner while addressing their regulatory obligations. Using proprietary algorithms, we combine our country-level data, healthcare expertise and therapeutic knowledge in over 100 countries to create our Global Market Insight family of offerings such as MIDAS, Analytics Link and Disease Insights, which provides a leading source of insight into international market dynamics and are used by most large pharmaceutical companies.

**Real World Solutions.** We enable life sciences and provider customers to generate and disseminate evidence in a cost-efficient manner which informs health care decision making and ultimately improves patients’ outcomes. Our use of a wide range of privacy and security safeguards protect non-identified patient-level medical claims, prescriptions, electronic medical records, genomics, patient reported outcome and social media data. Our scaled information networks include more than 1.2 billion unique non-identified patient records globally, as well as access to profiles of over 3,400 real world data assets in more than 100 countries uniquely facilitating data discoverability for healthcare research via the IQVIA Health Data Catalog. We technology-enable these data flows by harmonizing them to common data models and loading them onto our proprietary evidence platforms for secure access by our customers. We provide access to deep clinical data in Oncology, Rare Disease, and other specialty areas. Our Natural Language Processing capabilities help us create structured data from unstructured clinical notes. We help our global customers across payers, providers, governments, and biopharmaceutical companies to answer critical questions about healthcare interventions related to safety, effectiveness, and value. We also bring together stakeholders across healthcare to collaborate in efforts to develop new information sources, more effective reimbursement models, and better patient outcomes.

**Analytics and consulting services.** We provide a broad set of strategic and implementation consulting services, including advanced analytics and commercial processes outsourcing services to help the commercial operations of life sciences companies successfully transform their commercial models, engage more effectively with healthcare stakeholders and reduce their operating costs. We also help our client’s research and development function to address strategic challenges in the drug development process. Our global teams leverage local market knowledge, deep scientific and therapeutic area expertise and our global information resources to assist our clients with research and development strategy, portfolio, brand and commercial strategy, as well as pricing and market access and launch excellence.

**Information offerings.** Our national offerings comprise unique services in over 100 countries that provide consistent country level performance metrics related to sales of pharmaceutical products, prescribing trends, medical treatment and promotional activity across multiple channels including retail, hospital and mail order. Our sub-national offerings comprise unique services in over 70 countries that provide a consistent measurement of sales or prescribing activity at the regional, zip code and individual prescriber level (depending on regulation in the relevant country). Our widely used reference database tracks over 25 million healthcare professionals in over 100 countries, providing a comprehensive view of health care practitioners that is critical for the commercial success of our clients’ marketing and sales initiatives.

***Our Research & Development Solutions offerings include:***

**Project Management and Clinical Monitoring.** Drawing upon our years of experience, our site databases, our site relationships and our highly trained staff, our solutions and services enables the efficient conduct and coordination of multi-site clinical trials (generally Phase II-IV). Our service offerings include protocol design, feasibility and operational planning, site start up, patient recruitment and clinical site monitoring. By infusing technology into field-based monitoring, we are able to reduce data collection steps and time.

**Clinical Trial Support Services.** Each clinical trial requires a number of concurrent services and data streams. We offer a broad range of functional services and consultation to support clinical trials through specialized expertise that help clients efficiently collect, analyze and report the quality data and evidence they need to gain regulatory approval.



**Laboratory Services.** We provide our clients globally scaled end-to-end clinical trial laboratory and research services. Our offerings include the full range of central laboratory, genomic, bioanalytical, ADME, discovery, vaccine and biomarker laboratory services along with sample and consent tracking services.

**Strategic Planning and Design.** By bringing our data science capabilities to our strategic planning and design services, we offer consultation services to improve decisions and performance including portfolio, program and protocol planning and design, biomarker consultation, benefit-risk management, regulatory affairs, biostatistics, modeling and simulation, and personalized medicine.

**Patient and Site Centric Solutions.** A comprehensive suite of technology and site support services which create custom strategies to engage and retain patients. Included is our site management organization Avacare Clinical Research Network, which orchestrates the activities of over 200 investigators and extends solutions to patients across more than 20 therapeutic indications in nearly 50 locations. Additionally, our decentralized approaches and technologies support sites and sponsors through direct-to-patient recruitment, remote nursing, data entry, and study coordinator resources. Our solutions reduce study burden and foster a supportive, patient-centric journey.

***Our Contract Sales & Medical Solutions offerings include:***

**Health Care Provider Engagement Services.** We partner with biopharmaceutical companies and other life sciences providers (e.g., medical device companies) to develop and deploy tailored stakeholder engagement solutions, including contract sales and market access professionals, which are focused on product sales and improving brand value at all stages of the product lifecycle from initial market entry to brands nearing patent expiry.

**Patient Engagement Services.** Our nurse-based programs directly engage with patients to help improve their disease and medication understanding through interventional and non-interventional support, while also providing assistance in navigating complex reimbursement coverage issues. Our patient engagement services combine insight from clinical trials and social listening, behavioral design, personal and innovative eHealth multichannel interactions across multiple sites (e.g., the physician's office, hospital, pharmacy, home), that act as an extension of the Health Care Provider prescribed treatment course which can lead to improved adherence and better overall outcomes.

**Medical Affairs Services.** We provide a range of scientific strategy and medical affairs services to help biopharmaceutical companies plan and transition from the clinical trial setting to commercialization. Beginning in the clinical trial stage, our services can deploy educators to clinical trial sites to accelerate patient recruitment and improve retention, assist in translation of complex clinical trial data into a compelling scientific platform and publication strategy, and, provide field medical teams to facilitate scientific engagement with key opinion leaders and healthcare decision makers, before and after product approval.

**Our Clients**

Sales to companies in life sciences, including pharmaceutical companies, biotechnology companies, device and diagnostic companies, and consumer health companies, account for the majority of our revenues. Nearly all of the top 100 global pharmaceutical and biotechnology companies, measured by revenues, are clients, and many of these companies subscribe to reports and services in many countries. Other clients include payers, government and regulatory agencies, providers, pharmaceutical distributors, and pharmacies. Our client base is broad in scope and enables us to avoid dependence on any single client. No single client accounted for 10% or more of our total Company revenues in 2023, 2022 or 2021. For the year ended December 31, 2023 the largest client based on its percentage of total Company revenues contributed approximately 5%.

## Our Competition

Our Technology & Analytics Solutions business competes with a broad and diverse set of businesses. While we believe no competitor provides the combination of geographical reach and breadth of our services, we generally compete in the countries in which we operate with other information, analytics, technology, services and consulting companies, as well as with the in-house capabilities of our clients. Also, we compete with certain government agencies, private payers and other healthcare stakeholders that provide their data directly to others. In addition to country-by-country competition, we have a number of regional and global competitors in the marketplace as well. Our offerings compete with various firms, including Accenture, Aetion, Panalgo (a Norstell company), Cognizant Technology Solutions, Fortrea, Deloitte, Pharmaceutical Product Development, Inc. (now part of Thermo Fisher Scientific Inc.), Relx, IBM, Infosys, Cerner (an Oracle company), McKinsey, NielsenIQ, Optum Insight, Parexel International Corporation, Press Ganey, RTI Health Solutions, ICON plc, Definitive Healthcare, Cegedim, Tempus, Merative, CompuGroup Medical, Medidata, Clarivate, Veeva, and ZS Associates. We also compete with a broad range of new entrants and start-ups that are looking to bring new technologies and business models to healthcare information services and technology services.

The markets for Research & Development Solutions offerings are highly competitive, and we compete against traditional clinical research organizations ("CROs"), the in-house research and development departments of biopharmaceutical companies, universities, and teaching hospitals. Among the traditional CROs, there are several-hundred small, limited-service providers, several medium-sized firms and only a few full-service companies with global capabilities. Our primary competitors include ICON plc, Parexel International Corporation, Pharmaceutical Product Development, Inc., Syneos Health, and Fortrea, among others.

Our Contract Sales & Medical Solutions business competes against the in-house sales and marketing departments of biopharmaceutical companies, other contract pharmaceutical sales and service organizations and consulting firms. Contract Sales & Medical Solutions' primary competitors in the United States are Syneos Health, Amplity Health, Eversana and Inizio. Outside of the United States, Contract Sales & Medical Solutions typically competes against single country or more regionally focused service providers, such as Inizio, Syneos Health, EPS Corporation, Uniphar, and CMIC HOLDINGS Co., Ltd.

## Sustainability

We are committed to sustainable environmental, social and governance ("ESG") practices that further our corporate purpose of accelerating innovation for a healthier world. Our sustainable business practices are organized under three pillars — People, Public and Planet. For further information on our ESG program, achievements, and goals, see our 2023 Environmental, Social, and Governance Report (the "2023 ESG Report"), which will be available on our website at <https://www.iqvia.com/about-us/corporate-responsibility>. Information in the 2023 ESG Report is not incorporated by reference in, and does not form part of, this Annual Report on Form 10-K. To facilitate the disclosure of comparable, consistent, and reliable ESG information, the 2023 ESG Report will be aligned with the Sustainability Accounting Standards Board ("SASB") and the Global Reporting Initiative ("GRI") reporting frameworks by including therein and reporting against their respective reporting standards indexes. The 2023 ESG Report also discusses our climate-related risks and opportunities in accordance with the recommended disclosures of the Task Force on Climate-related Financial Disclosures ("TCFD").

## Government Regulation

Many aspects of our businesses are regulated by federal and state laws, rules and regulations. Accordingly, we maintain a robust compliance program aimed at ensuring we operate our business in compliance with all existing legal requirements material to the operation of our businesses. There are, however, occasionally uncertainties involving the application of various legal requirements, the violation of which could result in, among other things, fines or other sanctions. See Part I, Item 1A, "Risk Factors" for additional detail.

### *Good Clinical Practice*

Good Clinical Practice ("GCP") regulations and guidelines are the industry standard for the conduct of clinical trials with respect to maintaining the integrity of the data and safety of the research subjects. The United States Food and Drug Administration ("FDA"), the European Medicines Agency ("EMA"), Japan's Ministry of Health, Labor and Welfare and most other global regulatory authorities expect that study results and data submitted to such authorities be based on clinical trials conducted in accordance with GCP provisions. Records for clinical trials must be maintained for specified periods for inspection by the FDA and other regulators.

### ***Regulation of Drugs, Biologics and Medical Devices***

In the United States, pharmaceutical, biological and medical device products are subject to extensive regulation by the FDA. The Federal Food, Drug, and Cosmetic Act (FDC Act), the Public Health Service Act (PHS Act), and other federal and state statutes and regulations govern, among other things, the research, development, testing, manufacture, storage, recordkeeping, approval, labeling, promotion and marketing, distribution, post-approval monitoring and reporting, sampling, and import and export of pharmaceutical, biological and medical device products. Failure to comply with applicable United States requirements may subject a company to a variety of administrative or judicial sanctions, such as FDA refusal to approve a pending new drug application (NDA) for a new drug, a biologics license application (BLA) for a new biological product, pre-market approval (PMA) or clearance for a new medical device, warning or untitled letters, clinical holds, product recalls, product seizures, total or partial suspension of production or distribution, injunctions, fines, civil penalties, and criminal prosecution.

### ***Regulation of Patient Information***

Our information management services relate to the processing of information regarding patient diagnosis and treatment of disease and are, therefore, subject to substantial governmental regulation. In addition, the confidentiality of patient-specific information and the circumstances under which such patient-specific records may be released for inclusion in our databases or used in other aspects of our business is heavily regulated. Federal, state and foreign governments are contemplating or have proposed or adopted additional legislation governing the possession, use and dissemination of personal data, such as personal health information and personal financial data, as well as security breach notification rules for loss or theft of such data. Additional legislation or regulation of this type might, among other things, require us to implement additional security measures and processes or bring within the legislation or regulation de-identified health or other data, each of which may require substantial expenditures or limit our ability to offer some of our services.

In particular, personal health information is recognized in many countries such as the United States, the European Union, or EU, and several countries in Asia, as a special, sensitive category of personal information, subject to additional mandatory protections. Violations of data protection regulations are subject to administrative penalties, civil money penalties and criminal prosecution, including corporate fines and personal liability.

### ***Regulation of Promotion, Marketing and Distribution of Pharmaceutical Products and Medical Devices***

Certain of our services are subject to detailed and comprehensive regulation in each geographic market in which we operate. Such regulation relates, among other things, to the distribution of drug samples, the marketing and promotion of approved products, the qualifications of sales representatives and the use of healthcare professionals in sales functions.

In the United States, certain of our services are subject to numerous federal and state laws pertaining to promotional activities involving pharmaceutical products and medical devices. Certain of our services are subject to the FDA's regulations against "off-label promotion," which require sales representatives to restrict promotion of the approved product they are detailing to the approved labeling for the product. The Prescription Drug Marketing Act imposes licensing, personnel record keeping, packaging, labeling, product handling and facility storage and security requirements. Other federal and state laws prohibit manufacturers, suppliers and providers from offering, giving or receiving kickbacks or other remuneration in connection with ordering or recommending the purchase or rental of healthcare items and services. The sale or distribution of pharmaceutical products and devices is also governed by the United States Federal Trade Commission Act and state consumer protection laws. We are subject to similar regulations currently in effect in the other countries where we offer Contract Sales & Medical Solutions.

We are also subject to various laws and regulations that may apply to certain drug and device promotional practices, including, among others, various aspects of Medicare and federal healthcare programs. Violations of these laws and regulations may result in criminal and/or civil penalties, including possibly as an "aider and abettor."

### ***Regulation of Laboratories***

Our United States laboratories are subject to licensing and regulation under federal, state and local laws relating to hazard communication and employee right-to-know regulations, and the safety and health of laboratory employees. Additionally, our United States laboratories are subject to applicable federal and state laws and regulations and licensing requirements relating to the handling, storage and disposal of hazardous waste, radioactive materials and laboratory specimens, including the regulations of the Environmental Protection Agency, the Nuclear Regulatory Commission, the Department of Transportation, the National Fire Protection Agency and the United States Drug Enforcement Administration ("DEA"). The use of controlled substances in testing for drugs with a potential for abuse is regulated in the United States by the DEA and by similar regulatory bodies in other parts of the world. Our United States laboratories using controlled substances for testing purposes are licensed by the DEA. The regulations of the United States Department of Transportation, Public Health Service and Postal Service apply to the surface and air transportation of laboratory specimens. Our laboratories also are subject to International Air Transport Association regulations, which govern international shipments of laboratory specimens. Furthermore, when the materials are sent to a foreign country, the transportation of such materials becomes subject to the laws, rules and regulations of such foreign country. Our laboratories outside the United States are subject to applicable national laws governing matters such as licensing, the handling and disposal of medical specimens, genetic material, hazardous waste and radioactive materials, as well as the health and safety of laboratory employees.

In addition to its comprehensive regulation of safety in the workplace, the United States Occupational Safety and Health Administration has established extensive requirements relating to workplace safety for healthcare employers whose workers may be exposed to blood-borne pathogens such as HIV and the hepatitis B virus. Although we believe that we are currently in compliance in all material respects with such federal, state and local laws, failure to comply with such laws could subject us to denial of the right to conduct business, fines, criminal penalties and other enforcement actions.

Further, laboratories that analyze human blood or other biological samples for the diagnosis and treatment of clinical trial subjects must comply with Clinical Laboratory Improvement Amendments ("CLIA"), as well as requirements established by various states. The failure to meet these requirements may result in civil penalties and suspension or revocation of the CLIA certification.

### **Data Privacy**

Patient health information is among the most sensitive of personal information, and it is critically important that information about an individual's healthcare is properly protected from inappropriate access, use and disclosure. Real world evidence -- information that allows us to examine actual practices and outcomes -- is essential to increase access to care, improve outcomes, and lower costs. IQVIA uses a wide variety of privacy-enhancing technologies and safeguards to protect individual privacy while generating and analyzing information on a scale that helps healthcare stakeholders identify disease patterns and correlate with the precise treatment path and therapy needed for better outcomes. We employ a wide variety of methods to manage privacy requirements, including:

- governance, frameworks, models and training to promote good decision making and accountability;
- a layered approach to privacy and security management to avoid a single point of failure;
- ongoing evaluation of privacy and security practices to promote continuous improvement;
- use of technical, administrative, physical and organizational safeguards and controls;
- collaboration with data suppliers and trusted third parties for our syndicated market research and analytics offerings to remove identifiable information or employ effective encryption or other techniques to render information non-identified before data is delivered to us; and
- work with leading researchers, policy makers, thought leaders and others in a variety of fields relevant to the application of effective privacy and security practices, including statistical, epidemiological and cryptographic sciences, legal, information security and compliance, and privacy.

We are an industry leader in de-identifying data. Our capabilities allow us to render data non-identified while still maintaining data utility, thus protecting privacy while still advancing innovation. Not only do we make use of de-identification techniques with respect to the data we hold, but we also share our expertise in this area with policymakers, regulators and others to help them understand de-identification methodologies and practical considerations to avoid re-identification risk.

We operate in more than 100 countries around the world, many of which have data protection and privacy laws and regulations based on similar core principles (e.g., openness, accountability, security safeguards, etc.). We apply those principles globally and augment our practices to address local laws, contractual obligations and other data privacy requirements.

Our Global Privacy team, led by our Global Chief Privacy Officer, is comprised of privacy professionals and privacy law experts who drive our strategy and develop and manage our policies and standards. The Global Privacy team provides subject matter expertise related to the proper management of all data types. In addition, our Global Privacy team liaises with our Legal, IT, Information Security and other teams so that privacy requirements are addressed in technology development, contracting, offerings and other business activities.

The IQVIA Privacy Policy (the "Privacy Policy") is our foundational privacy policy. It explains how, when applicable, we collect, hold, use and disclose personal information, including that of our personnel, consumers, healthcare professionals, patients, medical research subjects, clinical investigators, customers, suppliers, vendors, business partners and investors. You can find the Privacy Policy on our website at <https://www.iqvia.com/about-us/privacy/privacy-policy>. Information in the Privacy Policy is not incorporated by reference in, and does not form part of, this Annual Report on Form 10-K.

## **Our Intellectual Property**

In addition to our proprietary data sets described above, we develop and use a number of proprietary methodologies, analytics, systems, technologies and other intellectual property in the conduct of our business. We rely upon a combination of legal, technical, and administrative safeguards to protect our proprietary and confidential information and trade secrets, and patent, copyright and trademark laws to protect other intellectual property rights. We consider our trademark and related names, marks and logos to be of material importance to our business, and we have registered or applied for registration for certain of these trademarks, including IQVIA, in the United States and other jurisdictions and aggressively seek to protect them. Trademarks and service marks generally may be renewed indefinitely so long as they are in use and/or their registrations are properly maintained, and so long as they have not been found to have become generic. The technology and other intellectual property rights owned and licensed by us are of importance to our business, although our management believes that our business, as a whole, is not dependent upon any one intellectual property or group of such properties.

## **Human Capital**

**Overview.** Our approximately 87,000 employees help us drive our business success and achieve our ambition to advance human health. We are a diverse global team that shares a passion for collaboration and solving complex problems. Our workforce is comprised of a wide variety of professionals, including clinicians, data scientists, epidemiologists and more.

Our culture is one in which employees are encouraged to apply their insight, curiosity, and intellectual courage across everything they do. The way we manage our people and the programs we offer our employees reflect our commitment to fostering this culture of empowerment and engagement.

Each one of our employees provides value, no matter where they sit within the organization. We are committed to creating an environment where all employees are respected and heard, where talented people from all backgrounds can contribute to and share in our growth, and where opportunity is available to everyone.

Attracting, developing, and retaining a talented workforce is essential to the success of our business and the realization of our purpose. Investments in our people are motivated by our desire to have an engaged and connected workforce. This results in high productivity and better results for IQVIA. In an industry as competitive as ours, we also recognize that employees who feel supported contribute to higher retention and recruitment rates.

**Board Oversight of Human Capital Management.** Our Board of Directors (our "Board") receives periodic updates on key human capital metrics, including recruitment and attrition rates, talent development data, and diversity statistics related to hiring, promotion and our overall workforce.

Our Board also devotes significant time to leadership development and succession planning at the executive level and provides guidance on important decisions in each of these areas. The Leadership Development and Compensation Committee of the Board has primary responsibility for succession planning for the chief executive officer and oversight of succession planning for senior leadership.

**Human Capital Management Strategy.** Our employees are critical to our continued success and are a core element of our long-term strategy. Senior management is responsible for ensuring that our initiatives, policies, and processes reflect and reinforce our desired corporate culture, which we believe supports successful human capital management. Our human capital management strategy is built on three fundamental focus areas:

- **Recruitment.** We consider a range of qualified candidates for all positions. We hire qualified individuals with a variety of backgrounds and experiences from both within and outside the organization for positions at all levels.

- **Development & Progression.** We are committed to having a diverse pipeline of talent moving up in our organization and providing opportunities for all employees to develop within their current role as well as towards their next role. We do this by encouraging mentoring and establishing support networks as well as by providing programs and tools to help employees achieve their career goals.

- **Retention.** We seek to develop a working environment where employees feel supported and want to stay. To increase employee engagement and retention, we consistently seek input from employees through surveys and focus groups and develop meaningful initiatives and programs to respond to their feedback.

**Employee Engagement.** In 2023, we completed two Company-wide employee surveys. The surveys provided a valuable opportunity to hear the perspectives of our workforce around the world. Maintaining regular and open channels of dialogue with employees and receiving and responding to their feedback with actionable and meaningful initiatives is critical to our human capital management strategy.

We received an average of 71,000 responses across our surveys in 2023, with an average participant rate of approximately 84%. Across our surveys, on average 80% of respondents say they feel engaged. The employee engagement index has been stable across our surveys in 2023. Three items saw significant improvement in 2023 as compared to 2022: The number of employees indicating they can see a clear link between their work and IQVIA's vision to drive healthcare forward increased 5 points in 2023 to 87% compared with the prior year, the number of employees indicating their manager supports their efforts to balance their work and personal life increased 2 points in 2023 to 86% compared with the prior year, and the number of employees indicating they are energized by their work increased 2 points in 2023 to 71% compared with the prior year.

**Diversity and Inclusion.** Our commitment to diversity and inclusion ("D&I") is reflected in the various policies, programs, training and support we offer, including our Employee Resource Groups ("ERGs"), manager diversity and inclusion training and our highly diverse global workforce. This is a foundation of our approach to human capital. We create this culture for employees regardless of gender, race, color, creed, religion, marital status, age, national origin or ancestry, physical or mental disability, medical condition, veteran status, citizenship, sexual orientation, gender identity or any other protected group status.

Our global workforce operates in over 100 countries and represents approximately 90 different ethnicities. In the United States, approximately 61% of our employees identify as white and approximately 39% identify as a minority, including 12% who identify as Black or African American. Approximately 61% of our employees globally identify as female and approximately 52% of employees worldwide at a manager level identify as female.

Our growing network of ERGs provides a framework for employees to connect and collaborate with colleagues with similar interests. These groups support our values and business goals and foster the diverse thinking required for innovation. They provide a forum for the exchange of ideas and opportunities for mentoring and professional development.

There are eight global ERGs and all are employee-led, voluntary, and open to every employee. Each ERG has a mission that is aligned to our vision, values, and core operating principles.

- **Black Leadership Network (BLN)** aims to maintain an inclusive community that supports professional development, knowledge sharing, collaboration, and business success for Black employees.
- **Disabilities and Carers Network (DCN)** builds awareness and appreciation around the accomplishments and challenges of the disabled community, to foster inclusion, engagement, and professional development.

- **Emerging Professionals Network (EPN)** builds community among leaders and emerging professionals through networking, personal development and volunteerism.
- **Multi-Faith Network (MFN)** fosters a culture of openness and diversity and provides a place where IQVIA employees can connect with people of different faiths or for mutual support.
- **LGBTQIA+ Group (PRIDE)** supports the ability for all people at IQVIA to be their authentic selves by fostering an inclusive, equal, and inspiring culture for LGBTQIA+ employees.
- **Race, Ethnicity and Cultural Heritage Group (REACH)** aims to create a supportive and collaborative community for IQVIA employees who represent racial, ethnic and cultural minorities across the globe.
- **Veterans Employee Resource Group (VERG)** connects active duty and transitioning service members and veterans at IQVIA while advocating for and supporting active duty and veteran causes that align with IQVIA's core values.
- **Women Inspired Network (WIN)** fosters a corporate culture that inspires women to excel in their careers at IQVIA and within the biopharma industry.

In 2023, we grew our ERG membership to more than 11,700 participants worldwide, an increase in membership of over 100% from the past year, which spans 73 countries across the globe.

**Employee Well-being.** Investing in resources and incentives to promote the personal well-being of our employees and their families is an important way we take care of our people.

We provide a variety of health and welfare benefit plans that are available to employees and their family members, based on their location and specific country regulations. Plans may include medical, dental, and vision coverage; telemedicine and on-site medical care; critical illness coverage; disability, accidental death and dismemberment, pet and life insurance; tuition reimbursement; identity theft protection; commuter benefits; matching gift programs; and locally relevant savings and retirement plans such as pensions and 401(k) plans.

We provide parental leave for all full-time employees for the birth or adoption of a child, with variability in leave time dependent on location. We also provide paid leave for other life matters including sick time, bereavement, jury duty, military service, and time off for voting, depending on country specific policies.

Beyond health and welfare benefits, many regions also offer employee well-being programs. In the United States, our "Healthy You" wellness program offers employees a range of wellness benefits, including free flu shots, teledoc services, nutrition counseling, tobacco cessation support and reimbursement for wellness-related expenses.

Our Employee Assistance Program ("EAP") is available to 100% of our workforce worldwide. Our EAP offers counseling services, alongside accessible training and webinars focused on a variety of topics including financial planning, nutrition, social connections, stress management, time management and work-life balance. We aim to create a work culture that provides flexibility, autonomy, and recognition, and supports personal and organizational growth.

**Compensation and Benefits.** IQVIA compensation programs support our overall strategy by linking employee compensation with both business and personal performance. This approach to compensation demonstrates our "pay for performance" philosophy, as well as our focus on providing compensation programs that attract, retain and motivate and reward employees. In addition to the benefits described above, our compensation programs include base salaries, annual bonuses, and long-term incentive awards.

**Talent and Learning.** Helping our people grow, develop, and reach their full potential is a key component of our human capital management strategy. Nurturing talent is critical in a highly competitive industry, and it also keeps our employees motivated and engaged.

We invest in our employees' development throughout their careers at IQVIA through our various talent and learning initiatives. Our strategy is focused on supporting business growth, optimizing our offerings through enhanced digital tools, and building the future leaders of IQVIA. At the same time, we are transforming the employee experience and have evolved our performance management approach to be more responsive to our employees' experiences. Mirroring our overall culture, our approach to talent and learning is underpinned by the philosophy of empowerment, and we encourage all employees to take ownership of their careers.

In 2023, we worked closely with our employees to launch One IQVIA Multiple Careers, an initiative to facilitate upskilling and internal movement in line with IQVIA's growth strategy and our employees' career aspirations. Employees are empowered to shape their careers through extensive resources and tools, aligning with their aspirations, interests, and opportunities. Additionally in 2023, we launched the IQVIA Learning Academy, which helps inform employees about in-demand skills within IQVIA, providing transparency about the talent and expertise needed to meet future growth objectives. The academy defines and delivers learning pathways for employees of all levels to build those skills and democratizes access to enable all employees to explore future opportunities. Since launching in May 2023, there have been over 230,000 visits to the academy.

We offer a suite of formal and informal learning opportunities, many which focus on business specific topics such as regulatory compliance, technology, analytics, clinical and therapy areas, and more. Our digital Talent and Learning Hub gives employees access to training resources on a large variety of future skills. There were more than 1 million visits worldwide to our Talent and Learning Hub in 2023. The ease of access to training resulted in the completion of over 1.7 million e-learning programs in various subjects, including technology, client-facing skills and project management skills.

We want our employees to have meaningful careers, and we are committed to the idea that career development is a result of growth through new experiences. To foster this growth, we engage employees on their purpose, strengths, and agility. We encourage employees to remain curious and flexible towards their career, exploring opportunities across the organization. Employees take ownership for their development in partnership with managers, mentors, and others. Similarly, performance management is driven by ongoing conversations about priorities, contributions and development.

In 2020, we introduced our Future Leaders Program, a robust training aimed to develop the next generation of leadership at IQVIA. In 2023, 46 senior leaders from 15 countries participated in the four-month program, bringing the total number of participants since inception to 277. Sessions consisted of live webinars co-led by senior executives, peer coaching, business projects and skills assessments. Feedback continues to be positive with the program being rated highly by participants, scoring an average of 4.6 out of 5.

In 2021, we piloted our Emerging Leaders Program, which is specifically designed for high-potential employees at the managerial level and offers comprehensive training to shape our future leaders. In 2023, a total of 254 employees from 34 countries dedicated 7,979 hours of training taught by business leaders and subject matter experts from across the organization, covering topics such as agility, collaboration, executive presence and decision making. In addition, participants received peer coaching, 360-degree assessments and individual development plans.

In 2022, we launched the Leader of the Future Portal (LOFT) to help our managers shift their mindsets to the hybrid work environment. The solution allows managers to find learning courses, short videos, live trainings and quick reads from easy-to-navigate categories focused on being a remote leader, maintaining productivity virtually and leading hybrid teams. In 2023, the portal had 34,000 visits and completed 19,973 hours of training.

In 2023, we launched our New Manager program to support employees who are new to managing people and those who are experienced managers but new to IQVIA. The program is a guided learning path that helps managers navigate the available resources and prioritize the most relevant tools during the managers' first 12 months. Since the June launch, there were 4,300 visits.

**Health and Safety.** Ensuring the health and safety of our employees is essential, whether they work in our corporate offices or labs. We strive to create a culture of safety so our employees can remain healthy and productive.



We incorporate environmental laws and regulations into our policies and procedures throughout our organization. At the corporate level, we have group certifications to ISO 14001:2015 and ISO 45001:2018. In accordance with both certifications, we have a robust, integrated Environmental, Health and Safety Management System ("EHSMS") with supporting standard operating procedures in place, which demonstrates our commitment to continuous improvement. Under our EHSMS, all employees must actively participate in helping to maintain a safe, healthy, and secure work environment. Our Code of Conduct describes the obligations of employees to maintain such an environment, follow all applicable safety and security rules and complete required training.

IQVIA operates laboratories in the United States, United Kingdom, South Africa, Singapore, India, Japan, and China. Certain IQVIA laboratories are certified to ISO 14001:2015 and ISO 45001:2018. Depending on the location and services provided accreditation also will include ANVISA, CAP ISO 15189, CDC Lipids, CLIA, ISO 9001, MOH Certified Laboratory, and NSGP Level 1.

#### **Available Information**

Our website address is [www.iqvia.com](http://www.iqvia.com), and our investor relations website is located at <http://ir.iqvia.com>. Information on our website is not incorporated by reference herein. Copies of our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and our proxy statements for our annual meetings of stockholders, and any amendments to those reports, as well as Section 16 reports filed by our insiders, are available free of charge on our website as soon as reasonably practicable after we file the reports with, or furnish the reports to, the Securities and Exchange Commission ("SEC"). In addition, the SEC maintains an Internet site (<http://www.sec.gov>) containing reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. Information on the SEC's website does not constitute part of this Annual Report on Form 10-K. Also posted on our website are our certificate of incorporation and by-laws, the charters for our Audit Committee, Leadership Development and Compensation Committee and Nominating and Governance Committee, our Corporate Governance Guidelines, and our Code of Conduct governing our directors, officers and employees. Copies of our SEC reports and corporate governance information are available in print upon the request of any stockholder to our Investor Relations Department at IQVIA Holdings Inc., 1725 Route 46 East, Parsippany, New Jersey 07054. Within the time period required by the SEC and the New York Stock Exchange ("NYSE"), we will post on our website any amendment to the Code of Conduct or any waiver of such policy applicable to any of our senior financial officers, executive officers or directors.

## Item 1A. Risk Factors

### RISK FACTORS

*We operate in a rapidly changing environment that involves a number of risks, some of which are beyond our control. You should consider carefully the risks and uncertainties described below together with the other information included in this Annual Report on Form 10-K, including our consolidated financial statements and related notes included elsewhere in this Annual Report on Form 10-K, in evaluating our Company. The occurrence of any of the following risks may materially and adversely affect our business, financial condition, results of operations and future prospects.*

#### Summary of Risk Factors

Below is a summary of some of the principal risks that could adversely affect our business, operations and financial results:

##### ***Risks Relating to Our Business***

- The potential loss or delay of contracts could adversely affect our results.
- Our financial results may be adversely affected if we underprice our contracts, overrun our cost estimates or fail to receive approval for or experience delays in documenting change orders.
- Failure to meet productivity objectives under our internal business transformation initiatives could adversely impact our competitiveness and harm our operating results.
- If we are unsuccessful at investing in growth opportunities and are unable to develop and market new services or enter new markets, our growth, results of operations or financial condition could be adversely affected.
- If we are unable to successfully identify, acquire and integrate existing businesses, services and technologies, our business, results of operations and financial condition could be adversely impacted.
- If we are unable to attract suitable investigators and patients for our clinical trials, our clinical development business might suffer.
- If we lose the services of key personnel or are unable to recruit additional qualified personnel, our business could be adversely affected.

##### ***Intellectual Property***

- We depend on third parties for data and support services. Our suppliers or providers might restrict our use of or refuse to license data or provide services, which could lead to our inability to access certain data or provide certain services and, as a result, materially and adversely affect our operating results and financial condition.
- Our success depends on our ability to protect our intellectual property rights.
- We may be subject to claims by others that we are infringing on their intellectual property rights.
- We rely on licenses from third parties to certain technology and intellectual property rights for some of our services and the licenses we currently have could terminate or expire.

##### ***IT systems and Information***

- Security breaches and unauthorized use of our IT systems and information could expose us, our clients, our data suppliers or others to risk of loss.
- We may experience challenges with the acquisition, development, enhancement or deployment of technology necessary for our business.
- Data protection, privacy and similar laws restrict access, use and disclosure of personal information, and failure to comply with these laws could materially harm our business.

##### ***Client Risks***

- Consolidation in the industries in which our clients operate may reduce the volume of services purchased by consolidated clients following an acquisition or merger.
- We may be adversely affected by client or therapeutic concentration.
- Our relationships with existing or potential clients who are in competition with each other may adversely impact the degree to which other clients or potential clients use our services.
- There is a risk that we may initiate a clinical trial for a client, and then the client becomes unwilling or unable to fund the completion of the clinical trial, and we may be ethically bound to complete or wind down the clinical trial at our own expense.

**Market Forces**

- Disruptions in the credit and capital markets and unfavorable general economic conditions could negatively affect our business, results of operations and financial condition.
- Our effective income tax rate may fluctuate for a variety of reasons.
- Due to the global nature of our business we are subject to international economic, political and other risks that could negatively affect our results of operations and financial condition.
- Climate change may have an impact on our business.

**Liability Exposure**

- Our Research & Development Solutions business could subject us to potential liability.
- Our Contract Sales & Medical Solutions business could result in liability to us if a drug causes harm to a patient.
- Our insurance may not cover all of our indemnification obligations and other liabilities associated with our operations.
- We may make mistakes in conducting a clinical trial that could negatively impact the usefulness of the clinical trial which could subject us to significant costs or liability.
- If we fail to perform our services in accordance with contractual requirements, regulatory standards and ethical considerations, we could be subject to significant costs or liability.

**Risks Relating to Our Industry**

- The biopharmaceutical services industry is highly competitive and our business could be materially impacted if we do not compete effectively or rapidly adapt to technological change.
- Outsourcing trends in the biopharmaceutical industry and changes in aggregate spending and research and development budgets could adversely affect our operating results and growth rate.
- We may be affected by healthcare reform and potential additional reforms.
- Actions by government regulators or clients to limit a prescription's scope or withdraw an approved drug from the market could affect our business and result in a loss of revenues.
- Laws restricting biopharmaceutical sales and marketing practices may adversely impact demand for our services.

**Risks Relating to Our Indebtedness**

- Restrictions imposed in the Senior Secured Credit Facilities (as defined below) and other outstanding indebtedness, including the indentures governing outstanding notes issued by our wholly owned subsidiary IQVIA Inc., may limit our ability to operate our business and to finance our future operations or capital needs or to engage in other business activities.
- Interest rate fluctuations and our ability to deduct interest expense may affect our results of operations and financial condition.

**Risks Related to Ownership of Our Common Stock**

- Provisions of the corporate governance documents of IQVIA could make an acquisition of IQVIA difficult and may prevent attempts by its stockholders to replace or remove its management, even if beneficial to its stockholders.
- Our certificate of incorporation contains a provision renouncing any interest and expectancy in certain corporate opportunities identified by certain parties.

For a more complete discussion of the material risk facing our business, see below.

## **Risks Relating to Our Business**

***The potential loss or delay of our large contracts or of multiple contracts could adversely affect our results.***

Most of our Research & Development Solutions clients can terminate our contracts upon 30 to 90 days' notice. Our clients may delay, terminate or reduce the scope of our contracts for a variety of reasons beyond our control, including but not limited to:

- decisions to forego or terminate a particular clinical trial;
- lack of available financing, budgetary limits or changing priorities;
- actions by regulatory authorities;
- production problems resulting in shortages of the drug being tested;
- failure of products being tested to satisfy safety requirements or efficacy criteria;
- unexpected or undesired clinical results for products;
- insufficient patient enrollment in a clinical trial;
- insufficient investigator recruitment;
- shift of business to a competitor or internal resources;
- product withdrawal following market launch; or
- shut down of manufacturing facilities.

As a result, contract terminations, delays and alterations are a regular part of our Research & Development Solutions business. In the event of termination, our contracts often provide for fees for winding down the project, but these fees may not be sufficient for us to realize the full amount of revenues or profits anticipated under the related services contracts, and termination may result in lower resource utilization rates. In addition, we will not realize the full benefits of our backlog of contractually committed services if our clients cancel, delay or reduce their commitments under our contracts with them, which may occur if, among other things, a client decides to shift its business to a competitor or revoke our status as a preferred provider. Thus, the loss or delay of a large contract or the loss or delay of multiple contracts could adversely affect our revenues and profitability. We believe the risk of loss or delay of multiple contracts potentially has greater effect where we are party to broader partnering arrangements with global biopharmaceutical companies.

***We depend on third parties for data and support services. Our suppliers or providers might restrict our use of or refuse to license data or provide services, which could lead to our inability to access certain data or provide certain services and, as a result, materially and adversely affect our operating results and financial condition.***

Each of our Technology & Analytics Solutions information services is derived from data we collect from third parties. These data suppliers are numerous and diverse, reflecting the broad scope of information that we collect and use in our business.

Although we typically enter into long-term contractual arrangements with many of these suppliers of data, at the time of entry into a new contract or renewal of an existing contract, suppliers may increase restrictions on our use of such data, increase the price they charge us for data or refuse altogether to license the data to us. In addition, during the term of any data supply contract, suppliers may fail to adhere to our data quality control standards or fail to deliver data. Further, although no single individual data supplier is material to our business, if a number of suppliers collectively representing a significant amount of data that we use for one or more of our services were to impose additional contractual restrictions on our use of or access to data, fail to adhere to our quality-control standards, repeatedly fail to deliver data or refuse to provide data, now or in the future, our ability to provide those services to our clients could be materially adversely impacted, which may harm our operating results and financial condition.

Additionally, we depend on third parties for support services to our business. Such support services include, but are not limited to, third-party transportation providers, suppliers of drugs for patients participating in clinical trials, suppliers of kits for use in our clinical trial laboratories business, suppliers of reagents for use in our testing equipment and providers of maintenance contracts for our equipment. The failure of any of these third parties to adequately provide the critical support services could have a material adverse effect on our business.

*If we fail to perform our services in accordance with contractual requirements, regulatory standards and ethical considerations, we could be subject to significant costs or liability and our reputation could be harmed.*

We contract with biopharmaceutical companies to perform a wide range of services to assist them in bringing new drugs to market. Our services include monitoring clinical trials, data and laboratory analysis, electronic data capture, patient recruitment and other related services, and we perform these services in a number of ways, including through physical and technology-enabled efforts. Such services are complex and subject to contractual requirements, regulatory standards and ethical considerations. For example, we must adhere to applicable regulatory requirements such as those required by the FDA, the EMA and the competent authorities of the member states of the EU, and the MHRA in the UK, and Good Laboratory Practice and GCP requirements, which govern, among other things, the design, conduct, performance, monitoring, auditing, recording, analysis, and reporting of clinical trials. Once initiated, clinical trials must be conducted pursuant to and in accordance with the applicable investigational new drug/device application or clinical trial application, the requirements of the relevant institutional review boards or ethics committees, and GCP requirements. For studies involving controlled substances, we are also typically subject to enhanced regulations, such as those required by the U.S. Drug Enforcement Administration ("DEA") which regulates the distribution, recordkeeping, handling, security, and disposal of controlled substances. If we fail to perform our services in accordance with these requirements, regulatory agencies may take action against us for failure to comply with applicable regulations governing clinical trials or sales and marketing practices. Such actions may include sanctions, such as injunctions or failure of such regulatory authorities to grant marketing approval of products, delay, suspension or withdrawal of approvals, license revocation, product seizures or recalls, operational restrictions, civil or criminal penalties or prosecutions, damages or fines. Clients may also bring claims against us for breach of our contractual obligations and patients in the clinical trials and patients taking drugs approved on the basis of those clinical trials may bring personal injury claims against us for negligence. Any such action could have a material adverse effect on our results of operations, financial condition and reputation.

Such consequences could arise if, among other things, the following occur:

***Improper performance of our services.*** The performance of clinical development services is complex and time-consuming. For example, we may make mistakes in conducting a clinical trial that could negatively impact or obviate the usefulness of the clinical trial or cause the results of the clinical trial to be reported improperly. If the clinical trial results are compromised, we could be subject to significant costs or liability, which could have an adverse impact on our ability to perform our services. As examples:

- non-compliance generally could result in the termination of ongoing clinical trials or sales and marketing projects or the disqualification of data for submission to regulatory authorities;
- compromise of data from a particular clinical trial, such as failure to verify that informed consent was obtained from patients, could require us to repeat the clinical trial under the terms of our contract at no further cost to our client, but at a substantial cost to us; and
- breach of a contractual term could result in liability for damages or termination of the contract.

Large clinical trials can cost up to hundreds of millions of dollars, and while we endeavor to contractually limit our exposure to such risks, improper performance of our services could have an adverse effect on our financial condition, damage our reputation and result in the cancellation of current contracts by or failure to obtain future contracts from the affected client or other clients.

***Investigation of clients.*** From time to time, one or more of our clients are audited or investigated by regulatory authorities or enforcement agencies with respect to regulatory compliance of their clinical trials, programs or the marketing and sale of their drugs. In these situations, we have often provided services to our clients with respect to the clinical trials, programs or activities being audited or investigated, and we are called upon to respond to requests for information by the authorities and agencies. There is a risk that either our clients or regulatory authorities could claim that we performed our services improperly or that we are responsible for clinical trial or program compliance. If our clients or regulatory authorities make such claims against us and prove them, we could be subject to damages, fines or penalties. In addition, negative publicity regarding regulatory compliance of our clients' clinical trials, programs or drugs could have an adverse effect on our business and reputation.

***Insufficient client funding to complete a clinical trial.*** As noted above, clinical trials can cost hundreds of millions of dollars. There is a risk that we may initiate a clinical trial for a client, and then the client becomes unwilling or unable to fund the completion of the clinical trial. This risk is heightened in a recessionary or weak funding environment for our customers, who may be unable to raise or expend funds necessary to complete a trial. In such a situation, notwithstanding the client's ability or willingness to pay for or otherwise facilitate the completion of the clinical trial, we may be ethically bound to complete or wind down the clinical trial at our own expense.

***Failure of vendors to perform contractual obligations.*** In the course of a clinical trial, we regularly contract with third party providers on behalf of our clients to support execution of the trial. If these third parties fail to perform their contractual obligations, we may incur additional costs or responsibilities in order to provide our clients with our contractually obligated deliverables, despite the failure of such third parties.

***Security breaches and unauthorized use of our IT systems and information, or the IT systems or information in the possession of our vendors, could expose us, our clients, our data suppliers or others to risk of loss.***

We rely upon the security of our computer and communications systems infrastructure to protect us from cyberattacks and unauthorized access. Cyberattacks can include malware, computer viruses, hacking or other significant disruption of our computer, communications and related systems. Cyber threats are rapidly evolving and are becoming increasingly sophisticated. As cyber threats evolve and become more difficult to detect and successfully defend against, one or more cyber threats might defeat the measures that we or our vendors take to anticipate, detect, avoid or mitigate such threats. Certain techniques used to obtain unauthorized access, introduce malicious software, disable or degrade service, or sabotage systems may be designed to remain dormant until a triggering event and we may be unable to anticipate these techniques or implement adequate preventative measures since techniques change frequently or are not recognized until launched, and because cyberattacks can originate from a wide variety of sources. Our preventive and remedial actions may not be successful. The size and complexity of our IT and information security systems, and those of our vendors (and the large amounts of confidential information that is present on them), make such systems potentially vulnerable to service interruptions or to security breaches from inadvertent or intentional actions by, but not limited to, our employees, contingent workers, service providers, business partners, customers or malicious attackers. Such attacks, whether successful or unsuccessful, could result in our incurring costs related to, for example, rebuilding internal systems, defending against litigation, responding to regulatory inquiries or actions, paying damages or fines, or taking other remedial steps with respect to third parties. Publicity about vulnerabilities and attempted or successful incursions could damage our reputation with clients and data suppliers and reduce demand for our services.

We also store proprietary and sensitive information in connection with our business, which could be compromised by a cyberattack. To the extent that any disruption or security breach results in a loss or damage to our data, an inappropriate disclosure of proprietary or sensitive information, an inability to access data sources, or an inability to process data or provide our offerings to our clients, it could cause significant damage to our reputation, affect our relationships with our data suppliers and clients (including loss of suppliers and clients), lead to claims against us and ultimately harm our business. We may be required to incur significant costs to alleviate, remedy or protect against damage caused by these disruptions or security breaches in the future. We may also face inquiry or increased scrutiny from government agencies as a result of any such disruption or breach. While we have insurance coverage for certain instances of a cyber security breach, our coverage may not be sufficient if we suffer a significant attack or multiple attacks. Any such breach or disruption could have a material adverse effect on our operating results and our reputation as a service provider.

Some of our vendors have significant responsibility for the security of certain of our data centers and computer-based platforms or software-as-a-service ("SaaS") applications upon which our businesses rely to host or process data or to perform various functions. Also, our data suppliers have responsibility for security of their own computer and communications environments. These third parties face risks relating to cyber security similar to ours, which could disrupt their businesses and therefore materially impact ours. Accordingly, we are subject to any flaw in or breaches to their computer and communications systems or those that they operate for us, which could result in a material adverse effect on our business, operations and financial results.

The risk of cyberattacks has increased in connection with geopolitical events and dynamics. State-sponsored parties or their supporters may launch retaliatory cyberattacks, and may attempt to cause supply chain disruptions, or carry out other geopolitically motivated actions that may adversely disrupt or degrade our operations and may result in data compromise. State-sponsored actors have carried out cyberattacks to accomplish their goals that may include espionage, monetary gain, disruption, and destruction.

***Failure to meet productivity objectives under our internal business transformation initiatives could adversely impact our competitiveness and harm our operating results.***

We are pursuing business transformation initiatives to update technology, increase innovation and obtain operating efficiencies. As part of these initiatives, which include accelerating site start-up timelines and improving our customer buying experience, we seek to improve our productivity, flexibility, quality, functionality and cost savings by investing in the development and implementation of global platforms and integration of our business processes and functions to achieve economies of scale. These various initiatives may not yield their intended gains, or be completed in timely manner, which may impact our competitiveness and our ability to meet our growth objectives and, as a result, materially and adversely affect our business, operating results and financial condition.

***If we are unsuccessful at investing in growth opportunities, our business could be materially and adversely affected.***

We continue to invest significantly in growth opportunities, including the development and acquisition of new data, technologies and services to meet our clients' needs. For example, we are expanding our services and technology offerings, such as the development of a cloud-based platform with a growing number of applications to support commercial and clinical operations for life sciences companies (e.g., multi-channel marketing, marketing campaign management, customer relationship management, incentive compensation management, targeting and segmentation, performance management, site engagement payments, trial master file, risk based monitoring, in-home nursing and other services, clinical trial management and decentralized trials and other applications). We also continue to invest significantly in growth opportunities in emerging markets, such as the development, launch and enhancement of services in China, India, Turkey, and other countries. We consider our presence in these markets to be an important component of our growth strategy.

There is no assurance that our investment plans or growth strategy will be successful or will produce a sufficient or any return on our investments. Further, if we are unable to develop new technologies and services, clients do not purchase our new technologies and services, our new technologies and services do not work as intended or there are delays in the availability or adoption of our new technologies and services, then we may not be able to grow our business or growth may occur slower than anticipated. Additionally, although we expect continued growth in healthcare spending in emerging markets, such spending may occur more slowly or not at all, and we may not benefit from our investments in these markets.

We plan to fund growth opportunities with cash from operations or from future financings. There can be no assurance that those sources will be available in sufficient amounts to fund future growth opportunities when needed.

Any of the foregoing could have a material and adverse effect on our operating results and financial condition.

***Data protection, privacy and similar laws in the United States and around the world restrict access, use and disclosure of personal information, and failure to comply with or adapt to changes in these laws could materially and adversely harm our business.***

The confidentiality, collection, use, retention, security, transfer and disclosure of personal data, including individually identifiable health information and clinical trial patient-specific information, are subject to governmental regulation generally in the country that the personal data were collected or used (collectively, "Privacy Laws"). For example, United States federal regulations under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") create specific requirements for the protection of the privacy and security of individual health information. These provisions apply to both "covered entities" (primarily health care providers and health insurers) and their "business associates" or service providers. As there are some instances where we are a HIPAA "business associate" of a "covered entity," we can be directly liable for mishandling protected health information. Under HIPAA's enforcement scheme, we can be subject to significant penalties in connection with HIPAA violations, along with the potential for significant other expenditures related to these activities. These rules require individuals' written authorization in many situations, in addition to any required informed consent, before protected health information may be used for research. We are both directly and indirectly affected by the privacy provisions surrounding individual authorizations because many investigators with whom we are involved in clinical trials are directly subject to them and because we obtain identifiable health information from third parties that are subject to such various Privacy Laws.

In general, patient health information is among the most sensitive (and highly regulated) of personal information. Privacy Laws in the United States and around the world are designed to ensure that information about an individual's healthcare is properly protected from inappropriate access, use and disclosure. Privacy Laws also include the European Union's ("EU") General Data Protection Regulation, Canada's Personal Information Protection and Electronic Documents Act and other data protection, privacy, data security, data localization and similar national, state/provincial and local laws. In the EU, personal data includes any information that relates to an identifiable natural person. Health information about an identifiable person carries additional obligations under EU law, including obtaining the explicit consent from the individual for collection, use or disclosure of the information. In addition, we are subject to EU rules with respect to cross-border transfers of such data out of the EU (along with similar data transfer requirements or data localization requirements in other countries).

We have established frameworks, models, processes and technologies to manage privacy and security for many data types, from a variety of sources, and under a myriad of Privacy Laws. In addition, we rely on our data suppliers to deliver information to us in a form and in a manner that complies with applicable Privacy Laws. These laws are complex and there is no assurance that the safeguards and controls employed by us or our data suppliers will be sufficient to prevent a breach of these laws, or that claims will not be filed against us or our data suppliers despite such safeguards and controls. Failure to comply with such laws, certain certification/registration and annual re-certification/registration provisions associated with these data protection and privacy regulations, and similar rules in various jurisdictions, or to resolve any serious privacy complaints, may result in, among other things, regulatory sanctions, criminal prosecution, civil liability, negative publicity, damage to our reputation, or data being blocked from use or liability under contractual provisions. For example, in July 2015, indictments were issued by the Seoul Central District Prosecutors' Office in South Korea against IMS Korea and two of its employees, among others, alleging improper handling of sensitive health information in violation of applicable privacy laws. See Item 3 "Legal Proceedings" for additional information.

Laws and expectations relating to privacy continue to evolve, and we continue to adapt to changing needs. For example, the definition of "personally identifiable information" and "personal data" continues to evolve and broaden and many new laws and regulations are being enacted. In addition, certain established programs have been (or are at risk of being) declared invalid (such as the EU-U.S. Privacy Shield framework that operated for several years but was struck down by the European Court of Justice in July, 2020). While the replacement for the EU-U.S. Privacy Shield (the EU-U.S. Data Privacy Framework or "DPF") has been approved for the transfer of personal data from the EU to certified companies in the U.S., the DPF is also subject to legal challenges and potential invalidation, thereby rendering data transfers from the EU to the US legally uncertain and keeping the area of data transfers in a state of flux. Changes to these programs may adversely impact our ability to provide services to our clients or develop new products or services. Federal, state and foreign governments are contemplating or have proposed or adopted new Privacy Laws or modifications to existing Privacy Laws, including by amendment, replacement or interpretation through judicial or administrative decisions. New or modified Privacy Laws might, among other things, require us to implement new security measures and processes or bring within the scope of the Privacy Law other data not currently regulated, each of which may require substantial expenditures or limit our ability to offer some of our services. Additionally, changes in Privacy Laws may limit our data access, use and disclosure, and may require increased expenditures by us or may dictate that we not offer certain types of services. Any of the foregoing may have a material adverse impact on our ability to provide services to our clients or maintain our profitability.

There is ongoing concern from privacy advocates, regulators and others regarding data protection and privacy issues, and the number of jurisdictions with Privacy Laws has been increasing. Also, there are ongoing public policy discussions regarding whether the standards for de-identified, anonymous or pseudonymized health information are sufficient, and the risk of re-identification sufficiently small, to adequately protect patient privacy. These discussions may lead to further restrictions on the use of such information. There can be no assurance that these initiatives or future initiatives will not adversely affect our ability to access and use data or to develop or market current or future services.

Many Privacy Laws protect more than patient information, and although they vary by jurisdiction, these laws can extend to employee information, business contact information, provider information and other information relating to identifiable individuals. Failure to comply with these laws may result in, among other things, civil and criminal liability, negative publicity, damage to our reputation and liability under contractual provisions. In addition, compliance with such laws may require increased costs to us or may dictate that we not offer certain types of services.

The occurrence of any of the foregoing could impact our ability to provide the same level of service to our clients, require us to modify our offerings or increase our costs, which could materially and adversely affect our operating results and financial condition.



***Our success depends on our ability to protect our intellectual property rights.***

Our success depends, in part, upon our ability to develop, use and protect our proprietary methodologies, analytics, systems, technologies and other intellectual property. We rely upon a combination of trade secrets, confidentiality policies, nondisclosure, invention assignment and other contractual arrangements, and patent, copyright and trademark laws, to protect our intellectual property rights. Relevant laws are subject to change at any time and certain agreements may not be fully enforceable, which could further restrict our ability to protect our innovations. Further, these laws may not provide adequate protection for our intellectual property, particularly in countries in which the legal system provides less protection for intellectual property rights. Our intellectual property rights may not prevent competitors from independently developing services similar to or duplicative of ours. Further, the steps we take in this regard might not be adequate to prevent or deter infringement or other misappropriation of our intellectual property by competitors, former employees or other third parties, and we might not be able to detect unauthorized use of, or take appropriate and timely steps to enforce, our intellectual property rights.

Our ability to obtain, protect and enforce our intellectual property rights is subject to general litigation or third-party opposition risks, as well as the uncertainty as to the scope of protection, registrability, patentability, validity and enforceability of our intellectual property rights in each applicable country. Governments may adopt regulations, and government agencies or courts may render decisions, requiring compulsory licensing of intellectual property rights. When we seek to enforce our intellectual property rights, we may be subject to claims that the intellectual property rights are invalid or unenforceable. Litigation may be necessary in the future to enforce our intellectual property rights and to protect our confidential and proprietary information. Litigation brought to protect and enforce our intellectual property rights could be costly, time consuming and distracting to management and could result in the impairment or loss of portions of our intellectual property rights. Furthermore, our efforts to enforce our intellectual property rights may be met with defenses, counterclaims and countersuits attacking the validity and enforceability of our intellectual property rights. Our inability to protect our proprietary technology against unauthorized copying or use, as well as any costly litigation or diversion of our management's attention and resources, could delay further sales or the implementation of our solutions, impair the functionality of our solutions, delay introductions of new solutions, result in our substituting inferior or more costly technologies into our solutions, or injure our reputation and harm our operating results and financial condition.

The theft or unauthorized use or publication of our trade secrets and other confidential business information could reduce the differentiation of our services and harm our business; the value of our investment in development or business acquisitions could be reduced; and third parties might make claims against us related to losses of their confidential or proprietary information. In addition, we may not be able to discover or determine the extent of any unauthorized use of our proprietary rights. Third parties that license our proprietary rights also may take actions that diminish the value of our proprietary rights or reputation. The protection of our intellectual property may require the expenditure of significant financial and managerial resources. Moreover, the steps we take to protect our intellectual property may not adequately protect our rights or prevent third parties from infringing or misappropriating our proprietary rights. These incidents and claims could harm our business, reduce revenues, increase expenses and harm our reputation.

***We may be subject to claims by others that we are infringing on their intellectual property rights.***

Third parties may assert claims that we or our clients infringe their intellectual property rights and these claims, with or without merit, could be expensive to litigate, cause us to incur substantial costs and divert management resources and attention in defending the claim. In some jurisdictions, plaintiffs can also seek injunctive relief that may limit the operation of our business or prevent the marketing and selling of our services that infringe on the plaintiff's intellectual property rights. To resolve these claims, we may enter into licensing agreements with restrictive terms or significant fees, stop selling, be required to implement costly redesigns to the affected services, or pay damages to satisfy contractual obligations to others. If we do not resolve these claims in advance of a trial, there is no guarantee that we will be successful in court. These outcomes may have a material adverse impact on our business, operating results and financial condition.

In addition, certain contracts with our suppliers or clients contain provisions whereby we indemnify, subject to certain limitations, the counterparty for damages suffered as a result of claims related to intellectual property infringement and the use of data. Claims made under these provisions could be expensive to litigate and could result in significant payments.

*We rely on licenses from third parties to certain technology and intellectual property rights for some of our services and the licenses we currently have could terminate or expire.*

Some of our business services rely on technology or intellectual property rights owned and controlled by others. Our licenses to this technology or these intellectual property rights could be terminated or could expire. We may be unable to replace these licenses in a timely manner. Failure to renew these licenses, or renewals of these licenses on less advantageous terms, could harm our operating results and financial condition.

*Our financial results may be adversely affected if we underprice our contracts, overrun our cost estimates or fail to receive approval for or experience delays in documenting change orders.*

Most of our Research & Development Solutions contracts are either fee for service contracts or fixed-fee contracts. Our past financial results have been, and our future financial results may be, adversely impacted if we initially underprice our contracts or otherwise overrun our cost estimates and are unable to successfully negotiate a change order. Change orders typically occur when the scope of work we perform needs to be modified from that originally contemplated by our contract with the client. Modifications can occur, for example, when there is a change in a key clinical trial assumption or parameter or a significant change in timing. Where we are not successful in converting out-of-scope work into change orders under our current contracts, we bear the cost of the additional work. Such underpricing, significant cost overruns or delay in documentation of change orders could have a material adverse effect on our business, results of operations, financial condition or cash flows.

*The relationship of backlog to revenues varies over time.*

Backlog represents future revenues for our Research & Development Solutions business from work not yet completed or performed under signed binding commitments and signed contracts. Once work begins on a project, revenues are recognized over the duration of the project. Projects may be terminated or delayed by the client or delayed by regulatory authorities for reasons beyond our control. To the extent projects are delayed, the timing of our revenues could be affected. In the event that a client cancels a contract, we typically would be entitled to receive payment for all services performed up to the cancellation date and subsequent client-authorized services related to terminating the canceled project. Typically, however, we have no contractual right to the full amount of the revenues reflected in our backlog in the event of a contract cancellation. The duration of the projects included in our backlog, and the related revenue recognition, range from a few weeks to many years. Our backlog may not be indicative of our future revenues from our Research & Development Solutions business, and we may not realize all the anticipated future revenues reflected in our backlog. A number of factors may affect backlog, including:

- the size, complexity and duration of the projects;
- the percentage of full services versus functional services;
- the cancellation or delay of projects; and
- change in the scope of work during the course of a project.

Although an increase in backlog will generally result in an increase in revenues to be recognized over time (depending on the level of cancellations), an increase in backlog at a particular point in time does not necessarily correspond directly to an increase in revenues during a particular period. The extent to which contracts in backlog will result in revenues depends on many factors, including but not limited to delivery against projected schedules, the need for scope changes (change orders), contract cancellations and the nature, duration, size, complexity and phase of the contracts, each of which factors can vary significantly from project to project.

The rate at which our backlog converts to revenues may vary over time for a variety of reasons. The revenue recognition on larger, more global projects could be slower than on smaller, less global projects for a variety of reasons, including but not limited to an extended period of negotiation between the time the project is awarded to us and the actual execution of the contract, as well as an increased timeframe for obtaining the necessary regulatory approvals. Additionally, the increasing complexity of the drug development pipeline and the need to enroll precise patient populations could extend the length of clinical trials causing revenues to be recognized over a longer period of time. Further, delayed projects will remain in backlog, unless otherwise canceled by the client, and will not generate revenues at the rate originally expected. Thus, the relationship of backlog to realized revenues may vary over time.

*Our business depends on the continued effectiveness and availability of our information systems, including the information systems we use to provide our services to our clients, and failures of these systems may materially limit our operations.*

Due to the global nature of our business and our reliance on information systems to provide our services, we intend to increase our use of cloud-based platforms and other integrated information systems in delivering our services. We also provide access to similar information systems to certain of our clients in connection with the services we provide them. As the breadth and complexity of our information systems continue to grow, we will increasingly be exposed to the risks inherent in the development, integration and ongoing operation of evolving information systems, including:

- disruption, impairment or failure of cloud-based platforms, data centers, telecommunications facilities or other key infrastructure platforms;
- security breaches of, cyberattacks on and other failures or malfunctions in our critical application systems or their associated hardware; and
- excessive costs, excessive delays or other deficiencies in systems development and deployment.

The materialization of any of these risks may impede the processing of data, the delivery of databases and services, and the day-to-day management of our business and could result in the corruption, loss or unauthorized disclosure of proprietary, confidential or other data. While we have disaster recovery plans in place, they might not adequately protect us in the event of a system failure. While many of our operations have disaster recovery plans in place, we currently do not have excess or standby computer processing or network capacity everywhere in the world to avoid disruption in the receipt, processing and delivery of data in the event of a system failure. Despite any precautions we take, damage from fire, floods, hurricanes, power loss, telecommunications failures, computer viruses, break-ins and similar events at our various computer facilities could result in interruptions in the flow of data to our servers and from our servers to our clients. Corruption or loss of data may result in the need to repeat a clinical trial at no cost to the client, but at significant cost to us, the termination of a contract or damage to our reputation.

In addition, any failure by our computer environment to provide sufficient processing or network capacity to transfer data could result in interruptions in our service. In the event of a delay in the delivery of data, we could be required to transfer our data collection operations to an alternative provider of server hosting services. Such a transfer could result in significant delays in our ability to deliver services to our clients and increase our costs. Additionally, significant delays in system enhancements or inadequate performance of new or upgraded systems once completed could damage our reputation and harm our business. Finally, long-term disruptions in the infrastructure caused by events such as natural disasters, the outbreak of war, the escalation of hostilities and acts of terrorism, particularly involving cities in which we have offices, could adversely affect our businesses. Although we carry property and business interruption insurance, our coverage might not be adequate to compensate us for all losses that may occur.

We have continued to undertake significant programs to optimize business processes with respect to our services. Our inability to effectively manage the implementation and adapt to new processes designed into new or upgraded systems in a timely and cost-effective manner may result in disruption to our business and negatively affect our operations.

We have entered into agreements with certain vendors to provide systems development and integration services that develop or license to us the IT platform for programs to optimize our business processes. If such vendors fail to perform as required or if there are substantial delays in developing, implementing and updating the IT platform, our client delivery may be impaired, and we may have to make substantial further investments, internally or with third parties, to achieve our objectives. Additionally, our progress may be limited by parties with existing or claimed patents who seek to enjoin us from using preferred technology or seek license payments from us. Meeting our objectives is dependent on a number of factors which may not take place as we anticipate, including obtaining adequate technology-enabled services, creating IT-enabled services that our clients will find desirable and implementing our business model with respect to these services. Also, increased IT-related expenditures may negatively impact our profitability.

***We may experience challenges with the acquisition, development, enhancement or deployment of technology necessary for our business.***

We operate in businesses that require sophisticated computer systems and software for data collection, data processing, cloud-based platforms, analytics, cryptography, statistical projections and forecasting, mobile computing, social media analytics and other applications and technologies, particularly in our Technology & Analytics Solutions and Research & Development Solutions businesses. We are building artificial intelligence (AI) technologies into internal applications and solutions we use with others, including clients; we expect the use of AI to grow. We seek to address our technology risks by increasing our reliance on the use of innovations by cross-industry technology leaders and adapt these for our biopharmaceutical and healthcare industry clients. Some of these technologies supporting the industries we serve are changing rapidly and we must continue to adapt to these changes in a timely and effective manner at an acceptable cost. We also must continue to deliver data to our clients in forms that are easy to use while simultaneously providing clear answers to complex questions. There can be no guarantee that we will be able to develop, acquire or integrate new technologies, that these new technologies will meet our needs or those of our clients' needs or achieve expected investment goals, or that we will be able to do so as quickly or cost-effectively as our competitors. Significant technological change could render certain of our services obsolete. Moreover, the introduction of new services embodying new technologies could render certain of our existing services obsolete. Our continued success will depend on our ability to adapt to changing technologies, manage and process ever-increasing amounts of data and information and improve the performance, features and reliability of our services in response to changing client and industry demands. We may experience difficulties that could delay or prevent the successful design, development, testing, introduction or marketing of our services. New services, or enhancements to existing services, may not adequately meet our own requirements or those of current and prospective clients or achieve any degree of significant market acceptance. These types of failures could have a material adverse effect on our operating results, financial condition and reputation.

***Consolidation in the industries in which our clients operate may reduce the volume of services purchased by consolidated clients following an acquisition or merger, which could materially harm our operating results and financial condition.***

Mergers or consolidations among our clients have in the past and could in the future reduce the number of our clients and potential clients. When companies consolidate, overlapping services previously purchased separately are usually purchased only once by the combined entity, leading to loss of revenues. Other services that were previously purchased by one of the merged or consolidated entities may be deemed unnecessary or cancelled. If our clients merge with or are acquired by other entities that are not our clients, or that use fewer of our services, they may discontinue or reduce their use of our services. There can be no assurance as to the degree to which we may be able to address the revenues impact of such consolidation. Any of these developments could materially harm our operating results and financial condition.

***We may be adversely affected by client or therapeutic concentration.***

Although we did not have any client that represented 10% or more of our revenues in 2023, 2022 and 2021, we derive the majority of our revenues from a number of large clients. If any large client decreases or terminates its relationship with us, our business, results of operations or financial condition could be materially adversely affected.

Additionally, conducting multiple clinical trials for different clients in a single therapeutic class involving drugs with the same or similar chemical action has in the past and may in the future adversely affect our business if some or all of the clinical trials are canceled because of new scientific information or regulatory judgments that affect the drugs as a class or if industry consolidation results in the rationalization of drug development pipelines. Similarly, marketing and selling drugs for different biopharmaceutical companies with similar chemical actions subjects us to risk if new scientific information or regulatory judgment prejudices the drugs as a class, which may lead to compelled or voluntary prescription limitations or withdrawal of some or all of such drugs from the market.

***Our business is subject to international economic, political and other risks that could negatively affect our results of operations and financial condition.***

We have significant operations in countries that may require complex arrangements to deliver services throughout the world for our clients. Additionally, we have established operations in locations remote from our most developed business centers. As a result, we are subject to heightened risks inherent in conducting business internationally, including the following:

- required compliance with a variety of local laws and regulations which may be materially different than those to which we are subject in the United States or which may change unexpectedly; for example, conducting a single clinical trial across multiple countries is complex, and issues in one country, such as a failure to comply with local regulations or restrictions, may affect the progress of the clinical trial in the other countries, resulting in delays or potential cancellation of contracts, which in turn may result in loss of revenues;
- the United States or foreign countries have and could continue to enact legislation or impose regulations or other restrictions, including unfavorable labor regulations, tax policies or economic sanctions, which could have an adverse effect on our ability to conduct business in or expatriate profits from the countries in which we operate, including hiring, retaining and overseeing qualified management personnel for managing operations in multiple countries, differing employment practices and labor issues, and tax-related risks, including the imposition of taxes and the lack of beneficial treaties, that result in a higher effective tax rate for us;
- foreign countries are expanding or may expand their regulatory framework with respect to patient informed consent, protection and compensation in clinical trials, which could delay or inhibit our ability to conduct clinical trials in such jurisdictions;
- the regulatory or judicial authorities of foreign countries may not enforce legal rights and recognize business procedures in a manner in which we are accustomed or would reasonably expect;
- local, economic, political and social conditions, including sustained increases in inflation rates and/or potential hyperinflationary conditions, political instability, and potential nationalization, repatriation, expropriation, price controls or other restrictive government actions, including changes in political and economic conditions may lead to changes in the business environment in which we operate, as well as changes in foreign currency exchange rates;
- immigration laws are subject to legislative change and varying standards of application and enforcement due to political forces, economic conditions or other events (including proposals in the U.S. to change limitations on temporary and permanent workers), and local immigration laws may require us to meet certain other legal requirements as a condition to obtaining or maintaining entry visas, which may impact our ability to provide services to our clients;
- potential violations of local laws or anti-bribery laws, such as the United States Foreign Corrupt Practices Act ("FCPA"), and the UK Bribery Act, may cause difficulty in managing foreign operations, as well as significant consequences to us if those laws are violated;
- clients in foreign jurisdictions may have longer payment cycles, and it may be more difficult to collect receivables in foreign jurisdictions; and
- natural disasters, public health emergencies and pandemics such as the COVID-19, including any variants, or international conflict, such as the ongoing conflict between Russia and Ukraine, or terrorist acts, could interrupt our services, endanger our personnel, lower patient visits and increase patient drop-out rates, cause delays in recruitment of new patients, decrease the productivity of our clinical research associates, cause other project delays or loss of clinical trial materials or results.

These risks and uncertainties could negatively impact our ability to, among other things, perform large, global projects for our clients. Furthermore, our ability to deal with these issues could be affected by applicable United States laws and the need to protect our assets. Any such risks could have an adverse impact on our financial condition and results of operations.

***Climate change may have an impact on our business.***

While we have determined that, at this time, climate change does not present a material risk to our business given the nature of our activities, we continue to evaluate and mitigate our business risks associated with climate change, and we recognize that there are inherent climate-related risks wherever business is conducted. Any of our office or IT systems locations may be vulnerable to the adverse effects of climate change. Furthermore, climate change may impact patients in our clinical trials and our employees, particularly where they work remotely. Changing market dynamics, global policy developments, and the increasing frequency and impact of extreme weather events on critical infrastructure have the potential to disrupt our business, the business of our third-party suppliers, and the business of our customers, and may cause us to experience losses and additional costs to maintain or resume operations.

***Increasing focus on environmental sustainability and social initiatives could increase our costs, and inaction could harm our reputation and adversely impact our financial results.***

There has been increasing public focus by investors, customers, environmental activists, the media, and governmental and nongovernmental organizations on a variety of environmental, social, and other sustainability matters. In light of the importance of this to our internal and external stakeholders, if we are not effective in addressing environmental, social and other sustainability matters affecting our business, or setting and meeting relevant sustainability goals, our reputation and financial results may suffer. We may experience increased costs in order to execute upon our sustainability goals and measure achievement of those goals, which could have an adverse impact on our business and financial condition.

In addition, this emphasis on environmental, social, and other sustainability matters has resulted and may result in the adoption of new laws and regulations, including new reporting requirements (including, but not limited to the EU Corporate Sustainability Reporting Directive, the EU Taxonomy, and the proposed EU Corporate Sustainability Due Diligence Directive). Such rules may require us to incur significant additional costs to comply, including the implementation of significant additional internal controls processes and procedures regarding matters that have not been subject to such controls in the past, and impose increased oversight obligations on our management and Board. If we fail to comply with new laws, regulations, or reporting requirements, our reputation and business could be adversely impacted. In addition, compliance with new laws, regulations, and reporting requirements may increase our costs, result in disclosures of potentially competitively sensitive information, or may cause us to be targeted by activists, regulators, or others who want us to take a different approach to such matters or increase our disclosures or commitments.

Moreover, investor advocacy groups, investment funds, and influential investors are increasingly focused on these practices, especially as they relate to the environment, health and safety, diversity, labor conditions, and human rights. Failure to adapt to or comply with regulatory requirements or investor or stakeholder expectations and standards could negatively impact our reputation, ability to do business with certain partners, and our stock price. In addition, certain environmental and social disclosures and commitments we make may be reliant in part or in whole on third party information, which we cannot verify the quality of, and third party performance, which we cannot guarantee. We may fail to meet our environmental and social commitments either entirely or on the schedule we commit to.

***Exchange rate fluctuations may affect our results of operations and financial condition.***

Because a large portion of our revenues and expenses are denominated in currencies other than the United States dollar and our financial statements are reported in United States dollars, changes in foreign currency exchange rates could significantly affect our results of operations and financial condition. Exchange rate fluctuations between local currencies and the United States dollar create risk in several ways, including:

- ***Foreign Currency Translation Risk.*** The revenues and expenses of our foreign operations are generally denominated in local currencies and translated into United States dollars for financial reporting purposes. Accordingly, exchange rate fluctuations will affect the translation of foreign results into United States dollars for purposes of reporting our consolidated results. Unanticipated currency fluctuations have affected and could continue to affect our financial results and cause our results to differ from investor expectations or our own guidance in any future periods.
- ***Foreign Currency Transaction Risk.*** We are subject to foreign currency transaction risk for fluctuations in exchange rates during the period of time between the consummation and cash settlement of a transaction. We earn revenues from our service contracts over a period of several months and, in some cases, over several years. Accordingly, exchange rate fluctuations during this period may affect our profitability with respect to such contracts.
- ***Foreign Currency Risk from Differences in Customer Contract Currency and Operating Costs Currency.*** The majority of our Research & Development Solutions global contracts are denominated in U.S. dollars or Euros while our operating costs in foreign countries are denominated in various local currencies. Fluctuations in the exchange rates of the currencies we use to contract with our customers and the currencies in which we incur cost to fulfill those contracts can have an adverse impact on our results of operations.

We may aim to limit these risks through exchange rate fluctuation provisions stated in our service contracts, or we may hedge our transaction risk with foreign currency exchange contracts or options. We have not, however, hedged all of our foreign currency transaction risk, and we may experience fluctuations in financial results from our operations outside the United States and foreign currency transaction risk associated with our service contracts.

*Due to the global nature of our business, we may be exposed to liabilities under anti-corruption laws, including the United States Foreign Corrupt Practices Act, the United Kingdom Bribery Act and various international anti-corruption laws, and any allegation or determination that we violated these laws could have a material adverse effect on our business.*

We are required to comply with the FCPA, the UK Bribery Act and other international anti-corruption laws, which prohibit companies from engaging in bribery including corruptly or improperly offering, promising, or providing money or anything else of value to non-United States officials and certain other recipients. In addition, the FCPA imposes certain books, records, and accounting control obligations on public companies and other issuers. We operate in parts of the world in which corruption can be common and compliance with anti-bribery laws may conflict with local customs and practices. Our global operations face the risk of unauthorized payments or offers being made by employees, consultants, sales agents, and other business partners outside of our control or without our authorization. It is our policy to implement safeguards to prohibit these practices by our employees and business partners with respect to our operations. However, irrespective of these safeguards, or as a result of monitoring compliance with such safeguards, it is possible that we or certain other parties may discover or receive information at some point that certain employees, consultants, sales agents, or other business partners may have engaged in corrupt conduct for which we might be held responsible. Violations of the FCPA, the UK Bribery Act or other international anti-corruption laws may result in restatements of, or irregularities in, our financial statements as well as severe criminal or civil sanctions, and we may be subject to other liabilities, which could negatively affect our business, operating results and financial condition. In some cases, companies that violate the FCPA may be debarred by the United States government and/or lose their United States export privileges. Changes in anti-corruption laws or enforcement priorities could also result in increased compliance requirements and related costs which could adversely affect our business, financial condition and results of operations. In addition, the United States or other governments may seek to hold us liable for successor liability FCPA violations or violations of other anti-corruption laws committed by companies in which we invest or that we acquired or will acquire.

*We face risks related to sales to government entities.*

We derive a portion of our revenues from sales to government entities around the world. In general, our contracts with government entities are terminable at will by the government entity at any time. Government demand and payment for our services may be affected by public-sector budgetary cycles and funding authorizations, including government shutdowns. Government contracts are typically subject to oversight, including special rules on accounting, expenses, reviews and security. Failure to comply with these rules could result in civil and criminal penalties and sanctions, including termination of contracts, fines and suspensions, or debarment from future business with the relevant government. As a result, failure to comply with these rules could have an adverse effect on our future business, reputation, operating results and financial condition.

*If we are unable to successfully develop and market new services or enter new markets, our growth, results of operations or financial condition could be adversely affected.*

A key element of our growth strategy is the successful development and marketing of new services or entering new markets that complement or expand our existing business. As we develop new services or enter new markets, including services targeted at participants in the broader healthcare industry, we may not have or adequately build the competencies necessary to perform such services satisfactorily, may not receive market acceptance for such services or may face increased competition. If we are unable to succeed in developing new services, entering new markets or attracting a client base for our new services or in new markets, we will be unable to implement this element of our growth strategy, and our future business, reputation, results of operations and financial condition could be adversely affected.

***Our Research & Development Solutions business could subject us to potential liability that may adversely affect our results of operations and financial condition.***

Our Research & Development Solutions business involves the testing of new drugs on patients in clinical trials and, if marketing approval is granted, the availability of these drugs to be prescribed to patients. Our involvement in the clinical trials and development process creates a risk of liability for personal injury to or death of patients, particularly those with life-threatening illnesses, resulting from adverse reactions to the drugs administered during testing or after product launch, respectively. For example, we have from time to time been sued and may be sued in the future by individuals alleging personal injury due to their participation in clinical trials and seeking damages from us under a variety of legal theories. Although we maintain the types and amounts of insurance we view as customary in the industries and countries in which we operate, if we are required to pay damages or incur defense costs in connection with any personal injury claim that is outside the scope of indemnification agreements we have with our clients, if any indemnification agreement is not performed in accordance with its terms or if our liability exceeds the amount of any applicable indemnification limits or available insurance coverage, our financial condition, results of operations and reputation could be materially and adversely affected. We maintain professional liability insurance, including liability for completed operations coverage. In the future, we may not be able to get adequate insurance for these types of risks at reasonable rates.

We also contract with physicians to serve as investigators in conducting clinical trials. If the investigators commit errors or make omissions during a clinical trial that result in harm to clinical trial patients or after a clinical trial to a patient using the drug after it has received regulatory approval, claims for personal injury or liability damages may result. Additionally, if the investigators engage in fraudulent behavior, clinical trial data may be compromised, which may require us to repeat the clinical trial or subject us to liability. We do not believe we are legally responsible for the medical care rendered by such third-party investigators, and we would vigorously defend any claims brought against us. However, it is possible we could be found liable for claims with respect to the actions of third-party investigators, which may adversely affect our financial condition, results of operations and reputation.

Social media platforms are increasingly being used to communicate about biopharmaceutical products and the diseases our customers' medicines and drug candidates are designed to treat. Social media practices in the biopharmaceutical industry continue to evolve and regulations relating to such use are not always clear and create uncertainty and risk of noncompliance with regulations applicable to our Research & Development Solutions business. For example, patients may use social media channels to comment on the effectiveness of a product or to report an alleged adverse event. When such disclosures occur, there is a risk that we may fail to monitor and comply with applicable adverse event reporting obligations.

***Some of our services involve direct interaction with clinical trial subjects or volunteers and subcontracting into a network of Phase I clinical facilities, which could create potential liability that may adversely affect our results of operations, financial condition and reputation.***

We subcontract into a network of facilities where Phase I clinical trials are conducted, which ordinarily involve testing an investigational drug on a limited number of healthy individuals, typically 20 to 80 persons, to determine such drug's basic safety. Failure to operate such a facility in accordance with applicable regulations could result in that facility being shut down, which could disrupt our operations. Additionally, we face risks associated with adverse events resulting from the administration of such drugs to healthy volunteers and the professional malpractice of medical care providers. Any professional malpractice or negligence by such investigators, nurses or other subcontracted employees could potentially result in liability to us in the event of personal injury to or death of a healthy volunteer in clinical trials, and could also cause us reputational harm. This liability, particularly if it were to exceed the limits of any indemnification agreements and insurance coverage we may have, may adversely affect our financial condition, results of operations and reputation.



***Our Contract Sales & Medical Solutions business could result in liability to us if a drug causes harm to a patient. While we are generally indemnified and insured against such risks, we may still suffer financial losses.***

When we market drugs under contract for a biopharmaceutical company, we could suffer liability for harm allegedly caused by those drugs, either as a result of a lawsuit against the biopharmaceutical company to which we are joined, a lawsuit naming us or any of our subsidiaries or an action launched by a regulatory body. While we are generally indemnified by the biopharmaceutical company for the action of the drugs we market on its behalf, and we carry insurance to cover harm caused by our negligence in performing services, it is possible that we could nonetheless incur financial losses, regulatory penalties or both. In particular, any claim could result in potential liability for us if the claim is outside the scope of the indemnification agreement we have with the biopharmaceutical company, the biopharmaceutical company does not abide by the indemnification agreement as required or the liability exceeds the amount of any applicable indemnification limits or available insurance coverage. Such a finding could have an adverse impact on our financial condition, results of operations and reputation. Furthermore, negative publicity associated with harm caused by drugs we helped to market could have an adverse effect on our business and reputation.

***Our insurance may not cover all of our indemnification obligations and other liabilities associated with our operations.***

We maintain insurance designed to provide coverage for ordinary risks associated with our operations and our ordinary indemnification obligations. The coverage provided by such insurance may not be adequate for all claims we may make or may be contested by our insurance carriers. If our insurance is not adequate or available to pay liabilities associated with our operations, or if we are unable to purchase adequate insurance at reasonable rates in the future, our profitability may be adversely impacted.

***If we are unable to attract suitable investigators and patients for our clinical trials, our clinical development business might suffer.***

The timely recruitment of investigators and patients for clinical trials is essential to our Research & Development Solutions business. Investigators are typically located at hospitals, clinics or other sites and supervise the administration of the investigational drug to patients during the course of a clinical trial. Patients generally include people from the communities in which the clinical trials are conducted. Investigators may be unwilling to participate for a variety of reasons, including the increasing complexity of clinical trials, inability to hire and retain qualified staff or perception that the fair market value for services rendered is inadequate. Our clinical development business could be adversely affected if we are unable to attract suitable and willing investigators or patients for clinical trials on a consistent basis. For example, if we are unable to engage investigators to conduct clinical trials as planned or enroll sufficient patients in clinical trials, we might need to expend additional funds to obtain access to resources or else be compelled to delay or modify the clinical trial plans, which may result in additional costs to us.

***If we lose the services of key personnel or experience sustained labor shortages and are unable to recruit additional qualified personnel, or we are required to substantially increase wage rates to attract or retain employees, our business could be adversely affected.***

Our success substantially depends on the collective performance, contributions and expertise of our personnel including senior management and key personnel, qualified professional, scientific and technical operating staff and qualified sales representatives for our contract sales services. There is significant and increasing competition for qualified personnel, particularly those with higher educational degrees, such as a medical degree, a Ph.D. or an equivalent degree, or relevant experience in the industry, including highly technical specialties such as clinical research associates, project managers and technology developers, and in the locations in which we operate. Increases in inflation, competition and shortages of qualified personnel in certain specialty areas may make it more difficult to hire and retain our key employees and could result in substantial increased costs, such as increased wage rates to attract and retain employees. The departure of our key employees, or our inability to continue to identify, attract and retain qualified personnel or replace departed personnel in a timely fashion, may impact our ability to grow our business and compete effectively in our industry and may negatively affect our ability to meet financial and operational goals.

***Disruptions in the credit and capital markets and unfavorable general economic conditions could negatively affect our business, results of operations and financial condition.***

Disruptions in the credit and capital markets could have negative effects on our business that may be difficult to predict or anticipate, including the ability of our clients, vendors, contractors and financing sources to meet their contractual obligations. Although we are unable to quantify the impact it has had on us, we are aware of a limited number of instances in our Research & Development Solutions business during the past several years where cancellations, changes in scope and failure to pay timely were attributable, at least in part, to difficulty in our clients' ability to obtain financing. In the future such actions by our clients could, if they involve a significant amount of business with us, have a material adverse effect on our results of operations.

***Our effective income tax rate may fluctuate for a variety of reasons, which may adversely affect our operations, earnings and earnings per share.***

Our effective income tax rate is influenced by our projected profitability in the various taxing jurisdictions in which we operate. Changes in a jurisdiction's income tax rates and the distribution of our profits and losses among such jurisdictions may have a significant impact on our effective income tax rate, which in turn could have an adverse effect on our net income and earnings per share. Other factors that may affect our effective income tax rate include, but are not limited to:

- changes in the value of deferred tax assets and liabilities;
- changes in tax laws in various jurisdictions;
- audits by taxing authorities; and
- the establishment of valuation allowances against deferred income tax assets if we determined that it is more likely than not that future income tax benefits will not be realized.

In the course of our business, there are many transactions and calculations where the ultimate tax determination is uncertain which may require the use of estimates and significant judgement to account for their impact on the effective income tax rate in our consolidated financial statements. As the regulations and guidance evolve with respect to current and newly enacted tax law, our results may differ from previous estimates and may materially affect our consolidated financial statements.

All of these items described above may cause fluctuations in our effective income tax rate through increased income tax liability and/or the loss of tax attributes in any given year that could adversely affect our results of operations and impact our earnings and earnings per share. Additional information regarding our income taxes is presented in Note 16 to our audited consolidated financial statements included in this Annual Report on Form 10-K.

***Changes in accounting standards issued by the Financial Accounting Standards Board ("FASB") or other standard-setting bodies may adversely affect our financial statements.***

We are required to prepare our financial statements in accordance with generally accepted accounting principles in the United States of America ("GAAP"), which is periodically revised and/or expanded. From time to time, we are required to adopt new or revised accounting standards issued by recognized authoritative bodies, including the FASB and the SEC. It is possible that future accounting standards we are required to adopt, such as amended guidance for income taxes, may require additional changes to the current accounting treatment that we apply to our financial statements and may require us to make significant changes to our reporting systems. Such changes could result in a material adverse impact on our results of operations and financial condition.

***Our relationships with existing or potential clients who are in competition with each other may adversely impact the degree to which other clients or potential clients use our services, which may adversely affect our results of operations.***

The biopharmaceutical industry is highly competitive, with biopharmaceutical companies each seeking to persuade payers, providers and patients that their drug therapies are better and more cost-effective than competing therapies marketed or being developed by competing firms. In addition to the adverse competitive interests that biopharmaceutical companies have with each other, biopharmaceutical companies also have adverse interests with respect to drug selection and reimbursement with other participants in the healthcare industry, including payers and providers. Biopharmaceutical companies also compete to be first to market with new drug therapies. We regularly provide services to biopharmaceutical companies who compete with each other, and we sometimes provide services or funding to such clients regarding competing drugs in development. Our existing or future relationships with our biopharmaceutical clients may therefore deter other biopharmaceutical clients from using our services or may result in our clients seeking to place limits on our ability to serve other biopharmaceutical industry participants in connection with drug development activities. In addition, our further expansion into the broader healthcare market may adversely impact our relationships with biopharmaceutical clients, and such clients may elect not to use our services, reduce the scope of services that we provide to them or seek to place restrictions on our ability to serve clients in the broader healthcare market with interests that are adverse to theirs. A loss of clients or reductions in the level of revenues from a client could have a material adverse effect on our results of operations, business and prospects.

***If we are unable to successfully identify, acquire and integrate existing businesses, services and technologies, our business, results of operations and financial condition could be adversely impacted.***

We anticipate that a portion of our future growth may come from acquiring existing businesses, services or technologies. The success of any acquisition will depend upon, among other things, our ability to effectively integrate acquired personnel, operations, services and technologies into our business and to retain the key personnel and clients of our acquired businesses. In addition, we may be unable to identify suitable acquisition opportunities, obtain any necessary financing on commercially acceptable terms or receive regulatory approvals, which have become increasingly more challenging, costly and time consuming, to move forward with the transaction as contemplated in a timely manner or at all. We may also spend time and money investigating and negotiating with potential acquisition targets but not complete the transaction. Any future acquisition could involve other risks, including, among others, the assumption of additional liabilities and expenses, termination fees, litigation costs if a regulator decides to block a proposed transaction and we challenge the regulator's decision through an administrative or legal process, difficulties and expenses in connection with integrating the acquired companies and achieving the expected benefits, issuances of potentially dilutive securities or interest-bearing debt, loss of key employees of the acquired companies, transaction costs, diversion of management's attention from other business concerns and, with respect to the acquisition of foreign companies, the inability to overcome differences in foreign business practices, language and customs. Our failure to identify potential acquisitions, complete targeted acquisitions and integrate completed acquisitions could have a material adverse effect on our business, financial condition and results of operations.

***Our results of operations may be adversely affected if we fail to realize the full value of our goodwill and intangible assets.***

We assess the realizability of our indefinite-lived intangible assets and goodwill annually and conduct an interim evaluation whenever events or changes in circumstances, such as operating losses or a significant decline in earnings associated with the acquired business or asset, indicate that these assets may be impaired. Our ability to realize the value of the goodwill and indefinite-lived intangible assets will depend on the future cash flows of the businesses we have acquired, which in turn could depend in part on how well we have integrated these businesses into our own business. If we are not able to realize the value of the goodwill and indefinite-lived intangible assets, we may be required to incur material charges relating to the impairment of those assets. Such impairment charges could materially and adversely affect our operating results and financial condition.

***We face risks arising from the restructuring of our operations.***

From time to time, we have adopted restructuring plans to improve our operating efficiency through various means such as reduction of overcapacity, elimination of non-billable support roles or other realignment of resources. Restructuring presents significant potential risks of events occurring that could adversely affect us, including:

- actual or perceived disruption of service or reduction in service standards to clients;
- the failure to preserve supplier relationships and distribution, sales and other important relationships and to resolve conflicts that may arise;

- loss of sales as we reduce or eliminate staffing on non-core services;
- diversion of management attention from ongoing business activities; and
- the failure to maintain employee morale and retain key employees.

Further, any such restructuring would result in charges that, if material, could harm our results of operations and significantly reduce our cash position or increase debt. In addition, we may incur certain unforeseen costs once any restructuring activities are implemented. Further, if we determine to effect any restructuring, we can give no assurance that any projected cost reductions resulting from such restructuring activities will be achieved within the expected timeframe, or at all.

Because of these and other factors, we cannot predict whether we will realize the purpose and anticipated benefits of these measures and, if we do not, our business and results of operations may be adversely affected.

Additionally, there may be delays in implementing the restructuring activities or a failure to achieve the anticipated levels of cost savings and efficiency as a result of the restructuring activities, each of which could materially and adversely impact our business and results of operations. Further restructuring or reorganization activities may also be required in the future beyond what is currently planned, which could further enhance the risks associated with these activities.

#### **Risks Relating to Our Industry**

*The biopharmaceutical services industry is highly competitive and our business could be materially impacted if we do not compete effectively or rapidly adapt to technological change.*

The biopharmaceutical services industry is highly competitive. Our business often competes with other biopharmaceutical services companies, internal discovery departments, development departments, sales and marketing departments, information technology departments and other departments within our clients, some of which could be considered large biopharmaceutical services companies in their own right with greater resources than ours. We also compete with universities, teaching hospitals, government agencies and others. If we do not compete successfully, our business will suffer. The biopharmaceutical services industry is highly fragmented, with numerous smaller specialized companies and a handful of companies with global capabilities similar to certain of our own capabilities. Increased competition has led to price and other forms of competition, such as acceptance of less favorable contract terms, that could adversely affect our operating results. There are few barriers to entry for companies considering offering any one or more of the services we offer. Because of their size and focus, these companies might compete effectively against us, which could have a material adverse impact on our business.

In addition, the emergence of the use of Real World Evidence and new approaches such as machine learning and artificial intelligence that capitalize on the availability of large data sets may reduce the time and costs of the discovery and development process, may allow our clients to more readily perform for themselves clinical development tasks and services that we have typically provided, may cause even greater price competition or may render certain data offerings less valuable or relevant. More broadly, our current competitors or other businesses might develop technologies or services that are more effective or commercially attractive than, or render obsolete, our current or future technologies and services. We may also fail to fully leverage the technologies available to us or develop technologies quickly enough to be competitively useful. Our failure to develop and offer competitive services that address these and other technological advances in a timely, cost-effective manner or to keep pace with rapid technological change could adversely affect our competitive position and our results of operations.

Our future growth and success will depend on our ability to successfully compete with other companies that provide similar services in the same markets, some of which may have financial, marketing, technical and other advantages. We also expect that competition will continue to increase as a result of consolidation among these various companies. Large technology companies with substantial resources, technical expertise and greater brand power could also decide to enter or further expand in the markets where our business operates and compete with us. If one or more of our competitors or potential competitors were to merge or partner with another of our competitors, or if a new entrant emerged with substantial resources, the change in the competitive landscape could adversely affect our ability to compete effectively. We compete on the basis of various factors, including breadth and depth of services, reputation, reliability, quality, geographic coverage, innovation, security, price and industry expertise and experience. In addition, our ability to compete successfully may be impacted by the growing availability of health information from social media, government health information systems and other free or low-cost sources. Consolidation or integration of wholesalers, retail pharmacies, health networks, payers or other healthcare stakeholders may lead any of them to provide information services directly to clients or indirectly through a designated service provider, resulting in increased competition from firms that may have lower costs to market (e.g., no data supply costs). Any of the above may result in lower demand for our services, which could result in a material adverse impact on our operating results and financial condition.

***Outsourcing trends in the biopharmaceutical industry and changes in aggregate spending and research and development budgets could adversely affect our operating results and growth rate.***

Economic factors and industry trends that affect biopharmaceutical companies affect our Research & Development Solutions business. Biopharmaceutical companies continue to seek long-term strategic collaborations with global clinical research organizations with favorable pricing terms. Competition for these collaborations is intense and we may decide to forego an opportunity or we may not be selected, in which case a competitor may enter into the collaboration and our business with the client, if any, may be limited. In addition, if the biopharmaceutical industry reduces its Research & Development Solutions activities or reduces its outsourcing of clinical trials and sales and marketing projects or such outsourcing fails to grow at projected rates, our operations and financial condition could be materially and adversely affected.

Our smaller biopharmaceutical company customers may rely on funding from venture capital and other sources to drive their business. When this funding is reduced, these customers have been and may in the future be forced to reduce their outsourced R&D and commercialization expenditures or may be unable to pay for services rendered, which could have a material adverse effect on our business and results of operations.

We may also be negatively impacted by consolidation and other factors in the biopharmaceutical industry, which may slow decision making by our clients or result in the delay or cancellation of clinical trials. Our commercial services may be affected by reductions in new drug launches and increases in the number of drugs losing patent protection. Further, in the event that one of our customers combines with a company that is using the services of one of our competitors, the combined company could decide to use the services of that competitor or another provider. All of these events could adversely affect our business, results of operations or financial condition.

***Our business may be materially and adversely impacted by factors affecting the biopharmaceutical and healthcare industries.***

The vast majority of our revenues are generated from sales to the biopharmaceutical and healthcare industries. The clients we serve in these industries are commonly subject to financial pressures, including, but not limited to, increased costs, reduced demand for their products, reductions in pricing and reimbursement for products and services, formulary approval and placement, government approval to market their products and limits on the manner by which they market their products, loss of patent exclusivity (whether due to patent expiration or as a result of a successful legal challenge) and the proliferation of or changes to regulations applicable to these industries. To the extent our clients face such pressures, or they change how they utilize our offerings, the demand for our services, or the prices our clients are willing to pay for those services, may decline. Any such decline could have a material adverse effect on our business, operating results and financial condition.

*We may be affected by healthcare reform and potential additional reforms, which may adversely impact the biopharmaceutical industry and reduce demand for our services or negatively impact our profitability.*

The United States Congress continues to consider healthcare reform legislation and impose health industry cost containment measures, which may significantly impact the biopharmaceutical industry. In addition, numerous government bodies are considering or have adopted various healthcare reforms and may undertake, or are in the process of undertaking, efforts to control growing healthcare costs through legislation, regulation and voluntary agreements with medical care providers and biopharmaceutical companies. We are uncertain as to the effects of these recent reforms on our business and are unable to predict what legislative proposals, if any, will be adopted in the future. If regulatory cost containment efforts limit the profitability of new drugs by, for example, continuing to place downward pressure on pharmaceutical pricing and/or increasing regulatory burdens and operating costs of the biopharmaceutical industry, our clients may reduce their research and development spending or promotional, marketing and sales expenditures, which could reduce the business they outsource to us. For example, in August 2022, the Inflation Reduction Act was signed into law in the United States, which, among other things, requires manufacturers of certain drugs to engage in price negotiations with Medicare (beginning in 2026), imposes rebates under Medicare Part B and Medicare Part D to penalize price increases that outpace inflation (first due in 2023), and replaces the Part D coverage gap discount program with a new discounting program (beginning in 2025). In addition, changes to the Medicaid program or the federal 340B drug pricing program, which imposes ceilings on prices that drug manufacturers can charge for medications sold to certain health care facilities, could have a material impact on our customers, which could reduce demand for our services. Similarly, if regulatory requirements are relaxed or simplified drug approval procedures are adopted, the demand for our services could decrease.

Foreign and domestic government bodies have adopted and may continue to adopt new healthcare legislation or regulations that are more burdensome than existing regulations. For example, product safety concerns and recommendations by the Drug Safety Oversight Board could change the regulatory environment for drug products, and new or heightened regulatory and licensing requirements may increase our expenses or limit or delay our ability to offer some of our services. We might have to incur additional costs to comply with these or other new regulations, and failure to comply could harm our financial condition, results of operations, cash flows, and reputation, and result in adverse legal action(s). Additionally, new or heightened regulatory requirements may have a negative impact on the ability of our clients to conduct industry-sponsored clinical trials, which could reduce the need for our services.

*Actions by government regulators or clients to limit a prescription's scope or withdraw an approved drug from the market could adversely affect our business and result in a loss of revenues.*

Government regulators have the authority, after approving a drug, to regulate or limit its scope of prescription or withdraw it from the market completely based on safety concerns. Similarly, clients may act to voluntarily limit the scope of prescription of drugs or withdraw them from the market. In the past, we have provided services with respect to drugs that have been limited and/or withdrawn. If we are providing services to clients for drugs that are limited or withdrawn, we may be required to narrow the scope of or terminate our services with respect to such drugs, which would prevent earning the full amount of revenues anticipated under the related service contracts with negative impacts to our financial results.

*Laws restricting biopharmaceutical sales and marketing practices may adversely impact demand for our services.*

There have been a significant number of laws, legislative initiatives and regulatory actions over the years that seek to limit biopharmaceutical sales and marketing practices. For example, three states in 2006 and 2007 passed laws restricting the use of prescriber identifiable information for the purpose of promoting branded prescription medicines. Although these laws were subsequently declared to be unconstitutional based on a decision of the U.S. Supreme Court in *Sorrell v. IMS Health* in 2011, we are unable to predict whether, and in what form, other initiatives may be introduced or actions taken at the state or Federal levels to limit biopharmaceutical sales and marketing practices. In addition, while we will continue to seek to adapt our services to comply with the requirements of these laws (to the extent applicable to our services), if enacted, there can be no assurance that our efforts to adapt our offerings will be successful and provide the same financial contribution to us. There can also be no assurance that future legislative initiatives will not adversely affect our ability to develop or market current or future offerings, or that any future laws will not diminish the demand for our services, all of which could, over time, result in a material adverse impact on our operating results and financial condition.

*Our Research & Development Solutions clients face intense competition from lower cost generic products, which may lower the amount that they spend on our services.*

Our Research & Development Solutions clients face increasing competition from lower cost generic products, which in turn may affect their ability to pursue research and development activities with us. In the United States, UK, EU and Japan, political pressure to reduce spending on prescription drugs has led to legislation and other measures which encourages the use of generic products. In addition, proposals emerge from time to time in the United States and other countries for legislation to further encourage the early and rapid approval of generic drugs. Loss of patent protection for a product typically is followed promptly by generic substitutes, reducing our clients' sales of that product and their overall profitability. Availability of generic substitutes for our clients' drugs may adversely affect their results of operations and cash flow, which in turn may mean that they would not have surplus capital to invest in research and development and drug commercialization, including in our services. If competition from generic products impacts our clients' finances such that they decide to curtail our services, our revenues may decline and this could have a material adverse effect on our business.

#### **Risks Relating to Our Indebtedness**

*Restrictions imposed in the senior secured credit facilities (as defined below) and other outstanding indebtedness, including the indentures governing outstanding notes issued by our wholly owned subsidiary IQVIA Inc., may limit our ability to operate our business and to finance our future operations or capital needs or to engage in other business activities.*

The terms of the senior secured credit facilities restrict IQVIA and its restricted subsidiaries from engaging in specified types of transactions. These covenants restrict the ability of IQVIA and its restricted subsidiaries, among other things, to:

- incur liens;
- make investments and loans;
- incur indebtedness or guarantees;
- issue preferred stock of a restricted subsidiary;
- issue disqualified equity;
- engage in mergers, acquisitions and asset sales;
- declare dividends, make payments or redeem or repurchase equity interests;
- alter the business IQVIA and its restricted subsidiaries conduct;
- make restricted payments;
- enter into agreements limiting restricted subsidiary distributions;
- prepay, redeem or purchase certain indebtedness; and
- engage in certain transactions with affiliates.

In addition, the revolving credit facility and the term A and B loans under the Fifth Amended and Restated Credit Agreement (as defined below) require IQVIA to comply with a quarterly maximum senior secured net leverage ratio test and minimum interest coverage ratio test. IQVIA's ability to comply with these financial covenants can be affected by events beyond our control, and IQVIA may not be able to satisfy them. Additionally, the restrictions contained in the indentures governing the outstanding notes could also limit our ability to plan for or react to market conditions, meet capital needs or make acquisitions or otherwise restrict our activities or business plans.

A breach of any of these covenants could result in a default under the senior secured credit facilities or the indentures governing the outstanding notes, which could trigger acceleration of our indebtedness and may result in the acceleration of or default under any other debt to which a cross-acceleration or cross-default provision applies, which could have a material adverse effect on our business, operations and financial results. In the event of any default under the senior secured credit facilities, the applicable lenders could elect to terminate borrowing commitments and declare all borrowings and loans outstanding, together with accrued and unpaid interest and any fees and other obligations, to be due and payable. In addition, or in the alternative, the applicable lenders could exercise their rights under the security documents entered into in connection with the senior secured credit facilities. IQVIA and the other subsidiary guarantors have pledged substantially all of their tangible and intangible assets (subject to customary exceptions) as collateral under the senior secured credit facilities, including the stock and the assets of certain of our current and future wholly owned United States subsidiaries and a portion of the stock of certain of our non-United States subsidiaries.

If we were unable to repay or otherwise refinance these borrowings and loans when due, the applicable lenders could proceed against the collateral granted to them to secure that indebtedness, which could force us into bankruptcy or liquidation. In the event the applicable lenders accelerate the repayment of our borrowings, we and our subsidiaries may not have sufficient assets to repay that indebtedness. Any acceleration of amounts due under the Fifth Amended and Restated Credit Agreement governing the senior secured credit facilities or the exercise by the applicable lenders of their rights under the security documents would likely have a material adverse effect on us.

***Despite our level of indebtedness, we are able to incur more debt and undertake additional obligations. Incurring such debt or undertaking such additional obligations could further exacerbate the risks to our financial condition.***

Although the Fifth Amended and Restated Credit Agreement, which governs the senior secured credit facilities of our wholly owned subsidiary through which we conduct our operations, IQVIA Inc., contains restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of qualifications and exceptions and the indebtedness incurred in compliance with these restrictions could increase. In addition, the receivables financing facility for one of our consolidated subsidiaries, a bankruptcy-remote special purpose entity (the “SPE”) limits borrowing based on the amount of receivables purchased by the SPE from certain of our other subsidiaries, but when supported by the value of such purchased receivables, the debt under our receivables financing facility can increase.

While the Fifth Amended and Restated Credit Agreement also contains restrictions on our and our restricted subsidiaries’ ability to make loans and investments, these restrictions are subject to a number of qualifications and exceptions, and the investments incurred in compliance with these restrictions could be substantial.

***Restrictive covenants in our other indebtedness may limit our flexibility in our current and future operations, particularly our ability to respond to changes in our business or to pursue our business strategies.***

The terms contained in certain of our indebtedness, including credit facilities and any future indebtedness of ours, may include a number of restrictive covenants that impose significant operating and financial restrictions, including restrictions on our and our restricted subsidiaries’ ability to take actions that we believe may be in our interest. These agreements, among other things, limit our ability to:

- incur additional debt;
- provide guarantees in respect of obligations of other persons;
- issue redeemable stock and preferred stock;
- pay dividends or distributions or redeem or repurchase capital stock;
- prepay, redeem or repurchase debt;
- make loans, investments and capital expenditures;
- enter into transactions with affiliates;
- create or incur liens;



- make distributions from our subsidiaries;
- sell assets and capital stock of our subsidiaries;
- make acquisitions; and
- consolidate or merge with or into, or sell substantially all of our assets to, another person.

A breach of the covenants or restrictions under the agreements governing our other indebtedness could result in a default under the applicable indebtedness. Such default may allow the creditors to accelerate the related debt and may result in the acceleration of any other debt to which a cross-acceleration or cross-default provision applies. In the event our lenders and noteholders accelerate the repayment of our borrowings, we cannot assure that we and our subsidiaries would have sufficient assets to repay such indebtedness.

Our financial results, our substantial indebtedness and our credit ratings could adversely affect the availability and terms of future financing.

***Interest rate fluctuations and our ability to deduct interest expense may affect our results of operations and financial condition.***

In 2023, financial regulators in various jurisdictions, including where we have variable-rate indebtedness outstanding, increased interest rates on multiple occasions and signaled that interest rates could remain higher compared to recent years for an extended period of time in an effort to lower inflation. Because we have variable rate debt, increases in interest rates will lead to increases in our borrowing costs and may adversely affect our results of operations and financial condition. We attempt to minimize interest rate risk and lower our overall borrowing costs through the utilization of derivative financial instruments, primarily swaps. We have entered into and will continue to enter into swaps with financial institutions that have reset dates and critical terms that match those of our senior secured term loan credit facility. Accordingly, any change in market value associated with the swaps may be offset by the opposite market impact on the related debt. Because we do not attempt to hedge all of our variable rate debt, we may incur higher interest costs for the portion of our variable rate debt which is not hedged.

In addition, the deduction for our interest expense may be limited, which could have an adverse impact on our taxes and net income.

**Risks Relating to Ownership of Our Common Stock**

***Provisions of the corporate governance documents of IQVIA could make an acquisition of IQVIA difficult and may prevent attempts by its stockholders to replace or remove its management, even if beneficial to its stockholders.***

Our certificate of incorporation and Delaware bylaws and the General Corporation Law of Delaware (the “DGCL”) contain provisions that could make it difficult for a third party to acquire IQVIA even if doing so might be beneficial to its stockholders, including:

- the division of the board of directors into three classes (subject to gradual declassification which began at the 2023 annual meeting of stockholders, such that our board of directors will be fully declassified and each director will be elected to a one-year term beginning at the 2025 annual meeting of stockholders);
- the sole ability of the board of directors to fill a vacancy created by the death or resignation of a director or the expansion of the board of directors;
- advance notice requirements for stockholder proposals and director nominations;
- limitations on the ability of stockholders to call special meetings and to take action by written consent;
- the approval of holders of a majority of the outstanding shares of IQVIA entitled to vote on any amendment, alteration, change, addition or repeal of the Delaware bylaws is required to amend, alter, change, add to or repeal the Delaware bylaws;

- the required approval of holders of a majority of the outstanding shares of IQVIA to remove directors, which removal may only be for cause; and
- the ability of the board of directors to issue new series of, and designate the terms of, preferred stock, without stockholder approval, which could be used to, among other things, institute a rights plan that would have the effect of significantly diluting the stock ownership of a potential hostile acquirer, likely preventing acquisitions that have not been approved by the board of directors.

In addition, IQVIA is subject to Section 203 of the DGCL regulating corporate takeovers. Section 203, subject to certain exceptions, prohibits a Delaware corporation from engaging in any “business combination” with any “interested stockholder” for a period of three years following the date that such stockholder became an interested stockholder unless:

- prior to such date, the board of directors of the corporation approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;
- upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding those shares owned by persons who are directors and also officers, and employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer; or
- on or subsequent to such date, the business combination is approved by the board of directors and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least two-thirds of the outstanding voting stock that is not owned by the interested stockholder.

In general, Section 203 defines “business combination” to include mergers or consolidations between a Delaware corporation and an interested stockholder, transactions with an interested stockholder involving the assets or stock of the corporation or its majority-owned subsidiaries and transactions which increase an interested stockholder’s percentage ownership of stock. In general, Section 203 defines an “interested stockholder” as any entity or person beneficially owning 15% or more of the outstanding voting stock of the corporation and any entity or person affiliated with or controlling or controlled by such entity or person. These provisions may frustrate or prevent any attempts by stockholders to replace members of the board of directors. Because IQVIA’s board is responsible for appointing the members of management, these provisions could in turn affect any attempt to replace current members of management. As a result, stockholders of IQVIA may lose their ability to sell their stock for a price in excess of the prevailing market price due to these protective measures, and efforts by stockholders to change the direction or management of IQVIA may be unsuccessful.

*Our operating results and share price may be volatile, which could cause the value of our stockholders’ investments to decline.*

Our quarterly and annual operating results may fluctuate in the future, and such fluctuations may be significant. In addition, securities markets worldwide have experienced, and are likely to continue to experience, significant price and volume fluctuations. This market volatility, as well as general economic, market or political conditions, could subject the market price of our shares to wide price fluctuations regardless of our operating performance. Our operating results and the trading price of our shares may fluctuate in response to various factors, including:

- market conditions in the broader stock market;
- actual or anticipated fluctuations in our quarterly and annual financial and operating results;
- introduction of new services by us or our competitors;
- issuance of new or changed securities analysts’ reports or recommendations;
- sales, or anticipated sales, of large blocks of our stock;
- additions or departures of key personnel;
- regulatory or political developments;

- litigation and governmental investigations;
- changing economic conditions; and
- exchange rate fluctuations.

These and other factors, many of which are beyond our control, may cause our operating results and the market price for our shares to fluctuate substantially. While we believe that operating results for any particular quarter are not necessarily a meaningful indication of future results, fluctuations in our quarterly operating results could limit or prevent investors from readily selling their shares and may otherwise negatively affect the market price and liquidity of our shares. In addition, in the past, when the market price of a stock has been volatile, holders of that stock have sometimes instituted securities class action litigation against the company that issued the stock. If any of our stockholders brought a lawsuit against us, we could incur substantial costs defending the lawsuit. Such a lawsuit could also divert the time and attention of our management from our business, which could significantly harm our profitability and reputation.

*Since we have no current plans to pay regular cash dividends on our common stock, stockholders may not receive any return on investment unless they sell their common stock for a price greater than that which they paid for it.*

We do not currently anticipate paying any regular cash dividends on our common stock. Any decision to declare and pay dividends in the future will be made at the discretion of our Board and will depend on, among other things, our results of operations, financial condition, cash requirements, contractual restrictions and other factors that our Board may deem relevant. In addition, our ability to pay dividends is, and may be, limited by covenants of existing and any future outstanding indebtedness we or our subsidiaries incur, including under our existing credit facilities. Therefore, any return on investment in our common stock is solely dependent upon the appreciation of the price of our common stock on the open market, which may not occur.

*Our certificate of incorporation contains a provision renouncing any interest and expectancy in certain corporate opportunities identified by certain parties, even if such corporate opportunities are ones that we might reasonably be deemed to have pursued or had the ability or desire to pursue.*

Our certificate of incorporation provides that IQVIA renounces any interest or expectancy in the business opportunities of the TPG Global, LLC, the Bain Capital, LLC, CPP Investment Board Private Holdings Inc., and Leonard Green & Partners, L.P., and their affiliates (other than our Company and our subsidiaries) and all of their respective partners, principals, directors, officers, members, managers, managing directors and/or employees, and each such person will have no obligation to offer us such opportunities. This provision applies to each of these current or former stockholders (and associated parties) only for so long as a nominee designated by such stockholder under the Shareholders Agreement continues to serve on our board of directors and no individual serving our board of directors has at any time been designated as a nominee by such stockholder under the Shareholders Agreement. Stockholders are deemed to have notice of and have consented to this provision of our certificate of incorporation.

Therefore, a director or officer of our Company who also serves as a director, officer, member, manager, or employee of such stockholders may pursue certain business opportunities, including acquisitions, that may be complementary to its business and, as a result, such opportunities may not be available to us. These potential conflicts of interest could have a material adverse effect on the business, financial condition, results of operations, or prospects of our Company if attractive corporate opportunities are allocated by such stockholders to themselves or their other affiliates instead of to us.

#### **Item 1B. Unresolved Staff Comments**

None.

## Item 1C. Cybersecurity

Our Board actively oversees our enterprise risk management program. Our Board's role in risk oversight is consistent with our overall leadership structure: management is responsible for assessing and managing our short- and long-term risk exposures, and our Board and its committees provide effective oversight through independent monitoring of strategic risks and regularly scheduled meetings with management to discuss in-depth the strategic objectives of the Company and associated risks. In order to maintain effective Board oversight across the entire enterprise risk management program, the Board delegates to the individual committees certain elements of its oversight function. The Audit Committee of the Board has oversight of cybersecurity risk and receives regular updates on any developments from our Chief Information Security Officer ("CISO"), including biannual updates on strategies and action plans, with periodic reports provided to our full Board.

We have an Enterprise Risk Council made up of leaders from our principal functional areas and business units that meets on a quarterly basis to update our enterprise risk framework used to identify and manage our key risks, including cybersecurity. Cybersecurity is a standing item on our Enterprise Risk Council agenda and our cybersecurity team regularly presents its work to the Enterprise Risk Council to enable evolving risks to be integrated into our management processes. All cybersecurity processes and frameworks are created by the Global Information Security team, led by our CISO. Our CISO has a Systems Engineer degree in Computer Science from St. Petersburg University of Information Technology and gained experience in the manufacturing, consultancy, and energy industries prior to joining the Company in 2012. Our CISO is a Certified Information Systems Auditor (CISA), Certified Information Security Manager (CISM), Information Technology Infrastructure Library (ITIL) v3 Expert, and Certified in Risk and Information Systems Control (CRISC).

Our Integrated Information Security Framework ("IISF") defines the policies and processes we have in place to safeguard proprietary and confidential information. Our IISF is based on relevant industry frameworks and laws, including, but not limited to National Institute of Standards and Technology ("NIST"), Good Practices Quality Guidelines (GxP), Health Information Trust Alliance (HITRUST), the ISMS Family of Standards (ISO 27000 family), Control Objectives for Information Technologies (COBIT), the EU General Data Protection Regulation (GDPR), and the Health Insurance Portability and Accountability Act of 1996 (HIPAA). The framework consists of policies, standards, procedures, work instructions and documentation. Information is classified into four categories to help individuals apply the right level of controls and safeguards to information, applications and systems. In 2023, we conducted a mapping with the NIST to align our procedures with industry standards in an effort to create a first-in-class approach. Our global data centers and IT controls are included in an annual SOC2 Type II attestation program carried out by an independent audit firm who performs control testing and issue reports. Our set of SOC2 controls is aligned with ISO27001 specification and therefore provides an equivalent level of assurance on a global level. Additionally, our cybersecurity controls are regularly assessed as part of our global Internal Audit plan, and the maturity of our Information Security program is also regularly assessed on at least an annual basis with the help of independent consultants.

Our internal Business Information Security Office ("BISO"), established in 2022, continues to streamline communications between our IT function and business units. The BISO connects several key functions, including Chief Information Officer Business Partnership, business continuity, governance, risk, and compliance.

Our cybersecurity program focuses on all areas of our business, including cloud-based environments, data centers, devices used by employees and contractors, facilities, networks, applications, vendors, disaster recovery / business continuity and controls and safeguards enabled through business processes and tools. We continuously monitor for threats and unauthorized access. We learn of security threats through automated detection solutions as well as reports from users and business partners. We draw on the knowledge and insight of external cybersecurity experts and vendors and employ an array of third party tools to secure IQVIA information infrastructure and protect systems and information from unauthorized access. We manage risk in our supply chain through engagement with suppliers and vendors, including vendor on-boarding risk assessments, ongoing oversight, and independent cyber-reputation score monitoring for key suppliers.

Our business strategy, results of operations and financial condition have not been materially affected by risks from cybersecurity threats, including as a result of previously identified cybersecurity incidents, but we cannot provide assurance that they will not be materially affected in the future by such risks or any future material incidents. To protect against such threats, we employ an array of data security technologies, processes and methods across our infrastructure to protect systems and sensitive information from unauthorized access. We maintain comprehensive identity and access management practices (e.g., roles and access privileges for each user; multi-factor authentication, privileged user accounts, single sign-on, user lifecycle management) and employ a variety of security information and event management tools. Non-technical safeguards also play an important role in our cybersecurity program. We provide various training programs and tools to employees so they can avoid risky practices and help us promptly identify potential or actual issues. We also have global incident response procedures, global service tools to log incidents and issues for investigation, and an ethics line to report concerns and follow-up on matters already reported. For more information on our cybersecurity related risks, see Item 1A Risk Factors in this Annual Report on Form 10-K.

## **Item 2. Properties**

As of December 31, 2023, we had approximately 291 offices and laboratories located in approximately 85 countries. Our executive headquarters are located in Research Triangle Park, North Carolina. We own facilities in Buenos Aires, Argentina; Caracas, Venezuela; Los Ruices, Venezuela; and Bangalore, India. All of our other offices are leased. Our properties are geographically distributed to meet our worldwide operating requirements, and none of our properties are individually material to our business operations. We believe that collectively our facilities are suitable and adequate for our present purposes. We continue to assess the impacts of the current working environment on the suitability, adequacy, productive capacity and utilization of our existing principal physical properties, and we are in the process of evaluating the future state of our workforce practices, which may result in changes to our physical property needs.

## **Item 3. Legal Proceedings**

Information pertaining to legal proceedings can be found in Note 12 to our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K and is incorporated by reference herein.

## **Item 4. Mine Safety Disclosures**

Not applicable.

## PART II

### Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity

#### Securities Market Information for Common Stock

Our common stock trades on the NYSE under the symbol "IQV."

#### Holders of Record

On February 5, 2024, we had approximately 15 stockholders of record as reported by our transfer agent. Holders of record are defined as those stockholders whose shares are registered in their names in our stock records and do not include beneficial owners of common stock whose shares are held in the names of brokers, dealers or clearing agencies.

#### Dividend Policy

We do not currently intend to pay dividends on our common stock, and no dividends were declared or paid in 2023 or 2022. However, we expect to reevaluate our dividend policy on a regular basis and may, subject to compliance with the covenants contained in our Senior Secured Credit Facilities and long-term debt arrangements and other considerations, determine to pay dividends in the future. The declaration, amount and payment of any future dividends on shares of our common stock will be at the sole discretion of our Board of Directors (our "Board"), which may take into account general and economic conditions, our financial condition and results of operations, our available cash and current and anticipated cash needs, capital requirements, contractual, legal, tax and regulatory restrictions, the implications of the payment of dividends by us to our stockholders or by our subsidiaries to us, and any other factors that our Board may deem relevant. Our long-term debt arrangements contain usual and customary restrictive covenants that, among other things, place limitations on our ability to declare dividends. For additional information regarding these restrictive covenants, see Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources" and Note 10 to our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

#### Recent Sales of Unregistered Securities

We did not sell any unregistered equity securities in 2023.

#### Purchases of Equity Securities by the Issuer

On October 30, 2013, our Board approved an equity repurchase program (the "Repurchase Program") authorizing the repurchase of up to \$125 million of our common stock. Our Board increased the stock repurchase authorization under the Repurchase Program with respect to the repurchase of our common stock by \$600 million, \$1.5 billion, \$2.0 billion, \$1.5 billion, \$2.0 billion, and \$2.0 billion in 2015, 2016, 2017, 2018, 2019, and 2022, respectively. On July 31, 2023, our Board increased the stock repurchase authorization under the Repurchase Program by an additional \$2,000 million, which increased the total amount that has been authorized under the Repurchase Program to \$11,725 million. The Repurchase Program does not obligate us to repurchase any particular amount of common stock, and it may be modified, extended, suspended or discontinued at any time. The timing and amount of repurchases are determined by our management based on a variety of factors such as the market price of our common stock, our corporate requirements, and overall market conditions. Purchases of our common stock may be made in open market transactions effected through a broker-dealer at prevailing market prices, in block trades, or in privately negotiated transactions. The Repurchase Program for common stock does not have an expiration date. In addition, from time to time, we have repurchased and may continue to repurchase common stock through private or other transactions outside of the Repurchase Program.

From inception of the Repurchase Program through December 31, 2023, we have repurchased a total of \$9,362 million of our securities under the Repurchase Program.

During the year ended December 31, 2023, we repurchased 5.0 million shares of our common stock for approximately \$992 million under the Repurchase Program. For additional information regarding our equity repurchases, see Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources" and Note 13 to our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

As of December 31, 2023, we had remaining authorization to repurchase up to approximately \$2,363 million of our common stock under the Repurchase Program.

Since the Merger between Quintiles and IMS health in October 2016, we have repurchased 78.1 million shares of our common stock at an average market price per share of \$115.02 for an aggregate purchase price of \$8,988 million both under and outside of the Repurchase Program. This includes shares withheld from employees to satisfy certain tax obligations due in connection with grants of stock under the IQVIA Holdings Inc. 2017 Incentive and Stock Award Plan (the "Plan"). The Plan provides for the withholding of shares to satisfy tax obligations. It does not specify a maximum number of shares that can be withheld for this purpose. The shares of common stock withheld to satisfy tax withholding obligations may be deemed to be "issuer purchases" of shares that are required to be disclosed pursuant to this Item.

The following table summarizes the monthly equity repurchase activity for the three months ended December 31, 2023 and the approximate dollar value of shares that may yet be purchased pursuant to the Repurchase Program.

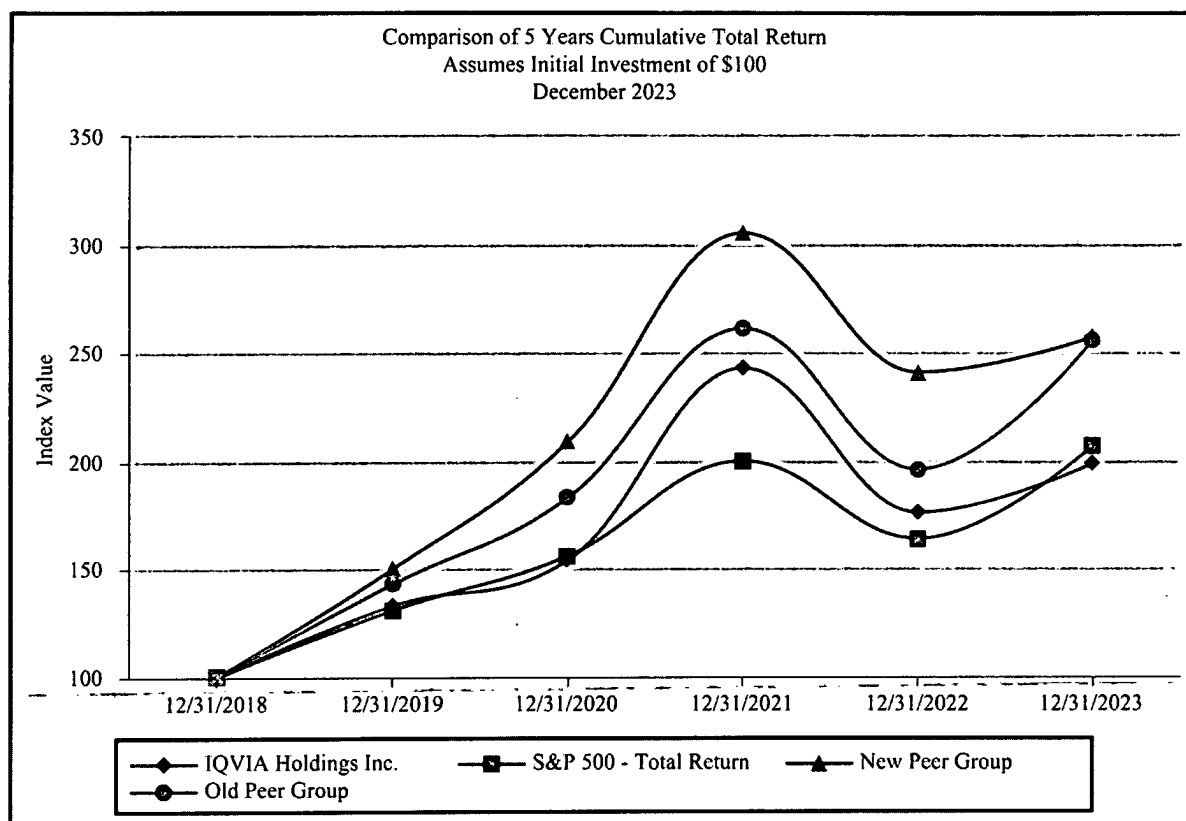
| Period                               | Total Number of Shares Purchased | Average Price Paid per Share | Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs | Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs |
|--------------------------------------|----------------------------------|------------------------------|----------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|
| (in millions, except per share data) |                                  |                              |                                                                                  |                                                                                          |
| October 1, 2023 – October 31, 2023   |                                  |                              |                                                                                  | \$ 2,592                                                                                 |
| November 1, 2023 – November 30, 2023 | 1.2                              | \$ 195.06                    | 1.2                                                                              | \$ 2,363                                                                                 |
| December 1, 2023 – December 31, 2023 |                                  |                              |                                                                                  | \$ 2,363                                                                                 |
|                                      | 1.2                              |                              | 1.2                                                                              |                                                                                          |

#### Stock Performance Graph

This performance graph shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or incorporated by reference into any filing of IQVIA Holdings Inc. under the Exchange Act or under the Securities Act, except as shall be expressly set forth by specific reference in such filing.

The following graph shows a comparison from December 31, 2018 through December 31, 2023 of the cumulative total return for our common stock, the Standard & Poor's 500 Stock Index ("S&P 500"), our new peer group set forth below ("New Peer Group"), and our old peer group set forth below ("Old Peer Group"). The New Peer Group consists of Charles River Laboratories, Inc., Fortrea Holdings Inc., ICON plc, Medpace Holdings Inc., S&P Global Inc., Danaher Corporation and Thermo Fisher Scientific Inc. The difference between the New Peer Group and the Old Peer Group is that Laboratory Corporation of America Holdings, Syneos Health, Equifax Inc., Thomson Reuters Corporation and Verisk Analytics, Inc. have been removed from the New Peer Group as these companies were either spun-off, acquired by a private equity consortium or not relevant anymore during the year ended December 31, 2023. Simultaneously, Fortrea Holdings Inc., Medpace Holdings Inc., S&P Global Inc., Danaher Corporation and Thermo Fisher Scientific Inc. were added to the New Peer Group during the year ended December 31, 2023. The companies in our peer groups are publicly traded information services, information technology or clinical research companies, and thus share similar business model characteristics to IQVIA, or provide services to similar customers as IQVIA. Many of these companies are also used by our compensation committee for purposes of compensation benchmarking.

The graph assumes that \$100 was invested in IQVIA, the S&P 500, the New Peer Group, and the Old Peer Group as of the close of market on December 31, 2018, and assumes the reinvestments of dividends, if any. The S&P 500 and our New and Old Peer Groups are included for comparative purposes only. They do not necessarily reflect management's opinion that the S&P 500 and our peer groups are an appropriate measure of the relative performance of the stock involved, and they are not intended to forecast or be indicative of possible future performance of our common stock.



|                | 12/31/2018 | 12/31/2019 | 12/31/2020 | 12/31/2021 | 12/31/2022 | 12/31/2023 |
|----------------|------------|------------|------------|------------|------------|------------|
| IQVIA          | \$ 100     | \$ 133     | \$ 154     | \$ 243     | \$ 176     | \$ 199     |
| S&P 500        | \$ 100     | \$ 131     | \$ 156     | \$ 200     | \$ 164     | \$ 207     |
| New Peer Group | \$ 100     | \$ 150     | \$ 209     | \$ 305     | \$ 241     | \$ 257     |
| Old Peer Group | \$ 100     | \$ 143     | \$ 183     | \$ 261     | \$ 196     | \$ 256     |

Item 6. [Reserved]

## Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis of our financial condition and results of operations together with our consolidated financial statements and the related notes included elsewhere in this Annual Report on Form 10-K. Some of the information contained in this discussion and analysis or set forth elsewhere in this Annual Report, including information with respect to our plans and strategy for our business, includes forward-looking statements that involve risks and uncertainties. You should read the "Risk Factors" section of this Annual Report for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.



## Overview

IQVIA is a leading global provider of advanced analytics, technology solutions and clinical research services to the life sciences industry. IQVIA creates intelligent connections across all aspects of healthcare through its analytics, transformative technology, big data resources, extensive domain expertise and network of partners. IQVIA Connected Intelligence delivers actionable insights and powerful solutions with speed and agility — enabling customers to accelerate the clinical development and commercialization of innovative medical treatments that improve healthcare outcomes for patients. With approximately 87,000 employees, we conduct operations in more than 100 countries.

We are managed through three reportable segments: Technology & Analytics Solutions, Research & Development Solutions and Contract Sales & Medical Solutions. Technology & Analytics Solutions provides mission critical information, technology solutions and real world insights and services to our life science clients. Research & Development Solutions, which primarily serves biopharmaceutical clients, provides outsourced clinical research and clinical trial services. Contract Sales & Medical Solutions provides health care provider (including contract sales) and patient engagement services to both biopharmaceutical clients and the broader healthcare market.

For a description of our service offerings within our segments, refer to Part I, Item 1, “Business.”

Throughout 2023 we experienced strong demand and operational results for our Research & Development Solutions offerings. Our Technology & Analytics Solutions offerings were relatively more impacted by a tougher macro environment, including more cautious spending by our clients on extended timelines than what we have experienced in the past. We experienced growth in certain Technology & Analytics Solutions offerings, such as multi-channel marketing and real world solutions. Our targeted productivity initiatives contributed to overall net income and earnings per share growth, and we ended the year with our highest ever remaining performance obligations of approximately \$31.7 billion as of December 31, 2023.

While we experienced a decline in COVID-19 related work in 2023 versus 2022, overall COVID-19 related work was not material to operations. As of December 31, 2023, COVID-19 related work did not represent a material amount of our remaining performance obligations.

We continue to maintain strong liquidity. As of December 31, 2023, cash and cash equivalents were \$1,376 million and we had \$100 million drawn under our \$2,000 million revolving credit facility. As of December 31, 2023, we were in compliance with the financial covenants under our debt agreements in all material respects and do not have material uncertainty about ongoing ability to meet the covenants of our credit arrangements.

## Industry Outlook

For information about the industry outlook and markets that we operate in, refer to Part I, Item 1, “Our Market Opportunity.”

## Business Combinations

We have completed and will continue to consider strategic business combinations to enhance our capabilities and offerings in certain areas, including various individually immaterial acquisitions during the years ended December 31, 2023 and 2022. These transactions were accounted for as business combinations and the acquired results of operations are included in our consolidated financial information since their respective closing dates. See Note 14 to our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K for additional information with respect to these business combinations.

## Sources of Revenues

Total revenues are comprised of revenues from the provision of our services. We do not have any material product revenues.

## Costs and Expenses

Our costs and expenses are comprised primarily of our cost of revenues including reimbursed expenses and selling, general and administrative expenses. Cost of revenues includes compensation and benefits for billable employees and personnel involved in production, trial monitoring, data management and delivery, and the costs of acquiring and processing data for our information offerings; costs of staff directly involved with delivering technology-related services offerings and engagements, related accommodations and the costs of data purchased specifically for technology services engagements; and other expenses directly related to service contracts such as courier fees, laboratory supplies, professional services and travel expenses. Reimbursed expenses, which are included in cost of revenues, are comprised principally of payments to investigators who oversee clinical trials and travel expenses for our clinical monitors and sales representatives. Selling, general and administrative expenses include costs related to sales, marketing and administrative functions (including human resources, legal, finance, quality assurance, compliance and general management) for compensation and benefits, travel, professional services, training and expenses for information technology and facilities. We also incur costs and expenses associated with depreciation and amortization.

## Foreign Currency Translation

In 2023, approximately 30% of our revenues were denominated in currencies other than the United States dollar, which represents approximately 60 currencies. Because a large portion of our revenues and expenses are denominated in foreign currencies and our financial statements are reported in United States dollars, changes in foreign currency exchange rates can significantly affect our results of operations. The revenues and expenses of our foreign operations are generally denominated in local currencies and translated into United States dollars for financial reporting purposes. Accordingly, exchange rate fluctuations will affect the translation of foreign results into United States dollars for purposes of reporting our consolidated results. As a result, we believe that reporting results of operations that exclude the effects of foreign currency rate fluctuations on certain financial results can facilitate analysis of period to period comparisons. This constant currency information assumes the same foreign currency exchange rates that were in effect for the comparable prior-year period were used in translation of the current period results. As such, the differences noted below between reported results of operations and constant currency information is wholly attributable to the effects of foreign currency rate fluctuations.

## Consolidated Results of Operations

For information regarding our results of operations for our Technology & Analytics Solutions, Research & Development Solutions and Contract Sales & Medical Solutions segments, refer to "Segment Results of Operations" later in this section.

For a discussion of our results of operations comparison for 2022 and 2021, refer to our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 filed on February 15, 2023.

### Revenues

| (dollars in millions) | Year Ended December 31, |           |           | Change        |       |               |       |
|-----------------------|-------------------------|-----------|-----------|---------------|-------|---------------|-------|
|                       |                         |           |           | 2023 vs. 2022 |       | 2022 vs. 2021 |       |
|                       | 2023                    | 2022      | 2021      | \$            | %     | \$            | %     |
| Revenues              | \$ 14,984               | \$ 14,410 | \$ 13,874 | \$ 574        | 4.0 % | \$ 536        | 3.9 % |

### 2023 compared to 2022

In 2023, our revenues increased \$574 million, or 4.0%, as compared to 2022. This increase was comprised of constant currency revenue growth of approximately \$596 million, or 4.1%, reflecting a \$121 million increase in Technology & Analytics Solutions, a \$477 million increase in Research & Development Solutions, and a \$2 million decrease in Contract Sales & Medical Solutions.

### Cost of Revenues, exclusive of Depreciation and Amortization

| (dollars in millions)                                        | Year Ended December 31, |          |          |
|--------------------------------------------------------------|-------------------------|----------|----------|
|                                                              | 2023                    | 2022     | 2021     |
| Cost of revenues, exclusive of depreciation and amortization | \$ 9,745                | \$ 9,382 | \$ 9,233 |
| % of revenues                                                | 65.0 %                  | 65.1 %   | 66.5 %   |

#### 2023 compared to 2022

When compared to 2022, cost of revenues, exclusive of depreciation and amortization increased \$363 million in 2023, or 3.9%. This increase included a constant currency increase of approximately \$550 million, or 5.9%, comprised of a \$163 million increase in Technology & Analytics Solutions, a \$393 million increase in Research & Development Solutions, and a \$6 million decrease in Contract Sales & Medical Solutions.

As a percentage of revenues, cost of revenues, exclusive of depreciation and amortization in 2023 remained relatively consistent with 2022.

### Selling, General and Administrative Expenses

| (dollars in millions)                        | Year Ended December 31, |          |          |
|----------------------------------------------|-------------------------|----------|----------|
|                                              | 2023                    | 2022     | 2021     |
| Selling, general and administrative expenses | \$ 2,053                | \$ 2,071 | \$ 1,964 |
| % of revenues                                | 13.7 %                  | 14.4 %   | 14.2 %   |

#### 2023 compared to 2022

The \$18 million decrease in selling, general and administrative expenses in 2023 as compared to 2022 included a constant currency increase of approximately \$8 million, or 0.4%, comprised of a \$40 million increase in Technology & Analytics Solutions, a \$30 million increase in Research & Development Solutions, offset by a \$4 million decrease in Contract Sales & Medical Solutions and a \$58 million decrease in general corporate and unallocated expenses.

### Depreciation and Amortization

| (dollars in millions)         | Year Ended December 31, |          |          |
|-------------------------------|-------------------------|----------|----------|
|                               | 2023                    | 2022     | 2021     |
| Depreciation and amortization | \$ 1,125                | \$ 1,130 | \$ 1,264 |
| % of revenues                 | 7.5 %                   | 7.8 %    | 9.1 %    |

The \$5 million decrease in depreciation and amortization in 2023 as compared to 2022 was primarily the result of less amortization from certain intangible assets from the merger between Quintiles and IMS Health, offset by an increase in amortization of capitalized software and of intangible assets from acquisitions occurring in 2022 and 2023.

### Restructuring Costs

| (in millions)       | Year Ended December 31, |       |       |
|---------------------|-------------------------|-------|-------|
|                     | 2023                    | 2022  | 2021  |
| Restructuring costs | \$ 84                   | \$ 28 | \$ 20 |

The restructuring costs incurred were due to ongoing efforts to streamline our global operations and reduce overcapacity to adapt to changing market conditions and integrate acquisitions. These restructuring actions are expected to occur throughout 2024 and are expected to consist of consolidating functional activities, eliminating redundant positions, and aligning resources with customer requirements.

### Interest Income and Interest Expense

| (in millions)    | Year Ended December 31, |         |        |
|------------------|-------------------------|---------|--------|
|                  | 2023                    | 2022    | 2021   |
| Interest income  | \$ (36)                 | \$ (13) | \$ (6) |
| Interest expense | \$ 672                  | \$ 416  | \$ 375 |

Interest income included interest received primarily from bank balances and investments. The increase is primarily a result of higher deposit rates.

Interest expense during 2023 was higher than 2022 due primarily to higher base rate interest costs across the floating rate debt portfolio as well as from an increase in our net debt.

### Loss on Extinguishment of Debt

| (in millions)                  | Year Ended December 31, |      |       |
|--------------------------------|-------------------------|------|-------|
|                                | 2023                    | 2022 | 2021  |
| Loss on extinguishment of debt | \$ 6                    | \$ — | \$ 26 |

In 2023, we recognized a loss on extinguishment of debt of \$6 million for fees and expenses incurred related to the refinancing of our Credit Agreement as discussed further in Note 10 to our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

### Other (income) expense, net

| (in millions)               | Year Ended December 31, |       |          |
|-----------------------------|-------------------------|-------|----------|
|                             | 2023                    | 2022  | 2021     |
| Other (income) expense, net | \$ (124)                | \$ 33 | \$ (130) |

Other (income) expense, net for 2023 increased compared to 2022 primarily due to foreign currency gain on transactions, and to a lesser extent from revaluations of contingent consideration and gains on investments.

### Income Tax Expense

| (dollars in millions)     | Year Ended December 31, |        |        |
|---------------------------|-------------------------|--------|--------|
|                           | 2023                    | 2022   | 2021   |
| Income tax expense        | \$ 101                  | \$ 260 | \$ 163 |
| Effective income tax rate | 6.9 %                   | 19.1 % | 14.5 % |

In 2023, we completed an internal legal entity restructuring that resulted in a benefit of \$125 million. Historically, we recorded deferred tax assets related to certain foreign tax credits, and a full valuation allowance in relation to these foreign tax credits was established as it was not expected the credits would be utilized prior to expiration. We now believe it is reasonably possible that these foreign tax credits will be utilized and therefore we recorded a tax benefit of \$64 million related to the valuation allowance release and establishing related uncertain tax positions. Additionally, due to the restructuring we also reversed a deferred tax liability of \$61 million due to a basis difference that was recovered in a tax-free manner. The effective tax rate was also favorably impacted by a reversal of uncertain tax positions relating to tax credit carryforwards in the amount of \$21 million due to an audit settlement. Lastly, the effective tax rate was also impacted by changes in the geographical mix of earnings amongst foreign tax jurisdictions as well as state and local tax rates.

In 2022, we recorded a benefit of \$6 million related to a 2021 U.S. Federal tax return position associated with Foreign Derived Intangible Income ("FDII") and Global Intangible Low-Taxed Income ("GILTI") tax credits. In addition, our effective tax rate was impacted by changes in the geographical mix of earnings amongst foreign tax jurisdictions as well as state and local tax rates.

### Equity in (Losses) Earnings of Unconsolidated Affiliates

| (in millions)                                            | Year Ended December 31, |       |      |
|----------------------------------------------------------|-------------------------|-------|------|
|                                                          | 2023                    | 2022  | 2021 |
| Equity in (losses) earnings of unconsolidated affiliates | \$ 29                   | \$ 12 | \$ 6 |

Equity in (losses) earnings of unconsolidated affiliates decreased in 2023 compared to 2022 due to the results in the operations of our unconsolidated affiliates.

### Segment Results of Operations

Revenues and profit by segment are as follows:

| (in millions)                      | Segment Revenues |           |           | Segment Profit |          |          |
|------------------------------------|------------------|-----------|-----------|----------------|----------|----------|
|                                    | 2023             | 2022      | 2021      | 2023           | 2022     | 2021     |
| Technology & Analytics Solutions   | \$ 5,862         | \$ 5,746  | \$ 5,534  | \$ 1,490       | \$ 1,550 | \$ 1,458 |
| Research & Development Solutions   | 8,395            | 7,921     | 7,556     | 1,915          | 1,695    | 1,476    |
| Contract Sales & Medical Solutions | 5,727            | 743       | 784       | 49             | 42       | 75       |
| Total                              | 14,984           | 14,410    | 13,874    | 3,454          | 3,287    | 3,009    |
| General corporate and unallocated  |                  |           |           | (268)          | (330)    | (332)    |
| Depreciation and amortization      |                  |           |           | (1,125)        | (1,130)  | (1,264)  |
| Restructuring costs                |                  |           |           | (84)           | (28)     | (20)     |
| Consolidated                       | \$ 14,984        | \$ 14,410 | \$ 13,874 | \$ 1,977       | \$ 1,799 | \$ 1,393 |

Certain costs are not allocated to our segments and are reported as general corporate and unallocated expenses. These costs primarily consist of stock-based compensation and expenses related to integration activities and acquisitions. We also do not allocate restructuring costs, depreciation and amortization, or impairment charges, if any, to our segments.

### Technology & Analytics Solutions

| (dollars in millions)                                        | Year Ended December 31, |          |          | Change        |        |               |      |
|--------------------------------------------------------------|-------------------------|----------|----------|---------------|--------|---------------|------|
|                                                              | 2023                    | 2022     | 2021     | 2023 vs. 2022 |        | 2022 vs. 2021 |      |
| Revenues                                                     | \$ 5,862                | \$ 5,746 | \$ 5,534 | \$ 116        | 2.0%   | \$ 212        | 3.8% |
| Cost of revenues, exclusive of depreciation and amortization | 3,496                   | 3,348    | 3,278    | 148           | 4.4    | 70            | 2.1  |
| Selling, general and administrative expenses                 | 876                     | 848      | 798      | 28            | 3.3    | 50            | 6.3  |
| Segment profit                                               | \$ 1,490                | \$ 1,550 | \$ 1,458 | \$ (60)       | (3.9)% | \$ 92         | 6.3% |

### Revenues

#### 2023 compared to 2022

Technology & Analytics Solutions' revenues were \$5,862 million in 2023, an increase of \$116 million, or 2.0%, over 2022. This increase was comprised of constant currency revenue growth of approximately \$121 million, or 2.1%, reflecting revenue growth primarily in the Americas region and to a lesser extent in the Asia-Pacific region. The constant currency revenue growth was primarily driven by an increase in information and technology services and by a lesser extent in real world services. The constant currency revenue growth was impacted by a decrease in COVID-19 related work.

### **Cost of Revenues, exclusive of Depreciation and Amortization**

#### **2023 compared to 2022**

Technology & Analytics Solutions' cost of revenues, exclusive of depreciation and amortization, increased \$148 million, or 4.4%, in 2023 as compared to 2022. This increase included a constant currency increase of approximately \$163 million, or 4.9%, reflecting an increase in costs of acquiring and processing data and an increase in compensation and related expenses to support revenue growth.

### **Selling, General and Administrative Expenses**

#### **2023 compared to 2022**

Technology & Analytics Solutions' selling, general and administrative expenses increased \$28 million, or 3.3%, in 2023 as compared to 2022. This increase included a constant currency increase of approximately \$40 million, or 4.7%, reflecting an increase in compensation and related expenses.

### **Research & Development Solutions**

| (dollars in millions)                                        | Year Ended December 31, |          |          | Change        |       |               |       |
|--------------------------------------------------------------|-------------------------|----------|----------|---------------|-------|---------------|-------|
|                                                              | 2023                    | 2022     | 2021     | 2023 vs. 2022 |       | 2022 vs. 2021 |       |
| Revenues                                                     | \$ 8,395                | \$ 7,921 | \$ 7,556 | \$ 474        | 6.0%  | \$ 365        | 4.8%  |
| Cost of revenues, exclusive of depreciation and amortization | 5,629                   | 5,395    | 5,303    | 234           | 4.3   | 92            | 1.7   |
| Selling, general and administrative expenses                 | 851                     | 831      | 777      | 20            | 2.4   | 54            | 6.9   |
| Segment profit                                               | \$ 1,915                | \$ 1,695 | \$ 1,476 | \$ 220        | 13.0% | \$ 219        | 14.8% |

### **Backlog**

Research & Development Solutions' contracted backlog increased from \$27.2 billion as of December 31, 2022 to \$29.7 billion as of December 31, 2023 and we expect approximately \$7.5 billion of this backlog to convert to revenues in the next 12 months. Contracted backlog was \$24.8 billion as of December 31, 2021.

Backlog represents, at a particular point in time, future revenues from work not yet completed or performed under signed contracts. Once work begins on a project, revenues are recognized over the duration of the project.

We believe that backlog is an indicator of future revenues but the timing of revenues will be affected by a number of factors, including the variable size and duration of projects, many of which are performed over several years, cancellations, and changes to the scope of work during the course of projects. Projects that have been delayed remain in backlog, but the timing of the revenues generated may differ from the timing originally expected. Additionally, projects may be terminated or delayed by the customer or delayed by regulatory authorities. In the event that a client cancels a contract, we typically would be entitled to receive payment for all services performed up to the cancellation date and subsequent client authorized services related to winding down the canceled project. For more details regarding risks related to our backlog, see Part I, Item 1A, "Risk Factors—Risks Related to our Business—The relationship of backlog to revenues varies over time."

### **Revenues**

#### **2023 compared to 2022**

Research & Development Solutions' revenues were \$8,395 million in 2023, an increase of \$474 million, or 6.0%, over 2022. This increase was comprised of constant currency revenue growth of approximately \$477 million, or 6.0%, reflecting revenue growth primarily in the Americas region and to a lesser extent in the Europe and Africa and Asia-Pacific regions. The constant currency revenue growth was primarily the result of volume-related increases in clinical services and to a lesser extent from volume-related increases in lab testing. The constant currency revenue growth was impacted by a decrease in COVID-19 related work.

### *Cost of Revenues, exclusive of Depreciation and Amortization*

*2023 compared to 2022*

Research & Development Solutions' cost of revenues, exclusive of depreciation and amortization, increased \$234 million, or 4.3%, in 2023 as compared to 2022. This increase included a constant currency increase of approximately \$393 million, or 7.3%, reflecting primarily an increase in compensation and related expenses and to a lesser extent an increase in other direct costs as a result of volume-related increases in clinical services and lab testing.

### *Selling, General and Administrative Expenses*

*2023 compared to 2022*

Research & Development Solutions' selling, general and administrative expenses increased \$20 million, or 2.4%, in 2023 as compared to 2022. This increase included a constant currency increase of approximately \$30 million, or 3.6%, reflecting an increase in compensation and related expenses.

### *Contract Sales & Medical Solutions*

| (dollars in millions)                                        | Year Ended December 31, |        |        | Change        |        |               |         |
|--------------------------------------------------------------|-------------------------|--------|--------|---------------|--------|---------------|---------|
|                                                              | 2023                    | 2022   | 2021   | 2023 vs. 2022 |        | 2022 vs. 2021 |         |
| Revenues                                                     | \$ 727                  | \$ 743 | \$ 784 | \$ (16)       | (2.2)% | \$ (41)       | (5.2)%  |
| Cost of revenues, exclusive of depreciation and amortization | 620                     | 639    | 652    | (19)          | (3.0)  | (13)          | (2.0)   |
| Selling, general and administrative expenses                 | 58                      | 62     | 57     | (4)           | (6.5)  | 5             | 8.8     |
| Segment profit                                               | \$ 49                   | \$ 42  | \$ 75  | \$ 7          | 16.7%  | \$ (33)       | (44.0)% |

### *Revenues*

*2023 compared to 2022*

Contract Sales & Medical Solutions' revenues were \$727 million in 2023, a decrease of \$16 million, or 2.2%, over 2022. This decrease included a constant currency revenue decrease of approximately \$2 million, or 0.3%.

### *Cost of Revenues, exclusive of Depreciation and Amortization*

*2023 compared to 2022*

Contract Sales & Medical Solutions' cost of revenues, exclusive of depreciation and amortization, decreased \$19 million, or 3.0%, in 2023 as compared to 2022. This decrease included a constant currency decrease of approximately \$6 million, or 0.9%.

### *Selling, General and Administrative Expenses*

*2023 compared to 2022*

Contract Sales & Medical Solutions' selling, general and administrative expenses decreased \$4 million, or 6.5%, in 2023 as compared to 2022. This decrease included a constant currency decrease of approximately \$4 million, or 6.5%.

## Liquidity and Capital Resources

### *Overview*

We assess our liquidity in terms of our ability to generate cash to fund our operating, investing and financing activities. Our principal source of liquidity is operating cash flows. In addition to operating cash flows, other significant factors that affect our overall management of liquidity include: capital expenditures, acquisitions, investments, debt service requirements, equity repurchases, adequacy of our revolving credit and receivables financing facilities, and access to the capital markets.

We manage our worldwide cash requirements by monitoring the funds available among our subsidiaries and determining the extent to which those funds can be accessed on a cost-effective basis. The repatriation of cash balances from certain of our subsidiaries could have adverse tax consequences; however, those balances are generally available without legal restrictions to fund ordinary business operations. We have and expect to transfer cash from those subsidiaries to the United States and to other international subsidiaries when it is cost effective to do so.

We had a cash balance of \$1,376 million as of December 31, 2023 (\$471 million of which was in the United States), an increase from \$1,216 million as of December 31, 2022.

Based on our current operating plan, we believe that our available cash and cash equivalents, future cash flows from operations and our ability to access funds under our revolving credit and receivables financing facilities will enable us to fund our operating requirements, capital expenditures, contractual obligations, and meet debt obligations for at least the next 12 months. We regularly evaluate our debt arrangements, as well as market conditions, and from time to time we may explore opportunities to modify our existing debt arrangements or pursue additional financing arrangements that could result in the issuance of new debt securities by us or our affiliates. We may use our existing cash, cash generated from operations or dispositions of assets or businesses and/or proceeds from any new financing arrangements or issuances of debt or equity securities to repay or reduce some of our outstanding obligations, to repurchase shares from our stockholders or for other purposes. As part of our ongoing business strategy, we also continually evaluate new acquisition, expansion and investment possibilities or other strategic growth opportunities, as well as potential dispositions of assets or businesses, as appropriate, including dispositions that may cause us to recognize a loss on certain assets. Should we elect to pursue any such transaction, we may seek to obtain debt or equity financing to facilitate those activities. Our ability to enter into any such potential transactions and our use of cash or proceeds is limited to varying degrees by the terms and restrictions contained in our existing debt arrangements. We cannot provide assurances that we will be able to complete any such financing arrangements or other transactions on favorable terms or at all.

### *Equity Repurchase Program*

On July 31, 2023, our Board of Directors increased the stock repurchase authorization under the Repurchase Program with respect to the repurchase of our common stock by an additional \$2,000 million, which increased the total amount that has been authorized under the Repurchase Program to \$11,725 million. The Repurchase Program does not obligate us to repurchase any particular amount of common stock, and it may be modified, extended, suspended or discontinued at any time.

As of December 31, 2023, we had remaining authorization to repurchase up to \$2,363 million of our common stock under the Repurchase Program. In addition, from time to time, we have repurchased and may continue to repurchase common stock through private or other transactions outside of the Repurchase Program.

Additional information regarding the Repurchase Program is presented in Part II, Item 5 “Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities” and Note 13 to our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

### *Debt*

As of December 31, 2023, we had \$13,752 million of total indebtedness, excluding \$1,900 million of additional available borrowings under our revolving credit facility. See Note 10 to our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K for additional details regarding our credit arrangements.

Our long-term debt arrangements contain customary restrictive covenants and, as of December 31, 2023, we believe we were in compliance with our restrictive covenants in all material respects.



### ***Senior Secured Credit Facilities***

On November 28, 2023, we entered into an amendment (the “Amendment”) to our Fifth Amended and Restated Credit Agreement (the “Credit Agreement”). Pursuant to the Amendment, we borrowed \$1,500 million in incremental Term B-4 Dollar Loans (as defined in the Credit Agreement) due January 2, 2031. The net proceeds from the Term B-4 Dollar Loans were used to repay certain of the outstanding term loans due in 2024 and in 2025 under our senior secured credit facilities, and to pay fees and expenses related to the Amendment and the offering of 2029 Senior Secured Notes (as defined below). In connection with this Amendment, we recognized a \$6 million loss on extinguishment of debt, which includes fees and expenses. In connection with the allocation of the Term B-4 Dollar Loans, we entered into cross-currency swaps with a combined notional value of \$1,500 million to effectively convert \$1,500 million of the Term B-4 Dollar Loans into euro-denominated borrowings at prevailing euro interest rates through January 2031. The effective net borrowing rate to us for these loans, inclusive of the yield on the loans and the beneficial impact of the cross-currency swaps and of the interest rate swaps entered on November 17, 2023 in connection with the allocation of the loans, is approximately 4.9015%.

On April 17, 2023, we increased the capacity of our senior secured revolving credit facility by \$500 million U.S. dollars, bringing the total capacity of the revolving credit facility to \$2,000 million. At the same time, we also amended the benchmark rate of our U.S. dollar revolving credit facility and the U.S. dollar Term A Loans from U.S. dollar LIBOR to U.S. dollar Term SOFR plus a 10 basis point Credit Spread Adjustment.

As of December 31, 2023, the Credit Agreement provided financing through several senior secured credit facilities (collectively, the “senior secured credit facilities”) of up to approximately \$6,808 million, which consisted of \$4,908 million principal amounts of debt outstanding and \$1,900 million of available borrowing capacity on the revolving credit facility and standby letters of credit, with a total capacity of \$2,000 million. The revolving credit facility is comprised of a \$1,175 million senior secured revolving facility available in U.S. dollars, a \$600 million senior secured revolving facility available in U.S. dollars, Euros, Swiss Francs and other foreign currencies, and a \$225 million senior secured revolving facility available in U.S. dollars and Yen. The term A loans and revolving credit facility under the Credit Agreement mature in August 2026, the Additional Term A Loans mature June 2027, while the term B loans under the Credit Agreement mature in 2025 and 2031. We are required to make scheduled quarterly payments on the term A loans and the Additional Term A Loans equal to 1.25% of the original principal amount, with the remaining balance paid at maturity. The Term B-4 Dollar Loans require us to make scheduled quarterly payments equal to 0.25% of the original principal balance amount, with the remaining principal balance due at maturity. In addition, beginning with fiscal year ending December 31, 2017, we were required to apply 50% of excess cash flow (as defined in the Credit Agreement), subject to a reduction to 25% or 0% depending upon our senior secured first lien net leverage ratio, for prepayment of the term loans, with any such prepayment to be applied toward principal payments due in subsequent quarters. We are also required to pay an annual commitment fee that ranges from 0.20% to 0.35% in respect of any unused commitments under the revolving credit facility. The senior secured credit facilities are collateralized by substantially all of our assets and the assets of our material domestic subsidiaries including 100% of the equity interests of substantially all of our material domestic subsidiaries and 66% of the equity interests of substantially all of our first-tier material foreign subsidiaries and their domestic subsidiaries.

For information regarding the senior secured credit facilities, see Note 10 to our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

### ***Senior Secured Notes***

On November 28, 2023, we completed the issuance and sale of \$1,250 million in gross proceeds of 6.250% senior secured notes due 2029 (the “2029 Senior Secured Notes”). The net proceeds from the 2029 Senior Secured Notes offering were used to repay certain of the outstanding term loans due in 2024 and in 2025 under our senior secured credit facilities, and to pay fees and expenses related to the 2029 Senior Secured Notes offering and the Amendment.

The 2029 Senior Secured Notes are secured obligations, will mature on February 1, 2029, unless earlier repurchased or redeemed in accordance with their terms, and bear interest at the rate of 6.250% per year, with interest payable semi-annually on February 1 and August 1 of each year, beginning on February 1, 2024. We may redeem the 2029 Senior Secured Notes prior to February 1, 2029 subject to a customary make-whole premium, and thereafter subject to a redemption price equal to 100% of the principal amount thereof plus accrued and unpaid interest. In connection with the pricing of the 2029 Senior Secured Notes, we entered into cross-currency swaps with a combined notional value of \$1,250 million to effectively convert \$1,250 million of the 2029 Senior Secured Notes into euro-denominated borrowings at prevailing euro interest rates through February 2029. The effective net borrowing rate to us is approximately 4.8555%, inclusive of the yield on the notes and the beneficial impact of the cross-currency swaps.

On May 23, 2023, we completed the issuance and sale of \$750 million in gross proceeds of 5.700% senior secured notes due 2028 (the “2028 Senior Secured Notes”). The net proceeds from the 2028 Senior Secured Notes offering were used to repay existing borrowings under our revolving credit facility, and to pay fees and expenses related to the 2028 Senior Secured Notes offering and offering of 2030 Senior Notes (as defined below). The 2028 Senior Secured Notes are secured obligations, will mature on May 15, 2028, unless earlier repurchased or redeemed in accordance with their terms, and bear interest at the rate of 5.700% per year, with interest payable semi-annually on May 15 and November 15 of each year, beginning on November 15, 2023. We may redeem the 2028 Senior Secured Notes prior to April 15, 2028 subject to a customary make-whole premium, and thereafter subject to a redemption price equal to 100% of the principal amount thereof plus accrued and unpaid interest.

The 2028 Senior Secured Notes and 2029 Senior Secured Notes have not been registered under the Securities Act of 1933, as amended (the “Securities Act”), or the securities laws of any other jurisdiction. In January 2024, we filed a registration statement with respect to an offer (the “Exchange Offer”) to exchange the 2028 Senior Secured Notes for an equal amount of \$750 million aggregate principal amount of 5.700% Senior Secured Notes due 2028 registered under the Securities Act (the “2028 Registered Notes”) and the 2029 Senior Secured Notes for an equal amount of \$1,250 million aggregate principal amount of 6.250% Senior Secured Notes due 2029 registered under the Securities Act (the “2029 Registered Notes”). The Exchange Offer commenced on January 26, 2024 and will expire on February 23, 2024, unless we extend the offer. The terms of the 2028 Registered Notes and the 2029 Registered Notes to be issued in the Exchange Offer are substantially identical in all material respects to the terms of the 2028 Senior Secured Notes and 2029 Senior Secured Notes, respectively, except that the registered notes will not be subject to restrictions on transfer or to any increase in the annual interest rate for failure to comply with the applicable registration rights agreement.

#### ***Senior Notes***

On May 23, 2023, we completed the issuance and sale of \$500 million in gross proceeds of 6.500% senior notes due 2030 (the “2030 Senior Notes”). The net proceeds from the 2030 Senior Notes offering were used to repay existing borrowings under our revolving credit facility, and to pay fees and expenses related to the 2030 Senior Notes offering and 2028 Senior Secured Notes offering. The 2030 Senior Notes are unsecured obligations, will mature on May 15, 2030, unless earlier repurchased or redeemed in accordance with their terms, and bear interest at the rate of 6.500% per year, with interest payable semi-annually on May 15 and November 15 of each year, beginning on November 15, 2023. We may redeem the 2030 Senior Notes prior to their final stated maturity, subject to a customary make-whole premium, at any time prior to May 15, 2026 (subject to a customary “equity claw” redemption right) and thereafter subject to a redemption premium declining from 3.250% to 0.000%.

For information regarding the senior secured notes and senior notes, see Note 10 to our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

#### ***Receivables Financing Facility***

For information regarding the receivables financing facility, see Note 10 to our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K. As of December 31, 2023, no additional amounts of revolving loan commitments were available under the receivables financing facility.

Years ended December 31, 2023, 2022 and 2021

*Cash Flow from Operating Activities*

| (in millions)                             | Year Ended December 31, |          |          |
|-------------------------------------------|-------------------------|----------|----------|
|                                           | 2023                    | 2022     | 2021     |
| Net cash provided by operating activities | \$ 2,149                | \$ 2,260 | \$ 2,942 |

*2023 compared to 2022*

Cash provided by operating activities decreased \$111 million in 2023 as compared to 2022. The decrease is primarily due to more cash used in accounts payable and accrued expenses (\$160 million), less cash from unearned income (\$60 million) and more cash used in income tax and other payables (\$36 million), offset by an increase in cash-related net income (\$85 million), more cash from accounts receivable and unbilled services (\$33 million) and less cash used in prepaid expenses and other assets (\$27 million).

*Cash Flow from Investing Activities*

| (in millions)                         | Year Ended December 31, |            |            |
|---------------------------------------|-------------------------|------------|------------|
|                                       | 2023                    | 2022       | 2021       |
| Net cash used in investing activities | \$ (1,603)              | \$ (2,006) | \$ (2,103) |

*2023 compared to 2022*

Cash used in investing activities decreased \$403 million in 2023 as compared to 2022, primarily due to less cash used for the acquisition of businesses, net of cash acquired (\$439 million) and acquisition of property, equipment, and software (\$25 million), offset by more cash used for investments in debt and equity securities (\$38 million), investments in unconsolidated affiliates (\$19 million), purchases of marketable securities (\$1 million) and less cash from other sources (\$3 million).

*Cash Flow from Financing Activities*

| (in millions)                         | Year Ended December 31, |          |            |
|---------------------------------------|-------------------------|----------|------------|
|                                       | 2023                    | 2022     | 2021       |
| Net cash used in financing activities | \$ (382)                | \$ (329) | \$ (1,235) |

*2023 compared to 2022*

Cash used in financing activities increased \$53 million in 2023 as compared to 2022, primarily due to more debt payments (\$2,239 million), cash used in repayments of revolving credit facilities, net of proceeds (\$650 million), and cash payments on contingent consideration and deferred purchase price accruals (\$55 million), offset by more cash provided by proceeds from debt issuances, net of payment of debt issuance costs (\$2,705 million), less cash used to repurchase common stock (\$176 million) and less cash payments related to employee stock option plans (\$10 million).

**Contingencies**

We are exposed to certain known contingencies that are material to our investors. The facts and circumstances surrounding these contingencies and a discussion of their effect on us are included in Note 12 to our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K. These contingencies may have a material effect on our liquidity, capital resources or results of operations. In addition, even where our accruals are adequate, the incurrence of any of these liabilities may have a material effect on our liquidity and the amount of cash available to us for other purposes.

We believe that we have made appropriate arrangements in respect of the future effect on us of these known contingencies. We also believe that the amount of cash available to us from our operations, together with cash from financing, will be sufficient for us to pay any known contingencies as they become due without materially affecting our ability to conduct our operations and invest in the growth of our business.

## Information about our Guarantors and the Issuer of our Guaranteed Securities

The accompanying summarized financial information has been prepared and presented pursuant to Rule 3-10 of Regulation S-X, "Financial Statements of Guarantors and Issuers of Guaranteed Securities Registered or Being Registered," and Rule 13-01 of Regulation S-X, "Financial Disclosures about Guarantors and Issuers of Guaranteed Securities and Affiliates Whose Securities Collateralized a Registrant's Securities." Each of our current direct and indirect material U.S. wholly owned restricted subsidiaries (excluding IQVIA Solutions Japan LLC and IQVIA Services Japan LLC) (the "Guarantor subsidiaries" and, together with IQVIA Holdings Inc., the "Guarantors"), have jointly and severally, irrevocably and unconditionally, on a senior secured basis, guaranteed the obligations under the 2028 Senior Secured Notes and the 2029 Senior Secured Notes (together, the "Notes") issued by IQVIA Inc. (the "Issuer").

The following presents the summarized financial information on a combined basis for IQVIA Holdings Inc. (parent company), IQVIA Inc. (issuer of the guaranteed obligations) and the Guarantor subsidiaries, which are collectively referred to as the "obligated group."

Each Guarantor subsidiary is consolidated by IQVIA Holdings Inc. as of December 31, 2023 and December 31, 2022. Refer to Exhibit 22.1 to this Annual Report on Form 10-K for the detailed list of entities included within the obligated group as of December 31, 2023 and December 31, 2022.

The guarantee of a Guarantor subsidiary with respect to the Notes will be automatically and unconditionally released and discharged and shall terminate and be of no further force and effect, and no further action by such Guarantor subsidiary, the Issuer, or U.S. Bank Trust Company, National Association, as trustee, be required upon the occurrence of any of the following:

- a. any sale, exchange, issuance, disposition or transfer (by merger, amalgamation, consolidation or otherwise) of (i) the capital stock of such Guarantor, after which the applicable Guarantor is no longer a Restricted Subsidiary, or (ii) all or substantially all of the assets of such Guarantor, in each case if such sale, exchange, issuance, disposition or transfer is made in compliance with the applicable provisions of this Indenture;
- b. the release or discharge of the guarantee by such Guarantor of indebtedness under the senior secured term loan facilities and the senior secured revolving credit facilities under that certain Fifth Amended and Restated Credit Agreement, or the release or discharge of such other guarantee that resulted in the creation of such Guarantee, except, in each case, a discharge or release by or as a result of payment of such Indebtedness or under such guarantee (it being understood that a release subject to a contingent reinstatement is still a release, and that if any such guarantee is so reinstated, such Guarantee shall also be reinstated to the extent that such Guarantor would then be required to provide a Guarantee pursuant to Section 4.11 of the Indenture);
- c. the designation of any Restricted Subsidiary that is a Guarantor as an Unrestricted Subsidiary in compliance with the applicable provisions of the Indenture;
- d. the exercise by the Issuer of its Legal Defeasance option or Covenant Defeasance option in accordance with Article VIII of the Indenture or the discharge of the Issuer's obligations under the Indenture in accordance with the terms of this Indenture;
- e. the merger, amalgamation or consolidation of any Guarantor with and into the Issuer or a Guarantor that is the surviving Person in such merger, amalgamation or consolidation, or upon the liquidation of a Guarantor following the transfer of all or substantially all of its assets, in each case in a transaction that complies with the applicable provisions of this Indenture; or
- f. as described in Article IX of the Indenture.

### Summarized Combined Financial Information of the Issuer and Guarantors:

Each entity in the summarized combined financial information follows the same accounting policies as described in the consolidated financial statements, see Note 1 to our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K. Information for the non-Guarantor subsidiaries has been excluded from the combined summarized financial information of the obligated group. The accompanying summarized combined financial information does not reflect investments of the obligated group in non-Guarantor subsidiaries. The financial information of the obligated group is presented on a combined basis; intercompany balances and transactions within the obligated group have been eliminated. The obligated group's amounts due from and amounts due to non-Guarantor subsidiaries and related parties have been presented in separate line items.

The following table contains summarized combined financial information from the Statements of Unaudited Condensed Consolidated Financial Position of the obligated group as of:

| (in millions)                                                                          | December 31, 2023 | December 31, 2022 |
|----------------------------------------------------------------------------------------|-------------------|-------------------|
| Total current assets (excluding amounts due from subsidiaries that are non-Guarantors) | \$ 805            | \$ 474            |
| Total noncurrent assets                                                                | \$ 9,622          | \$ 8,875          |
| Amounts due from subsidiaries that are non-Guarantors                                  | \$ 4,762          | \$ 3,305          |
| Total current liabilities                                                              | \$ 3,471          | \$ 2,598          |
| Total noncurrent liabilities                                                           | \$ 12,334         | \$ 12,270         |
| Amounts due to subsidiaries that are non-Guarantors                                    | \$ 5,556          | \$ 5,409          |

The following table contains summarized combined financial information from the Statements of Unaudited Condensed Consolidated Operations of the obligated group:

| (in millions)                                 | Twelve months ended<br>December 31, 2023 | Twelve months ended<br>December 31, 2022 |
|-----------------------------------------------|------------------------------------------|------------------------------------------|
| Net revenues                                  | \$ 6,299                                 | \$ 5,910                                 |
| Costs and expenses applicable to net revenues | \$ 4,190                                 | \$ 4,066                                 |
| Income from operations                        | \$ 912                                   | \$ 491                                   |
| Net income (loss)                             | \$ 86                                    | \$ (73)                                  |

### Off-Balance Sheet Arrangements

We do not have any material off-balance sheet arrangements.

### Contractual Obligations and Commitments

Below is a summary of our future payment commitments by year under contractual obligations as of December 31, 2023:

| (in millions)                                           | 2024     | 2025-2026 | 2027-2028 | Thereafter | Total     |
|---------------------------------------------------------|----------|-----------|-----------|------------|-----------|
| Long-term debt, including interest <sup>(1)</sup>       | \$ 1,412 | \$ 5,612  | \$ 5,096  | \$ 4,448   | \$ 16,568 |
| Operating leases                                        | 117      | 151       | 60        | 31         | 359       |
| Finance leases                                          | 13       | 26        | 28        | 283        | 350       |
| Data acquisition                                        | 456      | 675       | 235       | 28         | 1,394     |
| Purchase obligations <sup>(2)</sup>                     | 107      | 108       | 19        | 3          | 237       |
| Commitments to unconsolidated affiliates <sup>(3)</sup> | —        | —         | —         | —          | —         |
| Benefit obligations <sup>(4)</sup>                      | 31       | 29        | 32        | 90         | 182       |
| Uncertain income tax positions <sup>(5)</sup>           | 16       | 22        | 16        | —          | 54        |
| Total                                                   | \$ 2,152 | \$ 6,623  | \$ 5,486  | \$ 4,883   | \$ 19,144 |

(1) Interest payments on our debt are based on the interest rates in effect as of December 31, 2023.

- (2) Purchase obligations are defined as agreements to purchase goods or services that are enforceable and legally binding and that specify all significant terms, including fixed or minimum quantities to be purchased, fixed, minimum or variable pricing provisions and the approximate timing of the transactions.
- (3) We are currently committed to invest \$463 million in private equity funds. As of December 31, 2023, we have funded approximately \$170 million of these commitments and we have approximately \$293 million remaining to be funded which has not been included in the above table as we are unable to predict when these commitments will be paid.
- (4) Amounts represent expected future benefit payments for our pension and postretirement benefit plans, as well as expected contributions for 2024 for our funded pension benefit plans. We made cash contributions totaling approximately \$29 million to our defined benefit plans in 2023, and we estimate that we will make contributions totaling approximately \$31 million to our defined benefit plans in 2024. Due to the potential impact of future plan investment performance, changes in interest rates, changes in other economic and demographic assumptions and changes in legislation in foreign jurisdictions, we are not able to reasonably estimate the timing and amount of contributions that may be required to fund our defined benefit plans for periods beyond 2024.
- (5) As of December 31, 2023, our liability related to uncertain income tax positions was approximately \$152 million, \$98 million of which has not been included in the above table as we are unable to predict when these liabilities will be paid due to the uncertainties in the timing of the settlement of the income tax positions.

### **Application of Critical Accounting Policies and Estimates**

Note 1 to the audited consolidated financial statements provided elsewhere in this Annual Report on Form 10-K describes the significant accounting policies used in the preparation of the consolidated financial statements. The preparation of our consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the period. Our estimates are based on historical experience and various other assumptions we believe are reasonable under the circumstances. We evaluate our estimates on an ongoing basis and make changes to the estimates and related disclosures as experience develops or new information becomes known. Actual results may differ from those estimates.

We believe the following critical accounting policies affect our more significant judgments and estimates used in the preparation of our consolidated financial statements.

#### ***Revenue Recognition***

The majority of our contracts within the Research & Development Solutions segment are service contracts for clinical research that represent a single performance obligation. We provide a significant integration service resulting in a combined output, which is clinical trial data that meets the relevant regulatory standards and can be used by the customer to progress to the next phase of a clinical trial or solicit approval of a treatment by the applicable regulatory body. The performance obligation is satisfied over time as the output is captured in data and documentation that is available for the customer to consume over the course of the arrangement and furthers progress of the clinical trial. We recognize revenues over time using a cost-based input method since there is no single output measure that would fairly depict the transfer of control over the life of the performance obligation. Progress on the performance obligation is measured by the proportion of actual costs incurred to the total costs expected to complete the contract. Costs included in the measure of progress include direct labor and third-party costs (such as payments to investigators and other reimbursed expenses for our clinical monitors). This cost-based method of revenue recognition requires us to make estimates of costs to complete our projects on an ongoing basis. Significant judgment is required to evaluate assumptions related to these estimates. The effect of revisions to estimates related to the transaction price or costs to complete a project are recorded in the period in which the estimate is revised. Most contracts may be terminated upon 30 to 90 days' notice by the customer; however, in the event of termination, most contracts require payment for services rendered through the date of termination, as well as for subsequent services rendered to close out the contract. A hypothetical increase of one percent in the estimated costs to complete these service contracts as of December 31, 2023 could have resulted in approximately a one percent reduction in total revenues for the year ended December 31, 2023, whereas, a hypothetical decrease of one percent could have resulted in a one percent increase in total revenues.

### ***Income Taxes***

The provision for income taxes includes federal, state, local and foreign taxes. Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the estimated future tax consequences of temporary differences between the financial statement carrying amounts and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the year in which the temporary differences are expected to be recovered or settled. We record U.S. deferred taxes based on the Federal corporate income tax rate of 21%. We account for tax related to GILTI as a period cost when incurred. Recognition of deferred income tax assets is based on management's belief that it is more likely than not that the income tax benefit associated with certain temporary differences, income tax operating loss, capital loss carryforwards, and income tax credits, will be realized. We recorded a valuation allowance to reduce our deferred income tax assets for those deferred income tax items for which it was more likely than not that realization would not occur. We determined the amount of the valuation allowance based, in part, on our assessment of future taxable income and in light of our ongoing income tax strategies. If our estimate of future taxable income or tax strategies changes at any time in the future, we would record an adjustment to our valuation allowance. Recording such an adjustment could have a material effect on our financial condition or results of operations.

Income tax expense is based on the distribution of profit before income tax among the various taxing jurisdictions in which we operate, adjusted as required by the income tax laws of each taxing jurisdiction. Changes in the distribution of profits and losses among taxing jurisdictions may have a significant impact on our effective income tax rate. We do not consider the undistributed earnings of our foreign subsidiaries to be indefinitely reinvested outside of the United States.

### ***Business Combinations and Goodwill***

We use the acquisition method to account for business combinations, and accordingly, the identifiable assets acquired, the liabilities assumed and any non-controlling interests in the acquiree are recorded at their estimated fair values on the date of the acquisition. We use significant judgments, estimates and assumptions in determining the estimated fair value of assets acquired, liabilities assumed and non-controlling interests including expected future cash flows and discount rates that reflect the risk associated with the expected future cash flows and estimated useful lives.

We have recorded and allocated to our reporting units the excess of the purchase price over the fair value of the net assets acquired, known as goodwill. The recoverability of goodwill is evaluated annually for impairment, or if and when events or circumstances indicate a possible impairment. We perform our annual goodwill impairment evaluation as of July 31.

For the year ended December 31, 2023, we elected to perform a quantitative impairment evaluation for each of our reporting units. We estimated the fair value of each reporting unit by weighting results of the income and market approaches, with greater weight given to the income approach. Significant estimates used in the income approach include estimates of future revenues, EBITDA, cash flows, long-term growth rates, tax rates, and discount rates. The selected discount rates consider the risk and nature of the respective reporting unit's cash flows, and the rates of return a market participant would expect to earn by investing in our reporting units. The market approach uses information about the Company as well as other publicly traded guideline companies, including revenue and EBITDA-related multiples and estimates of control premiums. As part of the quantitative impairment evaluation, we compared the fair value of each reporting unit to its carrying value. If results of the evaluation indicate the carrying amount of a reporting unit exceeds its fair value, an impairment charge would be recorded by calculating the implied fair value of the reporting unit goodwill as compared to its carrying amount.

For the year ended December 31, 2022, we performed a qualitative impairment evaluation. The qualitative evaluation requires significant judgments, estimates and assumptions, including those related to macroeconomic conditions, industry and market considerations, cost factors, financial performance, fair value history and other company specific events.

For the years ended December 31, 2023, 2022 and 2021, we determined that there was no impairment of goodwill.

We review the carrying values of other identifiable intangible assets if the facts and circumstances indicate a possible impairment. Any future impairment could have a material adverse effect on our financial condition or results of operations.

### ***Stock-based Compensation***

We measure compensation cost for stock-based payment awards (stock options and stock appreciation rights) granted to employees and non-employee directors at fair value using the Black-Scholes-Merton option-pricing model. Stock-based compensation expense includes stock-based awards granted to employees and non-employee directors and has been reported in selling, general and administrative expenses in our consolidated statements of income based upon the classification of the individuals who were granted stock-based awards.

The Black-Scholes-Merton option-pricing model requires the use of subjective assumptions, including share price volatility, the expected life of the award, risk-free interest rate and the fair value of the underlying common shares on the date of grant. In developing our assumptions, we take into account the following:

- We calculate expected volatility based on an analysis of the historical volatility of our stock since the Merger in October 2016 and reported data for selected reasonably similar publicly traded companies for which the historical information is available;
- We determine the risk-free interest rate by reference to implied yields available from United States Treasury securities with a remaining term equal to the expected life assumed at the date of grant;
- We estimate the dividend yield to be zero as we do not currently anticipate paying any future dividends;
- We estimate the average expected life of the award based on our historical experience; and
- We estimate forfeitures based on our historical analysis of actual forfeitures.

We account for our stock-based compensation for performance awards related to compound annual earnings per share ("EPS") growth over a three year period based on the closing market price of our common stock on the date of grant, and for performance awards related to relative total shareholder return ("TSR") based on a Monte Carlo simulation model. We record the expense amount of the EPS awards based on our estimates of the likelihood that the various performance targets will be achieved. The estimates are assessed on a quarterly basis. For the TSR awards we record the expense amount evenly over the service period.

### ***Pensions and Other Postretirement Benefits***

We provide retirement benefits to certain employees, including defined benefit pension plans. The determination of benefit obligations and expense is based on actuarial models. In order to measure benefit costs and obligations using these models, critical assumptions are made with regard to the discount rate, expected return on plan assets, cash balance crediting rate, lump sum conversion rate and the assumed rate of compensation increases.

### **Recently Issued Accounting Standards**

Information relating to recently issued accounting standards is included in Note 1 to our audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

### **Item 7A. Quantitative and Qualitative Disclosures About Market Risk**

Market risk is the potential loss arising from adverse changes in market rates and prices. In the ordinary course of business, we are exposed to various market risks and we regularly evaluate our exposure to such changes. Our overall risk management strategy seeks to balance the magnitude of the exposure and the cost and availability of appropriate financial instruments. The following analyses present the sensitivity of our financial instruments to hypothetical changes that are reasonably possible over a one-year period.



### ***Foreign Currency Exchange Rates***

We transact business in more than 100 countries and approximately 60 currencies and are subject to risks associated with fluctuating foreign currency exchange rates. Our objective is to reduce earnings and cash flow volatility associated with foreign currency exchange rate movements. Accordingly, we enter into foreign currency forward contracts to hedge certain forecasted foreign currency cash flows related to service contracts. It is our policy to enter into foreign currency transactions only to the extent necessary to meet our objectives as stated above. We do not enter into foreign currency transactions for investment or speculative purposes. The principal currency hedged in 2023 with foreign currency forward contracts was the British Pound.

The contractual value of our foreign exchange forward contracts was approximately \$121 million as of December 31, 2023. The fair value of these contracts is subject to change as a result of potential changes in foreign exchange rates. We assess our market risk based on changes in foreign exchange rates utilizing a sensitivity analysis. The sensitivity analysis measures the potential gain or loss in fair values based on a hypothetical 10% change in foreign currency exchange rates. The potential gain in fair value for foreign exchange forward contracts based on a hypothetical 10% decrease in the value of the United States dollar was \$12 million as of December 31, 2023. However, the change in the fair value of the foreign exchange forward contracts would likely be offset by a change in the value of the future service contract revenues being hedged caused by the currency exchange rate fluctuation. The estimated fair values of the foreign exchange forward contracts were determined based on quoted market prices.

Exchange rate fluctuations affect the United States dollar value of foreign currency revenues and expenses and may have a significant effect on our results. Excluding the impacts from any outstanding or future hedging transactions, a hypothetical 10% change in average exchange rates used to translate all foreign currencies to the United States dollar would have impacted income before income taxes for 2023 by approximately \$54 million. The actual impact of exchange rate movements in the future could differ materially from this hypothetical analysis, based on the mix of foreign currencies and the timing and magnitude of individual exchange rate movements.

During the year ended December 31, 2023, we designated the cross-currency swaps that we entered into in connection with the issuance of our 2029 Senior Secured Notes and Term B-4 Dollar Loans as a hedge of our net investment in certain foreign subsidiaries to reduce the volatility in stockholders' equity caused by changes in the Euro exchange rate with respect to the United States dollar. We do not enter into cross-currency swaps for investment or speculative purposes. The contractual value of our cross-currency swaps was approximately \$2,750 million as of December 31, 2023. The fair value of these cross-currency swaps is subject to change as a result of potential changes in foreign exchange rates. We assess our market risk based on changes in foreign exchange rates utilizing a sensitivity analysis. The sensitivity analysis measures the potential gain or loss in fair values based on a hypothetical 10% change in foreign currency exchange rates. The potential loss in fair value for cross-currency swaps based on a hypothetical 10% decrease in the value of the United States dollar was \$327 million as of December 31, 2023. However, this change in fair value would be offset by the change in value of the hedged portion of our net investment in foreign subsidiaries caused by the currency exchange rate fluctuation.

Commencing in 2016 we designated our foreign currency denominated debt as a hedge of our net investment in certain foreign subsidiaries to reduce the volatility in stockholders' equity caused by changes in the Euro exchange rate with respect to the United States dollar. We have continued to designate a portion of new issuances of foreign currency denominated debt as a hedge of our net investment in certain foreign subsidiaries. As of December 31, 2023, our total foreign currency denominated debt was €4,101 million (\$4,526 million), with approximately 60% being designated as a hedge. A hypothetical 10% decrease in the value of the United States dollar would lead to a potential loss in fair value of \$453 million. However, approximately 60% of this change in fair value would be offset by the change in value of the hedged portion of our net investment in foreign subsidiaries caused by the currency exchange rate fluctuation.

### ***Interest Rates***

Because we have variable rate debt, fluctuations in interest rates affect our business. We attempt to minimize interest rate risk and lower our overall borrowing costs through the utilization of derivative financial instruments, primarily interest rate swaps. We do not enter into interest rate swaps for investment or speculative purposes. We have entered into interest rate swaps with financial institutions that have reset dates and critical terms that match the underlying debt. Accordingly, any change in market value associated with the interest rate swaps is offset by the opposite market impact on the related debt. As of December 31, 2023, we had approximately \$5,500 million of variable rate indebtedness and interest rate swaps with a notional value of \$3,300 million. Because we do not attempt to hedge all of our variable rate debt, we may incur higher interest costs for the portion of our variable rate debt that is not hedged. Excluding debt covered by hedges, each quarter-point increase or decrease in the interest rate on our variable rate debt would result in our interest expense changing by approximately \$5 million per year.

### ***Marketable Securities***

As of December 31, 2023, we held investments in marketable equity securities. These investments are classified as either trading securities or available-for-sale securities and are recorded at fair value. These securities are subject to price risk. As of December 31, 2023, the fair value of these investments was \$146 million based on the quoted market value of the securities. The potential loss in fair value resulting from a hypothetical decrease of 10% in quoted market values was approximately \$15 million as of December 31, 2023.

**Item 8. Financial Statements and Supplementary Data**

**MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

The management of IQVIA Holdings Inc. (the "Company") is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2023. In making this assessment, management used the framework established in Internal Control Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). As a result of this assessment and based on the criteria in the COSO framework, management has concluded that, as of December 31, 2023, the Company's internal control over financial reporting was effective.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2023 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which appears herein.

/s/ Ari Bousbib

Ari Bousbib  
*Chairman and Chief Executive Officer*  
(Principal Executive Officer)

/s/ Ronald E. Bruehlman

Ronald E. Bruehlman  
*Executive Vice President and Chief Financial Officer*  
(Principal Financial Officer)

February 15, 2024

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of IQVIA Holdings Inc.

### *Opinions on the Financial Statements and Internal Control over Financial Reporting*

We have audited the accompanying consolidated balance sheets of IQVIA Holdings Inc. and its subsidiaries (the "Company") as of December 31, 2023 and 2022, and the related consolidated statements of income, comprehensive income, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2023, including the related notes and financial statement schedules listed in the index appearing under Item 15(a)(2) (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

### *Basis for Opinions*

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

### *Definition and Limitations of Internal Control over Financial Reporting*

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### ***Critical Audit Matters***

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

#### ***Revenue Recognition -- Estimating Costs to Complete for Clinical Research Services***

As described in Notes 1 and 20 to the consolidated financial statements, revenue of the Research & Development Solutions segment for the year ended December 31, 2023, is \$8,395 million, the majority of which relates to service contracts for clinical research that represent a single performance obligation. The Company recognized revenue for these contracts over time using a cost-based input method. Revenue was recognized based on progress on the performance obligation, which was measured by the proportion of actual costs incurred to the total costs expected to complete the contract. Costs included in the measure of progress include direct labor and third-party costs (such as payments to investigators and other reimbursed expenses for the Company's clinical monitors). This cost-based method of revenue recognition required management to make estimates of costs to complete its projects on an ongoing basis.

The principal considerations for our determination that performing procedures relating to revenue recognition - estimating costs to complete for clinical research services is a critical audit matter are a high degree of auditor effort in performing audit procedures and evaluating audit evidence related to the cost estimates made by management when determining the total expected costs to complete its contracts, specifically the estimation of direct labor and third-party costs.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the revenue recognition process, including controls over the estimation of the total costs to complete for clinical research service contracts. These procedures also included, among others, testing management's process for determining the estimate of total costs to complete for a sample of clinical research contracts by evaluating the reasonableness of significant assumptions made by management related to direct labor and third-party costs, evaluating the appropriateness of changes to management's estimate of total costs to complete the contracts, testing actual direct costs incurred, evaluating management's ability to reasonably estimate the total expected costs to complete contracts by performing a comparison of management's prior period cost estimates to actual costs, and testing the completeness and accuracy of underlying data used by management.

/s/ PricewaterhouseCoopers LLP  
Raleigh, North Carolina  
February 15, 2024

We have served as the Company's auditor since 2002.

**IQVIA HOLDINGS INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF INCOME**

| (in millions, except per share data)                                                    | Year Ended December 31, |           |           |
|-----------------------------------------------------------------------------------------|-------------------------|-----------|-----------|
|                                                                                         | 2023                    | 2022      | 2021      |
| Revenues                                                                                | \$ 14,984               | \$ 14,410 | \$ 13,874 |
| Cost of revenues, exclusive of depreciation and amortization                            | 9,745                   | 9,382     | 9,233     |
| Selling, general and administrative expenses                                            | 2,053                   | 2,071     | 1,964     |
| Depreciation and amortization                                                           | 1,125                   | 1,130     | 1,264     |
| Restructuring costs                                                                     | 84                      | 28        | 20        |
| Income from operations                                                                  | 1,977                   | 1,799     | 1,393     |
| Interest income                                                                         | (36)                    | (13)      | (6)       |
| Interest expense                                                                        | 672                     | 416       | 375       |
| Loss on extinguishment of debt                                                          | 6                       | —         | 26        |
| Other (income) expense, net                                                             | (124)                   | 33        | (130)     |
| Income before income taxes and equity in (losses) earnings of unconsolidated affiliates | 1,459                   | 1,363     | 1,128     |
| Income tax expense                                                                      | 101                     | 260       | 163       |
| Income before equity in (losses) earnings of unconsolidated affiliates                  | 1,358                   | 1,103     | 965       |
| Equity in (losses) earnings of unconsolidated affiliates                                | —                       | (12)      | 6         |
| Net income                                                                              | 1,358                   | 1,091     | 971       |
| Net income attributable to non-controlling interests                                    | —                       | —         | (5)       |
| Net income attributable to IQVIA Holdings Inc.                                          | \$ 1,358                | \$ 1,091  | \$ 966    |
| Earnings per share attributable to common stockholders:                                 |                         |           |           |
| Basic                                                                                   | \$ 7.39                 | \$ 5.82   | \$ 5.05   |
| Diluted                                                                                 | \$ 7.29                 | \$ 5.72   | \$ 4.95   |
| Weighted average common shares outstanding:                                             |                         |           |           |
| Basic                                                                                   | 183.8                   | 187.6     | 191.4     |
| Diluted                                                                                 | 186.3                   | 190.6     | 195.0     |

The accompanying notes are an integral part of these consolidated financial statements.

**IQVIA HOLDINGS INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

| (in millions)                                                                                                                  | Year Ended December 31, |          |        |
|--------------------------------------------------------------------------------------------------------------------------------|-------------------------|----------|--------|
|                                                                                                                                | 2023                    | 2022     | 2021   |
| Net income                                                                                                                     | \$ 1,358                | \$ 1,091 | \$ 971 |
| Comprehensive income adjustments:                                                                                              |                         |          |        |
| Unrealized (losses) gains on derivative instruments, net of income tax (benefit) expense of \$(3), \$13 and \$2                | (7)                     | 40       | 9      |
| Defined benefit plan adjustments, net of income tax expense (benefit) of \$4, \$(3) and \$21                                   | 7                       | (10)     | 69     |
| Foreign currency translation, net of income tax (benefit) expense of \$(55), \$106 and \$116                                   | (89)                    | (361)    | (281)  |
| Reclassification adjustments:                                                                                                  |                         |          |        |
| Reclassifications on derivative instruments included in net income, net of income tax (expense) benefit of \$(17), \$2 and \$4 | (51)                    | 10       | (12)   |
| Comprehensive income                                                                                                           | 1,218                   | 770      | 780    |
| Comprehensive income attributable to non-controlling interests                                                                 | —                       | —        | (5)    |
| Comprehensive income attributable to IQVIA Holdings Inc.                                                                       | \$ 1,218                | \$ 770   | \$ 775 |

The accompanying notes are an integral part of these consolidated financial statements.

**IQVIA HOLDINGS INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**

| (in millions, except per share data)                                                                                                                                                                                                                                        | December 31, |           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-----------|
|                                                                                                                                                                                                                                                                             | 2023         | 2022      |
| <b>ASSETS</b>                                                                                                                                                                                                                                                               |              |           |
| Current assets:                                                                                                                                                                                                                                                             |              |           |
| Cash and cash equivalents                                                                                                                                                                                                                                                   | \$ 1,376     | \$ 1,216  |
| Trade accounts receivable and unbilled services, net                                                                                                                                                                                                                        | 3,381        | 2,917     |
| Prepaid expenses                                                                                                                                                                                                                                                            | 141          | 151       |
| Income taxes receivable                                                                                                                                                                                                                                                     | 32           | 43        |
| Investments in debt, equity and other securities                                                                                                                                                                                                                            | 120          | 93        |
| Other current assets and receivables                                                                                                                                                                                                                                        | 546          | 561       |
| Total current assets                                                                                                                                                                                                                                                        | 5,596        | 4,981     |
| Property and equipment, net                                                                                                                                                                                                                                                 | 523          | 532       |
| Operating lease right-of-use assets                                                                                                                                                                                                                                         | 296          | 331       |
| Investments in debt, equity and other securities                                                                                                                                                                                                                            | 105          | 68        |
| Investments in unconsolidated affiliates                                                                                                                                                                                                                                    | 134          | 94        |
| Goodwill                                                                                                                                                                                                                                                                    | 14,567       | 13,921    |
| Other identifiable intangibles, net                                                                                                                                                                                                                                         | 4,839        | 4,820     |
| Deferred income taxes                                                                                                                                                                                                                                                       | 166          | 118       |
| Deposits and other assets, net                                                                                                                                                                                                                                              | 455          | 472       |
| Total assets                                                                                                                                                                                                                                                                | \$ 26,681    | \$ 25,337 |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>                                                                                                                                                                                                                                 |              |           |
| Current liabilities:                                                                                                                                                                                                                                                        |              |           |
| Accounts payable and accrued expenses                                                                                                                                                                                                                                       | \$ 3,564     | \$ 3,316  |
| Unearned income                                                                                                                                                                                                                                                             | 1,799        | 1,797     |
| Income taxes payable                                                                                                                                                                                                                                                        | 116          | 161       |
| Current portion of long-term debt                                                                                                                                                                                                                                           | 718          | 152       |
| Other current liabilities                                                                                                                                                                                                                                                   | 294          | 152       |
| Total current liabilities                                                                                                                                                                                                                                                   | 6,491        | 5,578     |
| Long-term debt, less current portion                                                                                                                                                                                                                                        | 12,955       | 12,595    |
| Deferred income taxes                                                                                                                                                                                                                                                       | 202          | 464       |
| Operating lease liabilities                                                                                                                                                                                                                                                 | 223          | 264       |
| Other liabilities                                                                                                                                                                                                                                                           | 698          | 671       |
| Total liabilities                                                                                                                                                                                                                                                           | 20,569       | 19,572    |
| Commitments and contingencies (Note 1 and 12)                                                                                                                                                                                                                               |              |           |
| Stockholders' equity:                                                                                                                                                                                                                                                       |              |           |
| Common stock and additional paid-in capital, 400.0 shares authorized as of December 31, 2023 and 2022, \$0.01 par value, 257.2 shares issued and 181.5 shares outstanding as of December 31, 2023; 256.4 shares issued and 185.7 shares outstanding as of December 31, 2022 | 11,028       | 10,898    |
| Retained earnings                                                                                                                                                                                                                                                           | 4,692        | 3,334     |
| Treasury stock, at cost, 75.7 and 70.7 shares as of December 31, 2023 and 2022, respectively                                                                                                                                                                                | (8,741)      | (7,740)   |
| Accumulated other comprehensive loss                                                                                                                                                                                                                                        | (867)        | (727)     |
| Total stockholders' equity                                                                                                                                                                                                                                                  | 6,112        | 5,765     |
| Total liabilities and stockholders' equity                                                                                                                                                                                                                                  | \$ 26,681    | \$ 25,337 |

The accompanying notes are an integral part of these consolidated financial statements.



**IQVIA HOLDINGS INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

| (in millions)                                                                 | Year Ended December 31, |          |          |
|-------------------------------------------------------------------------------|-------------------------|----------|----------|
|                                                                               | 2023                    | 2022     | 2021     |
| <b>Operating activities:</b>                                                  |                         |          |          |
| Net income                                                                    | \$ 1,358                | \$ 1,091 | \$ 971   |
| Adjustments to reconcile net income to cash provided by operating activities: |                         |          |          |
| Depreciation and amortization                                                 | 1,125                   | 1,130    | 1,264    |
| Amortization of debt issuance costs and discount                              | 18                      | 15       | 17       |
| Stock-based compensation                                                      | 217                     | 194      | 170      |
| Gain on disposals of property and equipment, net                              | —                       | (10)     | —        |
| Losses (earnings) from unconsolidated affiliates                              | —                       | 12       | (6)      |
| (Gain) loss on investments, net                                               | (20)                    | 27       | (16)     |
| Benefit from deferred income taxes                                            | (269)                   | (115)    | (138)    |
| Changes in operating assets and liabilities:                                  |                         |          |          |
| Accounts receivable and unbilled services                                     | (388)                   | (421)    | (138)    |
| Prepaid expenses and other assets                                             | 34                      | 7        | (15)     |
| Accounts payable and accrued expenses                                         | 267                     | 427      | 244      |
| Unearned income                                                               | (29)                    | 31       | 591      |
| Income taxes payable and other liabilities                                    | (164)                   | (128)    | (2)      |
| Net cash provided by operating activities                                     | 2,149                   | 2,260    | 2,942    |
| <b>Investing activities:</b>                                                  |                         |          |          |
| Acquisition of property, equipment and software                               | (649)                   | (674)    | (640)    |
| Acquisition of businesses, net of cash acquired                               | (876)                   | (1,315)  | (1,458)  |
| Purchases of marketable securities, net                                       | (6)                     | (5)      | (10)     |
| Investments in unconsolidated affiliates, net of payments received            | (39)                    | (20)     | (5)      |
| (Investments in) proceeds from sale of debt and equity securities             | (38)                    | —        | 5        |
| Other                                                                         | 5                       | 8        | 5        |
| Net cash used in investing activities                                         | (1,603)                 | (2,006)  | (2,103)  |
| <b>Financing activities:</b>                                                  |                         |          |          |
| Proceeds from issuance of debt                                                | 4,000                   | 1,250    | 1,951    |
| Payment of debt issuance costs                                                | (50)                    | (5)      | (40)     |
| Repayment of debt and principal payments on finance leases                    | (2,873)                 | (634)    | (2,091)  |
| Proceeds from revolving credit facility                                       | 2,384                   | 2,350    | 810      |
| Repayment of revolving credit facility                                        | (2,709)                 | (2,025)  | (600)    |
| Payments related to employee stock option plans                               | (61)                    | (71)     | (59)     |
| Repurchase of common stock                                                    | (992)                   | (1,168)  | (406)    |
| Acquisition of Quest's non-controlling interest                               | —                       | —        | (758)    |
| Contingent consideration and deferred purchase price payments                 | (81)                    | (26)     | (42)     |
| Net cash used in financing activities                                         | (382)                   | (329)    | (1,235)  |
| Effect of foreign currency exchange rate changes on cash                      | (4)                     | (75)     | (52)     |
| Increase (decrease) in cash and cash equivalents                              | 160                     | (150)    | (448)    |
| Cash and cash equivalents at beginning of period                              | 1,216                   | 1,366    | 1,814    |
| Cash and cash equivalents at end of period                                    | \$ 1,376                | \$ 1,216 | \$ 1,366 |

The accompanying notes are an integral part of these consolidated financial statements.

**IQVIA HOLDINGS INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**

| (in millions)                                               | Common<br>Stock<br>Shares | Treasury<br>Stock<br>Shares | Common<br>Stock | Additional<br>Paid-In<br>Capital | Retained<br>Earnings | Treasury<br>Stock | Accumulated<br>Other<br>Comprehensive<br>(Loss) Income | Non-<br>controlling<br>Interests | Total    |
|-------------------------------------------------------------|---------------------------|-----------------------------|-----------------|----------------------------------|----------------------|-------------------|--------------------------------------------------------|----------------------------------|----------|
| <b>Balance, December 31, 2020</b>                           | 254.7                     | (63.5)                      | \$ 3            | \$ 11,092                        | \$ 1,277             | \$ (6,166)        | \$ (205)                                               | \$ 279                           | \$ 6,280 |
| Issuance of common stock                                    | 1.1                       | —                           | —               | (59)                             | —                    | —                 | —                                                      | —                                | (59)     |
| Repurchase of common stock                                  | —                         | (1.7)                       | —               | —                                | —                    | (406)             | —                                                      | —                                | (406)    |
| Stock-based compensation                                    | —                         | —                           | —               | 157                              | —                    | —                 | —                                                      | —                                | 157      |
| Acquisition of Quest's non-controlling interest, net of tax | —                         | —                           | —               | (416)                            | —                    | —                 | (10)                                                   | (284)                            | (710)    |
| Net income                                                  | —                         | —                           | —               | —                                | 966                  | —                 | —                                                      | 5                                | 971      |
| Unrealized gains on derivative instruments, net of tax      | —                         | —                           | —               | —                                | —                    | —                 | 9                                                      | —                                | 9        |
| Defined benefit plan adjustments, net of tax                | —                         | —                           | —               | —                                | —                    | —                 | 69                                                     | —                                | 69       |
| Foreign currency translation, net of tax                    | —                         | —                           | —               | —                                | —                    | —                 | (281)                                                  | —                                | (281)    |
| Reclassification adjustments, net of tax                    | —                         | —                           | —               | —                                | —                    | —                 | 12                                                     | —                                | 12       |
| <b>Balance, December 31, 2021</b>                           | 255.8                     | (65.2)                      | 3               | 10,774                           | 2,243                | (6,572)           | (406)                                                  | —                                | 6,042    |
| Issuance of common stock                                    | 0.6                       | —                           | —               | (71)                             | —                    | —                 | —                                                      | —                                | (71)     |
| Repurchase of common stock                                  | —                         | (5.5)                       | —               | —                                | —                    | (1,168)           | —                                                      | —                                | (1,168)  |
| Stock-based compensation                                    | —                         | —                           | —               | 192                              | —                    | —                 | —                                                      | —                                | 192      |
| Net income                                                  | —                         | —                           | —               | —                                | 1,091                | —                 | —                                                      | —                                | 1,091    |
| Unrealized gains on derivative instruments, net of tax      | —                         | —                           | —               | —                                | —                    | —                 | 40                                                     | —                                | 40       |
| Defined benefit plan adjustments, net of tax                | —                         | —                           | —               | —                                | —                    | —                 | (10)                                                   | —                                | (10)     |
| Foreign currency translation, net of tax                    | —                         | —                           | —               | —                                | —                    | —                 | (361)                                                  | —                                | (361)    |
| Reclassification adjustments, net of tax                    | —                         | —                           | —               | —                                | —                    | —                 | 10                                                     | —                                | 10       |
| <b>Balance, December 31, 2022</b>                           | 256.4                     | (70.7)                      | 3               | 10,895                           | 3,334                | (7,740)           | (727)                                                  | —                                | 5,765    |
| Issuance of common stock                                    | 0.8                       | —                           | —               | (61)                             | —                    | —                 | —                                                      | —                                | (61)     |
| Repurchase of common stock, net of tax                      | —                         | (5.0)                       | —               | —                                | —                    | (1,001)           | —                                                      | —                                | (1,001)  |
| Stock-based compensation                                    | —                         | —                           | —               | 191                              | —                    | —                 | —                                                      | —                                | 191      |
| Net income                                                  | —                         | —                           | —               | —                                | 1,358                | —                 | —                                                      | —                                | 1,358    |
| Unrealized losses on derivative instruments, net of tax     | —                         | —                           | —               | —                                | —                    | —                 | (7)                                                    | —                                | (7)      |
| Defined benefit plan adjustments, net of tax                | —                         | —                           | —               | —                                | —                    | —                 | 7                                                      | —                                | 7        |
| Foreign currency translation, net of tax                    | —                         | —                           | —               | —                                | —                    | —                 | (89)                                                   | —                                | (89)     |
| Reclassification adjustments, net of tax                    | —                         | —                           | —               | —                                | —                    | —                 | (51)                                                   | —                                | (51)     |
| <b>Balance, December 31, 2023</b>                           | 257.2                     | (75.7)                      | \$ 3            | \$ 11,025                        | \$ 4,692             | \$ (8,741)        | \$ (867)                                               | \$ —                             | \$ 6,112 |

The accompanying notes are an integral part of these consolidated financial statements.

**IQVIA HOLDINGS INC. AND SUBSIDIARIES**  
**Notes to Consolidated Financial Statements**

**1. Summary of Significant Accounting Policies**

***The Company***

IQVIA Holdings Inc. (together with its subsidiaries, the “Company” or “IQVIA”) is a leading global provider of advanced analytics, technology solutions and clinical research services to the life sciences industry. IQVIA creates intelligent connections across all aspects of healthcare through its analytics, transformative technology, big data resources, extensive domain expertise and network of partners. IQVIA Connected Intelligence delivers actionable insights and powerful solutions with speed and agility — enabling customers to accelerate the clinical development and commercialization of innovative medical treatments that improve healthcare outcomes for patients. With approximately 87,000 employees, the Company conducts business in more than 100 countries.

IQVIA is a global leader in protecting individual patient privacy. The Company uses a wide variety of privacy-enhancing technologies and safeguards to protect individual privacy while generating and analyzing information on a scale that helps healthcare stakeholders identify disease patterns and correlate with the precise treatment path and therapy needed for better outcomes. IQVIA's insights and execution capabilities help biotech, medical device and pharmaceutical companies, medical researchers, government agencies, payers and other healthcare stakeholders tap into a deeper understanding of diseases, human behaviors and scientific advances, in an effort to advance their path toward cures.

***Principles of Consolidation***

The accompanying consolidated financial statements include the accounts and operations of the Company, its subsidiaries and investments in which the Company has control. Amounts pertaining to the non-controlling ownership interests held by third parties in the operating results and financial position of the Company's majority-owned subsidiaries are reported as non-controlling interests. Intercompany accounts and transactions have been eliminated in consolidation.

***Use of Estimates***

The preparation of financial statements in accordance with generally accepted accounting principles in the United States of America (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities, at the date of the financial statements, as well as the reported amounts of revenues and expenses during the period. These estimates are based on historical experience and various other assumptions believed reasonable under the circumstances. The Company evaluates its estimates on an ongoing basis and makes changes to the estimates and related disclosures as experience develops or new information becomes known. Actual results may differ from those estimates.

***Foreign Currencies***

The Company's consolidated financial statements are reported in United States dollars and, accordingly, the Company's results of operations are impacted by fluctuations in exchange rates that affect the translation of its revenues and expenses denominated in foreign currencies into United States dollars for purposes of reporting its consolidated financial results. Assets and liabilities recorded in foreign currencies on the books of foreign subsidiaries are translated at the exchange rate on the balance sheet date. Revenues, costs and expenses are translated at average rates of exchange during the year. Translation adjustments resulting from this process are charged or credited to the accumulated other comprehensive (loss) income (“AOCI”) component of stockholders' equity. The Company is subject to foreign currency transaction risk for fluctuations in exchange rates during the period of time between the consummation and cash settlement of a transaction. The Company earns revenues from its service contracts over a period of several months and, in some cases, over a period of several years. Accordingly, exchange rate fluctuations during this period may affect the Company's profitability with respect to such contracts.

For operations outside the United States that are considered to be highly inflationary or where the United States dollar is designated as the functional currency, monetary assets and liabilities are remeasured using end-of-period exchange rates, whereas nonmonetary accounts are remeasured using historical exchange rates, and all remeasurement and transaction adjustments are recognized in other (income) expense, net.

### ***Cash Equivalents***

The Company considers all highly liquid investments with an initial maturity of three months or less when purchased to be cash equivalents.

### ***Derivatives***

The Company uses derivative instruments to manage exposures to interest rates and foreign currencies. Derivatives are recorded on the balance sheet at fair value at each balance sheet date utilizing pricing models for non-exchange-traded contracts.

At inception, the Company designates whether or not the derivative instrument is an effective hedge of an asset, liability or firm commitment which is then classified as either a cash flow hedge or a fair value hedge. If determined to be an effective cash flow hedge, changes in the fair value of the derivative instrument are recorded as a component of AOCI until realized. The Company includes the impact from these hedges in the same line item as the hedged item on the consolidated statements of cash flows. Changes in fair value of effective fair value hedges are recorded in earnings as an offset to the changes in the fair value of the related hedged item. Hedge ineffectiveness, if any, is immediately recognized in earnings. Changes in the fair values of derivative instruments that are not an effective hedge are recognized in earnings. When it is probable that a hedged forecasted transaction will not occur, the Company discontinues hedge accounting for the affected portion of the forecasted transaction and reclassifies gains or losses that were accumulated in AOCI to earnings for foreign exchange derivatives and interest expense for interest rate derivatives on the consolidated statements of income. Cash flows are classified consistent with the underlying hedged item. The Company has entered, and may in the future enter, into derivative contracts (caps, swaps, forwards, calls or puts, warrants, for example) related to its debt and forecasted foreign currency transactions. The Company does not enter into derivative instruments for investment or speculative purposes.

The Company designates its cross-currency swaps and a portion of its foreign currency denominated debt as a hedge of its net investment in certain foreign subsidiaries to reduce the volatility in stockholders' equity caused by changes in the Euro exchange rate with respect to the United States dollar. Foreign exchange gains or losses on the remeasurement of the debt designated as part of a hedge of net investments is recognized in the cumulative translation adjustment component of AOCI with the related offset in long-term debt. Those amounts would be reclassified from AOCI to earnings upon the sale or substantial liquidation of the net investments. The change in fair value of the cross-currency swaps are also recognized in the cumulative translation adjustment component of AOCI and would be reclassified from AOCI to earnings upon the sale or substantial liquidation of the net investments. The interest rate component of the cross-currency swaps is excluded from the assessment of hedge effectiveness and, thus, is recognized as a reduction to interest expense over the life of the cross-currency swaps.

### ***Business Combinations and Goodwill***

The Company uses the acquisition method to account for business combinations, and accordingly, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree are recorded at their estimated fair values on the date of the acquisition. The Company uses significant judgments, estimates and assumptions in determining the estimated fair value of assets acquired, liabilities assumed and non-controlling interests including expected future cash flows, and discount rates that reflect the risk associated with the expected future cash flows and estimated useful lives.

The Company records and allocates to its reporting units the excess of the cost over the fair value of the net assets acquired, known as goodwill. On an annual basis, and if a triggering event occurs, the Company performs a qualitative analysis to determine whether it is more likely than not that the estimated fair value of a reporting unit is less than its carrying amount. This includes a qualitative analysis of macroeconomic conditions, industry and market considerations, cost factors, financial performance, fair value history and other company specific events. If this qualitative analysis indicates that it is more likely than not that the estimated fair value is less than the carrying value for the respective reporting unit, the Company would then need to calculate the fair value of the reporting unit. The Company may also choose to bypass the qualitative assessment for any or all reporting units and proceed directly to a quantitative assessment, which involves estimating the fair value of the Company's reporting units and comparing to the carrying value of the reporting units. If the reporting unit calculated fair value is less than the carrying amount, the Company would record an impairment charge for the difference, with the impairment charge not to exceed the carrying amount of goodwill.

The Company reviews the carrying values of other identifiable definite-lived intangible assets if the facts and circumstances indicate a possible impairment.

### ***Long-Lived Assets***

Property and equipment are stated at cost and are depreciated using the straight-line method over the shorter of the asset's estimated useful life or the lease term, if related to leased property, as follows:

|                                      |              |
|--------------------------------------|--------------|
| Buildings and leasehold improvements | 3 - 40 years |
| Equipment                            | 3 - 10 years |
| Furniture and fixtures               | 5 - 10 years |
| Transportation equipment             | 3 - 20 years |

Definite-lived other identifiable intangible assets are amortized primarily using an accelerated method that reflects the pattern in which the Company expects to benefit from the use of the asset over its estimated remaining useful life as follows:

|                                   |              |
|-----------------------------------|--------------|
| Client relationships and backlog  | 1 - 25 years |
| Software and related assets       | 1 - 10 years |
| Trademarks, trade names and other | 1 - 17 years |
| Databases                         | 1 - 9 years  |
| Non-compete agreements            | 2 - 5 years  |

Included in software and related assets is the capitalized cost of internal-use software used in supporting the Company's business. Qualifying costs incurred during the application development stage are capitalized and amortized over their estimated useful lives. Costs are capitalized from completion of the preliminary project stage and when it is considered probable that the software will be used to perform its intended function, up until the time the software is placed into service. The Company recognized \$475 million, \$419 million and \$211 million of amortization expense for the years ended December 31, 2023, 2022 and 2021, respectively, related to software and related assets.

The carrying values of property, equipment and intangible and other long-lived assets are reviewed for recoverability at the asset grouping level to determine if the facts and circumstances suggest that a potential impairment may have occurred. If this review indicates that carrying values will not be recoverable, as determined based on undiscounted cash flow projections, the Company will record an impairment charge to reduce carrying values to estimated fair value. There were no impairments recognized in the years ended December 31, 2023, 2022 and 2021.

### ***Revenue Recognition***

The Company's arrangements are primarily service contracts that range in duration from a few months to several years. The Company recognizes revenues when control of these services is transferred to the customer for an amount, referred to as the transaction price, that reflects the consideration to which the Company is expected to be entitled in exchange for those goods or services. The Company determines revenue recognition utilizing the following five steps: (1) identification of the contract with a customer, (2) identification of the performance obligations in the contract (promised goods or services that are distinct), (3) determination of the transaction price, (4) allocation of the transaction price to the performance obligations, and (5) recognition of revenues when, or as, the Company transfers control of the product or service for each performance obligation. Cash payments made to customers as incentives to induce customers to enter into service agreements with the Company are amortized as a reduction of revenues over the period the services are performed. The Company records revenues net of any tax assessments by governmental authorities, such as value added taxes, that are imposed on and concurrent with specific revenues generating transactions.

The Company derives the majority of its revenues in the Technology & Analytics Solutions segment from various information and technology service offerings. Information offerings (primarily under fixed-price contracts) typically include multiple performance obligations including an ongoing subscription-based deliverable for which revenues are recognized ratably as earned over the contract period, and/or a one-time deliverable of data offerings for which revenues are recognized upon delivery. The customer is able to benefit from the provision of data as it is received. The Company's subscription arrangements typically have terms ranging from one to three years and are generally non-cancelable and do not contain refund-type provisions. Technology services offerings may contain multiple performance obligations consisting of a mix of small and large-scale services and consulting projects, multi-year outsourcing contracts and Software-as-a-Service ("SaaS") arrangements. These arrangements typically have terms ranging from several weeks to three years, with a majority having terms of one year or less. For arrangements that include multiple performance obligations, the transaction price is allocated to the identified performance obligations based on their relative standalone selling prices. For these contracts, the standalone selling prices are based on the Company's normal pricing practices when sold separately with consideration of market conditions and other factors, including customer demographics and geographic location. Revenues for services engagements where the transfer of control occurs ratably over time are recognized on a straight-line basis over the term of the arrangement. Revenues from time and material contracts are recognized based on hours as the services are provided. Revenues from fixed price ad hoc services and consulting contracts are recognized over the contract term based on the ratio of the number of hours incurred for services provided during the period compared to the total estimated hours to be incurred over the entire arrangement (hours-based). Technology services offerings meet the over time criterion, as another party would not need to substantially re-perform the work already completed to satisfy the remaining obligations if the services were migrated.

The majority of the Company's contracts within the Research & Development Solutions segment are service contracts for clinical research that represent a single performance obligation. The Company provides a significant integration service resulting in a combined output, which is clinical trial data that meets the relevant regulatory standards and can be used by the customer to progress to the next phase of a clinical trial or solicit approval of a treatment by the applicable regulatory body. The performance obligation is satisfied over time as the output is captured in data and documentation that is available for the customer to consume over the course of the arrangement and furthers progress of the clinical trial. The Company recognizes revenues over time using a cost-based input method since there is no single output measure that would fairly depict the transfer of control over the life of the performance obligation. Progress on the performance obligation is measured by the proportion of actual costs incurred to the total costs expected to complete the contract. Costs included in the measure of progress include direct labor and third-party costs (such as payments to investigators and other reimbursed expenses for the Company's clinical monitors). This cost-based method of revenue recognition requires the Company to make estimates of costs to complete its projects on an ongoing basis. Significant judgment is required to evaluate assumptions related to these estimates. The effect of revisions to estimates related to the transaction price or costs to complete a project are recorded in the period in which the estimate is revised. Most contracts may be terminated upon 30 to 90 days' notice by the customer; however, in the event of termination, most contracts require payment for services rendered through the date of termination, as well as for subsequent services rendered to close out the contract.

The majority of revenues in the Company's Contract Sales & Medical Solutions segment is from contract salesforce to the biopharmaceutical industry and broader healthcare market and recognized over time using a single measure of progress dependent on the performance obligation. Some of the Company's Contract Sales & Medical Solutions contracts contain multiple performance obligations with distinct promises including recruiting, sales force automation and deployment of sales representatives. The Company utilizes a single measure of progress for each performance obligation to recognize revenues, which includes deployment of sales representatives based on employee days worked; recruiting based on candidates recruited; sales force automation set-up based on hours worked; and sales force automation hosting and maintenance based on usage. These services meet the over time criterion as the customer consumes the benefit as activities are performed and another party would not need to substantially re-perform the work already completed to satisfy the remaining obligations if the services were migrated to another party.

#### ***Variable Consideration***

In some cases, contracts provide for variable consideration that is contingent upon the occurrence of uncertain future events, such as performance incentives (including royalty payments, bonuses, or penalty clauses that can either increase or decrease the transaction price). Variable consideration is estimated at the expected value or at the most likely amount depending on the type of consideration. Estimated amounts are included in the transaction price to the extent it is probable that a significant reversal of cumulative revenues recognized will not occur when the uncertainty associated with the variable consideration is resolved. The estimate of variable consideration and determination of whether to include estimated amounts in the transaction price are based largely on an assessment of the Company's anticipated performance and all information (historical, current and forecasted) that is reasonably available to the Company and reevaluated each reporting period.

### ***Reimbursed Expenses***

The Company includes reimbursed expenses in revenues and cost of revenues as the Company is primarily responsible for fulfilling the promise to provide the specified service, including the integration of the related services into a combined output to the customer, which are inseparable from the integrated service. These costs include such items as payments to investigators and travel expenses for the Company's clinical monitors and sales representatives, over which the Company has discretion in establishing prices. The Company controls the good or service and has inventory risk on contractually reimbursable expenses, as sometimes the Company is unable to obtain reimbursement from the customer for costs incurred.

### ***Change Orders***

Changes in the scope of work are common, especially under long-term contracts, and generally result in a change in transaction price. Change orders are evaluated on a contract-by-contract basis to determine if they should be accounted for as a new contract or as part of the existing contract. Generally, services from change orders are not distinct from the original performance obligation. As a result, the effect that the contract modification has on the contract revenues, and measure of progress, is recognized as an adjustment to revenues when it occurs.

### ***Cost of Revenues***

Cost of revenues include (i) compensation and benefits for billable employees and personnel involved in production, data management and delivery, and the costs of acquiring and processing data for the Company's information offerings; (ii) costs of staff directly involved with delivering technology-related services offerings and engagements, and the costs of data purchased specifically for technology services engagements; (iii) reimbursed expenses that are comprised principally of payments to investigators who oversee clinical trials and travel expenses for the Company's clinical monitors and sales representatives; and (iv) other expenses directly related to service contracts such as courier fees, laboratory supplies, professional services and travel expenses.

### ***Trade Receivables, Unbilled Services and Unearned Income***

In general, billings and payments are established by contractual provisions including predetermined payment schedules, which may or may not correspond to the timing of the transfer of control of the Company's services under the contract. In general, the Company's intention in its invoicing (payment terms) is to maintain cash neutrality over the life of the contract. Generally, the payment terms are 30 to 90 days based on contracts. Upfront payments, when they occur, are intended to cover certain expenses the Company incurs at the beginning of the contract. Neither the Company nor its customers view such upfront payments and contracted payment schedules as a means of financing. Unbilled services primarily arise from long-term contracts when a cost-based or hours-based input method of revenue recognition is utilized and revenues recognized exceeds the amount billed to the customer.

Unearned income consists of advance payments and billings in excess of revenues recognized. As the contracted services are subsequently performed and the associated revenues are recognized, the unearned income balance is reduced by the amount of the revenue recognized during the period. Unearned income is classified as a current liability on our consolidated balance sheets as the Company expects to recognize the associated revenues in less than one year.

### ***Restructuring Costs***

Restructuring costs, which primarily include termination benefits, are recorded at estimated value. Key assumptions in determining the restructuring costs include the terms and payments that may be negotiated to terminate certain contractual obligations and the timing of employees leaving the Company.

### ***Debt Fees***

Fees incurred to issue debt are generally deferred and amortized as a component of interest expense over the estimated term of the related debt using the effective interest rate method.

### ***Contingencies***

The Company records accruals for claims, suits, investigations and proceedings when it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. The Company reviews claims, suits, investigations and proceedings at least quarterly and records or adjusts accruals related to such matters to reflect the impact and status of any settlements, rulings, advice of counsel or other information pertinent to a particular matter. Legal costs associated with contingencies are charged to expense as incurred.

The Company is party to legal proceedings incidental to its business. While the outcome of these matters could differ from management's expectations, the Company does not believe the resolution of these matters will have a material adverse effect to the Company's financial statements. See Note 12 for additional information.

### ***Income Taxes***

The provision for income taxes includes federal, state, local and foreign taxes. Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the estimated future tax consequences of temporary differences between the financial statement carrying amounts and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the year in which the temporary differences are expected to be recovered or settled. The Company records U.S. deferred taxes based on the Federal corporate income tax rate of 21%. The Company accounts for tax related to Global Intangible Low-Taxed Income ("GILTI") as a period cost when incurred. Recognition of deferred income tax assets is based on management's belief that it is more likely than not that the income tax benefit associated with certain temporary differences, income tax operating loss, capital loss carryforwards, and income tax credits, will be realized. The Company records a valuation allowance to reduce its deferred income tax assets for those deferred income tax items for which it was more likely than not that realization would not occur. The Company determines the amount of the valuation allowance based, in part, on the Company's assessment of future taxable income and in light of the Company's ongoing income tax strategies. If the estimate of future taxable income or tax strategies changes at any time in the future, the Company would record an adjustment to its valuation allowance. Recording such an adjustment could have a material effect on the Company's financial condition or results of operations.

Income tax expense is based on the distribution of profit before income tax among the various taxing jurisdictions in which the Company operates, adjusted as required by the income tax laws of each taxing jurisdiction. Changes in the distribution of profits and losses among taxing jurisdictions may have a significant impact on the Company's effective income tax rate. The Company does not consider the undistributed earnings of our foreign subsidiaries to be indefinitely reinvested outside of the United States.

### ***Pensions and Other Postretirement Benefits***

The Company provides retirement benefits to certain employees, including defined benefit pension plans. The determination of benefit obligations and expense is based on actuarial models. In order to measure benefit costs and obligations using these models, assumptions are made with regard to the discount rate, expected return on plan assets, cash balance crediting rate, lump sum conversion rate and the assumed rate of compensation increases.

### ***Stock-based Compensation***

The Company accounts for stock-based compensation for stock options and stock appreciation rights under the fair value method and uses the Black-Scholes-Merton model to estimate the value of such stock-based awards granted to its employees and non-executive directors. Expected volatility is based on an analysis that incorporates the historical volatility of the Company's stock since the Merger in October 2016 and reported data for selected reasonably similar publicly traded companies for which the historical information is available. The Company does not currently anticipate paying dividends. The expected term represents the period of time the grants are expected to be outstanding. The risk-free interest rate is based on the United States Treasury yield curve in effect at the time of the grant.

The Company values its stock-based compensation for restricted stock awards and restricted stock units based on the closing market price of the Company's common stock on the date of grant. The Company accounts for its stock-based compensation for performance awards related to compound annual earnings per share ("EPS") growth based on the closing market price of the Company's common stock on the date of grant, and for performance awards related to relative total shareholder return ("TSR") based on a Monte Carlo simulation model.



### ***Leases***

The Company determines if an arrangement is a lease at inception and reassesses if there are changes in terms and conditions of the contract. Operating leases are included in operating lease right-of-use ("ROU") assets, other current liabilities, and operating lease liabilities on our consolidated balance sheets. Finance leases are included in deposits and other assets, net, other current liabilities, and other liabilities on the Company's consolidated balance sheets. Lease assets and liabilities are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. As most of the Company's leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at commencement date in determining the present value of future payments. Lease assets also include any lease payments made before lease commencement and initial direct costs and excludes lease incentives. In determining the lease term at lease commencement, the Company includes the noncancellable term and the periods, which the Company deems it is reasonably certain to exercise or not to exercise a renewal or cancellation option. Operating lease expense for minimum lease payments is recognized on a straight-line basis over the lease term. Finance lease expense is recognized as a combination of depreciation expense for the leased asset and interest expense for the outstanding lease liabilities using the discount rate discussed above.

The Company has lease agreements with lease and non-lease components that the Company has elected to account for as single lease components.

### ***Earnings Per Share***

The calculation of earnings per share is based on the weighted average number of common shares or common stock equivalents outstanding during the applicable period. The dilutive effect of common stock equivalents is excluded from basic earnings per share and is included in the calculation of diluted earnings per share. Potentially dilutive securities include outstanding stock options and unvested restricted stock units, restricted stock, performance awards and other stock-based awards. Diluted shares outstanding are calculated based on the average share price for each fiscal period using the treasury stock method. Under the treasury stock method, the amount the employee must pay for exercising stock options, and the amount of compensation cost for future service that the Company has not yet recognized are assumed to be used to repurchase shares.

### ***Investments in Unconsolidated Affiliates***

The Company's investments in unconsolidated affiliates are accounted for under the equity method if the Company exercises significant influence or has an investment in a limited partnership that is considered to be greater than minor. These investments are classified as investments in unconsolidated affiliates on the accompanying consolidated balance sheets. The Company records its pro rata share of the earnings, adjusted for accretion of basis difference, of these investments in equity in (losses) earnings of unconsolidated affiliates on the accompanying consolidated statements of income. The Company reviews its investments in unconsolidated affiliates for impairment whenever events or changes in circumstances indicate that the carrying amounts may not be recoverable.

### ***Treasury Stock***

The Company records treasury stock purchases under the cost method. Upon reissuance of treasury stock, amounts in excess of the acquisition cost are credited to additional paid-in capital. If the Company reissues treasury stock at an amount below its acquisition cost and additional paid-in capital associated with prior treasury stock transactions is insufficient to cover the difference between the acquisition cost and the reissue price, this shortfall is recorded in retained earnings.

### ***Recently Issued Accounting Standards***

#### ***Accounting pronouncements recently adopted***

In September 2022, the Financial Accounting Standards Board ("FASB") issued new accounting guidance, Accounting Standards Update ("ASU") 2022-04, *Liabilities - Supplier Finance Programs*, to enhance the transparency of supplier finance programs. The amendments in this ASU address investor and other financial statement user requests for additional information about the use of supplier finance programs by the buyer party to understand the effect of those programs on a Company's working capital, liquidity, and cash flows. The Company adopted this new accounting guidance effective January 1, 2023. The adoption of this new accounting guidance did not have a material effect on the Company's disclosures within the consolidated financial statements.

*Accounting pronouncements issued but not adopted as of December 31, 2023*

In November 2023, the FASB issued ASU 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*, to improve reportable segment disclosure requirements. The new guidance requires disclosure of significant segment expenses that are regularly provided to the chief operating decision maker and included in the reported measure of segment profit or loss. It does not change the definition of a segment or the guidance for determining reportable segments. The new guidance will be effective for the Company in the annual period beginning January 1, 2024 and in 2025 for interim periods. The Company is assessing the impacts of this ASU on its disclosures within the consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, to enhance the transparency and decision usefulness of income tax disclosures. The amendments in this ASU require additional disclosures about income taxes, primarily focused on the disclosure of income taxes paid and the rate reconciliation table. The new guidance will be effective for the Company in the annual period beginning January 1, 2025. The Company is assessing the impacts of this ASU on its disclosures within the consolidated financial statements.

**2. Revenues by Geography, Concentration of Credit Risk and Remaining Performance Obligations**

The Company attributes revenues to geographical region based upon where the services are performed. The following tables represent revenues by geographical region and reportable segment for the years ended December 31, 2023, 2022 and 2021:

| December 31, 2023 |                                  |                                  |                                    |           |
|-------------------|----------------------------------|----------------------------------|------------------------------------|-----------|
| (in millions)     | Technology & Analytics Solutions | Research & Development Solutions | Contract Sales & Medical Solutions | Total     |
| Revenues:         |                                  |                                  |                                    |           |
| Americas          | \$ 3,091                         | \$ 4,157                         | \$ 304                             | \$ 7,552  |
| Europe and Africa | 2,156                            | 2,103                            | 200                                | 4,459     |
| Asia-Pacific      | 615                              | 2,135                            | 223                                | 2,973     |
| Total revenues    | \$ 5,862                         | \$ 8,395                         | \$ 727                             | \$ 14,984 |

| December 31, 2022 |                                  |                                  |                                    |           |
|-------------------|----------------------------------|----------------------------------|------------------------------------|-----------|
| (in millions)     | Technology & Analytics Solutions | Research & Development Solutions | Contract Sales & Medical Solutions | Total     |
| Revenues:         |                                  |                                  |                                    |           |
| Americas          | \$ 2,947                         | \$ 3,747                         | \$ 354                             | \$ 7,048  |
| Europe and Africa | 2,175                            | 2,016                            | 175                                | 4,366     |
| Asia-Pacific      | 624                              | 2,158                            | 214                                | 2,996     |
| Total revenues    | \$ 5,746                         | \$ 7,921                         | \$ 743                             | \$ 14,410 |

| December 31, 2021 |                                  |                                  |                                    |           |
|-------------------|----------------------------------|----------------------------------|------------------------------------|-----------|
| (in millions)     | Technology & Analytics Solutions | Research & Development Solutions | Contract Sales & Medical Solutions | Total     |
| Revenues:         |                                  |                                  |                                    |           |
| Americas          | \$ 2,610                         | \$ 3,887                         | \$ 351                             | \$ 6,848  |
| Europe and Africa | 2,282                            | 1,899                            | 176                                | 4,357     |
| Asia-Pacific      | 642                              | 1,770                            | 257                                | 2,669     |
| Total revenues    | \$ 5,534                         | \$ 7,556                         | \$ 784                             | \$ 13,874 |

When attributing revenues to individual countries based upon where the services are performed, no individual country, except for the United States, accounted for 10% or more of total revenues for the years ended December 31, 2023 and 2022. For the year ended December 31, 2023, revenues in the United States accounted for approximately 45% of total revenues using this revenue attribution approach. For the year ended December 31, 2022, revenues in the United States accounted for approximately 42% of total revenues using this revenue attribution approach. For the year ended December 31, 2021, revenues in the United States and the United Kingdom accounted for approximately 42% and 11% of total revenues, respectively, using this revenue attribution approach.

No individual customer represented 10% or more of total revenues for the years ended December 31, 2023, 2022 and 2021.

#### **Transaction Price Allocated to the Remaining Performance Obligations**

As of December 31, 2023, approximately \$31.7 billion of revenues are expected to be recognized in the future from remaining performance obligations. The Company expects to recognize revenues on approximately 30% of these remaining performance obligations over the next twelve months, on approximately 85% over the next five years, with the balance recognized thereafter. Most of the Company's remaining performance obligations where revenues are expected to be recognized beyond the next twelve months are for service contracts for clinical research in the Company's Research & Development Solutions segment. The customer contract transaction price allocated to the remaining performance obligations differs from backlog in that it does not include wholly unperformed contracts under which the customer has a unilateral right to cancel the arrangement.

### **3. Trade Accounts Receivable, Unbilled Services and Unearned Income**

Trade accounts receivables and unbilled services consist of the following:

| (in millions)                                        | December 31, |          |
|------------------------------------------------------|--------------|----------|
|                                                      | 2023         | 2022     |
| Trade accounts receivable                            | \$ 1,473     | \$ 1,329 |
| Unbilled services                                    | 1,942        | 1,624    |
| Trade accounts receivable and unbilled services      | 3,415        | 2,953    |
| Allowance for doubtful accounts                      | (34)         | (36)     |
| Trade accounts receivable and unbilled services, net | \$ 3,381     | \$ 2,917 |

Unbilled services and unearned income were as follows:

| (in millions)     | December 31, |          |        |
|-------------------|--------------|----------|--------|
|                   | 2023         | 2022     | Change |
| Unbilled services | \$ 1,942     | \$ 1,624 | \$ 318 |
| Unearned income   | (1,799)      | (1,797)  | (2)    |
| Net balance       | \$ 143       | \$ (173) | \$ 316 |

Unbilled services, which is comprised of approximately 68% and 61% of unbilled receivables and 32% and 39% of contract assets as of December 31, 2023 and December 31, 2022, respectively, increased by \$318 million as compared to December 31, 2022. Contract assets are unbilled services for which invoicing is based on the timing of certain milestones related to service contracts for clinical research whereas unbilled receivables are billable upon the passage of time. Unearned income increased by \$2 million over the same period resulting in an increase of \$316 million in the net balance of unbilled services and unearned income between December 31, 2023 and 2022. The change in the net balance is driven by the difference in timing of revenue recognition in accordance with ASC 606, *Revenue from Contracts with Customers*, primarily related to the Company's Research & Development Solutions contracts (which is based on the percentage of costs incurred) versus the timing of invoicing, which is based on certain milestones.

The majority of the unearned income balance as of the beginning of the year was recognized in revenues during the year ended December 31, 2023.

Bad debt expense recognized on the Company's receivables and unbilled services was immaterial for the years ended December 31, 2023, 2022 and 2021.

#### *Accounts Receivable Factoring Arrangements*

The Company has accounts receivable factoring agreements to sell certain eligible unsecured trade accounts receivable, either based on automatic arrangements or at its option, without recourse, to unrelated third-party financial institutions for cash. For the year ended December 31, 2023, through its accounts receivable factoring arrangements that the Company utilizes most frequently, the Company factored approximately \$699 million of customer invoices on a non-recourse basis and received approximately \$686 million in cash proceeds from the sales. For the year ended December 31, 2022, through these same accounts receivable factoring arrangements, the Company factored approximately \$608 million of customer invoices on a non-recourse basis and received approximately \$600 million in cash proceeds from the sales. The fees associated with these transactions were immaterial. The Company has other accounts receivable arrangements for which the activity associated with them is immaterial.

#### **4. Investments**

##### *Debt, Equity and Other Securities*

###### *Current*

The Company's short-term investments in debt, equity and other securities consist primarily of trading investments in mutual funds and are measured at fair value with realized and unrealized gains and losses recorded in other (income) expense, net on the accompanying consolidated statements of income.

###### *Long-term*

The Company's long-term debt and equity investments (except those accounted for under the equity method, those that result in consolidation of the investee and certain other investments) are measured at fair value and any changes in fair value are recognized in net income at the end of each reporting period. For debt and equity investments that do not have readily determinable fair values and do not qualify for the existing practical expedient in ASC 820, *Fair Value Measurement*, to estimate fair value using the net asset value per share of the investment, the Company applies the measurement alternative and measures those investments at cost, less any impairment, plus or minus changes resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer at each reporting period.

##### *Unconsolidated Affiliates*

The Company accounts for its investments in unconsolidated affiliates under the equity method of accounting and records its pro rata share of its losses or earnings from these investments in equity in (losses) earnings of unconsolidated affiliates. The following is a summary of the Company's investments in unconsolidated affiliates:

| (in millions)                                                 | December 31,  |              |
|---------------------------------------------------------------|---------------|--------------|
|                                                               | 2023          | 2022         |
| NovaQuest Pharma Opportunities Fund V, L.P. ("NQ Fund V")     | \$ 35         | \$ 29        |
| NostraData Pty Ltd. ("NostraData")                            | 18            | 18           |
| NovaQuest Pharma Opportunities Fund IV, L.P. ("NQ Fund IV")   | 6             | 8            |
| NovaQuest Private Equity Fund I, L.P. ("NQ PE Fund I")        | 10            | 8            |
| Longwood Fund V, L.P. ("Longwood")                            | 7             | 6            |
| RxWare (formerly "Helparound")                                | 2             | 2            |
| NovaQuest Pharma Opportunities Fund III, L.P. ("NQ Fund III") | 1             | 1            |
| Other                                                         | 55            | 22           |
|                                                               | <u>\$ 134</u> | <u>\$ 94</u> |

### Variable Interest Entities

As of December 31, 2023, the Company's investments in unconsolidated variable interest entities ("VIEs") and its estimated maximum exposure to loss were as follows:

| (in millions) | Investments in<br>Unconsolidated<br>VIEs | Maximum<br>Exposure to Loss |
|---------------|------------------------------------------|-----------------------------|
| NQ Fund V     | \$ 35                                    | \$ 44                       |
| Longwood      | 7                                        | 10                          |
| NQ PE Fund I  | 10                                       | 11                          |
| NQ Fund IV    | 6                                        | 7                           |
| NQ Fund III   | 1                                        | 6                           |
| Other         | 48                                       | 293                         |
|               | <u>\$ 107</u>                            | <u>\$ 371</u>               |

## 5. Derivatives

### Interest Rate Risk Management

The Company has entered into interest rate swaps for purposes of managing its exposure to interest rate fluctuations. The Company does not enter into interest rate swaps for investment or speculative purposes.

On July 19, 2018, the Company entered into forward starting interest rate swaps with a total notional value of \$500 million in an effort to limit its exposure to changes in the variable interest rate on its Senior Secured Credit Facilities (see Note 10 for additional information). Interest on the swaps began accruing on June 28, 2019 and the swaps expire on June 28, 2024. The Company pays an average fixed rate of 2.75% and receives a variable rate of interest equal to the three-month Term SOFR on these swaps.

On March 27, 2020, the Company entered into an interest rate swap with a notional value of \$1,000 million in an effort to limit its exposure to changes in the variable interest rate on its Senior Secured Credit Facilities (see Note 10 for additional information). Interest on the swap began accruing on March 31, 2020 and the swap expired on March 31, 2023. The Company paid a fixed rate of 0.56% and received a variable rate of interest equal to the one-month LIBOR on the swap.

On June 4, 2020, the Company entered into an interest rate swap with a notional value of \$300 million in an effort to limit its exposure to changes in the variable interest rate on its Senior Secured Credit Facilities (see Note 10 for additional information). Interest on the swap began accruing on June 30, 2020 and the swap expires on June 28, 2024. The Company pays a fixed rate of 0.32% and receives a variable rate of interest equal to the three-month Term SOFR on the swap.

On January 3, 2023, the Company entered into interest rate swaps with a combined notional value of \$1,000 million in an effort to limit its exposure to changes in the variable interest rate on its Senior Secured Credit Facilities (see Note 10 for additional information). Interest on the swaps began accruing on December 30, 2022 and the swaps expire on December 31, 2025. The Company pays a fixed rate of 4.10% and receives a variable rate of interest equal to one-month Term SOFR on the swaps.

On November 17, 2023, the Company entered into interest rate swaps with a combined notional value of \$1,500 million in an effort to limit its exposure to changes in the variable interest rate on its Senior Secured Credit Facilities (see Note 10 for additional information). Interest on the swaps began accruing on November 28, 2023 and the swaps expire on January 2, 2031. The Company pays a fixed rate of 6.11% and receives a variable rate of interest equal to three-month Term SOFR plus 2.00% on the swaps.

The critical terms of the interest rate swaps noted above are substantially the same as the underlying borrowings. These interest rate swaps are accounted for as cash flow hedges as these transactions were executed to hedge the Company's interest payments and for accounting purposes are considered highly effective. As such, changes in the fair value of the interest rate swaps are recorded as unrealized gains (losses) on derivatives included in AOCI.

The fair value of these interest rate swaps represents the present value of the anticipated net payments the Company will make to the counterparty, which, when they occur, are reflected as interest expense on the consolidated statements of income. These interest rate swaps result in a total debt mix of approximately 84% fixed rate debt and 16% variable rate debt.

#### ***Foreign Exchange Risk Management***

The Company transacts business in more than 100 countries and is subject to risks associated with fluctuating foreign exchange rates. Accordingly, the Company enters into foreign currency forward contracts to hedge certain forecasted foreign exchange cash flows arising from service contracts ("Service Contract Hedging"). It is the Company's policy to enter into foreign currency forward contracts only to the extent necessary to reduce earnings and cash flow volatility associated with foreign exchange rate movements. The Company does not enter into foreign currency forward contracts for investment or speculative purposes. The principal currency hedged in 2023 was the British Pound.

Service Contract Hedging contracts are designated as cash flow hedges and are carried at fair value, with changes in the fair value recorded to AOCI. The change in fair value is reclassified from AOCI to earnings in the period in which the hedged transaction occurs. These contracts have various expiration dates through September 2024.

As of December 31, 2023 and 2022, the Company had open Service Contract Hedging contracts to hedge certain forecasted foreign currency cash flow transactions occurring in 2024 and 2023 with notional amounts totaling \$121 million and \$122 million, respectively. For accounting purposes these hedges are considered highly effective. As of December 31, 2023 and 2022, the Company had recorded gross unrealized gains (losses) of \$2 million and \$— million, and \$2 million and \$(2) million, respectively, related to these contracts. Upon expiration of the hedge instruments in 2023, the Company reclassified the unrealized holding gains and losses on the derivative instruments included in AOCI into earnings. The unrealized gains (losses) are included in other current assets and other current liabilities on the accompanying consolidated balance sheets as of December 31, 2023 and 2022.

#### ***Net Investment Risk Management, Euro Denominated Notes***

As of December 31, 2023, the portion of the Company's foreign currency denominated debt balance that was designated as a hedge of its net investment in certain foreign subsidiaries totaled approximately €2,449 million (\$2,703 million). The amount of foreign exchange (losses) gains related to this net investment hedge included in the cumulative translation adjustment component of AOCI was \$(102) million, \$332 million, and \$475 million for the years ended December 31, 2023, 2022 and 2021, respectively.

#### ***Net Investment Risk Management, Cross-Currency Swaps***

On November 15, 2023, in connection with the issuance of the 2029 Senior Secured Notes (see Note 10 for additional information), the Company entered into cross-currency swaps with a combined notional value of \$1,250 million to effectively convert \$1,250 million of the 2029 Senior Secured Notes into euro-denominated borrowings at prevailing euro interest rates through February 2029. The Company designated these agreements as a hedge of its net investment in certain foreign subsidiaries. These cross-currency swaps expire in February 2029. The Company will receive semiannual interest payments on February 1 and August 1 from the counterparties based on a fixed interest rate until maturity of these agreements. The effective net borrowing rate to the Company is approximately 4.8555%, inclusive of the yield on the notes and the beneficial impact of the cross-currency swaps.

On November 17, 2023, in connection with the allocation of the Term B-4 Dollar Loans (see Note 10 for additional information), the Company entered into cross-currency swaps with a combined notional value of \$1,500 million to effectively convert \$1,500 million of the Term B-4 Dollar Loans into euro-denominated borrowings at prevailing euro interest rates through January 2031. These cross-currency swaps expire in January 2031. The Company will receive quarterly interest payments from the counterparties based on a fixed interest rate until maturity of these agreements. The effective net borrowing rate to the Company is approximately 4.9015%, inclusive of the yield on the loans, the beneficial impact of the cross-currency swaps and of the interest rate swaps entered on November 17, 2023 as noted above.

The Company does not enter into cross-currency swaps for investment or speculative purposes. For the year ended December 31, 2023, the Company recorded a loss of \$108 million within AOCI as a result of these cross-currency swaps. The Company recognized approximately \$3 million related to the excluded component as a reduction of interest expense for the year ended December 31, 2023.

The fair values of the Company's derivative instruments, on a gross basis, and the line items on the accompanying consolidated balance sheets to which they were recorded are summarized in the following table:

| (in millions)                                  | Balance Sheet Classification                                     | December 31, 2023 |             |          | December 31, 2022 |             |          |
|------------------------------------------------|------------------------------------------------------------------|-------------------|-------------|----------|-------------------|-------------|----------|
|                                                |                                                                  | Assets            | Liabilities | Notional | Assets            | Liabilities | Notional |
| Derivatives designated as hedging instruments: |                                                                  |                   |             |          |                   |             |          |
| Interest rate swaps                            | Other current assets, other assets and other current liabilities | \$ 13             | \$ 51       | \$ 3,300 | \$ 42             | \$ —        | \$ 1,800 |
| Cross-currency swaps                           | Other current liabilities                                        | —                 | 108         | 2,750    | —                 | —           | —        |
| Foreign exchange forward contracts             | Other current assets and other current liabilities               | 2                 | —           | 121      | 2                 | 2           | 122      |
| Total derivatives                              |                                                                  | \$ 15             | \$ 159      |          | \$ 44             | \$ 2        |          |

The pre-tax effect of the Company's cash flow hedging instruments on other comprehensive income is summarized in the following table:

| (in millions)                      | Year Ended December 31, |       |       |
|------------------------------------|-------------------------|-------|-------|
|                                    | 2023                    | 2022  | 2021  |
| Interest rate swaps                | \$ (80)                 | \$ 62 | \$ 35 |
| Foreign exchange forward contracts | 2                       | 3     | (8)   |
| Total                              | \$ (78)                 | \$ 65 | \$ 27 |

The Company expects \$48 million of pre-tax unrealized gains related to its foreign exchange contracts and interest rate derivatives included in AOCI as of December 31, 2023 to be reclassified into earnings within the next twelve months. The total amount, net of income taxes, of the cash flow hedge effect on the accompanying consolidated statements of income was \$51 million, \$(10) million, and \$(12) million for the years ended December 31, 2023, 2022 and 2021, respectively.

## 6. Fair Value Measurements

The Company records certain assets and liabilities at fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. A three-level fair value hierarchy that prioritizes the inputs used to measure fair value is described below. This hierarchy requires entities to maximize the use of observable inputs and minimize the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

- Level 1—Quoted prices in active markets for identical assets or liabilities.
- Level 2—Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3—Unobservable inputs that are supported by little or no market activity. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

The carrying values of cash, cash equivalents, accounts receivable and accounts payable approximated their fair values as of December 31, 2023 and 2022 due to their short-term nature. As of December 31, 2023 and 2022, the fair value of total debt was \$13,597 million and \$12,281 million, respectively, as determined under Level 2 measurements for these financial instruments.

### *Recurring Fair Value Measurements*

The following table summarizes the fair value of the Company's financial assets and liabilities that are measured and reported at fair value on a recurring basis as of December 31, 2023:

| (in millions)            | Level 1 | Level 2 | Level 3 | Total  |
|--------------------------|---------|---------|---------|--------|
| <b>Assets:</b>           |         |         |         |        |
| Marketable securities    | \$ 146  | \$ —    | \$ —    | \$ 146 |
| Derivatives              | —       | 15      | —       | 15     |
| Total                    | \$ 146  | \$ 15   | \$ —    | \$ 161 |
| <b>Liabilities:</b>      |         |         |         |        |
| Derivatives              | \$ —    | \$ 159  | \$ —    | \$ 159 |
| Contingent consideration | —       | —       | 106     | 106    |
| Total                    | \$ —    | \$ 159  | \$ 106  | \$ 265 |

The following table summarizes the fair value of the Company's financial assets and liabilities that are measured and reported at fair value on a recurring basis as of December 31, 2022:

| (in millions)            | Level 1 | Level 2 | Level 3 | Total  |
|--------------------------|---------|---------|---------|--------|
| <b>Assets:</b>           |         |         |         |        |
| Marketable securities    | \$ 122  | \$ —    | \$ —    | \$ 122 |
| Derivatives              | —       | 44      | —       | 44     |
| Total                    | \$ 122  | \$ 44   | \$ —    | \$ 166 |
| <b>Liabilities:</b>      |         |         |         |        |
| Derivatives              | \$ —    | \$ 2    | \$ —    | \$ 2   |
| Contingent consideration | —       | —       | 173     | 173    |
| Total                    | \$ —    | \$ 2    | \$ 173  | \$ 175 |

Below is a summary of the valuation techniques used in determining fair value:

*Marketable securities*—The Company values trading and available-for-sale securities using the quoted market value of the securities held.

*Derivatives*—Derivatives consist of foreign exchange contracts, interest rate swaps, and cross-currency swaps. The fair value of foreign exchange contracts is based on observable market inputs of spot and forward rates or using other observable inputs. The fair value of the interest rate swaps is the estimated amount that the Company would receive or pay to terminate such agreements, taking into account market interest rates and the remaining time to maturities or using market inputs with mid-market pricing as a practical expedient for bid-ask spread. The fair value of the cross-currency swaps is the estimated amount that the Company would receive or pay to terminate such agreements, taking into account the effective interest rates, foreign exchange rates and the remaining time to maturities.

*Contingent consideration*—The Company values contingent consideration related to business combinations using a weighted probability calculation of potential payment scenarios discounted at rates reflective of the risks associated with the expected future cash flows. Assumptions used to estimate the fair value of contingent consideration include various financial metrics (revenues performance targets and operating forecasts) and the probability of achieving the specific targets. Based on the assessments of the probability of achieving specific targets, as of December 31, 2023 the Company has accrued approximately 40% of the maximum contingent consideration payments that could potentially become payable.



The following table summarizes the changes in Level 3 financial assets and liabilities measured on a recurring basis for the year ended December 31:

| (in millions)                                                                  | Contingent Consideration |        |        |
|--------------------------------------------------------------------------------|--------------------------|--------|--------|
|                                                                                | 2023                     | 2022   | 2021   |
| Balance as of January 1                                                        | \$ 173                   | \$ 76  | \$ 119 |
| Business combinations                                                          | 64                       | 134    | 39     |
| Contingent consideration paid                                                  | (73)                     | (22)   | (39)   |
| Revaluations included in earnings and foreign currency translation adjustments | (58)                     | (15)   | (43)   |
| Balance as of December 31                                                      | \$ 106                   | \$ 173 | \$ 76  |

The current portion of contingent consideration is included within accrued expenses and the long-term portion is included within other liabilities on the accompanying consolidated balance sheets. Revaluations of contingent consideration are recognized in other (income) expense, net on the accompanying consolidated statements of income. A change in significant unobservable inputs could result in a higher or lower fair value measurement of contingent consideration.

#### *Non-recurring Fair Value Measurements*

Certain assets are carried on the accompanying consolidated balance sheets at cost and are not remeasured to fair value on a recurring basis. As of December 31, 2023, assets carried on the balance sheet and not remeasured to fair value on a recurring basis totaled \$19,619 million and were identified as Level 3. These assets are comprised of debt investments and cost and equity method investments of \$213 million, goodwill of \$14,567 million and other identifiable intangibles, net of \$4,839 million.

*Cost and Equity Method Investments and Debt Investments*—The inputs available for valuing investments in non-public portfolio companies are generally not easily observable. The valuation of non-public investments requires judgment by the Company due to the absence of quoted market values, inherent lack of liquidity and the long-term nature of such assets. When a triggering event occurs, the Company considers a wide range of available market data when assessing the estimated fair value. Such market data includes observations of the trading multiples of public companies considered comparable to the private companies being valued as well as publicly disclosed merger transactions involving comparable private companies. In addition, valuations are adjusted to account for company-specific issues, the lack of liquidity inherent in a non-public investment, and the fact that comparable public companies are not identical to the companies being valued. Such valuation adjustments are necessary because in the absence of a committed buyer and completion of due diligence similar to that performed in an actual negotiated sale process, there may be company-specific issues that are not fully known that may affect value. Further, a variety of additional factors are reviewed by the Company, including, but not limited to, financing and sales transactions with third parties, current operating performance and future expectations of the particular investment, changes in market outlook, and the third-party financing environment. Because of the inherent uncertainty of valuations, estimated valuations may differ significantly from the values that would have been used had a ready market for the securities existed, and the differences could be material.

*Goodwill*—Goodwill represents the difference between the purchase price and the fair value of the identifiable tangible and intangible net assets resulting from business combinations. The recoverability of goodwill is evaluated annually for impairment, or if and when events or circumstances indicate a possible impairment. For the year ended December 31, 2023, the Company elected to perform a quantitative impairment assessment for each of the Company's reporting units. As part of the quantitative impairment assessment, the Company compared the fair value of each reporting unit to its carrying value. The quantitative test requires significant judgments, estimates, and assumptions. The Company estimated the fair value of each reporting unit by weighting results of the income and market approaches, with greater weight given to the income approach. Significant estimates used in the income approach include estimates of future revenues, EBITDA, cash flows, long-term growth rates, tax rates, and discount rates. The selected discount rates consider the risk and nature of the respective reporting unit's cash flows, and the rates of return a market participant would expect to earn by investing in the Company's reporting units. The market approach uses information about the Company as well as other publicly traded guideline companies, including revenue and EBITDA-related multiples and estimates of control premiums. See Note 8 for additional information.

*Other Identifiable Intangibles, Net*—If a triggering event occurs, the Company determines the estimated fair value of definite-lived intangible assets by determining the present value of the expected cash flows. See Note 8 for additional information.

## 7. Property and Equipment

The major classes of property and equipment were as follows:

| (in millions)                              | December 31, |        |
|--------------------------------------------|--------------|--------|
|                                            | 2023         | 2022   |
| Land, buildings and leasehold improvements | \$ 376       | \$ 363 |
| Equipment                                  | 803          | 852    |
| Transportation equipment                   | 81           | 83     |
| Furniture and fixtures                     | 66           | 74     |
| Property and equipment, gross              | 1,326        | 1,372  |
| Less accumulated depreciation              | (803)        | (840)  |
| Property and equipment, net                | \$ 523       | \$ 532 |

Property and equipment depreciation expense was as follows:

| (in millions)        | Year Ended December 31, |        |        |
|----------------------|-------------------------|--------|--------|
|                      | 2023                    | 2022   | 2021   |
| Depreciation expense | \$ 151                  | \$ 160 | \$ 147 |

## 8. Goodwill and Other Identifiable Intangible Assets

As of December 31, 2023, the Company has approximately \$4,839 million of other identifiable intangible assets. Amortization expense associated with other identifiable definite-lived intangible assets was as follows:

| (in millions)        | Year Ended December 31, |        |          |
|----------------------|-------------------------|--------|----------|
|                      | 2023                    | 2022   | 2021     |
| Amortization expense | \$ 974                  | \$ 970 | \$ 1,117 |

Estimated amortization expense for existing other identifiable intangible assets is expected to be approximately \$911 million, \$803 million, \$665 million, \$519 million and \$201 million for the years ending December 31, 2024, 2025, 2026, 2027 and 2028, respectively. Estimated amortization expense can be affected by various factors such as future acquisitions, divestitures, abandonments or impairments.

The following is a summary of other identifiable intangible assets:

| (in millions)                                  | December 31, 2023 |                          |            | December 31, 2022 |                          |            |
|------------------------------------------------|-------------------|--------------------------|------------|-------------------|--------------------------|------------|
|                                                | Gross Amount      | Accumulated Amortization | Net Amount | Gross Amount      | Accumulated Amortization | Net Amount |
| Definite-lived identifiable intangible assets: |                   |                          |            |                   |                          |            |
| Client relationships and backlog               | \$ 5,688          | \$ (2,724)               | \$ 2,964   | \$ 5,339          | \$ (2,332)               | \$ 3,007   |
| Software and related assets                    | 3,629             | (2,005)                  | 1,624      | 3,106             | (1,591)                  | 1,515      |
| Trademarks, trade names and other              | 548               | (320)                    | 228        | 545               | (278)                    | 267        |
| Databases                                      | 1,837             | (1,819)                  | 18         | 1,817             | (1,794)                  | 23         |
| Non-compete agreements                         | 16                | (11)                     | 5          | 23                | (15)                     | 8          |
|                                                | \$ 11,718         | \$ (6,879)               | \$ 4,839   | \$ 10,830         | \$ (6,010)               | \$ 4,820   |

The following is a summary of goodwill by reportable segment for the years ended December 31, 2023 and 2022:

| (in millions)                                     | Technology & Analytics Solutions | Research & Development Solutions | Contract Sales & Medical Solutions | Consolidated |
|---------------------------------------------------|----------------------------------|----------------------------------|------------------------------------|--------------|
| Balance as of December 31, 2021                   | \$ 11,337                        | \$ 1,802                         | \$ 162                             | \$ 13,301    |
| Business combinations                             | 554                              | 472                              | —                                  | 1,026        |
| Impact of foreign currency fluctuations and other | (371)                            | (27)                             | (8)                                | (406)        |
| Balance as of December 31, 2022                   | 11,520                           | 2,247                            | 154                                | 13,921       |
| Business combinations                             | 352                              | 181                              | —                                  | 533          |
| Impact of foreign currency fluctuations and other | 104                              | 11                               | (2)                                | 113          |
| Balance as of December 31, 2023                   | \$ 11,976                        | \$ 2,439                         | \$ 152                             | \$ 14,567    |

There were no goodwill impairment losses for the years ended December 31, 2023, 2022 and 2021.

## 9. Accrued Expenses

Accrued expenses consist of the following:

| (in millions)                                                      | December 31,    |                 |
|--------------------------------------------------------------------|-----------------|-----------------|
|                                                                    | 2023            | 2022            |
| Client contract related                                            | \$ 1,315        | \$ 1,065        |
| Compensation, including bonuses, fringe benefits and payroll taxes | 968             | 980             |
| Professional fees                                                  | 112             | 99              |
| Contingent consideration and deferred purchase price               | 27              | 90              |
| Interest                                                           | 66              | 43              |
| Restructuring                                                      | 36              | 26              |
| Other                                                              | 331             | 368             |
|                                                                    | <u>\$ 2,855</u> | <u>\$ 2,671</u> |

## 10. Credit Arrangements

The following is a summary of the Company's revolving credit facilities as of December 31, 2023:

| Facility                                       | Interest Rates                                                                                                |
|------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| \$2,000 million (revolving credit facility)    | U.S. Dollar Term SOFR plus a margin of 1.25% plus a 10 basis credit spread adjustment as of December 31, 2023 |
| \$110 million (receivables financing facility) | U.S. Dollar Term SOFR plus a margin of 0.90% plus a 11 basis credit spread adjustment as of December 31, 2023 |

The following table summarizes the Company's debt at the dates indicated:

| (dollars in millions)                                                                            | December 31, |           |
|--------------------------------------------------------------------------------------------------|--------------|-----------|
|                                                                                                  | 2023         | 2022      |
| Revolving Credit Facility due 2026:                                                              |              |           |
| U.S. Dollar denominated borrowings—U.S. Dollar Term SOFR at average floating rates of 6.71%      | \$ 100       | \$ 425    |
| Senior Secured Credit Facilities:                                                                |              |           |
| Term A Loan due 2026—U.S. Dollar Term SOFR at average floating rates of 6.71%                    | 1,270        | 1,343     |
| Term A Loan due 2026—Euribor at average floating rates of 5.18%                                  | 306          | 314       |
| Term A Loan due 2027—U.S. Dollar Term SOFR at average floating rates of 6.74%                    | 1,156        | 1,219     |
| Term B Loan due 2024—Euribor at average floating rates of —%                                     | —            | 1,172     |
| Term B Loan due 2025—U.S. Dollar Term SOFR at average floating rates of —%                       | —            | 670       |
| Term B Loan due 2025—U.S. Dollar Term SOFR at average floating rates of —%                       | —            | 860       |
| Term B Loan due 2025—Euribor at average floating rates of 5.93%                                  | 576          | 559       |
| Term B Loan due 2031—U.S. Dollar Term SOFR at average floating rates of 7.35%                    | 1,500        | —         |
| 5.700% Senior Secured Notes due 2028—U.S. Dollar denominated                                     | 750          | —         |
| 6.250% Senior Secured Notes due 2029—U.S. Dollar denominated                                     | 1,250        | —         |
| 5.0% Senior Notes due 2027—U.S. Dollar denominated                                               | 1,100        | 1,100     |
| 5.0% Senior Notes due 2026—U.S. Dollar denominated                                               | 1,050        | 1,050     |
| 6.500% Senior Notes due 2030—U.S. Dollar denominated                                             | 500          | —         |
| 2.875% Senior Notes due 2025—Euro denominated                                                    | 464          | 450       |
| 2.25% Senior Notes due 2028—Euro denominated                                                     | 795          | 771       |
| 2.875% Senior Notes due 2028—Euro denominated                                                    | 785          | 761       |
| 1.750% Senior Notes due 2026—Euro denominated                                                    | 607          | 589       |
| 2.250% Senior Notes due 2029—Euro denominated                                                    | 993          | 964       |
| Receivables financing facility due 2024—U.S. Dollar Term SOFR at average floating rates of 6.36% |              |           |
| Revolving Loan Commitment                                                                        | 110          | 110       |
| Term Loan                                                                                        | 440          | 440       |
| Principal amount of debt                                                                         | 13,752       | 12,797    |
| Less: unamortized discount and debt issuance costs                                               | (79)         | (50)      |
| Less: current portion                                                                            | (718)        | (152)     |
| Long-term debt                                                                                   | \$ 12,955    | \$ 12,595 |

Contractual maturities of long-term debt as of December 31, 2023 are as follows:

| (in millions) |                  |
|---------------|------------------|
| 2024          | \$ 718           |
| 2025          | 1,207            |
| 2026          | 3,231            |
| 2027          | 2,084            |
| 2028          | 2,345            |
| Thereafter    | 4,167            |
|               | <u>\$ 13,752</u> |

## ***Senior Secured Credit Facilities***

### ***2023 Financing Transactions***

On November 28, 2023, the Company entered into an amendment (the "Amendment") to its Fifth Amended and Restated Credit Agreement (the "Credit Agreement"), among IQVIA Inc., a wholly owned subsidiary of the Company, the Company, IQVIA RDS Inc., a wholly owned subsidiary of the Company, the other guarantors party thereto, Bank of America, N.A. as administrative agent and as collateral agent, and the Lenders (as defined therein) party thereto. Pursuant to the Amendment, the Company borrowed \$1,500 million in incremental Term B-4 Dollar Loans (as defined in the Credit Agreement) due January 2, 2031. The net proceeds from the Term B-4 Dollar Loans were used to repay certain of the outstanding term loans due in 2024 and in 2025 under the Company's senior secured credit facilities, and to pay fees and expenses related to the Amendment and the offering of 2029 Senior Secured Notes (as defined below). In connection with this Amendment, the Company recognized a \$6 million loss on extinguishment of debt, which includes fees and expenses.

On April 17, 2023, the Company increased the capacity of the senior secured revolving credit facility by \$500 million U.S. dollars, bringing the total capacity of the revolving credit facility to \$2,000 million. At the same time, the Company also amended the benchmark rate of the U.S. dollar revolving credit facility and the U.S. dollar Term A Loans from U.S. dollar LIBOR to U.S. dollar Secured Overnight Financing Rate term rates ("Term SOFR"), plus a 10 basis point Credit Spread Adjustment.

As of December 31, 2023, the Credit Agreement provided financing through several senior secured credit facilities of up to \$6,808 million, which consisted of \$4,908 million principal amounts of debt outstanding (as detailed in the table above), and \$1,900 million of available borrowing capacity on the \$2,000 million revolving credit facility and standby letters of credit. The revolving credit facility is comprised of a \$1,175 million senior secured revolving facility available in U.S. dollars, a \$600 million senior secured revolving facility available in U.S. dollars, Euros, Swiss Francs and other foreign currencies, and a \$225 million senior secured revolving facility available in U.S. dollars and Yen.

### ***2022 Financing Transactions***

On June 16, 2022, the Company entered into Amendment No. 1 to the Credit Agreement to borrow \$1,250 million in additional U.S. Dollar denominated term A loans due 2027 (the "Additional Term A Loans"). The Additional Term A Loans bear interest based at Term SOFR, plus a credit spread adjustment of 0.10% plus a margin ranging from 1.125% to 2.00%, with a Term SOFR floor of 0.00% per annum. The proceeds from the Additional Term A Loans were used to repay approximately \$950 million of outstanding revolving credit loans under the Credit Agreement and for general corporate purposes.

On October 13, 2022, the Company elected to prepay \$510 million, the entire outstanding balance, of its U.S. Dollar Term B Loan due 2024.

## ***Senior Secured Notes***

### ***2023 Financing Transactions***

On November 28, 2023, IQVIA Inc. (the "Issuer"), completed the issuance and sale of \$1,250 million in gross proceeds of 6.250% senior secured notes due 2029 (the "2029 Senior Secured Notes"). The 2029 Senior Secured Notes were issued pursuant to an Indenture, dated November 28, 2023, among the Issuer, U.S. Bank Trust Company, National Association, as trustee of the 2029 Senior Secured Notes and as collateral agent, and the Company and certain subsidiaries of the Issuer as guarantors. The net proceeds from the 2029 Senior Secured Notes offering were used to repay certain of the outstanding term loans under the Company's senior secured credit facilities due in 2024 and in 2025, and to pay fees and expenses related to the 2029 Senior Secured Notes offering and the Amendment.

The 2029 Senior Secured Notes are secured obligations of the Company, will mature on February 1, 2029, unless earlier repurchased or redeemed in accordance with their terms, and bear interest at the rate of 6.250% per year, with interest payable semi-annually on February 1 and August 1 of each year, beginning on February 1, 2024. The Company may redeem the 2029 Senior Secured Notes prior to January 1, 2029 subject to a customary make-whole premium, and thereafter subject to a redemption price equal to 100% of the principal amount thereof plus accrued and unpaid interest.

On May 23, 2023, IQVIA Inc. (the “Issuer”) completed the issuance and sale of \$750 million in gross proceeds of 5.700% senior secured notes due 2028 (the “2028 Senior Secured Notes”). The 2028 Senior Secured Notes were issued pursuant to an Indenture, dated May 23, 2023, among the Issuer, U.S. Bank Trust Company, National Association, as trustee of the 2028 Senior Secured Notes and as collateral agent, and the Company and certain subsidiaries of the Issuer as guarantors. The net proceeds from the 2028 Senior Secured Notes offering were used to repay existing borrowings under the Company’s revolving credit facility and to pay fees and expenses related to the 2028 Senior Secured Notes offering and offering of 2030 Senior Notes (as defined below).

The 2028 Senior Secured Notes are secured obligations of the Company, will mature on May 15, 2028, unless earlier repurchased or redeemed in accordance with their terms, and bear interest at the rate of 5.700% per year, with interest payable semi-annually on May 15 and November 15 of each year, beginning on November 15, 2023. The Company may redeem the 2028 Senior Secured Notes prior to April 15, 2028 subject to a customary make-whole premium, and thereafter subject to a redemption price equal to 100% of the principal amount thereof plus accrued and unpaid interest.

Each of the Company’s current direct and indirect material U.S. wholly owned restricted subsidiaries (excluding IQVIA Solutions Japan LLC and IQVIA Services Japan LLC) and IQVIA Holdings Inc., have jointly and severally, irrevocably and unconditionally, on a senior secured basis, guaranteed the obligations under the 2028 Senior Secured Notes and the 2029 Senior Secured Notes.

The 2028 Senior Secured Notes and 2029 Senior Secured Notes have not been registered under the Securities Act of 1933, as amended (the “Securities Act”), or the securities laws of any other jurisdiction. In January 2024, the Company filed a registration statement with respect to an offer (the “Exchange Offer”) to exchange the 2028 Senior Secured Notes for an equal amount of \$750 million aggregate principal amount of 5.700% Senior Secured Notes due 2028 registered under the Securities Act (the “2028 Registered Notes”) and the 2029 Senior Secured Notes for an equal amount of \$1,250 million aggregate principal amount of 6.250% Senior Secured Notes due 2029 registered under the Securities Act (the “2029 Registered Notes”). The Exchange Offer commenced on January 26, 2024 and will expire on February 23, 2024, unless the Company extends the offer. The terms of the 2028 Registered Notes and the 2029 Registered Notes to be issued in the Exchange Offer are substantially identical in all material respects to the terms of the 2028 Senior Secured Notes and 2029 Senior Secured Notes, respectively, except that the registered notes will not be subject to restrictions on transfer or to any increase in the annual interest rate for failure to comply with the applicable registration rights agreement.

*2022 Financing Transactions*

*None*

*Senior Notes*

*2023 Financing Transactions*

On May 23, 2023, IQVIA Inc. (the “Issuer”) completed the issuance and sale of \$500 million in gross proceeds of 6.500% senior notes due 2030 (the “2030 Senior Notes”). The 2030 Senior Notes were issued pursuant to an Indenture, dated May 23, 2023, among the Issuer, U.S. Bank Trust Company, National Association, as trustee of the 2030 Senior Notes, and certain subsidiaries of the Issuer as guarantors. The net proceeds from the 2030 Senior Notes offering were used to repay existing borrowings under the Company’s revolving credit facility, and to pay fees and expenses related to the 2030 Senior Notes offering and 2028 Senior Secured Notes offering.

The 2030 Senior Notes are unsecured obligations of the Company, will mature on May 15, 2030, unless earlier repurchased or redeemed in accordance with their terms, and bear interest at the rate of 6.500% per year, with interest payable semi-annually on May 15 and November 15 of each year, beginning on November 15, 2023. The Company may redeem the 2030 Senior Notes prior to their final stated maturity, subject to a customary make-whole premium, at any time prior to May 15, 2026 (subject to a customary “equity claw” redemption right) and thereafter subject to a redemption premium declining from 3.250% to 0.000%.

*2022 Financing Transactions*

*None*

### Receivables Financing Facility

Under the receivables financing facility, certain of the Company's accounts receivable are sold on a non-recourse basis by certain of the Company's consolidated subsidiaries (each, an "Originator") to another of the Company's consolidated subsidiaries, a bankruptcy-remote special purpose entity (the "SPE"). The SPE obtained a term loan and revolving loan commitment from a third-party lender, secured by liens on the assets of the SPE, to finance the purchase of the accounts receivable, which includes a \$440 million term loan and a \$110 million revolving loan commitment. As of December 31, 2023, no additional amounts of revolving loans were available under the receivables financing facility. The Company has guaranteed the performance of the obligations of existing and future subsidiaries that sell and service the accounts receivable under the receivables financing facility. The assets of the SPE are not available to satisfy any of the Company's obligations or any obligations of its subsidiaries. As of December 31, 2023, approximately \$1,566 million of the Company's trade accounts receivable and unbilled services were pledged as collateral to secure the facility.

### Restrictive Covenants

The Company's debt agreements provide for certain covenants and events of default customary for similar instruments, including a covenant not to exceed a specified ratio of consolidated senior secured net indebtedness to Consolidated EBITDA, as defined in the senior secured credit facility agreement and a covenant to maintain a specified minimum interest coverage ratio. If an event of default occurs under any of the Company's or the Company's subsidiaries' financing arrangements, the creditors under such financing arrangements will be entitled to take various actions, including the acceleration of amounts due under such arrangements, and in the case of the lenders under the revolving credit facility and term loans, other actions permitted to be taken by a secured creditor. The Company's long-term debt arrangements contain usual and customary restrictive covenants that, among other things, place limitations on the Company's ability to declare dividends. As of December 31, 2023, the Company was in compliance in all material respects with the financial covenants under the Company's financing arrangements.

## 11. Leases

The Company has operating leases for corporate offices, data centers, motor vehicles and certain equipment, many of which contain renewal and escalation clauses. These operating leases expire at various dates through 2037 with options to cancel certain leases at various intervals. The Company also has finance leases for offices and lab spaces that expire at various dates through 2048.

The components of lease expense were as follows:

| (in millions)                       | Classification                                      | Year Ended December 31, |        |        |
|-------------------------------------|-----------------------------------------------------|-------------------------|--------|--------|
|                                     |                                                     | 2023                    | 2022   | 2021   |
| Operating lease cost <sup>(1)</sup> | Selling, general and administrative expenses        | \$ 160                  | \$ 171 | \$ 184 |
| Finance lease cost <sup>(1)</sup>   | Depreciation and amortization, and Interest expense | 18                      | 12     | 10     |
| Total lease cost                    |                                                     | \$ 178                  | \$ 183 | \$ 194 |

(1) Includes variable lease costs, which are immaterial.

Other information related to leases was as follows:

| (in millions)                                                           | Year Ended December 31, |             |             |
|-------------------------------------------------------------------------|-------------------------|-------------|-------------|
|                                                                         | 2023                    | 2022        | 2021        |
| <b>Supplemental Cash Flow:</b>                                          |                         |             |             |
| Cash paid for amounts included in the measurement of lease liabilities: |                         |             |             |
| Operating cash flows for operating leases                               | \$ 175                  | \$ 173      | \$ 175      |
| Operating cash flows for finance leases                                 | \$ 8                    | \$ 5        | \$ —        |
| Financing cash flows for finance leases                                 | \$ 3                    | \$ 4        | \$ —        |
| Right-of-use assets obtained in exchange for lease obligations:         |                         |             |             |
| Operating leases                                                        | \$ 59                   | \$ 79       | \$ 81       |
| Finance leases                                                          | \$ —                    | \$ 54       | \$ 44       |
| <b>Weighted Average Remaining Lease Term:</b>                           |                         |             |             |
| Operating leases                                                        | 4.61 years              | 4.72 years  | 4.53 years  |
| Finance leases                                                          | 20.67 years             | 21.64 years | 21.28 years |
| <b>Weighted Average Discount Rate:</b>                                  |                         |             |             |
| Operating leases                                                        | 3.81 %                  | 3.12 %      | 3.36 %      |
| Finance leases                                                          | 3.88 %                  | 3.87 %      | 2.70 %      |

Future minimum lease payments under non-cancellable leases as of December 31, 2023 were as follows:

| (in millions)                       | Operating Leases | Finance Leases |
|-------------------------------------|------------------|----------------|
| 2024                                | \$ 117           | \$ 13          |
| 2025                                | 96               | 13             |
| 2026                                | 55               | 13             |
| 2027                                | 36               | 14             |
| 2028                                | 24               | 14             |
| Thereafter                          | 31               | 283            |
| Total future minimum lease payments | 359              | 350            |
| Less imputed interest               | (29)             | (122)          |
| Total                               | \$ 330           | \$ 228         |
| Reported as of December 31, 2023:   |                  |                |
| Other current liabilities           | \$ 107           | \$ —           |
| Operating lease liabilities         | 223              | —              |
| Other liabilities                   | —                | 228            |
| Total                               | \$ 330           | \$ 228         |

## 12. Contingencies

The Company and its subsidiaries are involved in legal and tax proceedings, claims and litigation arising in the ordinary course of business. Management periodically assesses the Company's liabilities and contingencies in connection with these matters based upon the latest information available. For those matters where management currently believes it is probable that the Company will incur a loss and that the probable loss or range of loss can be reasonably estimated, the Company has recorded an accrual in the consolidated financial statements based on its best estimates of such loss. In other instances, because of the uncertainties related to either the probable outcome or the amount or range of loss, management is unable to make a reasonable estimate of a liability, if any.

However, even in many instances where the Company has recorded an estimated liability, the Company is unable to predict with certainty the final outcome of the matter or whether resolution of the matter will materially affect the Company's results of operations, financial position or cash flows. As additional information becomes available, the Company adjusts its assessments and estimates of such liabilities accordingly.



The Company routinely enters into agreements with third parties, including its clients and suppliers, all in the normal course of business. In these agreements, the Company sometimes agrees to indemnify and hold harmless the other party for any damages such other party may suffer as a result of potential intellectual property infringement and other claims. The Company has not accrued a liability with respect to these matters generally, as the exposure is considered remote.

Based on its review of the latest information available, management does not expect the impact of pending legal and tax proceedings, claims and litigation, either individually or in the aggregate, to have a material adverse effect on the Company's results of operations, cash flows or financial position. However, one or more unfavorable outcomes in any claim or litigation against the Company could have a material adverse effect for the period in which it is resolved. The following is a summary of certain legal matters involving the Company.

On February 13, 2014, a group of approximately 1,200 medical doctors and 900 private individuals filed a civil lawsuit with the Seoul Central District Court against IMS Korea and two other defendants, the Korean Pharmaceutical Association ("KPA") and the Korean Pharmaceutical Information Center ("KPIC"). The civil lawsuit alleges KPA and KPIC collected their personal information in violation of applicable privacy laws without the necessary consent through a software system installed on pharmacy computer systems in Korea, and that personal information was transferred to IMS Korea and sold to pharmaceutical companies. On September 11, 2017, the District Court issued a final decision that the encryption in use by the defendants since June 2014 was adequate to meet the requirements of the Korean Personal Information Privacy Act ("PIPA") and the sharing of non-identified information for market research purposes was allowed under PIPA. The District Court also found an earlier version of encryption was insufficient to meet PIPA requirements, but no personal data had been leaked or re-identified. The District Court did not award any damages to plaintiffs. Approximately 280 medical doctors and 200 private individuals appealed the District Court decision. On May 3, 2019, the Appellate Court issued a final decision in which it concluded all of the non-identified information transferred by KPIC to IMS Korea for market research purposes violated PIPA, but did not award any damages to plaintiffs (affirming the District Court's decision on this latter point). On May 24, 2019, approximately 247 plaintiffs appealed the Appellate Court's decision to the Supreme Court. The Company believes the appeal is without merit and is vigorously defending its position.

On July 23, 2015, indictments were issued by the Seoul Central District Prosecutors' Office in South Korea against 24 individuals and companies alleging improper handling of sensitive health information in violation of, among others, South Korea's Personal Information Protection Act. IMS Korea and two of its employees were among the individuals and organizations indicted. Although there is no assertion that IMS Korea used patient identified health information in any of its offerings, prosecutors allege that certain of IMS Korea's data suppliers should have obtained patient consent when they converted sensitive patient information into non-identified data and that IMS Korea had not taken adequate precautions to reduce the risk of re-identification. On February 14, 2020, the Seoul Central District Court acquitted IMS Korea and its two employees of the charges of improper handling of sensitive health information, and the Prosecutor's Office appealed. On December 23, 2021, the appellate court affirmed the judgment of the Seoul Central District Court. The Prosecutor's Office has appealed to the Supreme Court. The Company intends to vigorously defend its position on appeal.

On January 10, 2017, Quintiles IMS Health Incorporated and IMS Software Services Ltd. (collectively "IQVIA Parties"), filed a lawsuit in the U.S. District Court for the District of New Jersey against Veeva Systems, Inc. ("Veeva") alleging Veeva unlawfully used IQVIA Parties intellectual property to improve Veeva data offerings, to promote and market Veeva data offerings and to improve Veeva technology offerings. IQVIA Parties seek injunctive relief, appointment of a monitor, the award of compensatory and punitive damages and reimbursement of all litigation expenses, including reasonable attorneys' fees and costs. On March 13, 2017, Veeva filed counterclaims alleging anticompetitive business practices in violation of the Sherman Act and state laws. Veeva claims damages in excess of \$200 million, and is seeking punitive damages and litigation costs, including attorneys' fees. The Company believes the counterclaims are without merit, rejects all counterclaims raised by Veeva and intends to vigorously defend IQVIA Parties' position and pursue its claims against Veeva. Since the initial filings, the parties have filed additional litigations against each other, primarily concerning the use of IQVIA data with various other Veeva products. Trial has been scheduled for early 2025.

On May 7, 2021, the Court issued an order and opinion (the "Order") in which it found significant evidence that Veeva had (1) misappropriated IQVIA data and unlawfully used it to improve Veeva data offerings, (2) engaged in a cover-up by deleting significant evidence of its theft of IQVIA's trade secrets, and (3) improperly withheld certain evidence in furtherance of a crime and/or fraud against IQVIA. The Court imposed five sanctions against Veeva, including ordering three separate adverse inference instructions be issued to the jury and that IQVIA be permitted to present evidence to the jury of Veeva's destruction efforts. Veeva is currently appealing the Order.

### 13. Stockholders' Equity

#### *Preferred Stock*

The Company is authorized to issue 1.0 million shares of preferred stock, \$0.01 per share par value. No shares of preferred stock were issued and outstanding as of December 31, 2023 or 2022.

#### *Equity Repurchase Program*

On October 30, 2013, the Company's Board of Directors (the "Board") first approved the Company's equity repurchase program (the "Repurchase Program"), authorizing the repurchase of up to \$125 million of the Company's common stock. The Board increased the stock repurchase authorization under the Repurchase Program with respect to the repurchase of the Company's common stock by \$600 million, \$1.5 billion, \$2.0 billion, \$1.5 billion, \$2.0 billion, and \$2.0 billion in 2015, 2016, 2017, 2018, 2019, and 2022, respectively. On July 31, 2023, the Board increased the stock repurchase authorization under the Repurchase Program with respect to the repurchase of the Company's common stock by an additional \$2,000 million, which increased the total amount that has been authorized under the Repurchase Program to \$11,725 million. The Repurchase Program does not obligate the Company to repurchase any particular amount of common stock, and it may be modified, extended, suspended or discontinued at any time.

As of December 31, 2023, the Company had remaining authorization to repurchase up to \$2,363 million of its common stock under the Repurchase Program. In addition, from time to time, the Company has repurchased and may continue to repurchase common stock through private or other transactions outside of the Repurchase Program.

There were no equity offerings during the years ended December 31, 2023, 2022 and 2021.

#### *Summary*

Below is a summary of the share repurchases made under the Repurchase Program:

| (in millions, except per share data)         | Year Ended December 31, |           |           |
|----------------------------------------------|-------------------------|-----------|-----------|
|                                              | 2023                    | 2022      | 2021      |
| Number of shares of common stock repurchased | 5.0                     | 5.5       | 1.7       |
| Aggregate purchase price                     | \$ 992                  | \$ 1,168  | \$ 395    |
| Average price per share                      | \$ 196.89               | \$ 213.06 | \$ 238.22 |

#### *Non-controlling Interests*

On April 1, 2021, the Company acquired the 40% non-controlling interest in Q<sup>2</sup> Solutions, a fully consolidated subsidiary, from Quest Diagnostics Incorporated ("Quest") for approximately \$758 million, financed with cash on hand. The transaction resulted in the Company having 100% ownership in Q<sup>2</sup> Solutions. As of December 31, 2023 and 2022, the Company had no other material non-controlling interests.

### 14. Business Combinations

The Company completed several individually immaterial acquisitions during the years ended December 31, 2023 and 2022. The Company's assessment of fair value, including the valuation of certain acquired intangibles and the purchase price allocation related to the acquisitions that occurred during the year ended December 31, 2023 is preliminary and subject to change upon completion. Further adjustments, largely related to acquired intangible assets and related deferred taxes, may be necessary as additional information related to the fair values of assets acquired and liabilities assumed is assessed during the measurement period (up to one year from the acquisition date). The Company recorded goodwill from these acquisitions, primarily attributable to assembled workforce, expected synergies and new client relationships. The consolidated financial statements include the results of the acquisitions subsequent to their respective closing dates. Pro forma information is not presented as pro forma results of operations would not be materially different to the actual results of operations of the Company.

The following table provides certain preliminary financial information for these acquisitions:

| (in millions)                      | Year Ended December 31, |          |
|------------------------------------|-------------------------|----------|
|                                    | 2023                    | 2022     |
| Assets acquired:                   |                         |          |
| Cash and cash equivalents          | \$ 28                   | \$ 33    |
| Accounts receivable                | 44                      | —        |
| Other assets                       | 9                       | 115      |
| Goodwill                           | 533                     | 1,026    |
| Other identifiable intangibles     | 425                     | 509      |
| Liabilities assumed:               |                         |          |
| Other liabilities                  | (44)                    | (103)    |
| Deferred income taxes, long-term   | (18)                    | (93)     |
| Net assets acquired <sup>(1)</sup> | \$ 977                  | \$ 1,487 |

(1) Net assets acquired include contingent consideration and deferred purchase price of \$73 million and \$139 million, respectively.

The portion of goodwill deductible for income tax purposes was preliminarily assessed as \$379 million and \$275 million for the years ended December 31, 2023 and 2022, respectively.

The following table provides a summary of the preliminary estimated fair value of certain intangible assets acquired:

| (in millions)                        | Amortization Period | Year Ended December 31, |        |
|--------------------------------------|---------------------|-------------------------|--------|
|                                      |                     | 2023                    | 2022   |
| Other identifiable intangibles:      |                     |                         |        |
| Client relationships                 | 1 - 17 years        | \$ 324                  | \$ 382 |
| Software and related assets          | 3 - 8 years         | 44                      | 79     |
| Backlog                              | 1 - 4 years         | 51                      | 24     |
| Databases                            | 3 - 7 years         | 4                       | 11     |
| Trade names                          | 2 - 5 years         | 2                       | 7      |
| Non-compete agreements               | 3 - 5 years         | —                       | 6      |
| Total Other identifiable intangibles |                     | \$ 425                  | \$ 509 |

## 15. Restructuring

The Company has continued to take restructuring actions in the year ended December 31, 2023 to align its resources and reduce overcapacity to adapt to changing market conditions and integrate acquisitions. These actions include consolidating functional activities, eliminating redundant positions, and aligning resources with customer requirements. These restructuring actions are expected to continue into 2024.

The management approved plans resulted in approximately \$84 million, \$28 million and \$20 million of restructuring expense, net of reversals, which consisted primarily of severance and other exit-related costs in the years ended December 31, 2023, 2022 and 2021, respectively.

The following amounts were recorded for the restructuring plans:

| (in millions)                          | Severance and<br>Related Costs |
|----------------------------------------|--------------------------------|
| Balance as of December 31, 2021        | \$ 30                          |
| Expense, net of reversals              | 28                             |
| Payments                               | (31)                           |
| Foreign currency translation and other | (1)                            |
| Balance as of December 31, 2022        | \$ 26                          |
| Expense, net of reversals              | 84                             |
| Payments                               | (74)                           |
| Balance as of December 31, 2023        | \$ 36                          |

The reversals were due to changes in estimates primarily resulting from the redeployment of staff and higher than expected voluntary terminations. Restructuring costs are not allocated to the Company's reportable segments as they are not part of the segment performance measures regularly reviewed by management. The Company expects the majority of the restructuring accruals as of December 31, 2023 will be paid in 2024.

#### 16. Income Taxes

The components of income before income taxes and equity in (losses) earnings of unconsolidated affiliates are as follows:

| (in millions) | Year Ended December 31, |          |          |
|---------------|-------------------------|----------|----------|
|               | 2023                    | 2022     | 2021     |
| Domestic      | \$ 108                  | \$ (45)  | \$ (73)  |
| Foreign       | 1,351                   | 1,408    | 1,201    |
|               | \$ 1,459                | \$ 1,363 | \$ 1,128 |

The components of income tax expense attributable to continuing operations are as follows:

| (in millions)               | Year Ended December 31, |        |        |
|-----------------------------|-------------------------|--------|--------|
|                             | 2023                    | 2022   | 2021   |
| Current expense:            |                         |        |        |
| Federal and state           | \$ 21                   | \$ 24  | \$ 16  |
| Foreign                     | 349                     | 358    | 293    |
|                             | 370                     | 382    | 309    |
| Deferred (benefit) expense: |                         |        |        |
| Federal and state           | (236)                   | (94)   | (106)  |
| Foreign                     | (33)                    | (28)   | (40)   |
|                             | (269)                   | (122)  | (146)  |
|                             | \$ 101                  | \$ 260 | \$ 163 |

The differences between the Company's consolidated income tax expense attributable to continuing operations and the expense computed at the United States statutory income tax rate of 21% were as follows:

| (in millions)                                       | Year Ended December 31, |               |               |
|-----------------------------------------------------|-------------------------|---------------|---------------|
|                                                     | 2023                    | 2022          | 2021          |
| Federal income tax expense at statutory rate        | \$ 306                  | \$ 286        | \$ 237        |
| State and local income taxes, net of federal effect | 16                      | (15)          | 2             |
| Research and development                            | (25)                    | (19)          | (14)          |
| United States taxes recorded on foreign earnings(*) | (41)                    | (4)           | (29)          |
| Tax contingencies                                   | 17                      | 14            | 3             |
| Foreign Derived Intangible Income ("FDII")          | (53)                    | (41)          | (34)          |
| Foreign rate differential                           | 45                      | 38            | 17            |
| Equity compensation                                 | —                       | 2             | (23)          |
| Valuation Allowance Release                         | (102)                   | —             | —             |
| Basis Difference Reversal                           | (61)                    | —             | —             |
| Other                                               | (1)                     | (1)           | 4             |
|                                                     | <u>\$ 101</u>           | <u>\$ 260</u> | <u>\$ 163</u> |

(\*) Includes impact of GILTI, and other U.S. taxes on foreign earnings.

In the year ended December 31, 2023, the Company completed an internal legal entity restructuring that resulted in a benefit of \$125 million. Historically, the Company recorded deferred tax assets related to certain foreign tax credits, and a full valuation allowance in relation to these foreign tax credits was established as it was not expected the credits would be utilized prior to expiration. The Company now believes it is reasonably possible that these foreign tax credits will be utilized and therefore recorded a tax benefit of \$64 million related to the valuation allowance release and establishing related uncertain tax positions. Additionally, due to the restructuring the Company also reversed a deferred tax liability of \$61 million due to a basis difference that was recovered in a tax-free manner. The effective tax rate was also favorably impacted by a reversal of uncertain tax positions relating to tax credit carryforwards in the amount of \$21 million due to an audit settlement. Lastly, the effective tax rate was also impacted by changes in the geographical mix of earnings amongst foreign tax jurisdictions as well as state and local tax rates.

In the year ended December 31, 2022, the Company recorded a benefit of \$6 million related to a 2021 U.S. Federal tax return position associated with FDII and GILTI tax credits. In addition, the effective tax rate was impacted by changes in the geographical mix of earnings amongst foreign tax jurisdictions as well as state and local tax rates.

On August 16, 2022, the U.S. government enacted the Inflation Reduction Act of 2022, which, among other things, implements a 15% minimum tax on book income of certain large corporations, a 1% excise tax on net stock repurchases and several tax incentives to promote clean energy. Many of the provisions took effect beginning in 2023. The Company assessed the impacts and determined it was not subject to the minimum tax and there were no other material income tax impacts during 2023. The Company will continue to monitor future impacts to its consolidated financial statements.

On December 12, 2022 the European Union member states agreed to implement the Organization for Economic Co-operation and Development's ("OECD") Pillar 2 global corporate minimum tax rate of 15% on companies with revenues of at least \$790 million, which would go into effect in 2024. The Company is assessing the impact of this proposal as countries are actively considering changes to their tax laws to adopt certain parts of the OECD's proposal.

In the year ended December 31, 2021, the Company recorded a benefit of \$29 million related to a 2020 U.S. Federal tax return position associated with FDII and GILTI tax credits. Also in 2021, the Company recorded a \$9 million tax expense as a result of the U.S. Treasury Department issuing final regulations on foreign tax credits.

Undistributed earnings of the Company's foreign subsidiaries amounted to approximately \$3,575 million as of December 31, 2023. The Company does not consider any of its foreign earnings as indefinitely reinvested.

The income tax effects of temporary differences from continuing operations that give rise to significant portions of deferred income tax assets (liabilities) are presented below:

| (in millions)                                                 | December 31, |          |
|---------------------------------------------------------------|--------------|----------|
|                                                               | 2023         | 2022     |
| Deferred income tax assets:                                   |              |          |
| Net operating loss and capital loss carryforwards             | \$ 132       | \$ 145   |
| Tax credit carryforwards                                      | 254          | 295      |
| Accrued expenses and unearned income                          | 103          | 90       |
| Employee benefits                                             | 202          | 202      |
| Lease liability                                               | 65           | 73       |
| U.S. interest expense limitation                              | 59           | 30       |
| Other                                                         | 81           | 52       |
| Total deferred income tax assets                              | 896          | 887      |
| Valuation allowance for deferred income tax assets            | (166)        | (257)    |
| Total deferred income tax assets (net of valuation allowance) | 730          | 630      |
| Deferred income tax liabilities:                              |              |          |
| Amortization and depreciation                                 | (590)        | (727)    |
| Lease right-of-use assets                                     | (56)         | (61)     |
| Foreign exchange on debt instruments                          | (48)         | (125)    |
| Other                                                         | (72)         | (63)     |
| Total deferred income tax liabilities                         | (766)        | (976)    |
| Net deferred income tax assets (liabilities)                  | \$ (36)      | \$ (346) |

During the year ended December 31, 2023, the net deferred tax liabilities decreased due to foreign exchange revaluations of debt instruments, reversal of a previously established valuation allowance for Foreign Tax Credits, and amortization of intangibles related to the merger between Quintiles and IMS Health.

The Company had federal, state and local, and foreign tax loss carryforwards and tax credits, the tax effect of which was \$462 million as of December 31, 2023. Of this amount, \$8 million has an indefinite carryforward period, and the remaining \$454 million expires at various times beginning in 2024. Some of the federal losses are subject to limitations under the Internal Revenue Code, however, management expects these losses to be utilized during the carryforward periods.

In the year ended December 31, 2023, the Company decreased its valuation allowance by \$91 million to \$166 million as of December 31, 2023 from \$257 million as of December 31, 2022. The valuation allowance decreased primarily due to the release of the valuation allowance on branch basket foreign tax credits as the Company has determined they are more likely than not to be used prior to expiration.

A reconciliation of the beginning and ending amount of gross unrecognized income tax benefits is presented below:

| (in millions)                                                        | Year Ended December 31, |        |        |
|----------------------------------------------------------------------|-------------------------|--------|--------|
|                                                                      | 2023                    | 2022   | 2021   |
| Balance as of January 1                                              | \$ 122                  | \$ 116 | \$ 118 |
| Additions based on tax positions related to the current year         | 53                      | 13     | 7      |
| Additions for income tax positions of prior years                    | 8                       | 20     | 16     |
| Impact of changes in exchange rates                                  | 1                       | (2)    | (3)    |
| Settlements with tax authorities                                     | (6)                     | (4)    | (2)    |
| Reductions for income tax positions of prior years                   | (25)                    | (11)   | (11)   |
| Reductions due to the lapse of the applicable statute of limitations | (13)                    | (10)   | (9)    |
| Balance as of December 31                                            | \$ 140                  | \$ 122 | \$ 116 |

As of December 31, 2023, the Company had total gross unrecognized income tax benefits of \$131 million associated with over 100 jurisdictions in which the Company conducts business that, if recognized, would reduce the Company's effective income tax rate.

The Company's policy for recording interest and penalties relating to uncertain income tax positions is to record them as a component of income tax expense in the accompanying consolidated statements of income. In the years ended December 31, 2023, 2022 and 2021, the amount of interest and penalties recorded as an addition to income tax expense in the accompanying consolidated statements of income was \$— million, \$2 million and \$— million, respectively. As of December 31, 2023, and 2022, the Company had accrued approximately \$20 million and \$21 million, respectively, of interest and penalties.

The Company believes that it is reasonably possible that a decrease of up to \$16 million in gross unrecognized income tax benefits for federal, state and foreign exposure items may be necessary within the next 12 months due to lapse of statutes of limitations or uncertain tax positions being effectively settled. The Company believes that it is reasonably possible that a decrease of up to \$16 million in gross unrecognized income tax benefits for foreign items may be necessary within the next 12 months due to payments. For the remaining uncertain income tax positions, it is difficult at this time to estimate the timing of the resolution.

The Company conducts business globally and, as a result, files income tax returns in the United States federal jurisdiction and various state and foreign jurisdictions. In the normal course of business, the Company is subject to examination by taxing authorities throughout the world. The following table summarizes the tax years that remain open for examination by tax authorities in the most significant jurisdictions in which the Company operates:

|                |           |
|----------------|-----------|
| United States  | 2020-2022 |
| India          | 2006-2023 |
| Japan          | 2017-2022 |
| United Kingdom | 2021-2022 |
| Switzerland    | 2019-2022 |

In certain of the jurisdictions noted above, the Company operates through more than one legal entity, each of which has different open years subject to examination. The table above presents the open years subject to examination for the most material of the legal entities in each jurisdiction. Additionally, it is important to note that tax years are technically not closed until the statute of limitations in each jurisdiction expires. In the jurisdictions noted above, the statute of limitations can extend beyond the open years subject to examination.

Due to the geographic breadth of the Company's operations, numerous tax audits may be ongoing throughout the world at any point in time. Income tax liabilities are recorded based on estimates of additional income taxes that may be due upon the conclusion of these audits. Estimates of these income tax liabilities are made based upon prior experience and are updated in light of changes in facts and circumstances. However, due to the uncertain and complex application of income tax regulations, it is possible that the ultimate resolution of audits may result in liabilities that could be materially different from these estimates. In such an event, the Company will record additional income tax expense or income tax benefit in the period in which such resolution occurs.

## 17. Employee Benefit Plans

### *Pension and Postretirement Benefit Plans*

The Company sponsors both funded and unfunded defined benefit pension plans. These plans provide benefits based on various criteria, including, but not limited to, years of service and salary. The Company also sponsors an unfunded postretirement benefit plan in the United States that provides health and prescription drug benefits to retirees who meet the eligibility requirements. The Company uses a December 31 measurement date for all pension and postretirement benefit plans.

The following table summarizes changes in the benefit obligation, the plan assets and the funded status of the pension benefit plans:

| (in millions)                                     | Pension Benefits    |        |                         |          |
|---------------------------------------------------|---------------------|--------|-------------------------|----------|
|                                                   | United States Plans |        | Non-United States Plans |          |
|                                                   | December 31,        |        |                         |          |
|                                                   | 2023                | 2022   | 2023                    | 2022     |
| Obligation and funded status:                     |                     |        |                         |          |
| Change in benefit obligation:                     |                     |        |                         |          |
| Projected benefit obligation at beginning of year | \$ 400              | \$ 488 | \$ 461                  | \$ 652   |
| Service costs                                     | 10                  | 13     | 35                      | 29       |
| Interest cost                                     | 22                  | 13     | 17                      | 8        |
| Actuarial losses                                  | 15                  | (101)  | 5                       | (144)    |
| Business combinations                             | —                   | —      | —                       | 3        |
| Benefits paid                                     | (13)                | (11)   | (20)                    | (24)     |
| Contributions                                     | —                   | —      | 3                       | 2        |
| Settlements                                       | —                   | (2)    | (3)                     | (4)      |
| Foreign currency fluctuations and other           | —                   | —      | 27                      | (61)     |
| Projected benefit obligation at end of year       | 434                 | 400    | 525                     | 461      |
| Change in plan assets:                            |                     |        |                         |          |
| Fair value of plan assets at beginning of year    | 419                 | 524    | 355                     | 494      |
| Actual return on plan assets                      | 75                  | (97)   | 2                       | (97)     |
| Contributions                                     | 5                   | 5      | 27                      | 32       |
| Benefits paid                                     | (13)                | (11)   | (20)                    | (24)     |
| Settlements                                       | —                   | (2)    | (3)                     | (4)      |
| Business combinations                             | —                   | —      | —                       | 1        |
| Foreign currency fluctuations and other           | —                   | —      | 18                      | (47)     |
| Fair value of plan assets at end of year          | 486                 | 419    | 379                     | 355      |
| Funded status                                     | \$ 52               | \$ 19  | \$ (146)                | \$ (106) |

The following table summarizes the amounts recognized in the consolidated balance sheets related to the pension benefit plans:

|                                       | Pension Benefits    |        |                         |        |
|---------------------------------------|---------------------|--------|-------------------------|--------|
|                                       | United States Plans |        | Non-United States Plans |        |
|                                       | December 31,        |        |                         |        |
| (in millions)                         | 2023                | 2022   | 2023                    | 2022   |
| Deposits and other assets, net        | \$ 87               | \$ 56  | \$ 49                   | \$ 50  |
| Accounts payable and accrued expenses | \$ 4                | \$ 4   | \$ 12                   | \$ 10  |
| Other liabilities                     | \$ 31               | \$ 33  | \$ 183                  | \$ 146 |
| Accumulated other comprehensive loss  | \$ 28               | \$ (2) | \$ (25)                 | \$ (6) |

As of December 31, 2023, the benefit obligation and amount recognized in AOCI for other postretirement benefits were immaterial.



The following table summarizes the accumulated benefit obligation for all pension benefit plans:

| (in millions)                  | Pension Benefits    |        |                         |        |
|--------------------------------|---------------------|--------|-------------------------|--------|
|                                | United States Plans |        | Non-United States Plans |        |
|                                | December 31,        |        |                         |        |
|                                | 2023                | 2022   | 2023                    | 2022   |
| Accumulated benefit obligation | \$ 430              | \$ 397 | \$ 480                  | \$ 426 |

The following table provides the information for pension plans with an accumulated benefit obligation in excess of plan assets and projected benefit obligations in excess of plan assets:

| (in millions)                                                       | Pension Benefits    |       |                         |        |
|---------------------------------------------------------------------|---------------------|-------|-------------------------|--------|
|                                                                     | United States Plans |       | Non-United States Plans |        |
|                                                                     | December 31,        |       |                         |        |
|                                                                     | 2023                | 2022  | 2023                    | 2022   |
| Plans with accumulated benefit obligation in excess of plan assets: |                     |       |                         |        |
| Accumulated benefit obligation                                      | \$ 41               | \$ 42 | \$ 251                  | \$ 189 |
| Fair value of plan assets                                           | \$ 7                | \$ 6  | \$ 101                  | \$ 64  |
| Plans with projected benefit obligation in excess of plan assets:   |                     |       |                         |        |
| Projected benefit obligation                                        | \$ 41               | \$ 43 | \$ 295                  | \$ 243 |
| Fair value of plan assets                                           | \$ 7                | \$ 6  | \$ 101                  | \$ 87  |

The components of net periodic benefit cost changes in plan assets and benefit obligations recognized in comprehensive income were as follows:

|                                                                                              | Pension Benefits        |       |         |                         |       |         |
|----------------------------------------------------------------------------------------------|-------------------------|-------|---------|-------------------------|-------|---------|
|                                                                                              | United States Plans     |       |         | Non-United States Plans |       |         |
|                                                                                              | Year Ended December 31, |       |         |                         |       |         |
| (in millions)                                                                                | 2023                    | 2022  | 2021    | 2023                    | 2022  | 2021    |
| Service cost                                                                                 | \$ 10                   | \$ 13 | \$ 14   | \$ 35                   | \$ 29 | \$ 29   |
| Interest cost                                                                                | 22                      | 13    | 11      | 17                      | 8     | 6       |
| Expected return on plan assets                                                               | (30)                    | (38)  | (32)    | (17)                    | (18)  | (20)    |
| Amortization of actuarial losses                                                             | —                       | 1     | —       | (2)                     | 1     | 1       |
| Settlement gain                                                                              | —                       | —     | —       | —                       | (1)   | 1       |
| Net periodic benefit cost                                                                    | 2                       | (10)  | (7)     | 33                      | 19    | 17      |
| Other changes in plan assets and benefit obligations recognized in other comprehensive loss: |                         |       |         |                         |       |         |
| Actuarial (gain) loss – current year                                                         | (30)                    | 31    | (50)    | 19                      | (18)  | (39)    |
| Prior service cost – current year                                                            | —                       | —     | —       | —                       | —     | (2)     |
| Total recognized in other comprehensive income                                               | (30)                    | 31    | (50)    | 19                      | (18)  | (41)    |
| Total recognized in net periodic benefit cost and other comprehensive income                 | \$ (28)                 | \$ 21 | \$ (57) | \$ 52                   | \$ 1  | \$ (24) |

All components of net periodic benefit cost other than service cost are recorded in other (income) expense, net on the accompanying consolidated statements of income. Gains (losses) affecting the benefit obligation for the year ending December 31, 2023 were primarily related to the changes in discount rates, as well as changes in other actuarial assumptions which are driven by changing market conditions.

### Assumptions

The weighted average assumptions used to determine net periodic benefit cost were as follows for the years ended December 31:

|                                | Pension Benefits    |        |        |                         |        |        |
|--------------------------------|---------------------|--------|--------|-------------------------|--------|--------|
|                                | United States Plans |        |        | Non-United States Plans |        |        |
|                                | 2023                | 2022   | 2021   | 2023                    | 2022   | 2021   |
| Discount rate                  | 5.65 %              | 3.08 % | 2.84 % | 3.59 %                  | 1.46 % | 1.00 % |
| Rate of compensation increases | 3.00 %              | 3.00 % | 3.00 % | 2.93 %                  | 2.57 % | 2.55 % |
| Expected return on plan assets | 7.20 %              | 7.23 % | 7.23 % | 4.53 %                  | 4.22 % | 3.92 % |

The weighted average assumptions used to determine benefit obligations were as follows as of December 31:

|                                | Pension Benefits    |        |                         |        |
|--------------------------------|---------------------|--------|-------------------------|--------|
|                                | United States Plans |        | Non-United States Plans |        |
|                                | 2023                | 2022   | 2023                    | 2022   |
| Discount rate                  | 5.35 %              | 5.65 % | 3.52 %                  | 3.59 % |
| Rate of compensation increases | 3.00 %              | 3.00 % | 2.78 %                  | 2.93 % |

The discount rate represents the interest rate used to determine the present value of the future cash flows currently expected to be required to settle the Company's defined benefit plan obligations. The discount rates are derived using weighted average yield curves on AA-rated corporate bonds. The cash flows from the Company's expected benefit obligation payments are then matched to the yield curve to derive the discount rates.

The Company's assumption for the expected return on plan assets was determined by the weighted average of the long-term expected rate of return on each of the asset classes invested as of the balance sheet date. For plan assets invested in government bonds, the expected return was based on the yields on the relevant indices as of the balance sheet date. There is considerable uncertainty for the expected return on plan assets invested in equity and diversified growth funds.

Under the Company's United States qualified retirement plan, participants have a notional retirement account that increases with pay and investment credits. The rate used to determine the investment credit (cash balance crediting rate) varies monthly and is equal to 1/12th of the yield on 30-year U.S. Government Treasury Bonds, with a minimum of 0.25%. At retirement, the account is converted to a monthly retirement benefit.

### Plan Assets

The Company's pension plan target asset allocations and weighted average asset allocations, by asset category, were as follows:

| Asset Category    | Target Allocation | Plan Assets as of December 31, |       |                         |       |       |       |
|-------------------|-------------------|--------------------------------|-------|-------------------------|-------|-------|-------|
|                   |                   | United States Plans            |       | Non-United States Plans |       | Total |       |
|                   |                   | 2023                           | 2022  | 2023                    | 2022  | 2023  | 2022  |
| Equity securities | 40-65%            | 73 %                           | 71 %  | 27 %                    | 27 %  | 42 %  | 51 %  |
| Debt securities   | 10-40%            | 21                             | 24    | 56                      | 30    | 36    | 26    |
| Real estate       | 0-5%              | 4                              | 5     | —                       | —     | 2     | 3     |
| Other             | 10-30%            | 2                              | —     | 44                      | 43    | 20    | 20    |
| Total             |                   | 100 %                          | 100 % | 100 %                   | 100 % | 100 % | 100 % |

The following table summarizes United States plan assets measured at fair value:

| Asset Category                                            | December 31, 2023 |         |        | December 31, 2022 |         |        |
|-----------------------------------------------------------|-------------------|---------|--------|-------------------|---------|--------|
|                                                           | Level 1           | Level 2 | Total  | Level 1           | Level 2 | Total  |
| (in millions)                                             |                   |         |        |                   |         |        |
| Domestic equities                                         | \$ 33             | \$ —    | \$ 33  | \$ 29             | \$ —    | \$ 29  |
| International equities                                    | 11                | —       | 11     | 9                 | —       | 9      |
| Corporate bonds                                           | 65                | —       | 65     | 64                | —       | 64     |
| Real estate                                               | 21                | —       | 21     | 19                | —       | 19     |
| Total assets in the fair value hierarchy                  | 130               | —       | 130    | 121               | —       | 121    |
| Assets measured at net asset value ("NAV") <sup>(1)</sup> | —                 | —       | 356    | —                 | —       | 298    |
| Total                                                     | \$ 130            | \$ —    | \$ 486 | \$ 121            | \$ —    | \$ 419 |

The following table summarizes non-United States plan assets measured at fair value:

| Asset Category                                     | December 31, 2023 |         |        | December 31, 2022 |         |        |
|----------------------------------------------------|-------------------|---------|--------|-------------------|---------|--------|
|                                                    | Level 1           | Level 2 | Total  | Level 1           | Level 2 | Total  |
| (in millions)                                      |                   |         |        |                   |         |        |
| International equities                             | \$ 1              | \$ 1    | \$ 2   | \$ 4              | \$ —    | \$ 4   |
| Debt issued by national, state or local government | 2                 | 210     | 212    | 3                 | 103     | 106    |
| Investments funds                                  | —                 | 10      | 10     | —                 | 10      | 10     |
| Insurance contracts                                | —                 | 145     | 145    | —                 | 133     | 133    |
| Other                                              | 3                 | 7       | 10     | 3                 | 6       | 9      |
| Total assets in the fair value hierarchy           | 6                 | 373     | 379    | 6                 | 256     | 262    |
| Assets measured at NAV <sup>(1)</sup>              | —                 | —       | —      | —                 | —       | 93     |
| Total                                              | \$ 6              | \$ 373  | \$ 379 | \$ 6              | \$ 256  | \$ 355 |

(1) Certain investments that are measured at fair value using the net asset value ("NAV") per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in the above plan asset tables are intended to permit reconciliation of the fair value of plan assets in the fair value hierarchy to the plan asset amounts presented in the above funded status table as of December 31, 2023 and 2022.

Investments in mutual funds are valued at quoted market prices. Investments in common/collective trusts and pooled funds are valued at the NAV as reported by the trust. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. Insurance contracts are valued at the amount of the benefit liability. The Company has no Level 3 assets that rely on unobservable inputs to measure fair value.

#### Investment Policies and Strategies

The Company invests primarily in a diversified portfolio of debt and equity securities that provide for long-term growth within reasonable and prudent levels of risk. The asset allocation targets established by the Company are strategic and applicable to the plan's long-term investing horizon. The portfolio is constructed and maintained to provide adequate liquidity to meet associated liabilities and minimize long-term expense and provide prudent diversification among asset classes in accordance with the principles of modern portfolio theory. The plan employs a diversified mix of actively managed investments around a core of passively managed index exposures in each asset class. Within each asset class, rapid market shifts, changes in economic conditions or an individual fund manager's outlook may cause the asset allocation to fall outside the prescribed targets. The majority of the Company's plan assets are measured quarterly against benchmarks established by the Company's investment advisors and the Company's Asset Management Committee, who review actual plan performance and have the authority to recommend changes as deemed appropriate. Assets are rebalanced periodically to their strategic targets to maintain the plan's strategic risk/reward characteristics. The Company periodically conducts asset liability modeling studies to ensure that the investment strategy is aligned with the obligations of the plans and that the assets will generate income and capital growth to meet the cost of current and future benefits that the plans provide. The pension plans do not have investments in Company stock as of December 31, 2023 and 2022.

The portfolio for the Company's United Kingdom pension plans seek to invest in a range of suitable assets of appropriate liquidity that will generate in the most effective manner possible, income and capital growth to ensure that there are sufficient assets to meet benefit payments when they fall due, while controlling the long-term costs of the plans, avoiding short-term volatility of investment returns, and managing risks in accordance with plan investment strategies. The plans seek to achieve these objectives by investing in a mixture of real (equities) and monetary (fixed interest) assets, which is expected to provide the level of returns required by the plans. The trustee periodically conducts asset liability modeling exercises to ensure the investments are aligned with the appropriate benchmark to better reflect the plans' liabilities. The trustee also undertakes to review this benchmark on a regular basis.

#### *Cash Flows*

#### *Contributions*

The Company expects to contribute approximately \$31 million in required contributions to its pension and postretirement benefit plans during 2024. The Company may make additional contributions into its pension plans in 2024 depending on, among other factors, how the funded status of those plans change or in order to meet minimum funding requirements as set forth in employee benefit and tax laws, plus additional amounts the Company may deem to be appropriate.

#### *Estimated future benefit payments and subsidy receipts*

The following benefit payments (net of expected participant contributions) for pension benefits are expected to be paid as follows:

| (in millions)           |     |
|-------------------------|-----|
| 2024                    | 48  |
| 2025                    | 50  |
| 2026                    | 53  |
| 2027                    | 56  |
| 2028                    | 58  |
| Years 2029 through 2033 | 325 |
|                         | 590 |

Benefit payments (net of expected participant contributions) for other postretirement benefits are expected to be immaterial over the years presented.

#### *Defined Contribution Plans*

Defined contribution or profit sharing plans are offered in various countries in which the Company operates. In some cases, these plans are required by local laws or regulations.

In the United States, the Company has a 401(k) plan under which the Company matches employee deferrals at varying percentages and specified limits of the employee's salary. For the years ended December 31, 2023, 2022 and 2021, the Company expensed \$81 million, \$74 million and \$60 million, respectively, related to matching contributions.

Certain key executives of the Company participate in an unfunded defined contribution executive retirement plan, assumed in the merger between Quintiles and IMS Health, which was frozen to additional accruals for future service contributions in 2012. Participants continue to receive an annual investment credit based on the average of the annual yields at the end of each month on the AA-AAA rated 10 plus year maturity component of the Merrill Lynch United States Corporate Bond Master Index.

#### *Plans Accounted for as Postretirement Benefits*

The Company provides certain executives with postretirement medical, dental and life insurance benefits. These benefits are individually negotiated arrangements in accordance with their individual employment arrangements. The above tables do not include the Company's expense or obligation associated with providing these benefits. The obligation related to these benefits as of December 31, 2023 and 2022, and the Company's expense for the years then ended, were not material.

### Stock Incentive Plans

Stock incentive plans provide incentives to eligible employees, officers and directors in the form of non-qualified stock options, incentive stock options, stock appreciation rights ("SARs"), restricted stock awards, restricted stock units ("RSUs"), performance awards, covered annual incentive awards, cash-based awards and other stock-based awards, in each case subject to the terms of the stock incentive plans.

In April 2017, the Company's 2017 Incentive and Stock Award Plan (the "2017 Plan") was approved by the Company's stockholders. The 2017 Plan provides for the grant of stock options, SARs, restricted and deferred stock (including RSUs), performance awards, dividend equivalents, other stock-based awards and cash-based awards.

The Company recognized stock-based compensation expense of \$217 million, \$194 million and \$170 million in the years ended December 31, 2023, 2022 and 2021, respectively. Stock-based compensation expense is included in selling, general and administrative expenses on the accompanying consolidated statements of income. The associated future income tax benefit recognized was \$34 million, \$28 million and \$26 million in the years ended December 31, 2023, 2022 and 2021, respectively. As of December 31, 2023, there was approximately \$194 million of total unrecognized stock-based compensation expense related to outstanding non-vested stock-based compensation arrangements, which the Company expects to recognize over a weighted average period of 1.30 years.

As of December 31, 2023, there were 8.5 million shares available for future grants under all of the Company's stock incentive plans.

The Company used the following assumptions when estimating the value of the stock-based compensation for Stock Settled SARs granted as follows:

|                                      | Year Ended December 31, |              |              |
|--------------------------------------|-------------------------|--------------|--------------|
|                                      | 2023                    | 2022         | 2021         |
| Expected volatility                  | 29 – 35%                | 28 – 34%     | 27 – 31%     |
| Weighted average expected volatility | 32%                     | 30%          | 29%          |
| Expected dividends                   | 0.0%                    | 0.0%         | 0.0%         |
| Expected term (in years)             | 2.4 – 5.4               | 3.3 – 6.3    | 3.6 – 6.6    |
| Risk-free interest rate              | 3.38 – 4.75%            | 1.84 – 4.22% | 0.28 – 1.40% |

### Stock Appreciation Rights – Stock Settled

The exercise price of the stock-settled SARs ("SSRs") is equal to the closing market price of the Company's common stock as of the grant date and expire on the tenth anniversary of the date of grant. The SSRs are eligible to vest in three equal annual installments on each of the first three anniversaries of the date of grant.

The Company's SSR activity in the year ended December 31, 2023 is as follows:

| (in millions, except number of SSRs and exercise price) | Number of SSRs | Weighted Average Exercise Price | Aggregate Intrinsic Value |
|---------------------------------------------------------|----------------|---------------------------------|---------------------------|
| Outstanding as of December 31, 2022                     | 4,055,769      | \$ 134.36                       | \$ 304.1                  |
| Granted                                                 | 399,427        | 231.86                          |                           |
| Exercised                                               | (535,982)      | 122.94                          |                           |
| Canceled                                                | (56,504)       | 218.68                          |                           |
| Outstanding as of December 31, 2023                     | 3,862,710      | \$ 144.79                       | \$ 342.1                  |

The total intrinsic value of SSRs exercised was approximately \$51 million, \$25 million and \$81 million in the years ended December 31, 2023, 2022 and 2021 respectively.

The weighted average remaining contractual life of the SSRs outstanding and exercisable as of December 31, 2023 is 5.4 years and 4.6 years, respectively. The total aggregate intrinsic value of the exercisable SSRs and the SSRs expected to vest as of December 31, 2023 was approximately \$342 million.

### Stock Options

The option price is determined by the Board at the date of grant and the options expire 10 years from the date of grant. All outstanding stock options are fully vested.

The Company's stock option activity in the year ended December 31, 2023 is as follows:

| (in millions, except number of options and exercise price) | Number of Options | Weighted Average Exercise Price | Aggregate Intrinsic Value |
|------------------------------------------------------------|-------------------|---------------------------------|---------------------------|
| Outstanding as of December 31, 2022                        | 320,353           | \$ 54.99                        | \$ 48.1                   |
| Exercised                                                  | (145,382)         | 46.13                           |                           |
| Outstanding as of December 31, 2023                        | 174,971           | \$ 62.35                        | \$ 30.1                   |

The total intrinsic value of options exercised was approximately \$23 million, \$9 million and \$29 million in the years ended December 31, 2023, 2022 and 2021, respectively. The Company received cash of approximately \$7 million, \$2 million and \$7 million in 2023, 2022, and 2021, respectively, from options exercised.

The weighted average remaining contractual life of the options outstanding and exercisable as of December 31, 2023 is 1.5 years. The total aggregate intrinsic value of the exercisable stock options as of December 31, 2023 was approximately \$30 million.

### Performance Awards

The Company awarded performance awards that contain service, performance-based and/or market-based vesting criteria. Vesting occurs if the recipient remains employed and depends on the degree to which performance goals are achieved during the three-year performance period (as defined in the award agreements).

The Company's performance award activity in the year ended December 31, 2023 is as follows:

|                                     | Number of Performance Awards | Weighted Average Grant-Date Fair Value |
|-------------------------------------|------------------------------|----------------------------------------|
| Outstanding as of December 31, 2022 | 642,701                      | \$ 216.00                              |
| Granted                             | 359,588                      | 229.88                                 |
| Additional goal achievement shares  | 176,329                      | 169.76                                 |
| Vested                              | (380,386)                    | 173.74                                 |
| Canceled                            | (52,162)                     | 232.93                                 |
| Outstanding as of December 31, 2023 | 746,070                      | \$ 232.13                              |

As of December 31, 2023, there are 746,070 performance awards outstanding with an intrinsic value of approximately \$173 million.

### Restricted Stock Units – Stock Settled

The Company's RSUs will settle in shares of the Company's common stock within 45 days of the applicable vesting date. In general, RSUs granted to employees vest either (i) one-third per year beginning on the first anniversary of the grant date or (ii) 100% at the end of the three-year period following the grant date. Members of the Company's Board receive RSUs that are fully vested when granted.

The Company's RSU activity in the year ended December 31, 2023 is as follows:

|                                     | Number of RSUs | Weighted Average<br>Grant-Date<br>Fair Value |
|-------------------------------------|----------------|----------------------------------------------|
| Outstanding as of December 31, 2022 | 896,733        | \$ 215.16                                    |
| Granted <sup>(1)</sup>              | 443,009        | 227.84                                       |
| Vested                              | (379,871)      | 197.56                                       |
| Canceled                            | (71,015)       | 220.79                                       |
| Outstanding as of December 31, 2023 | 888,856        | \$ 228.55                                    |

(1) Pursuant to the IQVIA Holdings Inc. Non-Employee Director Deferral Plan (the "Director Deferral Plan"), non-employee directors may elect to defer receipt of their cash retainers. If a director elects to defer his or her retainer, he or she will instead be credited with that value in deferred shares under the Director Deferral Plan. Deferred shares become payable in Company common stock following a termination of the director's Board service or the director's death, or upon a change in control of the Company. The Company granted 1,782 deferred RSUs in 2023.

As of December 31, 2023, there are 888,856 RSUs outstanding with an intrinsic value of approximately \$206 million.

#### *Stock Appreciation Rights – Cash Settled*

The Company's cash settled SARs ("CSRs") require the Company to settle in cash an amount equal to the difference between the fair value of the Company's common stock on the date of exercise and the grant price, multiplied by the number of CSRs being exercised. All outstanding CSRs are fully vested.

As of December 31, 2023, 2022 and 2021, the weighted average fair value per share of the CSRs outstanding was \$152.17, \$147.41 and \$216.87, respectively. The Company paid approximately \$11 million, \$1 million and \$1 million to settle exercised CSRs in the years ended December 31, 2023, 2022 and 2021 respectively.

The weighted average remaining contractual life of the CSRs outstanding and exercisable as of December 31, 2023 is 3.1 years. The total aggregate intrinsic value of the exercisable CSRs as of December 31, 2023 was approximately \$8 million.

#### *Restricted Stock Units – Cash Settled*

The Company's cash settled RSUs ("Cash RSUs") require the Company to settle in cash an amount equal to the fair value of the Company's common stock on the vest date multiplied by the number of vested Cash RSUs. These awards vest either (i) 100% at the end of the three-year period following the date of grant, or (ii) one-third per year beginning on the first grant date anniversary. As of December 31, 2023, there are 5,326 Cash RSUs outstanding with an intrinsic value of approximately \$1 million.

#### *Long Term Incentive Awards - Stock Settled*

During the year ended December 31, 2022, the Company entered into long term incentive award agreements with certain employees totaling a fixed monetary amount of \$80 million to issue a variable number of common shares based on the fair market value when the awards vest on the third anniversary of the grant date. The Company accounts for the awards as liability-classified awards with the liability recorded in other liabilities in the consolidated balance sheets. The Company recorded approximately \$22 million and \$9 million of stock-based compensation expense for these awards during the years ended December 31, 2023 and December 31, 2022, respectively.

#### *Other*

The Company sponsors a supplemental non-qualified deferred compensation plan, covering certain management employees, and maintains other statutory indemnity plans as required by local laws or regulations.

## 18. Related Party Transactions

The Company has entered into transactions with related parties that are not deemed to be material, including investments in unconsolidated affiliates that are discussed in Note 4.

## 19. Property, Equipment and Software by Geography

The following table represents the Company's property, equipment and software, net, by geographic region, which is further broken down to show each country that accounts for 10% or more of the totals:

| (in millions)                               | December 31, |          |
|---------------------------------------------|--------------|----------|
|                                             | 2023         | 2022     |
| Property, equipment and software, net       |              |          |
| Americas:                                   |              |          |
| United States                               | \$ 1,820     | \$ 1,699 |
| Other                                       | 97           | 99       |
| Americas                                    | 1,917        | 1,798    |
| Europe and Africa                           | 193          | 196      |
| Asia-Pacific                                | 36           | 53       |
| Total property, equipment and software, net | \$ 2,146     | \$ 2,047 |

## 20. Segments

The following table presents the Company's operations by reportable segment. The Company is managed through three reportable segments, Technology & Analytics Solutions, Research & Development Solutions and Contract Sales & Medical Solutions. Technology & Analytics Solutions provides mission critical information, technology solutions and real world insights and services to the Company's life science clients. Research & Development Solutions, which primarily serves biopharmaceutical customers, provides outsourced clinical research and clinical trial related services. Contract Sales & Medical Solutions provides health care provider (including contract sales) and patient engagement services to both biopharmaceutical customers and the broader healthcare market.

Certain costs are not allocated to the Company's segments and are reported as general corporate and unallocated expenses. These costs primarily consist of stock-based compensation and expenses related to integration activities and acquisitions. The Company also does not allocate restructuring costs, depreciation and amortization or impairment charges, if any, to its segments. Asset information by segment is not presented, as this measure is not used by the chief operating decision maker to assess the Company's performance. The Company's reportable segment information is presented below:



| (in millions)                                                       | Year Ended December 31, |          |          |
|---------------------------------------------------------------------|-------------------------|----------|----------|
|                                                                     | 2023                    | 2022     | 2021     |
| <b>Revenues</b>                                                     |                         |          |          |
| Technology & Analytics Solutions                                    | \$ 5,862                | \$ 5,746 | \$ 5,534 |
| Research & Development Solutions                                    | 8,395                   | 7,921    | 7,556    |
| Contract Sales & Medical Solutions                                  | 727                     | 743      | 784      |
| Total revenues                                                      | 14,984                  | 14,410   | 13,874   |
| <b>Cost of revenues, exclusive of depreciation and amortization</b> |                         |          |          |
| Technology & Analytics Solutions                                    | 3,496                   | 3,348    | 3,278    |
| Research & Development Solutions                                    | 5,629                   | 5,395    | 5,303    |
| Contract Sales & Medical Solutions                                  | 620                     | 639      | 652      |
| Total cost of revenues, exclusive of depreciation and amortization  | 9,745                   | 9,382    | 9,233    |
| <b>Selling, general and administrative expenses</b>                 |                         |          |          |
| Technology & Analytics Solutions                                    | 876                     | 848      | 798      |
| Research & Development Solutions                                    | 851                     | 831      | 777      |
| Contract Sales & Medical Solutions                                  | 58                      | 62       | 57       |
| General corporate and unallocated                                   | 268                     | 330      | 332      |
| Total selling, general and administrative expenses                  | 2,053                   | 2,071    | 1,964    |
| <b>Segment profit</b>                                               |                         |          |          |
| Technology & Analytics Solutions                                    | 1,490                   | 1,550    | 1,458    |
| Research & Development Solutions                                    | 1,915                   | 1,695    | 1,176    |
| Contract Sales & Medical Solutions                                  | 49                      | 42       | 75       |
| Total segment profit                                                | 3,454                   | 3,287    | 3,009    |
| General corporate and unallocated                                   | (268)                   | (330)    | (332)    |
| Depreciation and amortization                                       | (1,125)                 | (1,130)  | (1,264)  |
| Restructuring costs                                                 | (84)                    | (28)     | (20)     |
| Total income from operations                                        | \$ 1,977                | \$ 1,799 | \$ 1,393 |

## 21. Earnings Per Share

The following table presents the computation of basic and diluted earnings per share:

| (in millions, except per share data)                           | Year Ended December 31, |          |         |
|----------------------------------------------------------------|-------------------------|----------|---------|
|                                                                | 2023                    | 2022     | 2021    |
| <b>Numerator:</b>                                              |                         |          |         |
| Net income attributable to IQVIA Holdings Inc.                 | \$ 1,358                | \$ 1,091 | \$ 966  |
| <b>Denominator:</b>                                            |                         |          |         |
| Basic weighted average common shares outstanding               | 183.8                   | 187.6    | 191.4   |
| Effect of dilutive stock options and share awards              | 2.5                     | 3.0      | 3.6     |
| Diluted weighted average common shares outstanding             | 186.3                   | 190.6    | 195.0   |
| <b>Earnings per share attributable to common stockholders:</b> |                         |          |         |
| Basic                                                          | \$ 7.39                 | \$ 5.82  | \$ 5.05 |
| Diluted                                                        | \$ 7.29                 | \$ 5.72  | \$ 4.95 |

Stock-based awards will have a dilutive effect under the treasury method when the respective period's average market value of the Company's common stock exceeds the exercise proceeds. Performance awards are included in diluted earnings per share based on if the performance targets have been met at the end of the reporting period.

For the years ended December 31, 2023, 2022 and 2021 the weighted average number of outstanding stock-based awards not included in the computation of diluted earnings per share because they are subject to performance conditions that have not been met at the end of the reporting period or the effect of including such stock-based awards in the computation would be anti-dilutive was 1.0 million, 0.5 million, and 0.1 million, million, respectively.

## 22. Accumulated Other Comprehensive (Loss) Income

Below is a summary of the components of AOCI:

| (in millions)                                              | Foreign<br>Currency<br>Translation | Derivative<br>Instruments | Defined Benefit<br>Plans | Income Taxes | Total    |
|------------------------------------------------------------|------------------------------------|---------------------------|--------------------------|--------------|----------|
| Balance as of December 31, 2020                            | \$ (395)                           | \$ (48)                   | \$ (85)                  | \$ 323       | \$ (205) |
| Other comprehensive (loss) income before reclassifications | (165)                              | 11                        | 90                       | (139)        | (203)    |
| Reclassification adjustments                               | —                                  | 16                        | —                        | (4)          | 12       |
| Acquisition of Quest's non-controlling interest            | (10)                               | —                         | —                        | —            | (10)     |
| Balance as of December 31, 2021                            | (570)                              | (21)                      | 5                        | 180          | (406)    |
| Other comprehensive (loss) income before reclassifications | (255)                              | 53                        | (13)                     | (116)        | (331)    |
| Reclassification adjustments                               | —                                  | 12                        | —                        | (2)          | 10       |
| Balance as of December 31, 2022                            | (825)                              | 44                        | (8)                      | 62           | (727)    |
| Other comprehensive (loss) income before reclassifications | (144)                              | (10)                      | 11                       | 54           | (89)     |
| Reclassification adjustments                               | —                                  | (68)                      | —                        | 17           | (51)     |
| Balance as of December 31, 2023                            | \$ (969)                           | \$ (34)                   | \$ 3                     | \$ 133       | \$ (867) |

Below is a summary of the adjustments for amounts reclassified from AOCI into the consolidated statements of income and the affected financial statement line item:

| (in millions)                      | Affected Financial Statement<br>Line Item | Year Ended December 31, |         |         |
|------------------------------------|-------------------------------------------|-------------------------|---------|---------|
|                                    |                                           | 2023                    | 2022    | 2021    |
| Derivative instruments:            |                                           |                         |         |         |
| Interest rate swaps                | Interest expense                          | \$ 47                   | \$ (22) | \$ (21) |
| Foreign exchange forward contracts | Revenues                                  | 21                      | 10      | 5       |
| Total before income taxes          |                                           | 68                      | (12)    | (16)    |
| Income taxes                       |                                           | 17                      | (2)     | (4)     |
| Total net of income taxes          |                                           | \$ 51                   | \$ (10) | \$ (12) |

## 23. Supplemental Cash Flow Information

The following table presents the Company's supplemental cash flow information:

| (in millions)                       | Year Ended December 31, |        |        |
|-------------------------------------|-------------------------|--------|--------|
|                                     | 2023                    | 2022   | 2021   |
| Supplemental Cash Flow Information: |                         |        |        |
| Interest paid, net                  | \$ 556                  | \$ 379 | \$ 343 |
| Income taxes paid, net of refunds   | \$ 340                  | \$ 255 | \$ 222 |

**Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure**

None.

**Item 9A. Controls and Procedures****Evaluation of Disclosure Controls and Procedures**

As required by Rule 13a-15 under the Exchange Act, as amended, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures under the supervision and with the participation of our management, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"). There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives. Based upon our evaluation, our CEO and CFO concluded that our disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act, as amended, is recorded, processed, summarized and reported within the time periods specified in the applicable rules and forms, and that it is accumulated and communicated to our management, including our CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

**Management's Report on Internal Control over Financial Reporting**

Our management's report on internal control over financial reporting is set forth in Part II, Item 8 of this Annual Report on Form 10-K and is incorporated herein by reference.

**Changes in Internal Control over Financial Reporting**

There were no changes in our internal control over financial reporting during the quarter ended December 31, 2023 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**Item 9B. Other Information**

During the quarter ended December 31, 2023, no director or officer (as defined in Exchange Act Rule 16a-1(f)) of IQVIA Holdings Inc. adopted or terminated a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement for the purchase or sale of securities of IQVIA Holdings Inc., within the meaning of Item 408 of Regulation S-K.

**Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections**

Not applicable.

### PART III

#### Item 10. Directors, Executive Officers and Corporate Governance

Information required by this Item, other than the information regarding the executive officers of the Company set forth below, is incorporated by reference to the sections of our definitive Proxy Statement for our 2024 Annual Meeting of Stockholders (the "2024 Proxy Statement") entitled "Proposal No. 1: Election of Directors", "Corporate Governance—Documents Establishing our Corporate Governance" and "Corporate Governance—Leadership Structure—Committees of the Board."

The current executive officers of the Company are as follows:

| Name                  | Age | Position                                                |
|-----------------------|-----|---------------------------------------------------------|
| Ari Bousbib           | 62  | Chairman and Chief Executive Officer                    |
| Ronald E. Bruehlman   | 63  | Executive Vice President and Chief Financial Officer    |
| W. Richard Staub, III | 61  | President, Research & Development Solutions             |
| Kevin C. Knightly     | 63  | President, Corporate Strategy and Enterprise Networks   |
| Eric Sherbet          | 59  | Executive Vice President, General Counsel and Secretary |

#### *Ari Bousbib, Director, Chairman and Chief Executive Officer*

Mr. Bousbib is Chairman and Chief Executive Officer of the Company. He assumed this position in October 2016 following the Merger of Quintiles and IMS Health. From 2010 until the Merger, Mr. Bousbib served as Chairman and CEO of IMS Health. Prior to joining IMS Health, Mr. Bousbib spent 14 years at United Technologies Corporation ("UTC"), an aerospace, defense and building systems company. From 2008 until 2010, he served as President of UTC's Commercial Companies, with executive leadership responsibilities for the worldwide operations of Otis Elevator Company, Carrier Corporation, UTC Fire & Security and UTC Power Inc. From 2002 until 2008, Mr. Bousbib was President of Otis, and from 2000 to 2002, he served as its Chief Operating Officer. Prior to joining UTC, Mr. Bousbib was a partner at Booz Allen Hamilton. Mr. Bousbib currently serves on the board of directors of The Home Depot, Inc. and is a member of the Harvard Medical School Health Care Policy Advisory Council. Mr. Bousbib holds a Master of Science Degree in Mathematics and Mechanical Engineering from the Ecole Supérieure des Travaux Publics, Paris, and an M.B.A. from Columbia University.

#### *Ronald E. Bruehlman, Executive Vice President and Chief Financial Officer*

Mr. Bruehlman was appointed as Executive Vice President and Chief Financial Officer effective August 1, 2020. Mr. Bruehlman previously served as Senior Vice President and Chief Financial Officer of IMS Health from July 2011 until the merger of IMS Health and Quintiles in 2016. Prior to joining IMS Health, Mr. Bruehlman worked for 23 years at UTC, advancing through finance positions of increasing responsibility, culminating in his appointment as Vice President, Business Development, which he held from June 2009 to April 2011, where he led the company's global strategy and corporate development activities. From June 2005 until May 2008, he was Vice President and Chief Financial Officer of Carrier Corporation. Prior to that, Mr. Bruehlman was Vice President, Financial Planning and Analysis for UTC and also served as Director, Investor Relations of UTC. Mr. Bruehlman served as a director and Chair of the Audit Committee of Atotech, Ltd. from 2020 to 2022. He also served as a director of The Connecticut Forum from 2005 to 2015 and served as a director of The New England Air Museum from 2009 through 2013. Mr. Bruehlman holds a Bachelor of Science degree in Economics from the University of Delaware, and an M.B.A. from the University of Chicago Booth School of Business.

***W. Richard Staub, III, President, Research & Development Solutions***

Mr. Staub resumed the role of President, Research & Development Solutions on September 25, 2023. From April 2022 through September 2023, Mr. Staub was senior advisor to the Chairman and CEO of IQVIA. Mr. Staub had served as President, Research & Development Solutions from November 2016 to March 2022. Previously, Mr. Staub served as President of Novella Clinical, a Quintiles company, since 2013. Prior to Novella's 2013 acquisition by Quintiles, Mr. Staub served as both president and CEO of Novella Clinical since 2008. Before joining Novella Clinical in 2004, Mr. Staub was senior vice president of global business development for one of the world's largest clinical research organizations. Mr. Staub's career in the pharmaceutical industry began at Zeneca Pharmaceuticals in 1989 where he had progressive responsibilities as a medical and hospital sales representative, cardiovascular portfolio analyst and marketing manager. Mr. Staub has a Bachelor of Arts degree in Economics from the University of North Carolina at Chapel Hill.

***Kevin C. Knightly, President, Corporate Strategy and Enterprise Networks***

Mr. Knightly has served as President, Corporate Strategy and Enterprise Networks since July 2022. Mr. Knightly previously served as the Company's President, Technology & Commercial Solutions from October 2016 to June 2022. Mr. Knightly served as Senior Vice President, Information Offerings at IMS Health from April 2015 to October 2016. From January 2011 to March 2015, Mr. Knightly served as Senior Vice President, Supplier Management at IMS Health. Prior to that, Mr. Knightly served in a number of senior financial, operations, marketing and general management roles for IMS Health, including as Senior Vice President, Pharma Business Management from 2007 until 2010. Mr. Knightly holds a Bachelor of Science degree in Economics and Accounting from the College of the Holy Cross, and an M.B.A. from New York University's Stern Business School.

***Eric Sherbet, Executive Vice President, General Counsel and Secretary***

Mr. Sherbet has served as our Executive Vice President, General Counsel and Secretary since March 2018. Prior to joining the Company, he served as General Counsel and Secretary at Patheon N.V. from November 2014 until November 2017. Prior to joining Patheon, he was General Counsel and Corporate Secretary at InVentiv Health from April 2011 until October 2014. He also previously served as Vice President, Deputy General Counsel and Corporate Secretary at Foster Wheeler AG and before that, as Vice President, Corporate and Securities Law and Secretary with Avaya, Inc. Mr. Sherbet earned his law degree from New York University School of Law and received his bachelor's degree in commerce/accounting from University of Virginia.

**Item 11. Executive Compensation**

***Compensation***

The information required by this Item is set forth under the headings "Director Compensation," "Compensation Discussion and Analysis," "Leadership Development and Compensation Committee Report," "Compensation of Named Executive Officers," and "Other Relevant Information—Compensation Committee Interlocks and Insider Participation" in the Company's 2024 Proxy Statement and is incorporated herein by reference.

**Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters**

Information in response to this Item, other than Securities Authorized for Issuance Under Equity Compensation Plans, is set forth in the section entitled "Security Ownership of Certain Beneficial Owners and Management" in the Company's 2024 Proxy Statement, which information is incorporated herein by reference.

## Securities Authorized for Issuance Under Equity Compensation Plans

The following table provides certain information with respect to all of our equity compensation plans in effect as of December 31, 2023:

### Equity Compensation Plan Information

| Plan Category                                              | Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a) | Weighted Average Exercise Price of Outstanding Options, Warrants and Rights (b) | Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in column (a) (c)) |
|------------------------------------------------------------|-------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| Equity compensation plans approved by security holders     | 6,002,004 (1)                                                                                   | \$ 141.22 (3)                                                                   | 8,454,582 (4)                                                                                                                                   |
| Equity compensation plans not approved by security holders | 26,727 (2)                                                                                      | —                                                                               | —                                                                                                                                               |
| <b>Total</b>                                               | <b>6,028,731</b>                                                                                | <b>\$ 141.22 (3)</b>                                                            | <b>8,454,582</b>                                                                                                                                |

- (1) Consists of: (i) 4,037,681 shares of common stock issuable upon the exercise of outstanding time-based stock options and underlying outstanding time-based SARs; (ii) 882,950 shares of common stock issuable in settlement of outstanding restricted stock units awarded; (iii) 746,070 shares of common stock issuable in settlement of outstanding performance units awarded; (iv) 329,397 shares of common stock reserved for issuance at December 31, 2023 and issuable in settlement of outstanding stock settled long term incentive ("LTI") awards; and (v) 5,906 shares of deferred common stock outstanding under the Director Deferral Plan.
- (2) Consists of outstanding awards issued to certain executives with supplemental pension benefits in accordance with their individual employment arrangements under the IMS Health DCERP.
- (3) The weighted-average exercise price includes all outstanding stock options and SARs but does not include restricted stock units, performance units, stock settled LTI awards, deferred stock or IMS Health DCERP awards, all of which do not have an exercise price. If restricted stock units, performance units and other awards that constitute "rights" were included in this calculation, treating such awards as having an exercise price of \$0, the weighted average exercise price of outstanding options, warrants and rights would be \$95.00.
- (4) Consists of all securities remaining available under our equity compensation plans. All of these shares are available for delivery under stock options, SARs, restricted stock, restricted stock units, performance awards or other forms of equity awards authorized by the plans. Does not include 2,251,704 shares that would have remained available under our Employee Stock Purchase Plan had it not been discontinued as of December 31, 2016.

## Item 13. Certain Relationships and Related Transactions and Director Independence

The information required by this item is set forth under the headings "Corporate Governance," and "Certain Relationships and Related Party Transactions" in the 2024 Proxy Statement and is incorporated herein by reference.

## Item 14. Principal Accountant Fees and Services

The information required by this item is set forth under the headings "Audit—Fees Paid to Independent Registered Public Accounting Firm" in the 2024 Proxy Statement and is incorporated herein by reference.

## PART IV

### Item 15. Exhibits and Financial Statement Schedules

(a) The following documents are filed as part of this report:

#### (1) Financial Statements

The following consolidated financial statements of IQVIA Holdings Inc. and its subsidiaries, and the independent registered public accounting firm's report thereon, are included in Part II, Item 8 of this Annual Report:

|                                                                         | Page |
|-------------------------------------------------------------------------|------|
| Management's Report on Internal Control over Financial Reporting        | 68   |
| Report of Independent Registered Public Accounting Firm (PCAOB ID: 238) | 68   |
| Consolidated Statements of Income                                       | 71   |
| Consolidated Statements of Comprehensive Income                         | 72   |
| Consolidated Balance Sheets                                             | 73   |
| Consolidated Statements of Cash Flows                                   | 74   |
| Consolidated Statements of Stockholders' Equity                         | 75   |
| Notes to Consolidated Financial Statements                              | 76   |

#### (2) Financial Statement Schedules for the Years Ended December 31, 2023, 2022 and 2021

|                                                                                |     |
|--------------------------------------------------------------------------------|-----|
| Schedule I—Condensed Financial Information of Registrant (Parent Company Only) | 126 |
| Schedule II—Valuation and Qualifying Accounts                                  | 130 |

All other schedules are omitted, since the required information is not applicable or is not present in amounts sufficient to require submission of the schedule, or because the information required is included in the consolidated financial statements and notes thereto.

#### (3) Exhibits

The exhibits in the accompanying Exhibit Index preceding the signature page are filed or furnished as a part of this report and are incorporated herein by reference. The Company agrees to furnish to the SEC, upon request, copies of any long-term debt instruments that authorize an amount of securities constituting 10% or less of the total assets of IQVIA Holdings Inc. and its subsidiaries on a consolidated basis.

# EXHIBIT INDEX

| Exhibit Number | Exhibit Description                                                                                                                                                                                                                                                                                                       | Filed Herewith | Incorporated by Reference |           |         |                    |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|---------------------------|-----------|---------|--------------------|
|                |                                                                                                                                                                                                                                                                                                                           |                | Form                      | File No.  | Exhibit | Filing Date        |
| 3.1            | <u>Amended and Restated Certificate of Incorporation of IQVIA Holdings Inc., effective April 18, 2023.</u>                                                                                                                                                                                                                |                | 8-K                       | 001-35907 | 3.1     | April 18, 2023     |
| 3.2            | <u>Amended and Restated Bylaws of IQVIA Holdings Inc., effective April 18, 2023.</u>                                                                                                                                                                                                                                      |                | 8-K                       | 001-35907 | 3.1     | April 18, 2023     |
| 4.1            | <u>Description of the Company's Securities</u>                                                                                                                                                                                                                                                                            | X              |                           |           |         |                    |
| 4.2            | <u>Indenture, dated as of September 28, 2016, among Quintiles IMS Incorporated, the Guarantors listed therein and U.S. Bank National Association, as Trustee.</u>                                                                                                                                                         |                | 8-K                       | 001-35907 | 4.1     | October 3, 2016    |
| 4.3            | <u>Indenture, dated September 14, 2017, among Quintiles IMS Incorporated, as Issuer, U.S. Bank National Association, as trustee of the Notes, and certain subsidiaries of the Issuer as guarantors U.S. Bank National Association, as trustee of the Notes, and certain subsidiaries of the Issuer as guarantors.</u>     |                | 8-K                       | 001-35907 | 4.1     | September 19, 2017 |
| 4.4            | <u>Indenture, dated May 10, 2019, among IQVIA Inc., as Issuer, U.S. Bank National Association, as trustee of the Notes and certain subsidiaries of the Issuer, as guarantors Association, as trustee of the Notes and certain subsidiaries of the Issuer, as guarantors.</u>                                              |                | 8-K                       | 001-35907 | 4.1     | May 10, 2019       |
| 4.5            | <u>Indenture, dated August 13, 2019, among IQVIA Inc., as Issuer, U.S. Bank National Association, as trustee of the Notes and certain subsidiaries of the Issuer, as guarantors Association, as trustee of the Notes and certain subsidiaries of the Issuer, as guarantors.</u>                                           |                | 8-K                       | 001-35907 | 4.1     | August 13, 2019    |
| 4.6            | <u>Indenture, dated June 24, 2020, among IQVIA Inc., as Issuer, U.S. Bank National Association, as trustee of the Notes and certain subsidiaries of the Issuer, as guarantors.</u>                                                                                                                                        |                | 8-K                       | 001-35907 | 4.1     | June 24, 2020      |
| 4.7            | <u>Indenture, dated March 3, 2021, among IQVIA Inc., as Issuer, U.S. Bank National Association, as trustee of the Notes and certain subsidiaries of the Issuer, as guarantors.</u>                                                                                                                                        |                | 8-K                       | 001-35907 | 4.1     | March 3, 2021      |
| 4.8            | <u>Amended and Restated Indenture, dated December 19, 2023, among IQVIA Inc., as Issuer, U.S. Bank Trust Company, National Association, as trustee of the 5.700% Senior Secured Notes due 2028 and the Company and certain subsidiaries of the Issuer as guarantors.</u>                                                  |                | S-4                       | 001-35907 | 4.8     | January 5, 2024    |
| 4.9            | <u>Amended and Restated Indenture, dated December 19, 2023, among IQVIA Inc., as Issuer, U.S. Bank Trust Company, National Association, as trustee of the 6.250% Senior Secured Notes due 2029 and the Company and certain subsidiaries of the Issuer as guarantors.</u>                                                  |                | S-4                       | 001-35907 | 4.9     | January 5, 2024    |
| 10.1           | <u>Fifth Amended and Restated Credit Agreement, dated as of August 25, 2021, by and among IQVIA Inc., IQVIA RDS Inc., IQVIA AG, IQVIA Solutions Japan K.K., IQVIA Holdings Inc., the Guarantors party thereto and the Lenders party thereto (Annex A to Exhibit 10.1 filed August 25, 2021).</u>                          |                | 8-K                       | 001-35907 | 10.1    | August 25, 2021    |
| 10.2           | <u>Amendment No. 1 to Fifth Amended and Restated Credit Agreement, dated June 16, 2022, among IQVIA Inc., IQVIA Holdings Inc., IQVIA RDS Inc., the other guarantors party thereto, Bank of America, N.A. as administrative agent and as collateral agent, and the Lenders party thereto.</u>                              |                | 8-K                       | 001-35907 | 10.1    | June 16, 2022      |
| 10.3           | <u>Amendment No. 2 to Fifth Amended and Restated Credit Agreement, dated April 17, 2023, among IQVIA Inc., IQVIA Holdings Inc., IQVIA RDS Inc., IQVIA AG, IQVIA Japan K.K., the other guarantors party thereto, Bank of America, N.A. as administrative agent and as collateral agent, and the Lenders party thereto.</u> |                | 8-K                       | 001-35907 | 10.1    | April 18, 2023     |



|        |                                                                                                                                                                                                                                                                                                                                      |                  |            |            |                   |
|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------|------------|-------------------|
| 10.4   | <u>Amendment No. 3 to Fifth Amended and Restated Credit Agreement, dated November 28, 2023, among IQVIA Inc., IQVIA Holdings Inc., IQVIA RDS Inc., IQVIAAG, IQVIA Solutions Japan LLC, the other guarantors party thereto, Bank of America, N.A. as administrative agent and as collateral agent, and the Lenders party thereto.</u> | 8-K              | 001-35907  | 10.1       | November 23, 2023 |
| 10.5   | <u>Amended and Restated Pledge and Security Agreement, dated as of March 17, 2014, among Healthcare Technology Intermediate Holdings, Inc., IMS Health Incorporated, each of the grantors party thereto, and Bank of America, N.A., as Administrative Agent.</u>                                                                     | IMS Health S-I/A | 333-193159 | 10.33      | March 24, 2014    |
| 10.6   | <u>U.S. Guaranty, dated as of March 17, 2014, among Healthcare Technology Intermediate Holdings, Inc., as Holdings, IMS Health Incorporated, as Parent Borrower, the other Guarantors party thereto from time to time, and Bank of America, N.A., as Administrative Agent.</u>                                                       | IMS Health S-I/A | 333-193159 | 10.34      | March 24, 2014    |
| 10.7†  | <u>Form of Director Indemnification Agreement.</u>                                                                                                                                                                                                                                                                                   | S-I/A            | 333-186708 | 10.13      | April 19, 2013    |
| 10.8   | <u>Form of Indemnification Agreement with each of the non-management directors of Quintiles IMS Holdings Inc.</u>                                                                                                                                                                                                                    | 8-K              | 001-35907  | 10.8       | October 3, 2016   |
| 10.9†  | <u>Form of Confidentiality and Restrictive Covenants Agreement</u>                                                                                                                                                                                                                                                                   | X                |            |            |                   |
| 10.10† | <u>Work Product Assignment Agreement</u>                                                                                                                                                                                                                                                                                             | X                |            |            |                   |
| 10.11† | <u>Quintiles Transnational Holdings Inc. 2013 Stock Incentive Plan.</u>                                                                                                                                                                                                                                                              | S-I/A            | 333-186708 | 10.22      | April 19, 2013    |
| 10.12† | <u>Form of Award Agreement Awarding Stock Appreciation Rights under the Quintiles IMS Holdings, Inc. 2013 Stock Incentive Plan effective February 2017.</u>                                                                                                                                                                          | 10-K             | 001-35907  | 10.41      | February 16, 2017 |
| 10.13† | <u>Quintiles IMS Holdings, Inc. Defined Contribution Executive Retirement Plan.</u>                                                                                                                                                                                                                                                  | 8-K              | 001-35907  | 10.7       | October 3, 2016   |
| 10.14† | <u>IMS Health Incorporated Defined Contribution Executive Retirement Plan, as amended and restated.</u>                                                                                                                                                                                                                              | IMS Health S-I   | 333-193159 | 10.10      | January 2, 2014   |
| 10.15† | <u>First Amendment to the IMS Health Incorporated Retirement Excess Plan, dated March 17, 2009.</u>                                                                                                                                                                                                                                  | IMS Health S-I   | 333-193159 | 10.12      | January 2, 2014   |
| 10.16† | <u>Second Amendment to the IMS Health Incorporated Retirement Excess Plan, dated December 8, 2009.</u>                                                                                                                                                                                                                               | IMS Health S-I   | 333-193159 | 10.13      | January 2, 2014   |
| 10.17† | <u>Third Amendment to the IMS Health Incorporated Retirement Excess Plan, dated April 5, 2011.</u>                                                                                                                                                                                                                                   | IMS Health S-I   | 333-193159 | 10.14      | January 2, 2014   |
| 10.18† | <u>Fourth Amendment to the IMS Health Incorporated Retirement Excess Plan (effective May 3, 2016).</u>                                                                                                                                                                                                                               | IMS Health 10-Q  | 001-36381  | 10.3       | July 28, 2016     |
| 10.19† | <u>IMS Health Incorporated Retirement Plan, as amended and restated effective January 1, 2020</u>                                                                                                                                                                                                                                    | X                |            |            |                   |
| 10.20† | <u>Quintiles IMS Holdings, Inc. 2014 Incentive and Stock Award Plan.</u>                                                                                                                                                                                                                                                             | 8-K              | 001-35907  | 10.6       | October 3, 2016   |
| 10.21† | <u>Form of IMS Stock Appreciation Rights Agreement under the 2014 Incentive and Stock Award Plan.</u>                                                                                                                                                                                                                                | IMS Health 8-K   | 001-36381  | 10.1       | February 10, 2015 |
| 10.22† | <u>IQVIA Holdings Inc. 2017 Incentive Stock Award Plan (f/k/a Quintiles IMS Holdings, Inc. 2017 Incentive and Stock Award Plan).</u>                                                                                                                                                                                                 | DEF 14A          | 001-35907  | Appendix B | February 22, 2017 |
| 10.23† | <u>Form of Award Agreement Awarding Stock Appreciation Rights under the Quintiles IMS Holdings, Inc. 2017 Incentive and Stock Award Plan effective April 2017.</u>                                                                                                                                                                   | 10-Q             | 001-35907  | 10.8       | May 8, 2017       |
| 10.24† | <u>Form of Award Agreement Awarding Performance Shares under the Quintiles IMS Holdings, Inc. 2017 Incentive and Stock Award Plan effective April 2017.</u>                                                                                                                                                                          | 10-Q             | 001-35907  | 10.9       | May 8, 2017       |
| 10.25† | <u>Form of Award Agreement Awarding Restricted Stock Units under the Quintiles IMS Holdings, Inc. 2017 Incentive and Stock Award Plan effective April 2017.</u>                                                                                                                                                                      | 10-Q             | 001-35907  | 10.1       | May 8, 2017       |
| 10.26† | <u>IQVIA Inc. Employee Protection Plan and Summary Plan Description, as amended and restated effective July 1, 2023.</u>                                                                                                                                                                                                             | 10-Q             | 001-35907  | 10.1       | August 1, 2023    |

|        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |   |                 |           |       |                   |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|-----------------|-----------|-------|-------------------|
| 10.27† | <u>IOVIA Savings Equalization Plan, effective January 1, 2018.</u>                                                                                                                                                                                                                                                                                                                                                                                                                           | X |                 |           |       |                   |
| 10.28† | <u>IOVIA Elective Deferred Compensation Plan, as amended and restated.</u>                                                                                                                                                                                                                                                                                                                                                                                                                   | X |                 |           |       |                   |
| 10.29† | <u>IOVIA Holdings Inc. Non-Employee Director Deferral Plan, effective January 1, 2017 (amended November 9, 2023).</u>                                                                                                                                                                                                                                                                                                                                                                        | X |                 |           |       |                   |
| 10.30† | <u>Amended and Restated Employment Agreement between IOVIA Holdings Inc. and Ari Bousbib, dated February 18, 2019.</u>                                                                                                                                                                                                                                                                                                                                                                       |   | 10-K            | 001-35907 | 10.6  | February 19, 2019 |
| 10.31† | <u>Stock Appreciation Rights Agreement between IMS Health Holdings, Inc. and Ari Bousbib, dated February 10, 2015.</u>                                                                                                                                                                                                                                                                                                                                                                       |   | IMS Health 10-K | 001-36381 | 10.34 | February 19, 2016 |
| 10.32† | <u>Amendment No. 1, dated December 31, 2015, to Stock Appreciation Rights Agreement between IMS Health Holdings, Inc. and Ari Bousbib dated February 10, 2015.</u>                                                                                                                                                                                                                                                                                                                           |   | IMS Health 10-K | 001-36381 | 10.35 | February 19, 2016 |
| 10.33† | <u>Letter Agreement between the Company and Eric Sherbet, effective on March 1, 2018.</u>                                                                                                                                                                                                                                                                                                                                                                                                    |   | 10-K            | 001-35907 | 10.72 | February 19, 2019 |
| 10.34† | <u>Letter Agreement between the Company and Ronald Bruehlman, effective on August 1, 2020.</u>                                                                                                                                                                                                                                                                                                                                                                                               |   | 10-Q            | 001-35907 | 10.10 | October 22, 2020  |
| 10.35† | <u>Letter Agreement between the Company and W. Richard Staub, effective on September 25, 2023.</u>                                                                                                                                                                                                                                                                                                                                                                                           | X |                 |           |       |                   |
| 10.36  | <u>Registration Rights Agreement, dated May 23, 2023, among IOVIA Inc., IOVIA Holdings Inc., certain subsidiaries of the Issuer as guarantors, and Goldman Sachs &amp; Co. LLC as representative of the several initial purchasers.</u>                                                                                                                                                                                                                                                      |   | S-4             | 001-35907 | 10.1  | January 5, 2024   |
| 10.37  | <u>Registration Rights Agreement, dated November 28, 2023, among IOVIA Inc., IOVIA Holdings Inc., certain subsidiaries of the Issuer as guarantors, and J.P. Morgan Securities LLC as representative of the several initial purchasers.</u>                                                                                                                                                                                                                                                  |   | S-4             | 001-35907 | 10.2  | January 5, 2024   |
| 21.1   | <u>List of Subsidiaries of IOVIA Holdings Inc.</u>                                                                                                                                                                                                                                                                                                                                                                                                                                           | X |                 |           |       |                   |
| 22.1   | <u>List of Subsidiary Guarantors and Affiliates who Collateralize the Company's Securities</u>                                                                                                                                                                                                                                                                                                                                                                                               |   | S-4             | 001-35907 | 22.1  | January 5, 2023   |
| 23.1   | <u>Consent of PricewaterhouseCoopers LLP.</u>                                                                                                                                                                                                                                                                                                                                                                                                                                                | X |                 |           |       |                   |
| 31.1   | <u>Certification of Chief Executive Officer, pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>                                                                                                                                                                                                                                                                                                                                 | X |                 |           |       |                   |
| 31.2   | <u>Certification of Executive Vice President and Chief Financial Officer, pursuant to Rule 13a-14(a)/15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>                                                                                                                                                                                                                                                                                                    | X |                 |           |       |                   |
| 32.1   | <u>Certification of Chief Executive Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>                                                                                                                                                                                                                                                                                                                                   | X |                 |           |       |                   |
| 32.2   | <u>Certification of Executive Vice President and Chief Financial Officer, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>                                                                                                                                                                                                                                                                                                      | X |                 |           |       |                   |
| 97.1†  | <u>Restatement Recovery Policy, dated November 9, 2023.</u>                                                                                                                                                                                                                                                                                                                                                                                                                                  | X |                 |           |       |                   |
| 101    | <u>Interactive Data Files Pursuant to Rule 405 of Regulation S-T: (i) Consolidated Statements of Income, (ii) Consolidated Statements of Comprehensive Income, (iii) Consolidated Balance Sheets, (iv) Consolidated Statements of Cash Flows, (v) Notes to Consolidated Financial Statements and (vi) Notes to Consolidated Financial Statements. The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.</u> | X |                 |           |       |                   |
| 104    | <u>Cover Page Interactive Data File. The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.</u>                                                                                                                                                                                                                                                                                                              | X |                 |           |       |                   |

† Indicates management contract or compensatory plan or arrangement.

**Item 16. Form 10-K Summary**

None.

**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**IQVIA HOLDINGS INC.**

By: /s/ Ronald E. Bruehlman

Name: Ronald E. Bruehlman

Title: Executive Vice President and Chief

Financial Officer

Date: February 15, 2024

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant in the capacities and on the dates indicated.

| Signature                                                 | Title                                                                                                      | Date              |
|-----------------------------------------------------------|------------------------------------------------------------------------------------------------------------|-------------------|
| <u>/s/ Ari Bousbib</u><br>Ari Bousbib                     | Chairman and Chief Executive Officer; Director<br>(Principal Executive Officer)                            | February 15, 2024 |
| <u>/s/ Ronald E. Bruehlman</u><br>Ronald E. Bruehlman     | Executive Vice President and Chief Financial Officer<br>(Principal Financial Officer)                      | February 15, 2024 |
| <u>/s/ Keriann Cherofsky</u><br>Keriann Cherofsky         | Senior Vice President, Chief Accounting Officer and Corporate Controller<br>(Principal Accounting Officer) | February 15, 2024 |
| <u>/s/ Carol J. Burt</u><br>Carol J. Burt                 | Director                                                                                                   | February 15, 2024 |
| <u>/s/ John P. Connaughton</u><br>John P. Connaughton     | Director                                                                                                   | February 15, 2024 |
| <u>/s/ John G. Danhaki</u><br>John G. Danhaki             | Director                                                                                                   | February 15, 2024 |
| <u>/s/ James A. Fasano</u><br>James A. Fasano             | Director                                                                                                   | February 15, 2024 |
| <u>/s/ Colleen A. Goggins</u><br>Colleen A. Goggins       | Director                                                                                                   | February 15, 2024 |
| <u>/s/ John M. Leonard, M.D.</u><br>John M. Leonard, M.D. | Director                                                                                                   | February 15, 2024 |
| <u>/s/ Leslie Wims Morris</u><br>Leslie Wims Morris       | Director                                                                                                   | February 15, 2024 |
| <u>/s/ Todd B. Sisitsky</u><br>Todd B. Sisitsky           | Director                                                                                                   | February 15, 2024 |
| <u>/s/ Sheila A. Stamps</u><br>Sheila A. Stamps           | Director                                                                                                   | February 15, 2024 |

(2) Financial Statement Schedules

Schedule I—Condensed Financial Information of Registrant

IQVIA HOLDINGS INC. (PARENT COMPANY ONLY)  
CONDENSED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

| (in millions)                                                         | Year Ended December 31, |          |        |
|-----------------------------------------------------------------------|-------------------------|----------|--------|
|                                                                       | 2023                    | 2022     | 2021   |
| Equity in earnings of subsidiary, net of tax                          | \$ 1,358                | \$ 1,091 | \$ 966 |
| Net income                                                            | 1,358                   | 1,091    | 966    |
| Equity in other comprehensive (loss) income of subsidiary, net of tax | (140)                   | (321)    | (191)  |
| Comprehensive income                                                  | \$ 1,218                | \$ 770   | \$ 775 |

**IQVIA HOLDINGS INC. (PARENT COMPANY ONLY)**  
**CONDENSED BALANCE SHEETS**

| (in millions, except per share data)                                                                                                                                                                                                                                              | December 31, |          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|----------|
|                                                                                                                                                                                                                                                                                   | 2023         | 2022     |
| <b>ASSETS</b>                                                                                                                                                                                                                                                                     |              |          |
| Current assets:                                                                                                                                                                                                                                                                   |              |          |
| Cash and cash equivalents                                                                                                                                                                                                                                                         | \$ 2         | \$ 2     |
| Total current assets                                                                                                                                                                                                                                                              | 2            | 2        |
| Investment in subsidiary                                                                                                                                                                                                                                                          | 9,667        | 9,667    |
| Total assets                                                                                                                                                                                                                                                                      | \$ 9,669     | \$ 9,669 |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>                                                                                                                                                                                                                                       |              |          |
| Current liabilities:                                                                                                                                                                                                                                                              |              |          |
| Accounts payable                                                                                                                                                                                                                                                                  | \$ 8         | \$ —     |
| Total current liabilities                                                                                                                                                                                                                                                         | 8            | —        |
| Investment in subsidiary                                                                                                                                                                                                                                                          | 3,546        | 3,902    |
| Payable to subsidiary                                                                                                                                                                                                                                                             | 3            | 2        |
| Total liabilities                                                                                                                                                                                                                                                                 | 3,557        | 3,904    |
| Commitments and contingencies                                                                                                                                                                                                                                                     |              |          |
| Stockholders' equity:                                                                                                                                                                                                                                                             |              |          |
| Common stock and additional paid-in capital, 400.0 shares authorized as of December 31, 2023 and 2022, \$0.01 par value,<br>257.2 shares issued and 181.5 shares outstanding as of December 31, 2023; 256.4 shares issued and 185.7 shares<br>outstanding as of December 31, 2022 | 11,028       | 10,898   |
| Retained earnings                                                                                                                                                                                                                                                                 | 4,692        | 3,334    |
| Treasury stock, at cost, 75.7 and 70.7 shares as of December 31, 2023 and 2022, respectively                                                                                                                                                                                      | (8,741)      | (7,740)  |
| Accumulated other comprehensive loss                                                                                                                                                                                                                                              | (867)        | (727)    |
| Total stockholders' equity                                                                                                                                                                                                                                                        | 6,112        | 5,765    |
| Total liabilities and stockholders' equity                                                                                                                                                                                                                                        | \$ 9,669     | \$ 9,669 |

**IQVIA HOLDINGS INC. (PARENT COMPANY ONLY)**  
**CONDENSED STATEMENTS OF CASH FLOWS**

| (in millions)                                                                 | Year Ended December 31, |          |        |
|-------------------------------------------------------------------------------|-------------------------|----------|--------|
|                                                                               | 2023                    | 2022     | 2021   |
| <b>Operating activities:</b>                                                  |                         |          |        |
| Net Income                                                                    | \$ 1,358                | \$ 1,091 | \$ 966 |
| Adjustments to reconcile net income to cash provided by operating activities: |                         |          |        |
| Equity in earnings of subsidiary                                              | (1,358)                 | (1,091)  | (966)  |
| Change in operating assets and liabilities:                                   |                         |          |        |
| Other operating assets and liabilities                                        | —                       | 1        | (1)    |
| Net cash provided by (used in) operating activities                           | —                       | 1        | (1)    |
| <b>Investing activities:</b>                                                  |                         |          |        |
| Investment in subsidiary, net of dividends received                           | 1,052                   | 1,238    | 467    |
| Net cash provided by investing activities                                     | 1,052                   | 1,238    | 467    |
| <b>Financing activities:</b>                                                  |                         |          |        |
| Payments related to employee stock option plans                               | (61)                    | (71)     | (59)   |
| Repurchase of common stock                                                    | (992)                   | (1,168)  | (406)  |
| Intercompany with subsidiary                                                  | 1                       | —        | —      |
| Net cash used in financing activities                                         | (1,052)                 | (1,239)  | (465)  |
| Increase in cash and cash equivalents                                         | —                       | —        | 1      |
| Cash and cash equivalents at beginning of period                              | 2                       | 2        | 1      |
| Cash and cash equivalents at end of period                                    | \$ 2                    | \$ 2     | \$ 2   |

**IQVIA HOLDINGS INC. (PARENT COMPANY ONLY)**  
**NOTES TO CONDENSED FINANCIAL INFORMATION**

The condensed parent company financial statements have been prepared in accordance with Rule 12-04, Schedule I of Regulation S-X as the restricted net assets of IQVIA Holdings Inc.'s (the "Company") wholly owned subsidiary, IQVIA Incorporated exceed 25% of the consolidated net assets of the Company. These condensed parent company financial statements are not the general-purpose financial statements of the reporting entity. The ability of IQVIA Incorporated to pay dividends may be limited due to the restrictive covenants in the agreements governing its credit arrangements.

These condensed parent company financial statements include the accounts of IQVIA Holdings Inc. on a standalone basis (the "Parent") and the equity method of accounting is used to reflect ownership interest in its subsidiary. Refer to the consolidated financial statements and notes presented elsewhere herein for additional information and disclosures with respect to these financial statements.

Below is a summary of the dividends paid to the Parent by IQVIA Incorporated in the years ended December 31, 2023, 2022 and 2021:

| (in millions)                 | Amount          |
|-------------------------------|-----------------|
| <b>Paid in November 2023</b>  | <b>\$ 232</b>   |
| <b>Paid in September 2023</b> | <b>55</b>       |
| <b>Paid in August 2023</b>    | <b>89</b>       |
| <b>Paid in May 2023</b>       | <b>490</b>      |
| <b>Paid in March 2023</b>     | <b>130</b>      |
| <b>Paid in February 2023</b>  | <b>56</b>       |
| <b>Total paid in 2023</b>     | <b>\$ 1,052</b> |
| Paid in December 2022         | \$ 25           |
| Paid in November 2022         | 3               |
| Paid in October 2022          | 40              |
| Paid in September 2022        | 110             |
| Paid in August 2022           | 1               |
| Paid in July 2022             | 100             |
| Paid in June 2022             | 188             |
| Paid in May 2022              | 303             |
| Paid in April 2022            | 2               |
| Paid in March 2022            | 125             |
| Paid in February 2022         | 322             |
| Paid in January 2022          | 20              |
| <b>Total paid in 2022</b>     | <b>\$ 1,239</b> |
| Paid in December 2021         | \$ 57           |
| Paid in November 2021         | 89              |
| Paid in October 2021          | 60              |
| Paid in September 2021        | 36              |
| Paid in August 2021           | 35              |
| Paid in July 2021             | 25              |
| Paid in June 2021             | 20              |
| Paid in May 2021              | 23              |
| Paid in April 2021            | 4               |
| Paid in March 2021            | 51              |
| Paid in February 2021         | 70              |
| <b>Total paid in 2021</b>     | <b>\$ 470</b>   |



# Schedule II—Valuation and Qualifying Accounts

## Deferred Tax Asset Valuation Allowance

| (in millions)     | Balance at<br>Beginning of Year | Additions              |                                 | Additions<br>(Deductions) (b) | Balance at End of<br>Year |
|-------------------|---------------------------------|------------------------|---------------------------------|-------------------------------|---------------------------|
|                   |                                 | Charged to<br>Expenses | Charged to Other<br>Accounts(a) |                               |                           |
| December 31, 2023 | \$ 257                          | \$ (99)                | \$ —                            | \$ 8                          | \$ 166                    |
| December 31, 2022 | \$ 294                          | \$ (27)                | \$ —                            | \$ (10)                       | \$ 257                    |
| December 31, 2021 | \$ 306                          | \$ —                   | \$ —                            | \$ (13)                       | \$ 294                    |

- (a) Recorded through purchase accounting transaction.  
(b) Impact of reductions recorded to expense and translation adjustments.

## DESCRIPTION OF THE REGISTRANT'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

IQVIA Holdings Inc. ("IQVIA", the "Registrant", the "Company", "us", "we", or "our") has one class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), our common stock, par value \$0.01 per share (the "common stock").

The following description of our securities does not purport to be complete and is subject to, and qualified in its entirety by, the IQVIA amended and restated certificate of incorporation ("Certificate of Incorporation") and the IQVIA amended and restated bylaws ("Bylaws"), each of which are incorporated by reference as an exhibit to the Annual Report on Form 10-K of which this exhibit is a part, and applicable provisions of the General Corporation Law of the State of Delaware (the "DGCL").

### DESCRIPTION OF IQVIA CAPITAL STOCK

#### Authorized Capital

Our Certificate of Incorporation provides the authority to issue 400,000,000 shares of common stock, par value \$0.01 per share, and 1,000,000 shares of preferred stock, par value \$0.01 per share. The outstanding shares of our common stock are fully paid and nonassessable.

Each share of our common stock has the same relative rights and is identical in all respects to each other share of our common stock.

#### Common Stock

##### *Voting Rights*

Except as otherwise required by law or as otherwise provided in any certificate of designation for any series of preferred stock, holders of common stock will possess all voting power for the election of directors and all other matters requiring stockholder action, except with respect to amendments to the Certificate of Incorporation that alter or change the powers, preferences, rights or other terms of any outstanding preferred stock if the holders of such affected series of preferred stock are entitled to vote on such an amendment. Holders of common stock are entitled to one vote per share on matters to be voted on by stockholders. Except as otherwise provided by law, the Certificate of Incorporation or the Bylaws, all matters to be voted on by our stockholders must be approved by a majority of the votes cast on the matter affirmatively or negatively.

##### *Liquidation Rights*

If we voluntarily or involuntarily liquidate, dissolve or wind-up, the holders of common stock will be entitled to receive after distribution in full of the preferential amounts, if any, to be distributed to the holders of preferred stock or any series of preferred stock, all of the remaining assets available for distribution ratably in proportion to the number of shares of common stock held by them.

### ***Dividends***

Subject to prior rights and preferences, if any, that may apply to shares of preferred stock outstanding at the time, the holders of outstanding shares of common stock will be entitled to receive a ratable portion of dividends, payable in cash, property or stock, out of assets legally available at the times and in the amounts as our board of directors may from time to time determine.

### ***Miscellaneous***

Holders of common stock have no conversion, preemptive or other subscription rights and there is no sinking fund or redemption provisions applicable to our common stock.

### **Preferred Stock**

The Certificate of Incorporation authorizes our board of directors, without further stockholder action, to issue up to 1,000,000 shares of preferred stock, par value \$0.01 per share, in one or more series, and to fix the designation, powers, preferences, and rights of the shares of such series and any qualifications, limitations or restrictions thereof, without further vote or action by our stockholders. The rights with respect to a class or series of preferred stock may be greater than the rights attached to common stock. It is not possible to state the actual effect of the issuance of any shares of preferred stock on the rights of holders of common stock until our board of directors determines the specific rights attached to that class or series of preferred stock.

### **Anti-Takeover Effects of Our Certificate of Incorporation, Bylaws and Delaware Law**

#### ***Delaware Anti-Takeover Statute***

We are subject to Section 203 of the DGCL, an anti-takeover statute. In general, Section 203 of the DGCL prohibits a publicly held Delaware corporation from engaging in a “business combination” with an “interested stockholder” for a period of three years following the time the person became an interested stockholder, unless the business combination or the acquisition of shares that resulted in a stockholder becoming an interested stockholder is approved in a prescribed manner. Generally, a “business combination” includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. Generally, an “interested stockholder” is a person who, together with affiliates and associates, owns (or within three years prior to the determination of interested stockholder status did own) 15% or more of a corporation’s voting stock. A Delaware corporation may “opt out” of this provision with an express provision in its original certificate of incorporation or an express provision in its certificate of incorporation or bylaws resulting from a stockholders’ amendment approved by at least a majority of the outstanding voting shares. The existence of this provision would be expected to have an anti-takeover effect with respect to transactions not approved in advance by our board of directors, including discouraging attempts that might result in a premium over the market price for the shares of common stock held by our stockholders.

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### ***Classified Board***

The Certificate of Incorporation provides that the number of directors which shall constitute our board of directors shall be not less than five (5) nor more than seventeen (17), and shall be fixed in such a manner as may be prescribed by the Bylaws. The Certificate of Incorporation provides for the phase-out of our formerly classified board, commencing at the 2022 annual meeting of stockholders and ending at the 2025 annual meeting of stockholders, at which time, each of the directors will be elected for a one-year term and the Board will be de-classified. Each director shall be elected by the vote of the majority of the votes cast affirmatively or negatively with respect to that director's election at any meeting for the election of directors at which a quorum is present, provided that if, as of the tenth (10th) day preceding the date the Company first mails its notice of meeting for such meeting to the stockholders of the Company, the number of nominees exceeds the number of directors to be elected, the directors shall be elected by a plurality of the votes cast. The classified board provisions could discourage a third party from initiating a proxy contest, making a tender offer or otherwise attempting to gain control of our company.

### ***Removal of Directors***

The Certificate of Incorporation provides that (i) any director who prior to the 2022 annual meeting of stockholders was elected to a three-year term (a "Classified Term") that continues beyond the date of the 2022 annual meeting (a "Classified Director") may be removed from office during such Classified Term by the stockholders of the Company only for cause, and only by the affirmative vote of the holders of a majority of the shares of the Company then entitled to vote generally in the election of directors, considered as one class, and (ii) any director that is not a Classified Director may be removed from office by the stockholders of the Company, with or without cause, by the affirmative vote of the holders of a majority of the shares of the Company then entitled to vote generally in the election of directors, considered as one class. However, whenever a director has been elected by a voting group of stockholders, only the stockholders from that voting group may participate in the vote to remove him or her, and such vacancy may be filled only by the stockholders of that voting group.

### ***Amendments to Bylaws***

The Bylaws may be amended, adopted, altered or repealed by our board of directors or by the affirmative vote of the holders of a majority of the shares of the Company present in person or by proxy at a meeting and entitled to vote on such amendment, alteration, change, addition or repeal.

### ***Size of Board and Vacancies***

The Certificate of Incorporation provides that the number of directors on our board of directors will be fixed exclusively by our board of directors at a number of directors not less than five (5) and not more than seventeen (17). In the case of any vacancy on the board of directors, including a vacancy created by an increase in the number of directors, the vacancy may be filled by the board of directors for a term of office continuing until the next election of directors by the stockholders. Subject to the Bylaws, when one or more directors resigns effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office as provided in the Bylaws in connection with the filling of other vacancies.

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### ***Stockholder Action by Written Consent***

The Certificate of Incorporation provides that stockholders may not take action by written consent in lieu of a meeting.

### ***Special Stockholder Meetings***

The Certificate of Incorporation provides that special meetings of our stockholders may be called (i) by a majority of the members of the board of directors, (ii) by the Chairman of the Board or Chief Executive Officer of the Company, or (iii) by the Secretary of the Company upon receipt of the written request of one or more record holders (and the record or beneficial owners, if any, such holders represent) representing ownership of an aggregate of not less than 25% of the voting power of all issued and outstanding shares of common stock of the Company, provided that such shares have been owned continuously by such holders for at least one year, and provided such request complies with the procedures for calling a special meeting of stockholders as set forth in the Bylaws, as may be amended from time to time. This limitation on the right of stockholders to call a special meeting could make it more difficult for stockholders to initiate actions that are opposed by our board of directors. These actions could include the removal of an incumbent director or the election of a stockholder nominee as a director. In addition, the limited ability of the stockholders to call a special meeting of stockholders may make it more difficult to change the existing board and management.

### ***Requirements for Advance Notification of Stockholder Nominations and Proposals***

The Bylaws provide that stockholders seeking to bring business before an annual meeting of stockholders, or to nominate candidates for election as directors at an annual meeting of stockholders, must provide timely notice thereof in writing. To be timely, a stockholder's notice must be delivered to our principal executive offices not later than 90 days nor earlier than 120 days prior to the date of our annual meeting in the preceding year, subject to changes if the annual meeting date is advanced more than 30 days before or delayed more than 60 days after the anniversary date of the preceding year's annual meeting. The Bylaws also specify certain requirements as to the form and content of a stockholder's notice. These provisions may preclude stockholders from bringing matters before an annual meeting of stockholders or from making nominations for directors at an annual meeting of stockholders.

### ***No Cumulative Voting***

The Certificate of Incorporation provides that stockholders do not have the right to cumulate votes in the election of directors. Without cumulative voting, a minority stockholder may not be able to gain as many seats on the board of directors as the stockholder would be able to gain if cumulative voting were permitted. The absence of cumulative voting makes it more difficult for a minority stockholder to gain a seat on the board of directors or influence the board's decision regarding a takeover.

### ***Undesignated Preferred Stock***

The authority of our board of directors to issue preferred stock could potentially be used to discourage attempts by third parties to obtain control of the Company through a merger, tender offer, proxy contest or otherwise by making such attempts more difficult or more costly. Our board of directors will be able to issue preferred stock with voting rights or conversion rights that, if exercised, could adversely affect the voting power of the holders of common stock.

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## **Limitations on Liability, Indemnification of Officers and Directors, and Insurance**

The DGCL authorizes corporations to eliminate or limit the personal liability of directors to corporations and their stockholders for monetary damages for breaches of directors' fiduciary duties as directors, and the Certificate of Incorporation includes such an exculpation provision to the fullest extent permitted by law. The Certificate of Incorporation includes provisions that require us to indemnify, to the fullest extent allowable under the DGCL, our directors and officers or any of our subsidiaries. The Certificate of Incorporation also provides that we must pay the expenses incurred by the indemnified person in defending or otherwise participating in any proceeding in advance of its final disposition, subject to our receipt of an undertaking from the indemnified party that such party will repay such amount if it is ultimately determined that such party is not entitled to be indemnified by us. We have entered into indemnification agreements with our non-management directors, which generally provide for indemnification in connection with their service to us or on our behalf. The Certificate of Incorporation also expressly authorizes us to carry insurance to protect our directors and officers against liability asserted against them or incurred by them in any such capacity.

The limitation of liability and indemnification provisions in the Certificate of Incorporation may discourage stockholders from bringing a lawsuit against directors for breach of their fiduciary duty. These provisions may also have the effect of reducing the likelihood of derivative litigation against our directors and officers, even though such an action, if successful, might otherwise benefit us and our stockholders. However, these provisions do not limit or eliminate our rights, or those of any stockholder, to seek non-monetary relief such as injunction or rescission in the event of a breach of a director's duty of care. The provisions do not alter the liability of directors under the federal securities laws. In addition, investments in our company may be adversely affected to the extent that, in a class action or direct suit, we pay the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions. However, we believe that these indemnification provisions are necessary to attract and retain qualified directors and officers.

## **Exclusive Forum**

The Bylaws provide that unless we consent in writing to the selection of an alternate forum, the sole and exclusive forum for all litigation relating to the internal affairs of our company, including without limitation (i) any derivative action or proceeding brought on behalf of us, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers or other employees to us or our stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL, the Certificate of Incorporation or the Bylaws (in each case, as they may be amended from time to time), or (iv) any action asserting a claim governed by the internal affairs doctrine, shall be a state court located within the State of Delaware, or, if no state court located within the State of Delaware has jurisdiction, the federal district court for the District of Delaware. This provision may prevent a stockholder from bringing a claim in a judicial forum (other than in a Delaware court) that it finds preferable for disputes with us and our directors, officers or other employees.

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**Authorized but Unissued Shares**

The authorized but unissued shares of common stock and preferred stock will be available for future issuance without stockholder approval. These additional shares may be utilized for a variety of corporate purposes, including future public offerings to raise additional capital, corporate acquisitions, employee benefit plans and “poison pill” rights plans. The existence of authorized but unissued shares of common stock and preferred stock could render more difficult or discourage an attempt to obtain control of our company by means of a proxy contest, tender offer, merger or otherwise.

**NYSE Listing**

Our common stock is listed on the New York Stock Exchange under the symbol “IQV.”

**Transfer Agent and Registrar**

The transfer agent and registrar for our common stock is Equiniti Trust Company, LLC.

## CONFIDENTIALITY AND RESTRICTIVE COVENANTS AGREEMENT

(IQVIA US Version – June 2023)

By entering into this Confidentiality and Restrictive Covenants Agreement (this "Agreement"), I acknowledge that IQVIA Holdings Inc., a Delaware corporation ("IQVIA"), and its Subsidiaries (as defined below) (collectively, the "Company") has an interest in protecting its confidential information and that as a material inducement to enter into this Agreement, IQVIA is allowing me to have access to IQVIA's Confidential Information as part of my performance of services as an employee of IQVIA. I further acknowledge that the protection of the Company's confidential information and business interests includes certain reasonable restrictions on my activities as an employee of Employer (as defined below), and after the period of my employment, as set forth in this Agreement.

In consideration of the foregoing, and of my opportunity to participate in the IQVIA Long Term Incentive program, my employment with Employer (including the onset or continuing employment with Employer), and for other good and valuable consideration, I agree to the terms of this Agreement, which will be deemed effective upon the last date specified on the last page of this Agreement. I ACKNOWLEDGE THAT THE TERMS OF THIS AGREEMENT INCLUDE AND INCORPORATE THOSE STATE-SPECIFIC TERMS INCLUDED IN ADDENDUM A ATTACHED AT THE END OF THIS AGREEMENT, TO THE EXTENT THAT ANY SUCH STATE-SPECIFIC TERMS APPLY TO ME.

1. **CONFIDENTIALITY AND RETURN OF MATERIALS:**

a. **Confidentiality Obligations.** I agree, both during and after my employment with a Subsidiary, not to disclose Confidential Information (defined below) to anyone inside or outside of the Company except as specifically described below, and not to use such information for my own personal benefit or that of any third party. In addition, I agree to make every reasonable effort to (i) ensure the confidentiality and integrity of Confidential Information of the Company and (ii) protect it against reasonably anticipated threats or hazards to its security or integrity. I agree to notify my Employer immediately upon discovery of any loss or unauthorized disclosure of the Confidential Information. I understand that my obligations regarding the Company's Confidential Information are not limited by time and remain in effect for so long as the information meets the definition of Confidential Information in this Agreement.

(1) "**Confidential Information**" means information that is confidential or proprietary to the Company or Third Parties, in whatever form disclosed and whether received or created before or after the effective date of this Agreement and regardless of whether such information is labeled or designated formally as confidential, including, but not limited to: Trade Secrets; inventions, technical information, methodologies, advancements or improvements to current solutions, and new innovations; pricing information; internal financial or operational metrics information related to operational reviews; business plans, marketing plans, initiatives, programs or strategies, business methods, business processes and systems; research and development plans; customer, supplier, and employee lists; information regarding customer requirements, preferences, and business or marketing plans or results that are not generally known; data, databases, designs, specifications, software designs, and documentation; and any other information which is not generally disclosed by the Company or Third Parties or otherwise publicly available, and which may be useful or helpful to the Company or Third Parties and may give the Company or Third Parties a competitive advantage.

(2) "**Third Party**" means any of the Company's customers, suppliers, or other partners.

(3) "**Trade Secrets**" means information that derives independent economic value, actual or potential, from not being generally known to the public or other Persons who can obtain economic value from its disclosure or use and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

b. **Internal Disclosure and Use.** Confidential Information may be shared or discussed with individuals within the Company on a "need-to-know" basis in order for those individuals to properly perform their jobs or contracted responsibilities.

c. **External Disclosure and Use.** Confidential Information may only be disclosed to someone outside of the Company if it is (i) required or necessary to further a legitimate business purpose of the Company, (ii) disclosed after the intended recipient has signed a Company approved agreement containing appropriate confidentiality provisions, and (iii) disclosed with proper legends or labels designating sensitivity, as may be applicable.

d. **Company Materials.** Upon termination of my employment or upon the Company's request at any other time, I will deliver to my Employer all of the Company's property, equipment, and documents in my possession or control, including all copies thereof and any other material containing

or disclosing any Confidential Information. I agree that I will not copy, delete, transfer, store, destroy, or alter any information relating to the Company or a Third Party contained upon my Company computer or Company equipment before I return it to my Employer. I further agree that any property situated on the Company's premises and/or owned by the Company is subject to inspection by the Company's personnel at any time with or without notice. In addition, if I have used any personal computer, mobile device, server, or other e-mail system to receive, store, review, prepare or transmit any Confidential Information, then upon termination of my employment or upon the Company's request at any other time, I agree to provide the Company with a computer-useable copy of all such Confidential Information in a secure manner and then permanently delete and expunge such Confidential Information from those systems, and I agree to provide the Company access to my system as reasonably requested to verify that the necessary copying and/or deletion is completed. Prior to the termination of my employment or promptly after termination of my employment, upon request by the Company, I will cooperate with the Company in attending an exit interview and certify in writing that I have complied with the requirements of this section.

e. **Permitted Disclosure of Trade Secrets.** I shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a Trade Secret that is made in confidence to a federal, state, or local government official, to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. I understand that an employee who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the Trade Secret to the attorney of the employee and use the Trade Secret information in the court proceeding, if the employee files any document containing the Trade Secret under seal and does not disclose the Trade Secret, except pursuant to court order.

2. **ADDITIONAL DEFINITIONS:**

a. "**Company Offering**" means a product or service of the Company in the past or present or hereafter being offered, supported or under development.

b. "**Competitor**" means any Person that is then either directly or indirectly planning to develop, developing, providing, offering, selling or supporting any product or service that is competitive, in whole or in part, with any Company Offering.

c. "**Direct or indirect**" means actions taken as an officer, director, employee, individual proprietor, partner, joint venturer, advisor, consultant, agent, stockholder, member, lender, investor, or in any other capacity whatsoever (other than by the ownership of a passive investment interest of not more than 2% in a company with publicly traded equity securities).

d. "**Employer**" means the relevant Subsidiary I am or was employed by from time to time, whether before or after the effective date of this Agreement.

e. "**Person**" means an entity or individual other than the Company.

f. "**Restricted Period**" means twelve (12) months after termination of employment and Services with the Company, either by my Employer or by me; provided, however, if my employment is terminated due to the elimination of my position or layoff, the Restricted Period solely for purposes of Section 3 of this Agreement will be limited to the period



reflected in the amount of base pay that I am eligible to receive as severance, termination or similar benefits under any applicable Company severance plan, policy, employment contract, practice or applicable statutory, regulatory or administrative requirement (the "Severance Period"). However, if my Severance Period is less than twelve (12) months, the Company, in its sole discretion, reserves the right to extend for an equivalent period both my Restricted Period for Section 3 and my Severance Period to a maximum of twelve (12) months.

g. "Services" means employment or providing any assistance, support or services, direct or indirect, including as an employee, contractor, or consultant, and shall include the providing of advice, support, knowledge, information or recommendations, labor, research, development, testing, marketing, selling, or any other performance, rendering or delivery of individual work or assistance.

h. "Subsidiary" means any entity which controls, is controlled by, or is under the common control of IQVIA, where control shall refer to: (i) the possession, directly or indirectly, of the power to direct the management or policies of an entity, whether through the ownership of voting securities, by contract or otherwise, or (ii) the ownership, directly or indirectly, of more than 50% of the voting securities or other ownership interest of an entity. If this Agreement has been executed in connection with the acquisition of any business or entity by IQVIA or any of its Subsidiaries, any such acquired business or entity is deemed to be a Subsidiary of IQVIA at all times for purposes of this Agreement, including, but not limited to, the period of my employment, if any, with any such acquired business or entity prior to such acquisition.

### 3. LIMITS ON COMPETITION WITH THE COMPANY:

a. **Restricted Activities.** During my employment by or service with the Company and continuing through the Restricted Period, I shall not, directly or indirectly:

(1) perform or provide any Services for any Competitor, on my own behalf or that of any other Person, if such Services: (A) are in relation to an offering, product, or service that is similar to or competes with a Company Offering with respect to which I had any material involvement or access to Confidential Information in the twelve month period preceding my termination and (B) are similar to the Services I performed for the Company during the twelve month period preceding my termination; or

(2) perform or provide any Services for any Person that are likely to result in my use or disclosure of any Confidential Information.

b. **Permitted Activities.** Nothing in Section 3(a) above shall prohibit me from seeking employment with or being employed by, or engaging in any of the Services described in Section 3(a)(1) above for:

(1) a company whose principal business is (A) the manufacture of medicines, including pharmaceuticals (branded and generic), biotechnology products, vaccines and over-the-counter medications or (B) the manufacture of medical devices;

(2) a company whose principal business is (A) the treatment or delivery of health care services to patients or (B) the dispensing of medicines to patients, provided however, for either (A) or (B) in this Section 3(b)(2), the services may not include laboratory or diagnostic testing services;

(3) a company that is an affiliate of a Competitor (as defined above), but is not itself engaged in any activities that are included in the definition of a Competitor; or

(4) a company that, pursuant to the procedure outlined in Section 3(d) below, is expressly identified as unrestricted;

**provided** in each case that I do not provide Services directly to or advise or assist any division, group or other company (whether or not affiliated with any of the companies described in this Section 3(b)) that is otherwise restricted pursuant to Section 3(a) above, including without limitation laboratory or clinical work of the sort that is performed by the Company.

c. **Location of Services.** The restrictions contained in Section 3(a) above shall apply to (i) any country in which I worked, had responsibility or provided services on behalf of the Company, including through the supervision of a Company employee, contractor, or consultant who provided services or worked in such country; (ii) any State of the United States, or similar political subdivision in a foreign country, in which I worked, had responsibility or provided services on behalf of the Company, including through the supervision of a Company employee, contractor, or consultant who provided services or worked in such State or similar political subdivision; and/or (iii) anywhere in the world where the Company conducts business (it being understood that technology

allows any of these Services to be performed remotely from any location, and the global market in which any of the businesses of the Company is conducted and to which their goodwill extends is not limited to any particular region in the world).

d. **Modifications.** It is agreed in the case of termination of my employment, either by my Employer or by me, that my Employer shall be entitled to reduce the duration of the period of application of this non-competition clause, or to waive this clause. Nothing in this Agreement shall be deemed or construed as an express or implied policy or practice of the Company to provide these modifications.

### 4. NO SOLICITATION OF CUSTOMERS, SUPPLIERS, EMPLOYEES AND CONSULTANTS:

I hereby agree that, during my employment by or service with the Company, and continuing through the Restricted Period, I shall not, directly or indirectly:

a. solicit, induce, entice or procure, or endeavor to solicit, induce, entice or procure any customer, data supplier, prospective customer or prospective data supplier of the Company (with whom I had contact on behalf of the Company during the last twelve (12) months of my employment with the Company), or about which I had access to Confidential Information, in order to sell or obtain services that the customer or data supplier had obtained from the Company or offer to sell to such customer or prospective customer, or obtain from such data supplier or prospective data supplier, the same, similar or related products or services the Company offers to its customers or acquires from its data suppliers during my employment;

b. solicit, induce or entice, or endeavor to solicit, induce or entice any customer, data supplier, prospective customer or prospective data supplier to cease doing business, or alter or limit its business relationship, with the Company, or to otherwise interfere with the business relationship between the Company and such Person;

c. solicit, induce, entice, hire or engage, or endeavor to solicit, induce, entice, hire or engage any employee or consultant of the Company to leave such employment or consultancy; or

d. employ or otherwise engage or use the services of any Person who is or was an employee or consultant of the Company if such engagement or services would result in a breach of any non-competition, non-solicitation, or confidentiality obligation owed by that Person to the Company.

### 5. COMPLIANCE WITH POST-EMPLOYMENT OBLIGATIONS:

a. **Reasonableness of Restrictions.** I acknowledge that (i) the restrictions and promises I make in this Agreement are reasonable in light of the Company's granting me access to its Confidential Information, as well as the cost, time and effort that the Company has spent in training and development opportunities for me; (ii) I have received appropriate and sufficient consideration in exchange for making these promises, including without limitation my signing this Agreement in conjunction with my offer of employment and/or the granting of an equity-related award, retention bonus opportunity, or other change in my compensation; (iii) the type, scope, and periods of restriction imposed in the provisions of Sections 3 and 4 are fair and reasonable and are reasonably required in order to protect and maintain the proprietary interests of the Company described above, other legitimate business interests of the Company and the goodwill associated with the business of the Company; and (iv) the business of the Company currently extends throughout the geographic area associated with the restrictions reflected in Section 3 as applicable to my activities with the Company. I specifically acknowledge that my being restricted from soliciting and servicing certain customers as contemplated by this Agreement will not prevent me from being employed or earning a livelihood in the type of business conducted by the Company or in the industries served by the Company.

b. **Tolling.** In the event of any breach by me of the terms of Sections 3 or 4, the extension of the time period for the restrictions set forth in those respective sections will be automatically extended for a period equal to the period of the breach and will begin to run upon the entry of a court order enforcing the terms of the covenant.

c. **Notification to Third Parties.**

(1) If there is a reasonable possibility that my compliance with the terms of Sections 1, 3 or 4 may be at risk by providing Services to another Person, then I will timely notify the other Person of my obligations under this Agreement before engaging in such activities. I will notify any prospective employer of my obligations under this Agreement.

(2) I hereby authorize the Company to notify third parties, including

without limitation, customers and former, actual or potential employers, of the terms of this Agreement and my obligations hereunder, by providing a copy of this Agreement or otherwise.

d. **Requests.** If, during the Restricted Period, I wish to engage in an activity that is or might be in violation of Sections 3 or 4 above, I agree to provide my former Employer with written notice of my intention to do so at least ten (10) business days in advance of undertaking such activity (without disclosing another Person's confidential information).

e. **Declaration of Compliance.** If requested by the Company and upon the Company's reasonable assessment concerning my compliance with the terms of this Agreement, I agree to submit a written declaration or affidavit of compliance affirming my compliance with this Agreement within ten (10) business days of the Company's request.

#### 6. **COOPERATION:**

I agree that I will make myself reasonably available to (a) cooperate with the Company, both during and after employment with the Company, by making myself available to testify on behalf of the Company, in any action, suit or proceeding, whether civil, criminal, administrative or investigative, and (b) to assist the Company in any such action, suit or proceeding, by providing information and meeting and consulting with the representatives or counsel to the Company, as may be reasonably requested and after taking into account my post-termination responsibilities and obligations. The Company agrees to reimburse me, on an after-tax basis, for all reasonable expenses actually incurred in connection with my provision of testimony or assistance.

#### 7. **NON-DISPARAGEMENT:**

I shall not, at any time during and after my employment with the Company, make statements or representations, or otherwise communicate, directly or indirectly, in writing, orally or otherwise, or take any action that may, directly or indirectly, disparage or be damaging to the Company or any of its officers, directors, employees, advisors, businesses, or its or their reputations. Notwithstanding the foregoing, nothing in this Agreement shall preclude me from (a) filing a claim with or participating in any investigation conducted by any federal, state, or local government agency that is responsible for enforcing a law on behalf of the government or (b) making truthful statements that are required or authorized by applicable law, regulation or legal process.

#### 8. **GENERAL PROVISIONS:**

a. **Voluntary Consent.** I state that I have freely and voluntarily entered into this Agreement, and that I have read and understood each provision hereof and, if requested, was provided an adequate explanation of the nature and scope of each provision hereof. I am hereby informed and understand that I have the right to consult with counsel of my choosing prior to signing this Agreement.

b. **Remedies.** I acknowledge that, because my services are personal and unique and because I will have access to the Confidential Information of the Company, any breach of this Agreement by me would cause irreparable injury to the Company for which monetary damages would not be an adequate remedy and, therefore, will entitle the Company to injunctive relief (including specific performance), without the requirement to post any bond or security. In the event that I violate the terms of this Agreement, the Company shall be entitled to recover its reasonable attorneys' fees and costs incurred in connection with the Company's efforts to enforce the terms of this Agreement, as well as an accounting of any profits wrongfully obtained by me. The rights and remedies provided to the beneficiaries under this Agreement are cumulative and in addition to any other rights and remedies available to such party at law or in equity.

c. **At-Will Employment.** The Company and I agree that nothing in this Agreement shall be construed as constituting a contract for employment, otherwise set forth a length of employment, or alter the at-will nature of the employment relationship between myself and the Company.

d. **Other Agreements.** In the event of a conflict between or among the terms of this Agreement and any prior agreement between the Company and me concerning non-competition, non-solicitation, non-disparagement, or confidential information, it is the intent of the parties that the term(s) of this Agreement shall supersede applicable terms in any such prior agreement, provided that the terms of this Agreement shall be in addition to and shall not supersede the terms of any other agreement between the Company and me involving or related to the transfer or ownership of (i) all or any portion of a business in any form (e.g., a transfer of stock or

stock rights; a transfer of assets), or (ii) any other specified proprietary rights.

e. **Amendments.** No amendment or waiver of any provision of this Agreement or any rights or obligations of any party hereunder shall be effective unless pursuant to a written instrument signed by authorized representatives of the parties (or may be signed only by a single party if limited to such a waiver by that party); any waiver shall be effective only in the specific instance and for the specific purpose stated therein.

f. **Counterparts.** This Agreement may be executed in any number of counterparts, including by electronic delivery, each of which, when executed and delivered, shall be deemed to be an original and all of which shall be taken together and deemed to be one and the same instrument.

g. **Governing Law; Forum Selection.** This Agreement shall be deemed to have been made and entered into in the State of Delaware. This Agreement and any dispute arising out of or related to it will be governed and interpreted by the laws of the State of Delaware without giving effect to any conflicts of laws principles that require the application of the law of a different state. I agree, acknowledge and recognize that by virtue of my employment (or continued employment) with an entity that is either a Delaware corporation or a Subsidiary of IQVIA (which is a Delaware corporation), and my participation in the Long Term Incentive program, which was created and is administered under Delaware law and pursuant to which I will be receiving valuable equity consideration in relation to signing this Agreement, Delaware has a substantial relationship to this Agreement and a materially greater interest in applying its laws, over and to the exclusion of the laws of any other forum, to the resolution of any dispute involving this Agreement. I further agree that any legal action filed with respect to, or which impacts my obligations under, this Agreement, specifically including any request for declaratory judgment, shall be brought exclusively in the federal or state courts in New Castle County, State of Delaware. Each party irrevocably consents to the personal jurisdiction of, and venue in, any of these courts and irrevocably waives any objection that any of these courts are an inconvenient forum.

h. **Non-Waiver.** Any waiver or failure to enforce any provision of this Agreement on one occasion will not be deemed a waiver of that provision or any other provision on any other occasion.

i. **Waiver of Jury Trial.** EACH PARTY TO THIS AGREEMENT HEREBY WAIVES ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION, SUIT, OR PROCEEDING BROUGHT TO RESOLVE ANY DISPUTE BETWEEN OR AMONG ANY OF THE PARTIES HERETO, WHETHER ARISING IN CONTRACT, TORT, OR OTHERWISE, ARISING OUT OF, CONNECTED WITH, RELATED OR INCIDENTAL TO THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREBY AND/OR THE RELATIONSHIP ESTABLISHED AMONG THE PARTIES HEREUNDER.

j. **Severability.** If any provision of this Agreement is, for any reason, held to be invalid or unenforceable, the other provisions of this Agreement will remain enforceable and the invalid or unenforceable provision will be reformed so that it is valid and enforceable to the maximum extent permitted by law, or, if judicial modification is not available, severed from the Agreement.

k. **Survival and Assignment.** This Agreement shall survive the termination of my employment with Employer and the assignment of this Agreement by IQVIA to any successor or other assignee and shall be binding upon my heirs and legal representatives. IQVIA shall have the right to assign this Agreement or any rights hereunder to any Subsidiary or successor. I may not assign any of my obligations under this Agreement.

l. **Third Party Beneficiary.** All Subsidiaries are intended third party beneficiaries of this Agreement and have the right to enforce rights under this Agreement.

m. **Additional Protected Disclosures.** I understand and agree that nothing contained in this Agreement prohibits or limits me from (i) filing a charge or complaint with any federal, state or local governmental or administrative agency or commission (a "Government Agency"); (ii) communicating with or participating in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information without notice to the Company; (iii) making a good faith report to any Government Agency concerning any act or omission that I reasonably believe constitutes a possible violation of federal, state, or local law or making other disclosures that are protected under applicable federal, state, or local law; (iv) disclosing

information in response to legal process or providing truthful testimony; (v) sharing compensation information concerning myself or others (except that this does not permit me to disclose compensation information of others that I obtained because my job responsibilities require or allow access to such information); (vi) discussing the terms and working conditions of my employment; or (vii) exercising any rights I may have under Section 7 of the National Labor Relations Act, including, without limitation, discussing any labor issue, dispute or term or condition of employment as part of engaging in concerted activities for the purpose of mutual aid or protection.

**Accepted and agreed:**

Employee Signature: \_\_\_\_

Name: \_\_\_\_

Date: \_\_\_\_

**IQVIA, on its own account and as agent for and on behalf of the Subsidiaries:**

By: \_\_\_\_

Name: Trudy Stein

Title: IQVIA EVP, Chief Human Resources Officer

ADDENDUM A  
State Law Modifications

**CALIFORNIA**

With respect to employees who primarily reside in the state of California, or if it is determined by a non-appealable final decision of a court of competent jurisdiction, or otherwise mandated by applicable law, that California law governs this Agreement, it is agreed that the following revisions to the Agreement shall apply:

Section 3 is inapplicable in its entirety with respect to the Restricted Period.

Section 4(a, b, and c) are inapplicable with respect to the Restricted Period.

With respect to employees who primarily reside and work in the state of California, it is agreed that the following additional revision to the Agreement shall apply:

Section 8(g) is inapplicable in its entirety.

**COLORADO**

If it is determined by a non-appealable final decision of a court of competent jurisdiction, or otherwise mandated by applicable law, that Colorado law governs this Agreement, then if this Agreement is not signed in connection with an agreement for the purchase and sale of a business or asset of a business, it is agreed that the following revisions to the Agreement shall apply:

The confidentiality obligations set forth in Section 1 shall not restrict my disclosure of information that: (a) arises from my general training, knowledge, skill, or experience, whether gained on the job or otherwise; (b) is readily ascertainable to the public; or (c) I otherwise have a right to disclose as legally protected conduct.

During the Restricted Period, Section 3 shall apply only to the extent (a) as an employee of IQVIA, I was paid at or above the then-current highly compensated worker threshold under applicable Colorado law (\$101,250 annually as of August 10, 2022, which is subject to annual adjustments under Colorado law) and (b) necessary to protect the Company's legitimate interest in protecting its trade secrets.

During the Restricted Period the restrictions in Sections 4(a) and 4(b) shall apply only to the extent that I am paid at or above sixty percent (60%) of the level of the then-current highly compensated worker threshold under applicable Colorado law (such 60% amount is equal to approximately \$60,750 annually as of August 10, 2022, which is subject to annual adjustments under Colorado law).

If I am a current employee of the Company at the time this Agreement is provided to me for signature, the restrictive covenants in Section 3(a) of this Agreement shall become effective fourteen (14) days after the date I sign this Agreement.

In accordance with applicable law, if at the time of my termination from my Employer (not including a transfer to another entity within the Company), I am primarily residing and working for the Company in Colorado, then Section 8(g) is revised such that Colorado law will govern the enforceability of Section 3.

In accordance with applicable law, if at the time of my termination from my Employer (not including a transfer to another entity within the Company), I am primarily residing or working for the Company in Colorado, then I cannot be required to adjudicate the enforceability of Section 3 outside of the State of Colorado.

**DISTRICT OF COLUMBIA**

If it is determined by a non-appealable final decision of a court of competent jurisdiction, or otherwise mandated by applicable law, that District of Columbia law governs this Agreement, it is agreed that the following revisions to the Agreement shall apply:

Effective for an Agreement signed by me on or after October 1, 2022, or such later date when the Washington D.C. Ban on Non-Compete Agreements Amendment Act of 2020, as amended (the "Act") takes effect, Section 3 shall not apply to me to the extent prohibited by the Act. Pursuant to the requirements of the Act, I hereby acknowledge that: "The District's Ban on Non-Compete Agreements Amendment Act of 2020 limits the use of non-compete agreements. It allows employers to request non-compete agreements from highly compensated employees, as that term is defined in the Ban on Non-Compete Agreements Amendment Act of 2020, under certain conditions. If I am a highly compensated employee under the Act, or am being asked to sign this Agreement under other qualifying circumstances, such as in connection with the sale of a business or as a participant in a long-term incentive plan, then Section 3 shall apply to me. For more information about the Ban on Non-Compete Agreements Amendment Act of 2020, contact the District of Columbia Department of Employment Services (DOES)."

**ILLINOIS**

If it is determined by a non-appealable final decision of a court of competent jurisdiction, or otherwise mandated by applicable law, that Illinois law governs this Agreement, it is agreed that, effective for an Agreement signed by me on or after January 1, 2022, the following revisions to the Agreement shall apply: Section 3 is inapplicable to me during the Restricted Period if my annual earnings are below the applicable threshold set forth in Illinois Public Act 102-0358. As used herein, "earnings" includes: earned salary, earned bonuses, earned commissions, or any other form of compensation reported on my IRS Form W-2 for that year.

Section 4 is inapplicable to me during the Restricted Period if my annual earnings are or would be below the applicable threshold set forth in Illinois Public Act 102-0358. As used herein, "earnings" includes: earned salary, earned bonuses, earned commissions, or any other form of compensation that would be or is reported on my IRS Form W-2 for that year.

I understand that I have at least fourteen (14) calendar days from my receipt of this Agreement to review this Agreement before signing, although I further understand that I may voluntarily elect to sign the agreement before the 14-day notice and review period has expired. I am permitted to consult with an attorney prior to signing this Agreement.

**MASSACHUSETTS**

If it is determined by a non-appealable final decision of a court of competent jurisdiction, or otherwise mandated by applicable law, that Massachusetts law governs this Agreement, it is agreed that the following revisions to the Agreement shall apply:

I hereby acknowledge that I have been provided the adequate notice period to review this Agreement as required by Massachusetts law.

The following is added as Section 3(e) to the Agreement:

(e) Post-Termination Consideration. In consideration for the restrictions set forth in Section 3(a), Employer shall provide, subject to Section 3(d) and solely if (1) Company elects to enforce Section 3 so as to prevent me from accepting employment with a third party, and (2) I have not breached the terms of this Agreement, (a) garden leave pay to me during the Restricted Period in an amount equal to fifty percent (50%) of my highest annualized base salary paid to me by Employer during the two (2) years preceding my termination or (b) other consideration as agreed in writing between me and Employer. It is agreed that Section 3 shall not apply to me if I am classified as a non-exempt employee (under the federal Fair Labor Standards Act 29 U.S.C. §§ 201 to 219), or if I have been discharged without cause or laid off.

The following replaces Section 8(g):

Governing Law. This Agreement and any action related thereto will be governed and interpreted by and under the laws of the Commonwealth of Massachusetts without giving effect to any conflicts of laws principles that require the application of the law of a different state. It is agreed that any litigation regarding the interpretation or enforcement of this Agreement shall be brought in the Business Litigation Section of the Superior Court of Suffolk County,



Massachusetts, and I and Employer consent to the exercise of personal jurisdiction by that court. The parties agree that the Business Litigation Section of the Superior Court of Suffolk County, Massachusetts shall be the exclusive forum for litigation regarding the interpretation or enforcement of this Agreement. I agree that I am surrendering the right to commence litigation regarding this Agreement against the Company outside that court.

#### **MINNESOTA**

With respect to employees who primarily reside in the state of Minnesota, or if it is determined by a non-appealable final decision of a court of competent jurisdiction, or otherwise mandated by applicable law, that Minnesota law governs this Agreement, and if this Agreement is not signed in connection with an agreement for the purchase and sale of a business or asset of a business, it is agreed that the following revisions to the Agreement shall apply:

Section 3 is inapplicable in its entirety with respect to the Restricted Period.

With respect to employees who primarily reside and work in the state of Minnesota, it is agreed that the following additional revision to the Agreement shall apply:

Section 8(g) is inapplicable in its entirety.

#### **NORTH DAKOTA**

If it is determined by a non-appealable final decision of a court of competent jurisdiction, or otherwise mandated by applicable law, that North Dakota law governs this Agreement, it is agreed that the following revisions to the Agreement shall apply:

Section 3 is inapplicable to me in its entirety during the Restricted Period.

#### **OKLAHOMA**

If it is determined by a non-appealable final decision of a court of competent jurisdiction, or otherwise mandated by applicable law, that Oklahoma law governs this Agreement, it is agreed that the following revisions to the Agreement shall apply:

Section 3 is to be interpreted such that, during the Restricted Period, I shall be permitted to engage in the same or similar business as that conducted by the Company, as long as I do not directly solicit the sale of goods, services or a combination of goods and services from the established customers of the Company.

**WORK PRODUCT ASSIGNMENT AGREEMENT**  
(IQVIA US Version – February 2019)

By entering into this Work Product Assignment Agreement (this "Agreement"), I acknowledge that IQVIA Holdings Inc., a Delaware corporation ("IQVIA"), and its Subsidiaries (as defined below) (collectively, the "Company") has an interest in protecting the ownership of Intellectual Property Rights (as defined below).

This Agreement describes terms relating to the ownership of Work Product (as defined below) in connection with my employment with Employer (as defined below) during the course of my employment, and for other good and valuable consideration, I agree to the terms of this Agreement, which will be deemed effective upon the last date specified on the last page of this Agreement.

In consideration of my employment with Employer (including continuing at-will employment with Employer), access to confidential and proprietary information of the Company during the course of my employment, and for other good and valuable consideration, I agree to the terms of this Agreement, which will be deemed effective upon the last date specified on the last page of this Agreement.

## 1. OWNERSHIP OF WORK PRODUCT:

Employer owns any Work Product made, created, conceived, developed, or reduced to practice by me, whether alone or with others, during the Service Period, unless it constitutes Non-Company Work Product (collectively, "Company Work Product"). I agree that all Company Work Product that is protectable under copyright laws shall be deemed "works made for hire" under those laws and shall be owned by Employer. To the extent any Company Work Product does not constitute a "work made for hire" or any ownership rights do not automatically transfer by virtue of my employment relationship with Employer, I hereby assign to Employer, without further consideration and with effect from the date of creation of that Company Work Product, all my right, title and interest in and to that Company Work Product together with (i) all goodwill associated with that Company Work Product and (ii) the right to sue in respect of every act of infringement of the Company Work Product occurring prior to the date of this Agreement, including by way of present assignment of any future rights in the Company Work Product I may have. To the extent that such assignment is not permitted by law, I hereby grant to Employer an exclusive, transferable, royalty-free, sub-licensable licence to such Company Work Product for any and all purposes.

## 2. COOPERATION:

I will assist Employer to perfect, protect, and use its rights in and to the Company Work Product in all countries. In particular, and without prejudice to section 6.g., I will sign all documents, supply all information and cooperate with reasonable requests that Employer considers necessary or desirable to give effect to this Agreement, and to enable Employer to obtain patent, copyright, or other legal protection for the Company Work Product. If Employer is unable to secure my signature on any document needed in connection with such purposes, I hereby irrevocably designate and appoint Employer and its duly authorized officers and agents as my agent and attorney in fact, which appointment is coupled with an interest, to act on my behalf to execute and file any such documents and to do all other lawfully permitted acts to further such purposes with the same legal force and effect as if executed by me.

## 3. EXCLUDED WORK PRODUCT:

I will not, without Employer's prior written consent, incorporate, or permit to be incorporated, any Non-Company Work Product or Prior Work Product (the "Excluded Work Product") into any Company Work Product or any

Subsidiary, or shall procure from the relevant third party of that Excluded Work Product a grant to each Subsidiary of, a non-exclusive, perpetual, fully-paid and royalty-free, irrevocable, worldwide license, with rights to sublicense, any and all rights (a) to reproduce, make derivative works of, distribute, publicly perform, publicly display, digitally transmit, and otherwise use the applicable Excluded Work Product in any form or medium, whether now known or later developed, (b) to use, make, have made, use, sell, import, offer for sale, and otherwise exploit in any product or service based on, embodying, incorporating, or derived from, in whole or in part, the applicable Excluded Work Product, and (c) to exercise any and all other present or future rights in the applicable Excluded Work Product.

## 4. DOCUMENTATION; DISCLOSURE:

During the Service Period, I agree to keep and maintain adequate and current documentation (in the form of computer files, notes, drawings and in any other form that is required by Employer) of Company Work Product. I agree to make this documentation available to Employer at all times. I also agree this documentation will remain the sole property of Employer as applicable. During the Service Period, I will promptly disclose to Employer in writing, (a) Work Product made, created, conceived, developed, or reduced to practice by me, whether alone or with others, and (b) all applications for Intellectual Property Rights filed by me or in which I am named as an inventor or co-inventor.

## 5. DEFINITIONS:

- a. "Employer" means the relevant Subsidiary I am or was employed by at the time the relevant Company Work Product is or was created, whether before or after the effective date of this Agreement.
- b. "Intellectual Property Rights" means all past, present, and future rights of the following types, which may exist or be created under the laws of any jurisdiction in the world: (i) rights associated with works of authorship, including exclusive exploitation rights, copyrights, design rights, moral rights, and database rights; (ii) trademark, service mark, trade name rights and similar rights; (iii) trade secret rights, know-how, and confidential information; (iv) patent, rights to inventions, and industrial property rights; (v) any other proprietary rights in intellectual property, in each case whether registered or unregistered; and (vi) rights in or relating to applications, registrations, renewals, extensions, combinations, divisions, amendments and reissues of, and applications for, any of the rights referred to in clauses (i) through (v) above.
- c. "Non-Company Work Product" means any Work Product that (i) I developed entirely on my own time without using the Company's or any customer of the Company's equipment, supplies, facilities, trade secrets or confidential information and (ii) does not (1) relate to the Company's or the Company's customers' business or actual or demonstrably anticipated research or development or (2) result from any work performed by me for

other Company materials, processes, computers, devices or other property. If, whether before or after the effective date of this Agreement, I incorporate, or permit to be incorporated, any Excluded Work Product into any Company Work Product or any other Company materials, processes, computers, devices or other property, or I create or develop, or permit to be created or developed, any Company Work Product that infringes or could be deemed to infringe any Excluded Work Product, I hereby unconditionally grant each



the Company or any customer of the Company. I understand that the provisions this Agreement requiring assignment of Company Work Product do not apply to any Non-Company Work Product that qualifies fully under the provisions of Section 2870 of the California Labor Code, or any similar state invention law. Section 2870 of the California Labor Code states as follows:

(a) Any provision in an employment agreement which provides that an employee shall assign, or offer to assign, any of his or her rights in an invention to his or her employer shall not apply to an invention that the employee developed entirely on his or her own time without using the employer's equipment, supplies, facilities, or trade secret information except for those inventions that either:

- (1) Relate at the time of conception or reduction to practice of the invention to the employer's business, or actual or demonstrably anticipated research or development of the employer; or
- (2) Result from any work performed by the employee for the employer.

(b) To the extent a provision in an employment agreement purports to require an employee to assign an invention otherwise excluded from being required to be assigned under subdivision (a), the provision is against the public policy of this state and is unenforceable.

However, I understand and agree that I must disclose to the Company all Non-Company Work Product that I believe qualifies under Labor Code Section 2870 (or any similar state invention law) so that the Company may determine whether it does in fact qualify for this limited exclusion from assignment to the Company. Unless I have generally described such Non-Company Work Product at the place of my signature below, I certify that I have none to be excluded from the assignments in this Agreement.

- d. "Prior Work Product" means any Work Product made, created, conceived, developed, or reduced to practice by me, whether alone or with others, prior to the Service Period.
- e. "Service Period" means the period of my employment with Company, whether before or after the effective date of this Agreement. If this Agreement has been executed in connection with the acquisition of any business or entity by IQVIA or any of its Subsidiaries, the Service Period is deemed to include, without limitation, the period of my employment, if any, with any such acquired business or entity prior to such acquisition.
- f. "Subsidiary" means any entity which controls, is controlled by, or is under the common control of IQVIA, where control shall refer to: (i) the possession, directly or indirectly, of the power to direct the management or policies of an entity, whether through the ownership of voting securities, by contract or otherwise, or (ii) the ownership, directly or indirectly, of more than 50% of the voting securities or other ownership interest of an entity. If this Agreement has been executed in connection with the acquisition of any business or entity by IQVIA or any of its Subsidiaries, any such acquired business or entity is deemed to be a Subsidiary of IQVIA at all times for purposes of this Agreement, including, but not limited to, the period of my employment, if any, with any such acquired business or entity prior to such acquisition.
- g. "Work Product" means any idea, concept, information, invention, material, process, data, database, program, know-how, improvement, discovery, development, design, artwork, formula, methodology, work of authorship, and/or technique, and all Intellectual Property Rights in any of these.

me, it is the intent of the parties that the term(s) most protective of the interests of IQVIA and its Subsidiaries shall be enforced.

- c. Amendments. No amendment or waiver of any provision of this Agreement or any rights or obligations of any party hereunder shall be effective unless pursuant to a written instrument signed by authorized representatives of the parties (or may be signed only by a single party if limited to such a waiver by that party); any waiver shall be effective only in the specific instance and for the specific purpose stated therein. I understand that, from time to time, the Company may update its standard form of Work Product Assignment Agreement ("WPAA"), and request that I execute the same. In such circumstances, any continued "at-will" employment is conditioned upon my execution of the Company's then-current form of WPAA.
- d. Counterparts. This Agreement may be executed in any number of counterparts, including by electronic delivery, each of which, when executed and delivered, shall be deemed to be an original and all of which shall be taken together and deemed to be one and the same instrument.
- e. Governing Law. This Agreement and any action related thereto will be governed and interpreted by and under the laws of the State of Delaware without giving effect to any conflicts of laws principles that require the application of the law of a different state.
- f. Non-Waiver. Any waiver or failure to enforce any provision of this Agreement on one occasion will not be deemed a waiver of that provision or any other provision on any other occasion.
- g. Further Assurance. I agree that I shall, upon receipt of a request by IQVIA or any Subsidiary, promptly do all acts and execute all documents as may be reasonably necessary or desirable to give full effect to the provisions of this Agreement.
- h. Waiver of Jury Trial. EACH PARTY TO THIS AGREEMENT HEREBY WAIVES ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION, SUIT, OR PROCEEDING BROUGHT TO RESOLVE ANY DISPUTE BETWEEN OR AMONG ANY OF THE PARTIES HERETO, WHETHER ARISING IN CONTRACT, TORT, OR OTHERWISE, ARISING OUT OF, CONNECTED WITH, RELATED OR INCIDENTAL TO THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREBY AND/OR THE RELATIONSHIP ESTABLISHED AMONG THE PARTIES HEREUNDER.
- i. Severability. If any provision of this Agreement is, for any reason, held to be invalid or unenforceable, the other provisions of this Agreement will remain enforceable and the invalid or unenforceable provision will be deemed modified so that it is valid and enforceable to the maximum extent permitted by law.
- j. Survival and Assignment. This Agreement shall survive the termination of my employment with Employer and the assignment of this Agreement by IQVIA to any successor or other assignee and shall be binding upon my heirs and legal representatives. IQVIA shall have the right to assign this Agreement or any rights hereunder to any Subsidiary or successor.
- k. Third Party Beneficiary. All Subsidiaries are intended third party beneficiaries of this Agreement and have the right to enforce rights under this Agreement.

## 6. GENERAL PROVISIONS:

- a. Waiver of Rights. If any Intellectual Property Rights, including moral rights, in any Company Work Product cannot (as a matter of law) be assigned by me to Employer, then I unconditionally and irrevocably waive the enforcement of such rights and all claims and causes of action of any kind against IQVIA or any of its Subsidiaries, or any of their respective licensees, successors or assigns with respect to such rights.
- b. Other Agreements. The terms of this Agreement shall supersede and be in lieu of the applicable terms of any other prior agreement between IQVIA or any of its Subsidiaries and me arising from my employment with Employer and regarding the ownership of Intellectual Property Rights in any Company Work Product. The terms of this Agreement do not supersede any prior agreement between me and IQVIA or any of its Subsidiaries regarding my obligations with respect to noncompetition, nonsolicitation, nondisparagement, or otherwise in respect of confidential information and proprietary rights. To the extent it is determined by a court of competent jurisdiction that

there is a conflict between or among the terms of this Agreement and any other non-superseded agreement between IQVIA or any of its Subsidiaries and

**Accepted and agreed:**  
**[Check One:]**

I have no Non-Company Work Product to disclose or exclude from assignment.

By checking this box, I represent that I do have Non-Company Work Product to disclose under Section 5(c) above, and I wish to exclude it from the assignments contained herein; I describe it generally as follows:

Employee Signature:

Name:

Employee ID:

Date:

**IQVIA, on its own account and as agent for and on behalf of the Subsidiaries:**

By:

Name: Trudy Stein

Title: IQVIA EVP, Chief Human Resources Officer

Date:

**IMS HEALTH INCORPORATED**  
**RETIREMENT PLAN**

**As Amended and Restated**  
**Effective January 1, 2020 (except as**  
**otherwise provided herein)**

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## ARTICLE 1

### DEFINITIONS

The IMS Health Incorporated Retirement Plan (the "Plan"), originally adopted effective July 1, 1998, was last amended and restated effective generally January 1, 2011. The Plan was thereafter amended on six occasions. The Plan is hereby amended and restated effective generally January 1, 2017. It is intended that the Plan, as amended and restated, meet all applicable requirements of the Internal Revenue Code of 1986 and the Employee Retirement Income Security Act of 1974 ("ERISA"), as the same may from time to time be amended. The Plan shall, therefore, be interpreted to comply with the applicable terms of the Code and ERISA and all applicable regulations and rulings issued thereunder.

1.1 "Accrued Benefit" shall mean the benefit as determined from time to time for a Member in accordance with the provisions of Article 4, but subject to the limitations set forth in Articles 14 and 15 of this Plan and any other limitation imposed as a condition of the Plan's qualification under the Code or other applicable law.

1.2 "Actuarial Equivalent Value" shall mean a benefit of equivalent value computed on the basis of the appropriate mortality table and interest rate, as follows:

(a) For the purpose of determining the Initial Balance described in Section 4.4, the applicable mortality table prescribed by the Internal Revenue Service under Section 417(e)(3) of the Code and 6.68% interest;

(b) For the purposes of determining the Accrued Benefit described in Sections 4.1 and 4.2, death benefits described in

Article VI with respect to such Accrued Benefit, certain optional forms of benefit payment available under Section

8.6 with respect to such Accrued Benefit, and the lump sum Employee Contribution Benefit described in Section 4.8,

the applicable mortality table prescribed by the Internal Revenue Service under Section 417(e)(3) of the Code and the

annual interest rate on 30-Year Treasury Bonds calculated as the average of the annual interest rates on 30-Year

Treasury Bonds specified in the Internal Revenue Bulletin (as described in Code §601.601(d)(2)(ii)) for the second,

third and fourth calendar months (look back month) before the month in which the Benefit Commencement Date

occurs (stability period); provided, however, that for Plan Years and limitation years beginning on and after January 1,

2008, the interest rate for the lump sum Employee Contribution Benefit described in Section 4.8, the Level Income

Annuity Option described in Section 8.6(d) and the lump sum cash-out of Accrued Benefits having an Actuarial

Equivalent Value of \$1,000 or less described in Section 8.6 shall be the applicable interest rate prescribed by the

Internal Revenue Service under Section 417(e)(3). Specifically, the applicable interest rate shall be the average of the

adjusted first, second, and third segment rates applied under the rules similar to the rules of Code Section 430(h)(2)

(C) for the second, third and fourth calendar months (look back month) before the month in which the Benefit

Commencement Date occurs (stability period). For this purpose, the first, second, and third segment rates are the first,

second, and third segment rates which would be determined under Code Section 430(h)(2)(C) if:

---

(i) Code Section 430(h)(2)(D) were applied by substituting the average yields for the month described in the

preceding paragraph for the average yields for the 24-month period described in such section, and

(ii) Code Section 430(h)(2)(G)(i)(II) were applied by substituting "Section 417(e)(3)(A)(ii)(II) for "Section

412(b)(5)(B)(ii)(II)," and

(iii) The applicable percentage under Code Section 430(h)(2)(G) is treated as being 20% in 2008, 40% in

2009, 60% in 2010, 80% in 2011, and 100% in 2012.

For the purpose of determining the amount of benefit for Benefit Commencement Dates before attainment of Age 55 and completion of 10 years of Vesting Service, and for optional forms of benefit payment described in Section 8.6 for Members with respect to the Frozen Accrued Benefit described in Section 4.8 and the Grandfathered Benefit described in Section 4.9, mortality rates shown in Appendix A of the Plan and 6.75% interest; provided, however, that for Plan Years and limitation years beginning on and after January 1, 2008, the interest rate for the Level Income Annuity Option described in Section 8.6(d) and the lump sum cash-out of Accrued Benefits having an Actuarial Equivalent Value of \$1,000 or less described in Section 8.6 shall be the applicable interest rate prescribed by the Internal Revenue Service under Section 417(e)(3) and described more specifically above.

No change in the definition of Actuarial Equivalent Value shall reduce the present value of a Member's Accrued Benefit under the Plan as of the effective date of such change, except as permitted by law.

1.3 "Affiliated Employer" shall mean the Company and any other employer which is a member of a "controlled group of corporations," a group under "common control," or an "affiliated service group," (all as determined under Code Sections 414(b), (c), (m), (n), (o), or solely for purposes of Article 15, the rules set forth in Code Section 415(h)) that includes the Company.

1.4 "Age" shall mean attained age in years and months on the date of determination.

1.5 "Average Final Compensation" means an Employee's average annual Compensation during the five consecutive twelve-month periods in the last ten consecutive twelve-month periods of his or her Credited Service (or during the total number of consecutive twelve month periods if fewer than five such periods), prior to the relevant date of calculation under this Plan, affording the highest such Average Final Compensation. If actual monthly Compensation for any month during the ten consecutive twelve-month periods which shall be the computational period is unavailable, Compensation for such month shall be determined by dividing the Member's annual rate of base pay in the month preceding such unavailable month by twelve. For the sole purpose of determining an Employee's average annual Compensation, service with an Affiliated Employer which is not an Employer for the purpose of this Plan shall be deemed Credited Service. In the event any Employee is regularly employed for at least 1,000 hours but less than 1,800 hours, his or her earnings shall be annualized under uniform rules adopted by the Plan Administrator.



- 1.6 "Beneficiary" shall mean the person or persons, entity or entities (including a trust(s)), or estate that shall be entitled to receive benefits payable pursuant to the provisions of this Plan by virtue of a Member's death under Sections 6.2 and 8.7.
- 1.7 "Benefit Commencement Date" shall mean the first day of the first month for which an individual has elected to have his or her benefit become payable to him or her, even though the first payment may not actually have been made at that date.
- 1.8 "Board" shall mean the Board of Directors of IQVIA Inc., except that any action authorized to be taken by the Board hereunder may also be taken by a duly authorized committee of the Board or the duly authorized delegates of such duly authorized committee.
- 1.9 "Code" shall mean the Internal Revenue Code of 1986, as amended from time to time, and any regulations issued pursuant thereto.
- 1.10 "Cognizant" shall mean Cognizant Corporation.
- 1.11 "Cognizant Plan" shall mean the Cognizant Retirement Plan.
- 1.12 "Company" shall mean IQVIA Inc.
- 1.13 "Compensation" shall mean base salary, annual bonuses, commissions, overtime and shift pay, in each case prior to reductions for elective contributions under Code Sections 401(k), 125, 132(f)(4), 402(e)(3), 402(h)(1)(B), 403(b) or 457(b) and Employee contributions described in Code Section 414(h)(2) that are treated as Employer contributions. Notwithstanding the foregoing, Compensation shall exclude severance pay (including, without limitation, severance pay under the Company's Employee Protection Plan), stay-on bonuses, long-term bonuses, retirement income, change-in-control payments, contingent payments, income derived from stock options, stock appreciation rights and other equity-based compensation, amounts deferred under any nonqualified deferred compensation plan, amounts paid under any retirement plan or deferred compensation plan and other forms of special remuneration.

In the case of a Member who is transferred to an Affiliated Employer which is not an Employer during a year, Compensation shall be the amount received by the Member immediately prior to such transfer. If a Member's Service with the Company is continued during a period of authorized leave of absence, for the purposes of determining Average Final Compensation in Section 1.5 and Retirement Credits in Section 4.5, the Member shall be deemed to continue to receive the salary he or she was receiving at the time such leave commenced if the leave of absence was for the purposes of military service. In all cases of paid leave, the Member's Compensation during such period of leave shall be included for the purposes of determining Average Final Compensation in Section 1.5 and Retirement Credits in Section 4.5.

Effective for Plan Years beginning before January 1, 2002, however, in no event will the monthly Compensation taken into account under the Plan exceed one-twelfth of \$150,000 and effective for Plan Years beginning on or after January 1, 2002, in no event will the monthly Compensation taken into account under the Plan exceed one-twelfth of \$200,000, or such greater amount as may be prescribed under Section 401(a)(17)(B) of the Code by the Secretary of the Treasury from time to time; except that the dollar increase in effect on January 1 of any calendar year shall be effective for the Plan Year beginning with such

calendar year. Notwithstanding the foregoing, with respect to Members whose Benefit Commencement Date is on or after March 16, 2010, the above-described Compensation limit under Section 401(a)(17) of the Code shall be applied on an annual basis.

With respect to Members in this Plan with respect to whom a transfer of assets and liabilities occurred from the Cognizant Plan to this Plan as of the Initial Effective Date, if Compensation for any prior determination period is taken into account in determining an Employee's benefits accruing in a Plan Year beginning after December 31, 2001, the Compensation limit in effect for that prior determination period is \$200,000.

For any short Plan Year, the Compensation limit shall be an amount equal to the compensation limit for the calendar year in which the Plan Year begins multiplied by the ratio obtained by dividing the number of full months in the short Plan Year by 12.

If the Plan is a plan described in Code Section 413(c) or 414(f) (a plan maintained by more than one employer), the limitation applies separately with respect to the Compensation of any Member for each Employer maintaining the Plan.

1.14 "Computation Period" shall mean the Plan Year, except for purposes of determining eligibility, in which case, it shall mean the twelve (12) month period commencing with the Employee's Employment Commencement Date or Re-Employment Commencement Date (as applicable). If the Eligible Employee fails to satisfy the requirements for eligibility in that twelve (12) month period, the Computation Period for determining eligibility for that Eligible Employee shall thereafter be the Plan Year that begins within such twelve (12) month period and each Plan Year thereafter.

1.15 "Credited Service" shall have the same meaning as in Section 2.4 and Appendix B.

1.16 "D&B" shall mean The Dun & Bradstreet Corporation.

1.17 "D&B Plan" shall mean the Master Retirement Plan of The Dun & Bradstreet Corporation.

1.18 "Defined Benefit Dollar Limitation" shall mean the limitation set forth in Section 415(b)(1) of the Code as indexed by the Secretary of the Treasury.

1.19 "Early Retirement Date" shall mean the first day of the calendar month coincident with or next following the Member's Severance Date, if such date is earlier than his or her Normal Retirement Date and if the Member is eligible for early retirement under the terms of the Plan as described in Section 5.3. Anything in this Plan to the contrary notwithstanding, "Early Retirement Date" with respect to any Member whose participation in this Plan terminated effective August 1, 2000 by reason of the termination of participation in this Plan by Clark-O'Neill, Inc. effective August 1, 2000 and/or such Member's transfer of employment to SYNAVANT Inc. effective August 1, 2000, or with respect to any Member whose participation in this Plan terminated effective October 3, 2000 by reason of the termination of participation in this Plan by ERISCO Managed Care Technologies, Inc. effective October 3, 2000 shall mean such Member's Benefit Commencement Date.

1.20 “Effective Date” of this amendment and restatement shall mean, except as otherwise provided herein, January 1, 2017.

1.21 “Eligibility Service” shall mean Service as counted for determining an Employee’s right to become a Member in the Plan, as determined in accordance with the provisions of Section 2.2.

1.22 “Eligible Employee” shall mean an Employee of an Employer, who is entitled to participate in the Plan upon meeting the requirements in accordance with Section 3.1, other than (a) an Employee whose terms and conditions of employment are the subject of a collective bargaining agreement between an Employer and a collective bargaining agent unless and until participation in the Plan shall have been negotiated for and agreed to in writing by such Employer and the collective bargaining agent, (b) a Leased Employee, or (c) a Non-Benefits Employee. Furthermore, effective July 1, 2012, the term “Eligible Employee” shall exclude an Employee who was employed by DecisionView, Inc. on June 30, 2012; and, effective August 13, 2012, the term “Eligible Employee” shall exclude an Employee who was employed or hired by Tar Heel Trading Company, LLC on or after August 13, 2012; and, effective March 11, 2013, the term “Eligible Employee” shall exclude an Employee who was employed or hired by Appature, Inc. on or after March 11, 2013; and effective May 17, 2013, the term “Eligible Employee” shall exclude an Employee who was employed or hired by 360 Vantage on or after May 17, 2013; and effective June 5, 2013, the term “Eligible Employee” shall exclude an Employee who was employed by Incential Software, Inc. on June 5, 2013; and effective December 5, 2013, the term “Eligible Employee” shall exclude an Employee who was employed or hired by The Amundsen Group, Inc. on or after December 5, 2013. Notwithstanding the foregoing sentence or any other provision of the Plan to the contrary, effective January 1, 2014 the foregoing sentence is null and void in its entirety with the result that Employees of DecisionView, Inc., Tar Heel Trading Company, LLC, Appature Inc., 360 Vantage, Incential Software, Inc., and The Amundsen Group, Inc. (each an “Acquired Entity”) shall be considered Eligible Employees and credited with Service for all periods during which (a) such Employee is employed by an Acquired Entity, and (b) the Acquired Entity is an Affiliated Employer under the terms of the Plan. Effective October 3, 2016, the term “Eligible Employee” shall exclude an Employee who was employed by Quintiles Transnational Holdings, Inc. or any member of the controlled group of corporations of which Quintiles Transnational Holdings, Inc. was a member immediately prior to its merger with IMS Health Holding, Inc., and any Employee who was transferred to an Employer following the merger from such an entity. Notwithstanding the foregoing, no Employee shall become an Eligible Employee on or after December 31, 2016.

1.23 “Employee” shall mean any person who is a common-law employee or a Leased Employee of an Affiliated Employer.

1.24 “Employer” shall mean IQVIA Inc. and any other Affiliated Employer designated by the Plan Administrator to participate herein with respect to some or all of its Eligible Employees. When used in this Plan, “Employer” shall refer to such participating entities either individually or collectively, as the context may require.

1.25 “Employment Commencement Date” shall mean the date on which an Employee is first credited with an Hour of Service.

1.26 “ERISA” shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time.

1.27 “Former Employee” shall mean a person who was an Employee and who is no longer in the employment of the Company or an Affiliated Employer.

1.28 “Fund” shall mean any fund provided for in a trust arrangement, or a combination of a trust arrangement and one or more insurance company contracts, which is held by a funding agent, to which contributions under the Plan will be made, and out of which benefits are paid to or otherwise provided for Members.

1.29 “Grandfathered Benefit” shall mean the minimum benefit amount to which certain Members are entitled as described in Section 4.9.

1.30 “Highly Compensated Employee” shall mean an Eligible Employee who:

(a) was a five percent (5%) owner as defined in Section 416(i)(1)(B)(i) of the Code, at any time during the Determination Year or the Look-Back Year, or

(b) for the Look-Back Year had Compensation from the Employer in excess of \$80,000 provided that the \$80,000 amount may be adjusted by the Secretary of the Treasury at the same time and in the same manner as under Code Section 415(d), except that the base period shall be the calendar quarter ending September 30, 1996. In the case of such an adjustment, the dollar limit which shall be applied is the limit for the calendar year in which the Look-Back Year begins.

For purposes of this Section 1.30,

(1) “Compensation” shall mean compensation as defined in Section 414(q)(4) and the regulations thereunder and shall include amounts which are contributed by the Employer pursuant to a salary reduction agreement and which are not includable in the gross income of the Eligible Employee under Code Sections 125, 402(g)(3) or 457, and Employee contributions described in Code Section 414(h)(2) that are treated as Employer contributions and, effective January 1, 2001, by including any amount which is contributed or deferred by the Employer and which is not includable in the gross income of the Employee by reason of Code Section 132(f)(4).

(2) “Determination Year” shall mean the Plan Year for which the determination of who is Highly Compensated is being made.

(3) “Look-Back Year” shall mean the twelve (12) month period preceding the Determination Year.

(4) An Employee shall be treated as a five percent (5%) owner for any Plan Year if at any time during such Plan Year such Employee was a five percent (5%) owner of the Employer.

A former Employee shall be treated as a Highly Compensated Employee if such former Employee had a separation year prior to the Determination Year and was a Highly Compensated active Employee for either (I) such Employee's separation year or (II) any Determination Year ending on or after the Employee's 55th birthday. Employees who are non-resident aliens and who received no earned income (within the meaning of Code Section 911(d)(2)) from the Employer constituting U.S. source income within the meaning of Code Section 861(a)(3) shall not be treated as Employees.

A separation year is the Determination Year in which the Employee separates from service.

Notwithstanding anything to the contrary in this Plan, Sections 414(b), (c), (m), (n) and (o) of the Code are applied prior to determining whether an Employee is a Highly Compensated Employee.

1.31 "Hour of Service" shall mean an hour of service calculated in accordance with the provisions of Section 2.1.

1.32 "Initial Balance" shall mean, for certain Members who were members of the Cognizant Plan, the single sum amount described in 4.4.

1.33 "Initial Effective Date" shall mean July 1, 1998.

1.34 "Investment Credit" shall mean additions to the Retirement Account determined in accordance with the procedures of Section 4.7.

1.35 "Leased Employee" shall mean any person (other than an Employee of the recipient) who pursuant to an agreement between the recipient and any other person ("leasing organization") has performed services for the recipient (or for the recipient and related persons determined in accordance with Code Section 414(n)(6)) on a substantially full-time basis for a period of at least one year, and such services are performed under the primary direction or control of the recipient employer. Contributions or benefits provided a Leased Employee by the leasing organization which are attributable to services performed for the recipient employer shall be treated as provided by the recipient employer. A Leased Employee shall not be considered an Employee of the recipient:

(a) if such Employee is covered by a money purchase pension plan providing:

- (i) a non-integrated employer contribution rate of at least 10% of compensation, as defined in Code Section 415(c)(3);
- (ii) immediate participation; and
- (iii) full and immediate vesting; and

(b) if Leased Employees do not constitute more than 20% of the recipient's non-highly compensated work force.

1.36 "Member" shall mean an Eligible Employee who meets the requirements for membership under Article 3 and also any person who retired under the Plan, or has terminated his or her service with an Employer and is entitled to benefits under the Plan.

1.37 "Named Fiduciary" shall mean a fiduciary designated as such under the provisions of Article 10.

1.38 "Non-Benefits Employee" shall mean: (a) any worker who has signed an employment agreement, independent contractor agreement or other personal services contract with the Employer stating that he or she is not eligible to participate in the Plan; or (b) any worker that the Employer treats as an independent contractor, during the period that the worker is so treated, regardless of whether such worker may be determined to be an Employee by administrative, judicial or other decision.

- 1.39 "Normal Retirement Age" shall mean the later of Age 65, or the third anniversary (the fifth anniversary before January 1, 2008) of the date the Member commenced employment with the Company; provided, however, for Members with respect to whom there was a transfer of assets and liabilities from the Cognizant Plan (and such assets and liabilities were not returned to the Cognizant Plan for any reason), "Normal Retirement Age" shall mean Age 65.
- 1.40 "Normal Retirement Date" means the first day of the calendar month coincident with or next following the Member's Normal Retirement Age.
- 1.41 "Participating Employer" shall mean each Affiliated Employer designated by the Plan Administrator to participate herein with respect to some or all of its Eligible Employees.
- 1.42 "Period of Service" shall mean the period of time commencing on the Employee's Employment Commencement Date or Re-Employment Commencement Date, whichever is applicable, and ending on the Severance Date following such Employment Commencement Date or Re-Employment Commencement Date. Period of Service shall be computed in 1/12ths of a year, with a full month being granted for each completed or partial month.
- 1.43 "Period of Severance" shall mean the period of time commencing on a Severance Date and ending on the date the Employee again performs an Hour of Service for an Affiliated Employer.
- 1.44 "Plan" shall mean the IMS Health Incorporated Retirement Plan, as embodied herein, and any amendments thereto.
- 1.45 "Plan Administrator" shall mean the Company, except that any action authorized to be taken by the Plan Administrator hereunder may also be taken by any committee or person(s) duly authorized by the Board or the duly authorized delegates of such duly authorized committee or person(s).
- 1.46 "Plan Sponsor" shall mean IQVIA Inc.
- 1.47 "Plan Year" shall mean the period beginning on the Plan's Initial Effective Date and ending on the subsequent December 31, and thereafter, shall mean the period beginning on January 1 and ending on December 31.
- 1.48 "Postponed Retirement Date" shall mean the first day of the month coincident with or next following the Member's Severance Date, if such date is later than the Member's Normal Retirement Date.
- 1.49 "Purchaser" shall mean any entity or other business organization or its successor, which acquires all or substantially all of the stock or assets of the Company, or any subsidiary.
- 1.50 "Qualified Optional Survivor Annuity" shall mean an annuity:
- (a) For the life of the Member with a survivor annuity for the life of the Member's spouse which is equal to 75% of the amount of the annuity which is payable during the joint lives of the Member and the Member's spouse, and

(b) Which is the actuarial equivalent of a single annuity for the life of the Member.

Such term also includes any annuity in a form having the effect of an annuity described in the preceding sentence.

1.51 "Re-Employment Commencement Date" shall mean the first date, following a Period of Severance, that the Employee again performs an Hour of Service for an Affiliated Employer.

1.52 "Retirement Account" shall mean the notional account used to calculate benefits under this Plan as described in Section 4.3.

1.53 "Retirement Credit" shall mean notional additions to the Retirement Account determined as described in Section 4.5.

1.54 "Service" shall mean an Employee's period of employment with an Employer or an Affiliated Employer that is counted as "Eligibility Service" or "Vesting Service" as appropriate in accordance with Article 2. Service shall include employment with Cognizant and D&B, as provided under Article 2.

1.55 "Severance Date" shall mean the earliest of:

(a) the date on which the Employee resigns, is discharged or dies; or

(b) the date following a twelve-month period in which the Employee remains absent from employment (with or without pay) for any reason other than maternity or paternity leave of absence, resignation, discharge or death (such as vacation, holiday, sickness, disability, leave of absence or layoff); or

(c) the date following a twenty-four month period in which the Employee remains absent from employment (with or without pay) for a maternity or paternity leave including:

(i) the individual's pregnancy; or

(ii) childbirth; or

(iii) adoption of a child; or

(iv) child care immediately after the birth or adoption of a child;

in the case of an Employee who is absent from employment beyond the first anniversary of the first day of absence by reason of maternity or paternity leave; provided, however the period between the first and second anniversary will be treated as neither a Period of Severance nor a Period of Service.

1.56 "Spouse" shall mean, effective June 26, 2013, a spouse as recognized under federal law and does not include individuals (whether of the opposite or same sex) who have entered into a registered domestic partnership, civil union or other similar formal relationship recognized under state law that is not denominated as a marriage under the laws of that state (and the term "marriage" does not include such formal relationships). For all purposes under the Plan, effective June 26, 2013, the term "Spouse" and "legally married" shall be construed in accordance with federal law.

1.57 "Trust" shall mean any trust established under an agreement between the Company and a Trustee under which any portion of the Fund is held, and shall include any and all amendments to the trust agreement.

1.58 "Trustee" shall mean any trustee holding any portion of the Fund under a Trust pursuant to an agreement forming a part of the Plan.

1.59 "Vesting Service" shall mean Service as counted for determining an Employee's right to become eligible for retirement benefits, disability benefits or, vested benefits upon termination of employment for reasons other than retirement or disability as described in Section 2.3.

1.60 "Year of Service" shall mean a Computation Period during which the Employee is credited with 1,000 or more Hours of Service, under the rules of Section 2.1, or as defined for purposes of credited service with respect to the Frozen Accrued Benefit or Grandfathered Benefit as described in Appendix B.



## ARTICLE 2

### SERVICE COUNTING RULES

2.1 **Hours of Service** – An Employee shall be credited with an Hour of Service for:

- (a) Each hour for which a person is directly or indirectly paid, or entitled to payment, by the Company or an Affiliated Employer for the performance of duties. These hours shall be credited to the person during the appropriate Computation Period in which the duties are performed;
- (b) Each hour for which a person is directly or indirectly paid, or entitled to payment, by the Company or an Affiliated Employer for reasons other than for the performance of duties (such as vacation, holiday, illness, incapacity including disability, jury duty, military duty, leave of absence or layoff). These hours shall be credited to the Employee during the Computation Period in which the nonperformance of duties occurs. The computation of non-work hours described in this subsection shall be computed in accordance with the provisions of the Department of Labor Regulation Section 2530.200b-2;
- (c) Each hour for which back pay, irrespective of mitigation of damages, has been either awarded or agreed to by the Company or an Affiliated Employer. These hours will be credited to the person for the period to which the award or agreement pertains; and
- (d) Each hour for which an Employee is not paid or entitled to pay but during which the Employee is absent for a period of military service for which reemployment rights are protected by law, but only if the Employee returns to employment with the Company or an Affiliated Employer within the time required by law.

Notwithstanding anything herein to the contrary, an Employee who is considered exempt from overtime compensation or any other Employee for whom records regarding actual hours worked (as defined in Department of Labor Regulation Section 2530.200b-3(d)(3)(i)) are not maintained, shall be credited with 190 Hours of Service for each month for which the Employee would be required to be credited with at least one Hour of Service as defined above in paragraphs (a) through (d) of this Section 2.1.

2.2 **Eligibility Service**

- (a) **General Rule** – An Eligible Employee shall be credited with one (1) year of Eligibility Service for each Computation Period during which he or she is credited with 1,000 or more Hours of Service. For this purpose, Hours of Service shall include Hours of Service with the Company and any Affiliated Employer, regardless of whether the Affiliated Employer is an Employer for the purpose of this Plan.
- (b) **Special Rule for Eligibility Service** –

- (1) As of the Initial Effective Date, an Employee shall be credited with Eligibility Service for Hours of Service completed as an employee of D&B or Cognizant; provided, however, that any such Employee who was not vested in his or her benefit under the D&B Plan or the Cognizant Plan shall not be credited with Eligibility Service for Hours of Service completed as an employee of D&B or Cognizant if such Employee incurred five or more Years of Break in Service (as defined in Section 3.3) prior to his or her employment by an Employer under this Plan.
- (2) Effective January 1, 2007, Hours of Service completed by an Employee while enrolled in a full-time accredited undergraduate or graduate degree program that would otherwise be credited to more than one Computation Period shall be aggregated and deemed to have been completed in the same Computation Period in order to accelerate the date upon which such Employee shall satisfy the one-year of Eligibility Service requirement set forth in Section 3.1 of the Plan; provided, however, that no such aggregation shall occur while such Employee is designated as a Non-Benefits Employee.

### **2.3 Vesting Service**

(a) **General Rule** – An Eligible Employee shall be credited with Vesting Service equal to the total of (i) his or her Period(s) of Service with an Affiliated Employer and (ii) any Period(s) of Severance that are less than twelve (12) months. Vesting Service shall be computed in 1/12ths of a year, with a full month being granted for each completed or partial calendar month. Notwithstanding the foregoing, no month which is included in a Period of Service shall be included in a Period of Severance of less than twelve months for the purpose of determining Vesting Service.

(b) **Special Rule for Vesting Service** – As of the Initial Effective Date, an Employee shall be credited with Vesting Service for Periods of Service completed as an employee of D&B or Cognizant; provided, however, that any such Employee who was not vested in his or her benefit under the D&B Plan or the Cognizant Plan shall not be credited with Vesting Service for Periods of Service completed as an employee of D&B or Cognizant if such Employee incurred five or more years of Break in Service prior to his or her employment by an Employer under this Plan. For purposes of this Section 2.3(b), a Break in Service shall mean a Period of Severance that exceeds five years.

**2.4 Credited Service** – For the purpose of determining a Member's Grandfathered Benefit in Section 4.9, "Credited Service" shall have such meaning as defined under the terms of the D&B Plan, as described in Appendix B hereof.

## ARTICLE 3

### **MEMBERSHIP AND TRANSFERS**

3.1 **Eligibility** – Each Eligible Employee who was a participant in the Cognizant Plan on June 30, 1998 shall be a Member in this Plan as of the Initial Effective Date in accordance with the provisions hereof (but only if a transfer of assets and liabilities occurred from the Cognizant Plan in respect of such Member, and such assets and liabilities were not subsequently returned to the Cognizant Plan for any reason). Effective March 1, 2016, each other Eligible Employee shall become a Member in the Plan on the *earlier* of: (1) the first day of the first Plan Year beginning after the date on which such Eligible Employee attains Age 21 and completes one year of Eligibility Service; or (2) the first day of the month that is the sixth month after the date on which such Eligible Employee attains Age 21 and completes one year of Eligibility Service. The immediately foregoing sentence shall not apply, however, to any Eligible Employee who, prior to March 1, 2016, satisfied the age and service requirements of the Plan in effect prior to March 1, 2016. Prior to March 1, 2016, each Eligible Employee (other than an Eligible Employee who was a participant in the Cognizant Plan on June 30, 1998 and who is otherwise described in the first sentence of this Section 3.1), shall become a Member in the Plan on the first day of the month coincident with or next following the date the Eligible Employee attains Age 21 and completes one year of Eligibility Service. Notwithstanding any other provision of the Plan to the contrary, no Eligible Employee shall commence participation in the Plan on or after December 31, 2016.

3.2 **Eligibility upon Re-Employment**. A former Member or a former Eligible Employee whether or not previously vested as described in Section 5.5 who incurs a Severance Date and is later reemployed by the Employer as an Eligible Employee prior to incurring five or more Years of Break in Service shall once again participate in this Plan on the first day of the first calendar month after his or her Re-Employment Commencement Date. A former Member who was not previously vested and who is later re-employed by an Employer as an Eligible Employee after incurring five or more years of Break in Service shall again be required to satisfy the requirements of Section 3.1. A former Employee who had not met the eligibility requirements of Section 3.1 before his or her Severance Date shall participate in the Plan upon satisfaction of the requirements of Section 3.1.

3.3 **Year of Break in Service** – For purposes of Section 3.2, one Year of Break in Service shall mean a Plan Year in which a Member completes not more than 500 Hours of Service.

3.4 **Termination of Membership** – A Member who incurs a Severance Date at a time when he or she is not entitled to a Vested Accrued Benefit shall cease to be a Member at such time, and shall be deemed to have received a distribution of the value of his or her vested benefits hereunder. A Member who incurs a Severance Date and who is entitled to a Vested Accrued Benefit shall cease Membership upon receipt of all payments to which he or she is entitled hereunder.

3.5 **Suspension of Membership** – A Member who ceases to be an Eligible Employee without incurring a Severance Date shall cease to be credited with benefits hereunder, except Interest Credits, if applicable, as if he or she had incurred a Severance Date on the date on which he or she ceased to be an Eligible Employee, but he or she shall continue to be a Member for other purposes under the Plan and, if he or she continues to remain in the employ of an Affiliated Employer, shall continue to earn Vesting Service.

3.6 **Return to Membership** – A Member whose membership has been suspended who shall again become an Eligible Employee shall become a Member again for benefits hereunder on the first day of the first calendar month after the date on which the Member again becomes an Eligible Employee.

## ARTICLE 4

### **BENEFIT AMOUNTS**

4.1 **Accrued Benefit** – A Member's Accrued Benefit determined from time to time hereunder shall be the largest of the following amounts:

- (a) effective January 1, 2010, the amount of the single life annuity commencing as of the Member's Normal Retirement Date, calculated as the Actuarial Equivalent Value of the amount credited to such Member's Retirement Account as provided in this Article;
- (b) the Member's Frozen Accrued Benefit commencing as of the Member's Normal Retirement Date or on the date of determination if such date is after the Normal Retirement Date; or
- (c) for a Member who had attained Age fifty (50) and had been credited with at least five (5) years of Vesting Service under the D&B Plan as of October 31, 1996, the Grandfathered Benefit Amount as defined in Section 4.9 and Appendix B of this Plan commencing as of the Member's Normal Retirement Date or on the date of determination if such date is after the Normal Retirement Date.

4.2 **Early Retirement Benefit** – A Member's Early Retirement Benefit determined from time to time hereunder shall be the largest of the following amounts:

- (a) effective January 1, 2010, the amount of single life annuity commencing as of the Member's Early Retirement Date, calculated as the Actuarial Equivalent Value of the amount credited to such Member's Retirement Account at the Member's Early Retirement Date;
- (b) the Member's Frozen Accrued Benefit commencing as of the Member's Early Retirement Date, as defined in Section 4.8 of this Plan; or
- (c) for a Member who had attained Age fifty (50) and had been credited with at least five (5) years of Vesting Service under the D&B Plan as of October 31, 1996, the Grandfathered Benefit Amount as defined in Section 4.9 of this Plan and Appendix B of this Plan commencing as of the Member's Early Retirement Date.

4.3 **Retirement Account** – A notional Retirement Account shall be created and maintained for each Member and shall be the sum of the Initial Balance (if any), Retirement Credits, and monthly Investment Credits thereon, as provided in this Article 4. The Retirement Account shall be created and maintained for the purpose of calculating benefits under this Plan. Such Retirement Account shall not represent any share of the Fund nor shall it entitle the Member to any share in the earnings of the Fund.

A Member's Retirement Account as of the Member's Benefit Commencement Date shall be no less than the sum of the Initial Balance (if any) and Retirement Credits, as provided in this Article 4, reduced to reflect the value of any prior distributions. This requirement applies only as of a Benefit Commencement Date as of which a distribution of the Member's entire remaining vested benefit under the Plan commences, and is intended to comply with the preservation of capital requirements of Code Section 411(b)(5)(B)(i)(II).

4.4 **Initial Balance** – For a Member who was a participant in the Cognizant Plan (but only if a transfer of assets and liabilities occurred from the Cognizant Plan in respect of

such Member, and such assets and liabilities were not subsequently returned to the Cognizant Plan for any reason) and who was an Eligible Employee under the Cognizant Plan as of July 1, 1998, the Initial Balance of the Retirement Account shall be the sum of (a) the single sum amount equal to the Actuarial Equivalent Value, as of October 31, 1996, of the normal retirement benefit such Member had accrued under the terms of the D&B Plan as of October 31, 1996 (if any), determined with the Member's Age as of October 31, 1996, and (b) the sum of the Retirement Credits and monthly Investment Credits under the Cognizant Plan as of June 30, 1998. For all other Members, the Initial Balance shall equal zero.

4.5 **Retirement Credits** – For each calendar month following June 30, 1998, each Eligible Employee who is a Member shall have his or her Retirement Account credited with notional Retirement Credits in an amount equal to six percent (6%) times his or her Compensation with respect to such month.

4.6 **Monthly Allocation of Retirement Credits** – A Member's Retirement Credits shall be allocated to the Member's Retirement Account as of the end of each calendar month.

4.7 **Investment Credits** – A Member's Retirement Account, including the Retirement Account of a Member who is no longer actively employed by an Employer participating hereunder, shall be credited as of the last day of each calendar month (the stability period) with a notional Investment Credit calculated by multiplying the Member's Retirement Account as of the last day of the prior calendar month (the look back month) by the greater of:

(a) 0.25%, or

(b) 1/12<sup>th</sup> of the average Code Section 417(e)(3) rate prior to amendment by the Pension Protection Act of 2006 for the look back month.

Notwithstanding the foregoing, Investment Credits will cease to be credited effective the first day of the month in which occurs the Member's Benefit Commencement Date.

4.8 **Preservation of Accrued Benefit of the D&B Plan** – If the Member was a participant of the D&B Plan on October 31, 1996, and the liabilities and assets related to his or her accrued benefit under the D&B Plan were transferred to the Cognizant Plan and then transferred to this Plan, the accrued benefit under the D&B Plan of such Member shall be calculated as of October 31, 1996, and shall be the Member's Frozen Accrued Benefit hereunder and as described in Appendix B. The Member shall be entitled, notwithstanding any other provision of this Plan, to receive his or her Frozen Accrued Benefit in any of the optional forms of benefit that were available to the Member under the terms of the D&B Plan, including any early retirement subsidies to which the Member might be entitled as specified in Appendix B hereunder.

4.9 **Grandfathered Benefit Amount** – A Member who, as of October 31, 1996, had attained Age fifty (50) and had been credited with at least five (5) years of Vesting Service under the D&B Plan, shall be entitled to a minimum benefit hereunder described in Appendix B (but only if a transfer of assets and liabilities accrued under the D&B Plan occurred from the Cognizant Plan in respect of such Member, and such assets and liabilities were not subsequently returned to the Cognizant Plan for any reason).

4.10 **Restoration of Retirement Account** – If a Member who is rehired by an Employer and (i) was not fully vested in accordance with Article 5 as of his or her prior Severance Date, and (ii) has a Period of Severance of less than 5 years, he or she shall have his or her Retirement Account reinstated as of his or her Re-Employment Commencement Date, and shall continue to vest in accordance with Article 5 following his or her Re-Employment Commencement Date.

## ARTICLE 5

### ENTITLEMENT TO BENEFITS

5.1 **Normal Retirement** – A Member who retires from employment with the Employer on his or her Normal Retirement Age shall be entitled to receive one hundred percent (100%) of his or her Accrued Benefit as of his or her Normal Retirement Date in the manner provided under Article 8.

5.2 **Postponed Retirement** – A Member who retires from employment with the Employer after his or her Normal Retirement Date shall continue to participate in this Plan, and his or her Retirement Account shall continue to be credited with Retirement Credits and Investment Credits, until his or her Postponed Retirement Date. Such Member shall be entitled to receive one hundred percent (100%) of his or her Accrued Benefit as of his or her Postponed Retirement Date in the manner provided under Article 8.

5.3 **Early Retirement** – A Member who has attained Age fifty-five (55) and completed three (3) years of Vesting Service (five (5) years of Vesting Service before January 1, 2008) may retire from employment with the Employer at any time and elect to receive one hundred percent (100%) of his or her Accrued Benefit as of his or her Early Retirement Date in the manner provided under Article 8 and, in such event, Interest Credits shall cease hereunder in accordance with Section 4.7 hereof. As an alternative, the Member may elect to defer receipt of his or her benefit to a later Benefit Commencement Date, but in no event later than the time specified in Section 8.2 hereof, in which case his or her Retirement Account shall continue to be credited with Investment Credits until such Benefit Commencement Date. The Member will then be entitled to receive one hundred percent (100%) of his or her benefit as of such later Benefit Commencement Date in the manner provided in Article 8. Notwithstanding the foregoing to the contrary, any Member whose participation in this Plan terminated effective August 1, 2000 by reason of the termination of participation in this Plan by Clark-O'Neill, Inc. effective August 1, 2000 and/or such Member's transfer of employment to SYNAVANT Inc. effective August 1, 2000 or any Member whose participation in this Plan terminated effective October 3, 2000 by reason of the termination of participation in this Plan by ERISCO Managed Care Technologies, Inc. effective October 3, 2000 shall be deemed to have completed five (5) years of Vesting Service for purposes of this Section 5.3.

5.4 **Disability** – If a Member becomes totally and permanently disabled, and is in receipt of disability benefits under the Federal Social Security Act or under the Employer long-term disability plan, he or she shall become entitled to benefits under the provisions of Article 7.

5.5 **Other Termination of Employment** – A Member whose employment with the Employer is terminated for any reason other than retirement in accordance with Sections 5.1, 5.2 or 5.3, disability in accordance with Section 5.4, or death in accordance with Section 5.6, shall be entitled to receive a percentage of his or her Accrued Benefit in accordance with the following schedule:



| If the Member's Years<br>of Vesting Service Are: | The Vested Portion<br>of the Accrued Benefit is: |
|--------------------------------------------------|--------------------------------------------------|
| Less than 3 (less than 5 before January 1, 2008) | 0%                                               |
| 3 or more (5 or more before January 1, 2008)     | 100%                                             |

The vested portion of the Accrued Benefit shall be payable as of the Member's Normal Retirement Age in the manner provided in Article 8. As an alternative, such Member may elect to begin receipt of his or her benefits at an earlier Benefit Commencement Date that follows the Member's attainment of Age fifty-five (55), as provided in Article 8.

Notwithstanding the foregoing to the contrary, any Member whose participation in this Plan terminated effective August 1, 2000 by reason of the termination of participation in this Plan by Clark-O'Neill, Inc. effective August 1, 2000 and/or such Member's transfer of employment to SYNAVANT Inc. effective August 1, 2000 or any Member whose participation in this Plan terminated effective October 3, 2000 by reason of the termination of participation in this Plan by ERISCO Managed Care Technologies, Inc. effective October 3, 2000 shall be entitled to receive one hundred percent (100%) of his or her Accrued Benefit regardless of the number of Years of Vesting Service completed by such Member.

**5.6 Death** – If a Member dies while actively employed by the Employer and such Member had earned three (3) or more years of Vesting Service (five (5) or more years of Vesting Service before January 1, 2008), a death benefit shall be payable to the Member's Beneficiary in accordance with the provisions of Article 6.

**5.7 Benefit Commencement for Members Who Became Employed by a Purchaser** – Notwithstanding anything else herein, a Member shall not be entitled to the payment of benefits hereunder until he or she has separated from service from a Purchaser with whom his or her employment continued immediately following the sale.

**5.8 Suspension of Benefits** – Subject to the provisions of Section 8.2 of this Plan, a Member who continues in active service of the Company after such Member's Normal Retirement Age, or who is receiving payments or is scheduled to receive payments from this Plan and is reemployed by an Employer, shall have his or her payments suspended in accordance with uniform rules adopted by the Plan Administrator and the provisions set forth below:

(a) If such Member completes fewer than forty (40) Hours of Service during any calendar month in a period of active service during his or her reemployment, then such Member shall be deemed to have retired and such Member shall commence or continue to receive distribution of such Member's benefits under the Plan.

(b) If such Member completes forty (40) or more Hours of Service during any calendar month in a period of active service during his or her reemployment or receives payment from the Employer for any such Hours of Service completed on eight or more days (or separate work shifts) in any calendar month that occurs during such period of active service, such Member's benefits under this Plan shall be suspended until the earlier

of (i) such Member's actual retirement from the active service of an Employer or (ii) such Member's satisfaction of the conditions of Section 5.8(a).

(c) If benefit payments have been suspended, payments shall resume no later than the first day of the third calendar month after the calendar month in which the Employee ceases to be employed. The initial payment upon resumption shall be calculated as the sum of the amount that had been payable prior to suspension of benefits and the amount of benefit earned under this Plan during the period of employment between suspension of payments and resumption of payments.

(d) No payment shall be withheld by the Plan pursuant to this Section unless the Plan notifies the Employee by personal delivery or first-class mail during the first calendar month or payroll period in which the Plan withholds payments that his or her benefits are suspended. Such notification shall contain a description of the specific reasons why benefit payments are being suspended, a description of the provisions of this Article relating to the suspension of payments, a copy of such provisions, and a statement to the effect that applicable Department of Labor regulations may be found in Sections 2530.203-2 and 2530.203-3. In addition, the notice shall inform the Member of the Plan's procedures for affording a review of the suspension of benefits. Requests for such reviews may be considered in accordance with the claims procedure set forth in Section 10.5 of the Plan.

## ARTICLE 6

### **DEATH BENEFITS; MINIMUM REQUIRED DISTRIBUTIONS**

6.1 **Payment of Death Benefits** – If, upon the death of a Member prior to the commencement of benefits hereunder, he or she has been credited with less than three (3) years of Vesting Service (five (5) years of Vesting Service before January 1, 2008), such Member's Accrued Benefit shall be forfeited. If upon the death of a Member prior to the commencement of benefits hereunder, he or she has been credited with three (3) or more years of Vesting Service (five (5) or more years of Vesting Service before January 1, 2008), the Beneficiary of the Member shall be entitled to receive the Actuarial Equivalent Value of the deceased Member's Retirement Account commencing upon the time set forth in Section 6.3, payable in the form of a straight life annuity. Effective January 1, 2011, if the Beneficiary of a Member is (or is deemed to be) his or her estate, then any death benefit payable pursuant to this Article 6 may be made in the form of a single lump sum payment.

6.2 **Beneficiary** – The Beneficiary of a Member shall be such Member's Spouse, if any, unless the Member designates, in accordance with procedures established by the Plan Administrator, a different Beneficiary, provided that if the Member is married, his or her Spouse shall consent to such designation in writing, and such written consent shall be witnessed by a notary public.

6.3 **Minimum Spousal Death Benefit** – Notwithstanding the other provisions of this Plan, in the event of a vested Member's death prior to the commencement of benefit payments, a surviving Spouse who has not waived his or her rights under the terms of this Plan shall be entitled to a minimum preretirement death benefit, based on the amount of such Member's Accrued Benefit under Sections 4.1(b) or 4.1(c) as applicable, equal to an annuity for such Spouse's life commencing on the later of (a) the date of death or (b) the date the Member would have attained Age fifty-five (55) reduced for such date of commencement as described in Appendix B, equal to fifty percent (50%) of the Member's Accrued Benefit payable as a 50% Joint and Survivor Annuity Option, unless such Spouse is entitled to a greater benefit under the provisions of Section 6.1.

6.4 **Minimum Required Distributions** – Notwithstanding any provision of the Plan to the contrary: (a) with respect to distributions under the Plan made for calendar years beginning on or after January 1, 2002, and before January 1, 2006, the Plan will apply the minimum distribution requirements of Section 401(a)(9) of the Code in accordance with the Regulations under Section 401(a)(9) that were proposed on January 17, 2001; and (b) with respect to distributions under the Plan made for calendar years beginning on or after January 1, 2006, the Plan will apply the subsequent provisions of this Section for purposes of determining minimum required distributions.

(a) General Rules.

- (1) All distributions required under this Section will be determined and made in accordance with the Treasury regulations under Section 401(a)(9) of the Code.
- (2) Notwithstanding the other provisions of this Section, distributions may be made under a designation made before January 1, 1984, in accordance with section 242(b)(2) of the Tax Equity and Fiscal Responsibility Act (TEFRA) and the provisions of the plan that relate to section 242(b)(2) of TEFRA.

(b) Time and Manner of Distributions.

- (1) The Member's entire interest will be distributed, or begin to be distributed, to the Member no later than the Member's Required Beginning Date.
- (2) If the Member dies before distributions begin, the Member's entire interest will be distributed, or begin to be distributed, no later than as follows:
  - (i) If the Member's surviving Spouse is the Member's sole Designated Beneficiary, then distributions to the surviving Spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Member died, or by December 31 of the calendar year in which the Member would have attained Age 70½, if later.
  - (ii) If the Member's surviving Spouse is not the Member's sole Designated Beneficiary, then distributions to the Designated Beneficiary will begin by December 31, of the calendar year immediately following the calendar year in which the Member died.
  - (iii) If there is no Designated Beneficiary as of September 30 of the year following the year of the Member's death, the Member's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Member's death.
  - (iv) If the Member's surviving Spouse is the Member's sole Designated Beneficiary and the surviving Spouse dies after the Member but before distributions to the surviving Spouse begin, this subsection (b)(2), other than clause (i), will apply as if the surviving Spouse were the Member.

For purposes of this subsection (b)(2) and subsection (e), distributions are considered to begin on the Member's Required Beginning Date (or if subsection (b)(2)(iv) applies), the date distributions are required to begin to the surviving spouse under subsection (b)(2)(i).

- (3) Unless the Member's interest is distributed in a single sum on or before the Required Beginning Date, as of the first distribution calendar year distributions will be made in accordance with subsections (c), (d) and (e) of this Section 6.4. Any part of the Member's interest which is in the form of an individual account described in Section 414(k) of the Code will be distributed in a manner satisfying the requirements of Section 401(a)(9) of the Code and the Treasury regulations that apply to individual accounts.

(c) Determination of Amount to be Distributed Each Year.

- (1) If the Member's interest is paid in the form of annuity distributions, payments under the annuity will satisfy the following requirements:
  - (i) the annuity distributions will be paid in periodic payments made at intervals not longer than one year;
  - (ii) the distribution period will be over a life (or lives) or over a period certain not longer than the period described in subsection (d) or (e);
  - (iii) once payments have begun over a period certain, the period certain will not be changed even if the period certain is shorter than the maximum permitted;
  - (iv) payments will either be non-increasing or increase only as follows:
    - (A) by an annual percentage increase that does not exceed the annual percentage increase in a cost-of-living index that is based on prices of all items and issued by the Bureau of Labor Statistics;
    - (B) to the extent of the reduction in the amount of the Member's payments to provide for a survivor benefit upon death, but only if the beneficiary whose life was being used to determine the distribution period described in subsection (d) dies or is no longer the Member's beneficiary pursuant to a qualified domestic relations order within the meaning of Section 414(p) of the Code;
    - (C) to provide cash refunds of employee contributions upon the Member's death; or
    - (D) to pay increased benefits that result from a plan amendment.
- (2) The amount that must be distributed on or before the Member's Required Beginning Date (or, if the Member dies before distributions begin, the date distributions are required to begin under Section (b)(2)(i) or (ii)) is the payment that is required for one payment interval. The second payment need not be made until the end of the next payment interval even if that payment interval ends in the next calendar year. Payment intervals are the periods for which payments are received, *e.g.*, bi-monthly, monthly, semiannually, or annually. All of the Member's benefit accruals as of the last day of the first distribution calendar year will be included in the calculation of the amount of the annuity payments for payment intervals ending on or after the Member's Required Beginning Date.
- (3) Any additional benefits accruing to the Member in a calendar year after the first distribution calendar year will be distributed

beginning with the first payment interval ending in the calendar year immediately following the calendar year in which such amount accrues.

(d) Requirements for Annuity Distributions That Commence During a Member's Lifetime.

- (1) If the Member's interest is being distributed in the form of a joint and survivor annuity for the joint lives of the Member and a nonspouse beneficiary, annuity payments to be made on or after the Member's Required Beginning Date to the Designated Beneficiary after the Member's death must not at any time exceed the applicable percentage of the annuity payment for such period that would have been payable to the Member using the table set forth in Treas. Reg. § 1.401(a)(9)-6, Q & A -2. If the form of distribution combines a joint and survivor annuity for the joint lives of the Member and a nonspouse beneficiary and a period certain annuity, the requirements in the preceding sentence will apply to annuity payments to be made to the Designated Beneficiary after the expiration of the period certain.
- (2) Unless the Member's spouse is the sole Designated Beneficiary and the form of distribution is a period certain and no life annuity, the period certain for an annuity distribution commencing during the Member's lifetime may not exceed the applicable distribution period for the Member under the Uniform Lifetime Table set forth in Treas. Reg. § 1.401(a)(9)-9 for the calendar year that contains the Annuity Starting Date. If the Annuity Starting Date precedes the year in which the Member reaches Age 70, the applicable distribution period for the Member is the distribution period for Age 70 under the Uniform Lifetime Table set forth in Treas. Reg. § 1.401(a)(9)-9 plus the excess of 70 over the Age of the Member as of the Member's birthday in the year that contains the Annuity Starting Date. If the Member's Spouse is the Member's sole Designated Beneficiary and the form of distribution is a period certain and no life annuity, the period certain may not exceed the longer of the Member's applicable distribution period, as determined under this Section (d)(2), or the joint life and last survivor expectancy of the Member and the Member's Spouse as determined under the Joint and Last Survivor Table set forth in Treas. Reg. § 1.401(a)(9)-9, using the Member's and Spouse's attained ages as of the Member's and Spouse's birthdays in the calendar year that contains the Annuity Starting Date.

(e) When Member Dies Before Date Distribution Begins.

- (1) If the Member dies before the date distribution of his or her interest begins and there is a Designated Beneficiary, the Member's entire interest will be distributed, beginning no later than the time described in subsection (b)(2)(i) or (ii), over the life of the Designated Beneficiary or over a period certain not exceeding:
  - (i) unless the Annuity Starting Date is before the first distribution calendar year, the life expectancy of the

Designated Beneficiary determined using the beneficiary's Age as of the beneficiary's birthday in the calendar year immediately following the calendar year of the Member's death; or

(ii) if the Annuity Starting Date is before the first distribution calendar year, the life expectancy of the Designated Beneficiary determined using the beneficiary's Age as of the beneficiary's birthday in the calendar year that contains the Annuity Starting Date.

- (2) If the Member dies before the date distributions begin and there is no Designated Beneficiary as of September 30 of the year following the year of the Member's death, distribution of the Member's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Member's death.
- (3) If the Member dies before the date the distribution of his or her interest begins, the Member's surviving Spouse is the Member's sole Designated Beneficiary, and the surviving Spouse dies before distributions to the surviving Spouse begin, this subsection (e) will apply as if the surviving Spouse were the Member, except that the time by which distributions must begin will be determined without regard to subsection (b)(2).

(f) As used in this Section 6.4, the following terms shall have the following meanings:

- (1) "Annuity Starting Date" means the first day of the first period for which an amount is paid as an annuity or any other form and as further defined in the Plan.
- (2) "Designated Beneficiary" means the individual who is the Designated Beneficiary under Treas. Reg. § 1.401(a)(9)-4, Q&A-1.
- (3) "Distribution Calendar Year" means a calendar year for which a minimum distribution is required. For distributions beginning before the Member's death, the first distribution calendar year is the calendar year immediately preceding the calendar year, which contains the Member's Required Beginning Date. For distributions beginning after the Member's death, the first distribution calendar year is the calendar year in which distributions are required to begin pursuant to subsection (b)(2).
- (4) "Life expectancy" means life expectancy as computed by use of the Single Life Table in Treas. Reg. § 1.401(a)(9)-9.
- (5) "Required Beginning Date" means the date specified in Section 8.2 of the Plan.

## **ARTICLE 7**

### **DISABILITY**

7.1 **Disability Retirement** – A Member who has at least three (3) years of Vesting Service (five (5) years of Vesting Service before January 1, 2008) may retire because of disability if such Member is receiving benefits under the Federal Social Security Act or under the Employer's long-term disability plan.

7.2 **Deferred Benefit** – A disabled Member shall be entitled to a benefit payable on his or her Normal Retirement Date. Such Member's Retirement Account shall be maintained for him or her and shall be credited with notional Retirement Credits, determined under the rules prescribed in Section 7.3, and notional Investment Credits until he or she attains Normal Retirement Age. A Member (a) who had attained Age fifty (50) and had been credited with at least five (5) years of Vesting Service, as of October 31, 1996 and (b) for whom liabilities and assets with respect to his or her Frozen Accrued Benefit were transferred from the Cognizant Plan to this Plan and such assets and liabilities were not subsequently returned to the Cognizant Plan for any reason, shall continue to earn Credited Service for the purpose of determining the special Grandfathered Benefit Amount under Section 4.9. Upon attainment of Normal Retirement Age, the Retirement Credits, Investment Credits and Credited Service, if any, will no longer be credited and the Accrued Benefit shall be paid to him or her under the terms of Article 8.

A Member who has retired because of disability may elect to begin the receipt of his or her disability benefits under this Article 7 at an earlier Benefit Commencement Date, but not prior to the first of the month following the date the Member attains Age fifty-five (55). In such a case, the Member's Retirement Credits, Investment Credits and Credited Service, if any, will cease to be credited as of the Benefit Commencement Date.

7.3 **Compensation During Disability** – If a disabled Member is entitled to benefits under the provisions of this Article 7, his or her Retirement Credits shall be calculated as if the Member's Compensation continues at the same rate as in effect immediately prior to his or her disability. With respect to any disabled Member entitled to a Grandfathered Benefit hereunder, Compensation shall be assumed to continue at the same rate as in effect immediately prior to his or her disability for the purpose of determining the Member's Average Final Compensation.



## ARTICLE 8

### PAYMENT OF BENEFIT

**8.1 Date of Payment Commencement** – Ninety (90) days (one hundred eighty (180) days for Plan Years beginning after December 31, 2006) prior to an Early Retirement Date, Normal Retirement Date or Postponed Retirement Date, or as soon as practicable after a Severance Date, the Plan Administrator shall furnish the Member with an election form in accordance with the procedures of this Article 8. A Member's Benefit Commencement Date shall be the first day of the calendar month that the benefit selected will commence, which date shall be ninety (90) days after the furnishing of the election form. Notwithstanding the foregoing, the Member and his or her Spouse, if any, may waive their right to this waiting period and elect an earlier Benefit Commencement Date pursuant to Section 8.5. On a Member's Benefit Commencement Date, a Member's Accrued Benefit shall be paid in the manner provided in this Article 8. Except as provided in 8.2, a Member may elect to defer payment of the normal form of benefit or any of the optional forms provided below until any date specified in the future.

**8.2 Required Commencement at Age 70½** – Notwithstanding any other provision of this Plan to the contrary, effective as of the Initial Effective Date of the Plan, the required beginning date for the commencement of benefits to a Member is the later of April 1 of the calendar year following the calendar year in which the Member attains Age 70½ or retires, except that a Member who is a five percent (5%) owner shall commence receiving benefits no later than the April 1 of the calendar year following the calendar year in which the Member attains Age 70½. Any Member who is not a five percent (5%) owner and who attains Age 70½ in years after 1995 may elect by April 1 of the calendar year following the year in which the Member attains Age 70½ to commence receiving benefits by the April 1 of the calendar year following the year in which the Member attains Age 70½.

**8.3 Normal Form of Benefit** – The normal form of benefit for an unmarried Member shall be a single life annuity. The normal form of benefit for a married Member shall be a Qualified Joint and Survivor Annuity as defined below. The normal form of benefit shall be payable at the earliest time a Member could become entitled to commence receiving payments of an Early Retirement Benefit, Normal Retirement Benefit or Postponed Retirement Benefit or of a Deferred Vested Benefit in an amount which shall be the Actuarial Equivalent Value of the Member's Accrued Benefit. For purposes of the Plan, a "Qualified Joint and Survivor Annuity" shall mean a retirement benefit under which equal monthly installments are payable during the joint lifetimes of the retired Member and his or her Spouse, and under which, upon the earlier death of the retired Member, 50% of such monthly installment continues to be paid to the Spouse for the Spouse's lifetime.

**8.4 Right to Elect Alternate Form of Benefit** – In lieu of the normal form of benefits, the Member shall have the right to elect, subject to the provisions of 8.5(b) herein, prior to his or her Benefit Commencement Date, an alternate form of benefit provided under the terms of Section 8.6. Except as otherwise provided in this Article 8, if the Member is married, any such election may be made only with the written consent of his or her spouse, executed as provided under Section 8.5. Any alternative form of benefit shall be the Actuarial Equivalent of the Member's Accrued Benefit.

**8.5 Form of Election** – A Member may make or revoke an election of any form of benefit to which the Member is entitled under this Article 8 in writing to the Plan

Administrator, and such election or revocation shall be subject to the following conditions:

(a) The Plan Administrator shall furnish to each Member a general written explanation in nontechnical terms of the availability of the various optional forms of payment under the Plan within a reasonable period of time prior to the earliest date on which the Member could retire under the Plan. Such notice will include a written explanation of:

- (1) the terms and conditions of the Qualified Joint and Survivor Annuity;
- (2) the Member's right to make and the effect of an election to waive the Qualified Joint and Survivor Annuity;
- (3) the right of the Member's Spouse to consent to any election to waive the Spouse Joint and Survivor Annuity;
- (4) the right of the Member to revoke a previous election, and the effect of such revocation;
- (5) the payment forms available under the Plan including a general description of the material features of such payment forms and an explanation of the relative values as provided in Treasury Regulation Section 1.417(a)-3 (this provision being effective as of the applicable effective date set forth in Treasury Regulations, *i.e.*, to qualified pre-retirement survivor annuity explanations provided on or after July 1, 2004; to qualified joint and survivor annuity explanations with respect to any distribution with an annuity starting date that is on or after February 1, 2006; or on or after October 2, 2004 with respect to any optional form of benefit that is subject to the requirements of Code Section 417(e)(3) if the actuarial present value of that optional form is less than the actuarial present value as determined under Code Section 417(e)(3)); and
- (6) with respect to notices given to Members pursuant to Code Section 411(a)(11) in Plan Years beginning after December 31, 2006, a description of how much larger benefits will be if the commencement of distributions is deferred.

A Member has a right to receive, within 30 days after filing a written request with the Plan Administrator, a written explanation of the terms and conditions of the Qualified Joint and Survivor Annuity and the financial effect upon the Member, given in terms of dollars per annuity payment. Requests for additional information may be made by the Member at any time before the ninetieth (90<sup>th</sup>) (one hundred eightieth (180<sup>th</sup>) day for Plan Years beginning after December 31, 2006) day prior to the Benefit Commencement Date.

(b) An election to receive an optional form of benefit may be made at any time during the "Election Period". The "Election Period" is a period of ninety (90) (one hundred eighty (180) days for Plan Years beginning after December 31, 2006) days prior to the Member's Benefit Commencement Date. Subject to subparagraph (c) below, a Member

may make an election not to receive the Qualified Joint and Survivor Annuity, revoke any previous election, and if the Member so desires, make a new election, until the expiration of the "Election Period."

Effective with respect to Plan Years beginning after December 31, 2007, a Member who elects to waive the Qualified Joint and Survivor Annuity form of benefit under the Plan shall be entitled to elect the Qualified Optional Joint and Survivor Annuity at any time during the applicable election period. Furthermore, the written explanation of the joint and survivor annuity described in Section 8.5(a) shall explain the terms and conditions of the Qualified Optional Joint and Survivor Annuity.

(c) If a Member is married, an election of a form of benefit other than the Qualified Joint and Survivor Annuity shall require the written consent of the Spouse, and such written consent must be witnessed by a notary public or a representative of the Plan.

(d) Effective as of the Initial Effective Date of the Plan, the Benefit Commencement Date for the payment of benefits, to a married Member in a form other than the normal form may be less than thirty (30) days after receipt of the written explanation described above provided: (i) the Member has been provided with information that clearly indicates that the Member has at least thirty (30) days to consider whether to waive the normal form and elect (with spousal consent) an optional form of benefit other than the normal form; (ii) the Member is permitted to revoke any affirmative election at least until the Benefit Commencement Date or, if later, at any time prior to the expiration of the seven (7)-day period that begins the day after the explanation of the normal form is provided to the Member; and (iii) the Benefit Commencement Date is a date after the date that the written explanation was provided to the Member. The Benefit Commencement Date may be a date prior to the date the written explanation is provided to the Member if benefits do not commence until at least thirty (30) days after such written explanation is provided, subject to the waiver of the thirty (30)-day period as provided for above.

(e) The Plan Administrator shall furnish any additional information requested by a Member to such Member by personal delivery or first-class mail within thirty (30) days from the date of the Member's written request. An election of an optional form of benefit pursuant to Section 8.6 shall not be effective unless it is filed with the Plan Administrator no more than ninety (90) days before the Benefit Commencement Date.

**8.6 Optional Forms of Retirement Benefit** – A Member may elect to receive his or her benefits, including his or her Grandfathered Benefit or Frozen Accrued Benefit, in any one of the following optional forms of benefit, each of which shall be the Actuarial Equivalent Value of such Member's straight life annuity benefit as described in subparagraph (c) below as of the date payment commences:

- (a) Joint and Survivor Annuity Option – A monthly benefit payable to the Member for life, and after his or her death in 100%, 75% or 50% of such amount as specified by the Member, to the joint annuitant for life. Should the joint annuitant die prior to the Member's Benefit Commencement Date, any election of this option shall be automatically canceled and the benefit hereunder shall be payable in the normal form as described in Section 8.3 of the Plan.
- (b) Years Certain and Life Income Annuity Option – A monthly benefit which provides benefit payments to the Member for his or her lifetime with a guaranteed minimum period of ten or fifteen years, as specified by the

Member. In the event of the death of the Member after the Benefit Commencement Date, but prior to the Member's receiving benefit payments for the entire guaranteed minimum period, the remaining payments for the minimum term of years will be paid to the Member's Beneficiary. In the event of the death of the Member prior to the Member's Benefit Commencement Date, the election of this option shall be automatically canceled and the benefit hereunder shall be payable in the normal form as described in Section 8.3 of the Plan.

- (c) Straight Life Annuity Option – A single life annuity payable in equal unreduced monthly payments during the Member's lifetime, with no further payments to any other person after the Member's death.
- (d) Level Income Annuity Option – A Member retiring on an Early Retirement Date may elect a monthly benefit providing for a level combined income from the Plan and the Member's primary Social Security benefit, both before and after the date Social Security benefits are payable. For purposes of this option, Benefit Commencement Date for his or her primary Social Security Benefits shall be the first day of the month next following his or her attainment of Age 62. A Member may not revoke his or her election of this option or otherwise change the provisions of his or her election in any way after his or her Benefit Commencement Date. A Level Income Option may be elected in the form of a Joint and Survivor Annuity Option or a Straight Life Annuity Option.
- (e) Solely for Members who have attained Age 55 and completed 10 years of Vesting Service at the time of his or her retirement, a reduced retirement benefit payable during the Member's life after retirement, with the provision that after his or her death a benefit of 50% of such reduced amount will be continued during the life of and paid monthly to the spouse of such Member, but only if such spouse survives the Member. Such reduced amount shall be one half of the reduction which would have been determined to provide a 50% Joint and Survivor Annuity Option which is of the same Actuarial Equivalent Value as the Straight Life Annuity Option.
- (f) Lump Sum Option – Effective June 3, 2009, if the Actuarial Equivalent Value of the Member's Accrued Benefit upon such Member's termination of employment exceeds \$1,000 but does not exceed \$5,000, the Member (or, in the case of the Member's death, Beneficiary) may elect distribution of such benefit in the form of a lump sum that is the Actuarial Equivalent Value of the normal form of benefit payable to such Member pursuant to Section 8.3 of the Plan. Notwithstanding Section 8.5(c) to the contrary, the consent of the Member's spouse to such distribution shall not be required.

Effective as of March 28, 2005, anything in this Article 8 to the contrary notwithstanding, if the Actuarial Equivalent Value of the Member's Accrued Benefit is equal to or less than \$1,000 upon such Member's termination of employment, distribution of such Accrued Benefit to such Member or such Member's Beneficiary, as the case may be, shall be made as soon as practicable in a lump sum that is the Actuarial Equivalent Value of the normal form of benefit payable to such Member pursuant to Section 8.3 of the Plan.

**8.7 Beneficiary** – A Member may name his or her Spouse or another individual to be the joint annuitant for a Joint and Survivor Annuity Option. For the Years Certain and Life Income Option, the Member may designate in writing as Beneficiary any individual or any entity, including a corporation, partnership or trust, provided that such individual and entity is ascertainable. In the event a Beneficiary predeceases the Member or is not in existence, or cannot be located at the date benefits become payable to such Beneficiary, such benefits shall be paid to the Member's estate.

**8.8 Rollover of Eligible Distributions**

(a) Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this Section, a distributee may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

Prior to the distributee's election, the distributee shall be provided with the explanation required by Code Section 402(f) and Section 1.411(a)-11(c)(2) of the Treasury Regulations. Such notice shall be provided no less than 30 days and no more than 90 days (180 days for Plan Years beginning after December 31, 2006) before the date distribution is to commence.

For any distribution notice issued in Plan Years beginning after December 31, 2006, the description of a distributee's right, if any, to defer receipt of a distribution also will describe the consequences of failing to defer receipt of the distribution.

(b) **Definitions.** For purposes of this Section 8.8, the following terms shall be defined as follows:

(1) **Eligible rollover distribution:** An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated Beneficiary, or for a specified period of ten (10) years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Code; the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities).

For taxable years beginning after December 31, 2006, a Member may elect to transfer employee after-tax contributions, if any, by means of a direct rollover to a qualified plan or to a 403(b) plan that agrees to account separately for amounts so transferred (including interest thereon), including accounting separately for the portion of such distribution which is includible in gross income and the portion of such distribution which is not includible in gross income.

**Eligible Retirement Plan:** An eligible retirement plan is an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b)

of the Code (other than an endowment contract), an annuity plan described in Section 403(a) of the Code, a qualified trust described in Section 401(a) of the Code, or, effective for distributions made from the Plan after December 31, 2001, an annuity contract described in Section 403(b) of the Code or an eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state that agrees to separately account for amounts transferred into such plan from this Plan, and effective for distributions made after December 31, 2007, a Roth IRA described in Section 408A(b) of the Code. This definition of eligible retirement Plan shall also apply in the case of a distribution to a surviving Spouse, or, to a spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code. Notwithstanding the foregoing, with respect to a distributee who is a non-Spouse Beneficiary, this definition of eligible retirement plan shall be restricted to an eligible retirement plan that is an individual retirement account described in Section 408(a) of the Code or an individual retirement annuity described in Section 408(b) of the Code (other than an endowment contract).

For distributions made from the Plan after December 31, 2009, in the case of an eligible rollover distribution to a non-spouse beneficiary, an "eligible retirement plan" is an individual retirement account described in Section 408(a) of the Code or an individual retirement annuity described in Section 408(b) of the Code (other than an endowment contract), provided the "direct rollover" is made in accordance with Section 402(c)(11) of the Code.

**Distributee:** A distributee includes an Employee or former Employee. In addition, the Employee's or former Employee's surviving Spouse and the Employee's or former Employee's Spouse or former Spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code, are distributees with regard to the interest of the Spouse or former Spouse. Effective for distributions made from the Plan after December 31, 2009, a "distributee" also includes a non-Spouse beneficiary who is a "designated beneficiary" under Section 401(a)(9)(E) of the Code and the Regulations thereunder and who is entitled to receive an eligible rollover distribution by reason of the Member's death.

**Direct rollover:** A direct rollover is a payment by the Plan to the eligible retirement plan specified by the distributee.

Although a non-Spouse Beneficiary may roll over directly a distribution as provided above, the distribution, if made prior to January 1, 2010, is not subject to the direct rollover requirements of Section 401(a)(31) of the Code (including Section 401(a)(31)(B) of the Code), the notice requirements of Section 402(f) of the Code or the mandatory withholding requirements of Section 3405(c) of the Code. If a non-Spouse Beneficiary

receives a distribution from the Plan, the distribution is not eligible for a 60-day (non-direct) rollover.

If the Member's named Beneficiary is a trust, the Plan may make a direct rollover to an individual retirement account ("IRA") on behalf of the trust, provided the trust satisfies the requirements to be a designated beneficiary within the meaning of Code Section 401(a)(9)(E).

A non-Spouse Beneficiary may not roll over an amount that is a required minimum distribution, as determined under applicable Treasury Regulations and other Internal Revenue Service guidance. If the Member dies before his or her required beginning date and the non-Spouse Beneficiary rolls over to an IRA the maximum amount eligible for rollover, the beneficiary may elect to use either the 5-year rule or the life expectancy rule, pursuant to Treasury Regulations Section 1.401(a)(9)-3, Q&A-4(c), in determining the required minimum distributions from the IRA that receives the non-Spouse Beneficiary's distribution.

## ARTICLE 9

### FUNDING

9.1 **Funding Policy** – All contributions under the Plan shall be made by the Company and shall only be made if such contributions are deductible by the Company under Code Section 404 of the Code. Such contributions shall be determined on the basis of actuarial valuations of the assets and liabilities of the Plan by an independent actuary, who also may perform actuarial or consulting services for the Company. Such contributions shall be voluntary and the Company shall be under no legal obligation to (except as otherwise rendered in this Plan or under ERISA) any person interested in the Plan to make or continue them. Contributions made by the Company to the Plan shall be used by the Company for the purposes of the payment of any benefits, and subject to applicable laws, the proper expenses of administering the Plan.

9.2 **Trust Fund** – The assets of the Plan shall be held in Trust by one or more corporate trustees pursuant to the terms of a trust agreement or trust agreements between the Company and each corporate trustee. Such trust agreement or agreements shall provide that the assets of the Plan shall be invested and reinvested in such investments as either the corporate trustee or an investment manager or managers appointed by the Plan Administrator may deem advisable. Any investment manager appointed by the Plan Administrator shall be an investment adviser registered under the Investment Advisers Act of 1940, a bank as defined in that Act, or an insurance company qualified to perform investment management services under the laws of more than one State, which investment manager shall have acknowledged in writing that it is a fiduciary with respect to the Plan. Investment decisions with respect to the Fund, including the authority to acquire and dispose of Plan assets, shall, to the extent determined by the Plan Administrator, be the exclusive responsibility of the corporate trustee or the investment manager having discretionary investment authority under the terms of the governing trust agreement.



## **ARTICLE 10**

### **PLAN ADMINISTRATION**

#### **10.1 Powers and Duties of the Plan Administrator.**

(a) The Plan Administrator shall have full power, discretion, and authority to administer the Plan and to construe and apply all of its provisions. The Plan Administrator is the Named Fiduciary within the meaning of Section 402(a) of ERISA for purposes of Plan administration. The Plan Administrator's powers and duties, unless properly delegated, shall include, but shall not be limited to:

- (1) Designating agents to carry out responsibilities relating to the Plan, other than fiduciary responsibilities.
- (2) Deciding questions relating to eligibility, continuity of employment, and amounts of benefits.
- (3) Deciding disputes that may arise with regard to the rights of Employees, Members or Beneficiaries and their legal representatives, under the terms of the Plan. Decisions by the Plan Administrator shall be deemed final in each case.
- (4) Obtaining information from the Employer with respect to its Employees as necessary to determine the rights and benefits of Members under the Plan. The Plan Administrator may rely conclusively on such information furnished by the Employer.
- (5) Compiling and maintaining all records necessary for the Plan.
- (6) Authorizing the Trustee to make payment of all benefits as they become payable under the Plan.
- (7) Engaging such legal, administrative, consulting, investment, accounting, and other professional services as the Plan Administrator deems proper.
- (8) Adopting rules and regulations for the administration of the Plan that are not inconsistent with the Plan. The Plan Administrator may, in a nondiscriminatory manner, waive the timing requirements of any notice or other requirements described in the Plan unless prohibited by applicable law. Any such waiver will not obligate the Plan Administrator to waive any subsequent timing or other requirements for other Members.
- (9) Interpreting and approving qualified domestic relations orders, in accordance with Section 414(p) of the Code.
- (10) Performing other actions provided for in other parts of this Plan.
- (11) Selection of the funding media for the Plan, including the power to direct investments and to appoint an investment manager or managers pursuant to Section 402(c) of ERISA.
- (12) Entering into trust or other agreements with the asset managers on behalf of the Plan Sponsor upon such terms and conditions as the Plan Administrator shall deem advisable.

(13) Determining and implementing by asset allocation and investment guidelines, the investment policy of the Fund and the portfolio objectives applicable to each asset manager.

(14) Allocating fiduciary responsibilities, other than trustee responsibilities as defined in Section 405(c) of ERISA, among fiduciaries, and designation of additional fiduciaries.

(b) To the extent provided in the applicable trust agreement, the trustee, if any, shall have responsibility for, and shall be the Named Fiduciary for the management of Plan assets.

10.2 **Indemnification.** In each case in which a director, officer or Employee of an Employer is or was acting by authority of the Board to carry out duties of the Plan Administrator either individually or as a member of a committee, the Employer, by the adoption of this Plan, shall indemnify and hold such person or the members of such committee, jointly and severally, harmless from the effects and consequences of their acts, omissions, and conduct in their official capacities, except to the extent that the effects and consequences result from their own willful misconduct or gross negligence in the performance of their duties. The foregoing right of indemnification will not be exclusive of other rights to which each such individual may be entitled by any contract or other instrument or as a matter of law.

10.3 **Conclusiveness of Action.** Any action on matters within the discretion of the Plan Administrator will be conclusive, final, and binding upon all Members in the Plan and upon all persons claiming any rights under the Plan, including Beneficiaries.

10.4 **Payment of Expenses.** The compensation or fees of consultants, actuaries, accountants, counsel and other specialists and any other reasonable costs of administering the Plan or Fund will be paid by the Fund or the Fund may reimburse the Employer for any such costs that the Employer may have paid on behalf of the Plan or Fund unless, at the discretion of the Employer, such expenses are paid by the Employer.

10.5 **Claims Procedure.** All decisions under the Plan resulting in the denial of benefits under the Plan to any Member or Beneficiary shall be made by the Plan Administrator. In connection therewith, the Plan Administrator shall provide written or electronic notice to any such Member or Beneficiary whose claim for a benefit under the Plan has been wholly or partially denied. Such notice shall be written in a manner calculated to be understood by such Member or Beneficiary and will contain (a) specific reasons for the denial, (b) specific reference to pertinent provisions of the Plan on which the decision was based, (c) a description of any additional material or information necessary for such Member or Beneficiary to perfect such claim and an explanation of why such material or information is necessary, and (d) a description of the Plan's review procedures and the time limits applicable to such procedures, including a statement that the Member or Beneficiary has the right to bring a civil action under Section 502(a) of ERISA following an adverse benefit determination on review. Such notification shall be provided within ninety (90) days after the date the claim is received by the Plan Administrator (or within one hundred eighty (180) days if special circumstances require an extension of time for processing the claim and if written notice of such extension and circumstances is given to such Member or Beneficiary within the initial ninety (90)-day period).

A Member or Beneficiary may appeal the denial of a claim to the Plan Administrator by submitting a written request for review to the Plan Administrator within sixty (60) days after the date on which such denial is

received. Such period may be extended by the Plan Administrator for good cause shown. The person making the request for review may submit written comments, documents, records and other information relating to the claim, including requesting a hearing, to the Plan Administrator. The claim for review shall be given a full and fair review that takes into account all comments, documents, records and other information submitted that relates to the claim, without regard to whether such information was submitted or considered in the initial benefit determination.

The Plan Administrator shall provide the Member or Beneficiary with written or electronic notice of the decision on review. Such notification shall be written in a manner calculated to be understood by such Member or Beneficiary and will contain (a) specific reasons for the denial, (b) specific references to pertinent provisions of the Plan on which the decision is based, (c) a statement that the Member or Beneficiary has the right to bring a civil action under Section 502(a) of ERISA, and (d) a statement that the Member or Beneficiary is entitled to receive, upon request and free of charge, reasonable access to and copies of, all documents, records and other information relevant to the claim for benefits. A document is relevant to the claim for benefits if it was relied upon in making the determination, was submitted, considered or generated in the course of making the determination or demonstrates that benefit determinations are made in accordance with the Plan and that Plan provisions have been applied consistently with respect to similarly situated claimants.

Written or electronic notice of the decision on review shall be provided to the Member or Beneficiary within sixty (60) days after the request for review is received by the Plan Administrator (or within one hundred twenty (120) days, if special circumstances require an extension of time for processing the request and if written notice of such extension and circumstances is given to the Member or Beneficiary within the initial sixty (60)-day period). The Plan Administrator's decision shall be final and binding on all persons.

In the event of any dispute over benefits under this Plan, all remedies available to the disputing individual under this Section must be exhausted within the specified deadlines before legal recourse of any type is sought. A claimant may not bring a legal action against the Plan, the Employer or any Affiliated Employer, the Board, the Plan Administrator or any other fiduciary, or the employees or agents of these entities, more than three (3) years after the final disposition of the claim under this Section 10.5. The three (3)-year limitation period shall also apply in accordance with ERISA Section 413 with respect to a claimant's initial decision to file a claim, beginning with the earliest date on which the claimant had actual or constructive knowledge of a breach or violation resulting in a claim.

## ARTICLE 11

### **MERGERS, CONSOLIDATIONS AND ASSETS OR LIABILITY TRANSFERS**

11.1 **Mergers, Consolidations and Transfers** – The merger or consolidation with, or transfer of the allocable portion of the assets and liabilities of the Fund to any other qualified retirement plan trust shall be permitted in the sole discretion of the Company, provided, however, that such merger, consolidation or transfer shall occur only if the benefit each Member would receive, if the Plan were terminated immediately after such merger or consolidation, or transfer of the allocable portion of the assets and liabilities, would be at least as great as the benefit he or she would have received had the Plan been terminated immediately before the date of such merger, consolidation or transfer.

## ARTICLE 12

### AMENDMENT OF PLAN

12.1 **Right to Amend the Plan** – The Board has delegated to the Employee Benefits Committee appointed by the Board the right at any time to amend the Plan, provided that any such amendment could not significantly affect the cost of the Plan. If an amendment could significantly affect the cost of the Plan, then such amendment may only be adopted by the Board. Any amendment adopted by the Employee Benefits Committee or the Board shall be binding upon each Employer as provided in Article 17. Except as provided in Section 13.1 or 18.2, no such amendment(s) shall have the effect of reverting to the Employer the whole or any part of the principal or income for purposes other than for the exclusive benefit of Members or Beneficiaries at any time prior to the satisfaction of all the liabilities under the Plan with respect to such persons. No amendment shall reduce a Member's Accrued Benefit as of the effective date of the Plan amendment or eliminate an optional form of benefit under the Plan with respect to the Member's Accrued Benefit on the date of the amendment except as may be permitted by law.

## ARTICLE 13

### **TERMINATION OF THE PLAN**

13.1 **Right to Terminate The Plan** – By action of its Board (but subject to ERISA and the Code), the Company shall have the right to terminate or permanently discontinue contributions under the Plan at any time on behalf of itself and any Employer. The assets of the Plan shall not inure to the benefit of any Employer and shall be held for the exclusive purposes of providing benefits to Members and their Beneficiaries and subject to applicable law defraying reasonable expenses of administering the Plan; provided, however, assets of the Plan may revert to an Employer in the event of a Plan termination to the extent that assets of the Plan exceed all liabilities of the Plan or pursuant to Section 19.2 of the Plan.

13.2 **Vesting Upon Plan Termination or Partial Termination** – In the event of termination of the Plan, (a) no further contributions shall be made hereunder, (b) the right of each Member to benefits accrued to the date of termination to the extent funded shall be nonforfeitable, and (c) the assets of the Plan shall be allocated among Members and their Beneficiaries in accordance with the provisions of Section 4044 of ERISA. In the event of partial termination, the right of each affected Member to benefits accrued to the date of partial termination to the extent funded shall be nonforfeitable.

13.3 **Residual Assets Returned to Plan Sponsor** – The residual assets of the Plan shall be returned to the Company after all liabilities of the Plan to Members and their Beneficiaries have been satisfied.

13.4 **Settlement of Termination Liabilities** – Upon termination of the Plan, and subject to regulations of the Pension Benefit Guaranty Corporation or other applicable laws, any amount allocated for the benefit of a Member or Beneficiary shall be applied for his or her benefit, as the Plan Administrator determines in its sole discretion, either by cash payment or by the purchase of an insurance company contract or by any combination of the foregoing.

13.5 **Other Plan Termination Requirements.** In the event of the termination of the Plan, notwithstanding any other provision under the Plan to the contrary, effective as of the date of the Plan's termination:

- (a) The rate of interest to determine the Investment Credit for purposes of determining the Accrued Benefit of a Member with a Retirement Account shall, to the extent required under Section 411(b)(5)(B)(vi)(I) of the Code, equal the average rate of interest used to determine the Investment Credit during the five-year period ending on the Plan termination date.
- (b) The mortality table and interest rate in effect on that date shall be used in determining the Actuarial Equivalency of benefits payable in the form of an annuity; provided, that if a variable interest rate is used for purposes of converting a Retirement Account to any annuity form hereunder, the interest rate shall, to the extent required under Section 411(b)(5)(B)(vi)(II) of the Code, be equal to the average of such rates used under the Plan during the five-year period ending on the Plan termination date.

## ARTICLE 14

### **SPECIAL LIMITATION FOR TWENTY-FIVE HIGHEST PAID**

14.1 **Special Limitation** – The provisions of this Article 14 shall apply (a) in the event the Plan is terminated, to any Member who is a Highly Compensated Employee or Highly Compensated Former Employee of any Affiliated Employer and (b) in any other event, to any Member who is one of the twenty-five highest compensated Employees or former Employees of any Affiliated Employer for a Plan Year. The amount of the annual payments under the Plan to any Member to whom this Article 14 applies shall not exceed an amount equal to the payment that would be made under the Plan during the Plan Year on behalf of the Member under a single life annuity which is the Actuarial Equivalent to the sum of the Member's Accrued Benefit and any other benefits under the Plan.

14.2 **Exception To Special Limitations** – The provisions of Section 14.1 shall not apply if (a) the value of the benefits which would be payable under the Plan to a Member described in Section 14.1 is less than one percent (1%) of the value of the current liabilities (as defined in Section 412(l)(7) of the Code) under the Plan or (b) the value of the Plan's assets equals or exceeds, immediately after payment of a benefit under the Plan to a Member described in Section 14.1, one hundred ten percent (110%) of the value of the current liabilities under the Plan.

14.3 **Plan Termination Limit** – Notwithstanding the provisions of Sections 14.1 and 14.2, in the event the Plan is terminated, the restrictions contained in Section 14.1 shall not be applicable if the benefits payable under the Plan to any Member who is a Highly Compensated Employee or a Highly Compensated Former Employee are limited to benefits which are non-discriminatory under Section 401(a)(4) of the Code.

14.4 **Interpretation** – The foregoing provisions of this Article 14 are intended to conform the Plan to the requirements of Section 1.401(a)(4)-5(b) of the Treasury Regulations, and shall be construed accordingly. In the event that under any statute, regulation or ruling the conditions of this Section are no longer required for the Plan to comply with the requirements of Section 401 (or any other provisions with respect to qualification for tax exemption of retirement plans and trusts) of the Code, such conditions shall immediately become void and shall no longer apply without the necessity of an amendment to the Plan.

## **ARTICLE 15**

### **LIMITATIONS ON BENEFITS**

The terms used in this Article XV shall have the same meanings as set forth in Article I of the Plan, except as set forth herein. Except as otherwise stated herein, this Article XV shall be effective for Limitation Years beginning on or after July 1, 2007.

15.1 **Annual Limitation.** Notwithstanding any provision of the Plan to the contrary, the Annual Benefit payable with respect to a Member under the Plan at any time shall not exceed the lesser of –

- (a) One Hundred Sixty Thousand Dollars (\$160,000) for Limitation Years ending after December 31, 2001; or
- (b) One hundred percent (100%) of the Member's Highest Average Compensation.

The One Hundred Sixty Thousand Dollar (\$160,000) limitation in subsection (a) is effective for Limitation Years ending after December 31, 2001. This limitation shall not apply to a Member who experienced a severance from employment with the Employer (or, if earlier, an annuity starting date) and whose date of severance (or annuity starting date) was before the first day of the first Limitation Year ending after December 31, 2001.

15.2 **Adjustment to Dollar Limitation.**

- (a) Effective January 1, 2002 and each January 1 thereafter, the dollar limitation in effect under Section 15.1(a) shall be automatically adjusted for increases in the cost of living in accordance with Section 415(d) of the Code and official guidance issued thereunder. Such adjustment shall apply to the Limitation Year ending with or within the calendar year of the effective date of such adjustment, but the Member's benefit shall not reflect the adjusted limit prior to January 1 of that calendar year. The adjusted limit for a Limitation Year shall not apply to a Member who has experienced a severance from employment with the Employer (or if earlier, an annuity starting) and whose date of severance (or annuity starting date) is before the first day of the Limitation Year for which the adjustment is effective.
- (b) The dollar limitation under Section 15.1(a) shall be adjusted for age, service, and other factors in accordance with Code Section 415 and the Treasury Regulations thereunder, which are specifically incorporated by reference pursuant to Section 15.8.

15.3 **Adjustment for Other Benefit Forms.**

- (a) If a benefit is payable in a form that is subject to Code Section 417(e), the form of benefit shall be adjusted to an actuarially equivalent straight life annuity commencing at the same annuity starting date, computed in accordance with subsections (i) and (ii) below.



- (i) If the annuity starting date of the Member's form of benefit is in a Plan Year beginning in 2004 or 2005, the greater of the amount determined using (A) the interest rate specified in Section 1.2 of the Plan and the mortality table (or other tabular factor) specified in Section 1.2 of the Plan for actuarial equivalence or (B) a 5.5% interest rate and the applicable mortality table prescribed by Revenue Ruling 2001-62.
  - (ii) If the annuity starting date of the Member's form of benefit is in a Plan Year beginning on or after January 1, 2006, the greatest of the amount determined using: (A) the interest rate specified in Section 1.2 of the Plan and the mortality table (or other tabular factor) specified in Section 1.2 of the Plan for actuarial equivalence; (B) a 5.5% interest rate and the applicable mortality table specified in Section 1.2 of the Plan; or (C) the applicable interest rate specified in Section 1.2 of the Plan and the applicable mortality table specified in Section 1.2 of the Plan, divided by 1.05.
- (b) If a benefit is payable in a form that is not subject to Code Section 417(e), then such form of benefit shall be adjusted to an actuarially equivalent straight life annuity commencing at the same annuity starting date in accordance with Code Section 415 and the Treasury Regulations issued thereunder.

**15.4 Automatic Freeze or Reduction in Benefit Accrual.** If the benefit that a Member would otherwise accrue in a Limitation Year would produce an Annual Benefit in excess of the limitation prescribed by Section 15.1, then the rate of accrual shall be frozen or reduced to the extent necessary to comply with said limitation.

**15.5 Combined Plan Limits.**

- (a) If a Member is or has ever been covered under more than one qualified defined benefit plan maintained by the Employer or a predecessor employer, then the sum of the Member's benefits from all such plans (whether or not terminated), when expressed as an Annual Benefit, shall not exceed the limitation prescribed by Section 15.1. If the sum of the benefits that a Member would otherwise accrue would exceed the limitation prescribed by Section 15.1, then the Annual Benefit under this Plan shall be reduced to the extent necessary to satisfy the limitation in Section 15.1.
- (b) Effective for Limitation Years beginning after December 31, 1999, the combined limitation for defined contribution plans and defined benefit plans in former Code Section 415(e) shall cease to apply.

**15.6 Compensation.**

- (a) The term "Compensation" shall mean the automatic definition of compensation under Code Section 415, which includes all remuneration described in Treasury Regulation Section 1.415(c)-2(b) and excludes all amounts described in Treasury Regulation Section 1.415(c)-2(c).
- (b) For any self-employed individual, the term "Compensation" shall mean earned income.

- (c) Except as set forth in this Section 15.6, Compensation for a Limitation Year is the Compensation actually paid or made available during such Limitation Year. For Limitation Years beginning after December 31, 1997, this includes amounts that would be included in income but for an election under Section 125(a), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b) and for Limitation Years beginning after December 31, 2000, this includes amounts not includible in income by reason of Section 132(f)(4). For Limitation Years beginning after December 31, 2001, amounts under Code Section 125 shall not include any amounts not available to a Member in cash in lieu of group health coverage because the Member is unable to certify that he or she has other health coverage. An amount will be treated as an amount under Code Section 125 only if the Employer does not request or collect information regarding the Member's other health coverage as part of the enrollment process for the Employer's health plan. For Limitation Years beginning on or after July 1, 2007, "Compensation" includes the following additional amounts paid after the Limitation Year:

- (i) Amounts earned but not paid during the Limitation Year, solely because of the timing of pay periods and pay

dates, until the first few weeks of the next Limitation Year, provided such amounts are not included in the

following Limitation Year.

- (ii) Amounts paid to an Employee within 2½ months after the Employee's severance from employment date, or, if

later, the end of the Limitation Year that includes the Employee's severance from employment date, that would

have been Compensation if paid during the Limitation Year, provided that (A) the payment is regular

compensation for services that would have been paid to the Employee if he or she had continued in

employment with the Employer, (B) the payment is for unused accrued bona fide sick, vacation or other leave

that the Employee would have been able to use if employment had continued, or (C) the payment is received

by the Employee pursuant to a nonqualified unfunded deferred compensation plan and would have been paid

at the same time if employment had continued, but only to the extent includible in gross income.

(iii) Amounts paid to: (A) an individual who does not currently perform services for the Employer by reason of

qualified military service (as defined in Code Section 414(u)(1)) to the extent these payments do not exceed

the amounts the individual would have received if he or she had continued to perform services for the

Employer rather than entering qualified military service; or (B) a Member who is permanently and totally

disabled, as defined in Code 22(e)(3), provided that salary continuation applies to all Members who are

permanently and totally disabled for a fixed or determinable period, or the Member was not a highly

compensated employee, as defined in Code Section 414(q), immediately before becoming disabled.

- (iv) Back pay, as defined in Treasury Regulation Section 1.415(c)-2(g)(8), shall be treated as compensation for the Limitation Year to which the back pay relates to the extent the back pay represents wages and compensation that would otherwise be included in the definition of Compensation.
- (d) Compensation shall not include amounts paid as compensation to a nonresident alien, as defined in Code Section 7701(b)(1)(B), who is not a Member in the Plan, to the extent the compensation is excludable from gross income and is not effectively connected with the conduct of a trade or business within the United States.
- (e) The term "Compensation" for any Limitation Year shall not reflect compensation in excess of the limitation under Code Section 401(a)(17) that applies to such Limitation Year.

**15.7 Other Definitions.**

- (a) "Annual Benefit" shall mean a benefit that is payable annually in the form of a straight life annuity, and shall include social security supplements described in Code Section 411(a)(9) and benefits transferred from another defined benefit plan (other than transfers of distributable benefits from a plan not maintained by the Employer), and shall exclude Employee contributions and rollover contributions. A benefit payable in any form other than a straight life annuity shall be adjusted to a straight life annuity that begins at the same time as such other form and is payable on the first day of each month as set forth in Section 15.3, before applying the limitations of this Article XV, provided that no adjustment shall be made for (i) survivor benefits payable under a qualified joint and survivor annuity (as defined in Code Section 417(b)) to the extent not payable if the Member's benefit were paid in another form, (ii) ancillary benefits not directly related to retirement benefits, or (iii) automatic benefit increases defined in Treasury Regulation Section 1.415(b)-1(c)(5). For a Member with benefits commencing on more than one annuity starting date, the Annual Benefit (and satisfaction of this Article XV) shall be determined as of each such annuity starting date, actuarially adjusted for past and future distributions commencing at other annuity starting dates. The existence of multiple annuity starting dates shall be determined in accordance with Treasury Regulation Section 1.415(b)-1(b)(1)(iii), and without regard to Treasury Regulation Section 1.401(a)-20, Q&A 10(d).
- (b) "Highest Average Compensation" shall mean the average of a Member's Compensation for the period of consecutive calendar years up to three (3) during which the Member had the greatest aggregate compensation from the Employer.
- (c) "Limitation Year" shall mean the calendar year.

**15.8 Incorporation By Reference.**

Notwithstanding any other provision in the Plan, the Annual Benefit accrued, distributed, or otherwise made payable in any form under the Plan with respect to a Member, in any Limitation Year, shall not exceed the applicable limitations under Section 415 of the Code and Treasury Regulations and other official

guidance issued thereunder, the terms of which are expressly incorporated herein by reference. Default provisions shall apply to the extent an optional provision is not specified in this Article XV. This Section 15.8 shall supersede any and all provisions of the Plan that are inconsistent with this Section 15.8.

## **ARTICLE 16**

### **BENEFIT RESTRICTIONS**

#### **16.1 Restrictions on Benefits.**

Notwithstanding any other provisions in this Plan to the contrary, for each Plan Year the Plan must observe the restrictions described in subsections (a) and (b).

- (a) **Restrictions on Benefits.** In the event of a Plan termination, the benefit payable to any Participant who is a “highly compensated employee” or “highly compensated former employee” (as defined in Code Section 414(q)) must be nondiscriminatory under Code Section 401(a)(4).
- (b) **Restrictions on Distributions.** Annual benefits payable to Participants described in subsection (a) who are also among the 25 most highly compensated Employees or former Employees are limited to the amount that could be paid out as a single life annuity under the Plan unless—
  - (1) After the payment of such benefit, the value of Plan assets equals or exceeds 110 percent of the value of the Plan’s “current liabilities” (as defined in Code Section 412(l)(7)); or
  - (2) The value of such benefit is less than 1 percent of the value of the Plan’s “current liabilities” (as defined in Code Section 412(l)(7)).

#### **16.2 Limitations Applicable If the Plan’s Adjusted Funding Target Attainment Percentage Is Less Than 80 Percent or If**

##### **the Plan Sponsor Is In Bankruptcy.**

- (a) **Limitations Applicable If the Plan’s Adjusted Funding Target Attainment Percentage Is Less Than 80 Percent, But Not Less Than 60 Percent.** Notwithstanding any other provisions of the Plan, if the Plan’s adjusted funding target attainment percentage for a Plan Year is less than 80 percent (or would be less than 80 percent to the extent described in subsection (a)(2) below) but is not less than 60 percent, then the limitations set forth in this subsection (a) apply.
  - (1) A Participant or Beneficiary is not permitted to elect, and the Plan shall not pay, a single sum payment or other optional form of benefit that includes a prohibited payment with an annuity starting date on or after the applicable Code Section 436 measurement date, and the Plan shall not make any payment for the purchase of an irrevocable commitment from an insurer to pay benefits or any other payment or transfer that is a prohibited payment, unless the present value of the portion of the benefit that is being paid in a prohibited payment does not exceed the lesser of:
    - (A) 50 percent of the present value of the benefit payable in the optional form of benefit that includes the



prohibited payment; or

- (B) 100 percent of the Pension Benefit Guaranty Corporation (PBGC) maximum benefit guarantee amount (as defined in Treasury Regulations Section 1.436-1(d)(3)(iii)(C)).

The limitation set forth in this subsection (a)(1) does not apply to any payment of a benefit which under Code Section 411(a)(11) may be immediately distributed without the consent of the Participant. If an optional form of benefit that is otherwise available under the terms of the Plan is not available to a Participant or Beneficiary as of the annuity starting date because of the application of the requirements of this subsection (a)(1), the Participant or Beneficiary is permitted to elect to bifurcate the benefit into unrestricted and restricted portions (as described in Treasury Regulations Section 1.436-1(d)(3)(iii)(D)). The Participant or Beneficiary may also elect any other optional form of benefit otherwise available under the Plan at that annuity starting date that would satisfy the 50 percent/PBGC maximum benefit guarantee amount limitation described in this subsection (a)(1), or may elect to defer the benefit in accordance with any general right to defer commencement of benefits under the Plan.

- (2) No amendment to the Plan that has the effect of increasing liabilities of the Plan by reason of increases in benefits, establishment of new benefits, changing the rate of benefit accrual, or changing the rate at which benefits become nonforfeitable shall take effect in a Plan Year if the adjusted funding target attainment percentage for the Plan Year is:

(A) Less than 80 percent; or

(B) 80 percent or more, but would be less than 80 percent if the benefits attributable to the amendment were taken into account in determining the adjusted funding target attainment percentage.

The limitation set forth in this subsection (a)(2) does not apply to any amendment to the Plan that provides a benefit increase under a Plan formula that is not based on Covered Compensation, provided that the rate of such increase does not exceed the contemporaneous rate of increase in the average wages of participants covered by the amendment.

- (b) Limitations Applicable If the Plan's Adjusted Funding Target Attainment Percentage Is Less Than 60 Percent. Notwithstanding any other provisions of the Plan, if the Plan's adjusted funding target attainment percentage for a Plan Year is less than 60 percent (or would be less than 60 percent to the extent described in subsection (b)(2) below), then the limitations in this subsection (b) apply.

- (1) A Participant or Beneficiary is not permitted to elect, and the Plan shall not pay, a single sum payment or other optional form of benefit that includes a prohibited payment with an annuity starting date on or after the applicable Code Section 436 measurement date, and the Plan shall not make any payment for the purchase of an irrevocable commitment from an insurer to pay benefits or any other payment or transfer that is a prohibited payment. The limitation set forth in this subsection (b)(1) does not apply to any payment of a benefit which under Code Section 411(a)(11) may be immediately distributed without the consent of the Participant.

- (2) An unpredictable contingent event benefit with respect to an unpredictable contingent event occurring during a Plan Year shall not be paid if the adjusted funding target attainment percentage for the Plan Year is:
  - (A) Less than 60 percent; or
  - (B) 60 percent or more, but would be less than 60 percent if the adjusted funding target attainment percentage were redetermined applying an actuarial assumption that the likelihood of occurrence of the unpredictable contingent event during the Plan Year is 100 percent.
- (3) Benefit accruals under the Plan shall cease as of the applicable Code Section 436 measurement date. In addition, if the Plan is required to cease benefit accruals under this subsection (b)(3), then the Plan is not permitted to be amended in a manner that would increase the liabilities of the Plan by reason of an increase in benefits or establishment of new benefits.
- (c) Limitations Applicable If the Plan Sponsor Is In Bankruptcy. Notwithstanding any other provisions of the Plan, a Participant or Beneficiary is not permitted to elect, and the Plan shall not pay, a single sum payment or other optional form of benefit that includes a prohibited payment with an annuity starting date that occurs during any period in which the Employer is a debtor in a case under title 11, United States Code, or similar Federal or State law, except for payments made within a Plan Year with an annuity starting date that occurs on or after the date on which the Plan's enrolled actuary certifies that the Plan's adjusted funding target attainment percentage for that Plan Year is not less than 100 percent. In addition, during such period in which the Employer is a debtor, the Plan shall not make any payment for the purchase of an irrevocable commitment from an insurer to pay benefits or any other payment or transfer that is a prohibited payment, except for payments that occur on a date within a Plan Year that is on or after the date on which the Plan's enrolled actuary certifies that the Plan's adjusted funding target attainment percentage for that Plan Year is not less than 100 percent. The limitation set forth in this subsection (c) does not apply to any payment of a benefit which under Code Section 411(a)(11) may be immediately distributed without the consent of the Participant.
- (d) Provisions Applicable After Limitations Cease to Apply.
  - (1) If a limitation on prohibited payments under subsection (a)(1), subsection (b)(1), or subsection (c) applied to the Plan as of a Code Section 436 measurement date, but that limit no longer applies to the Plan as of a later Code Section 436 measurement date, then that limitation does not apply to benefits with annuity starting dates that are on or after that later Code Section 436 measurement date.
  - (2) If a limitation on benefit accruals under subsection (b)(3) applied to the Plan as of a Code Section 436 measurement date, but that limitation no longer applies to the Plan as of a later Code Section

436 measurement date, then benefit accruals shall resume prospectively and that limitation does not apply to benefit accruals that are based on service on or after that later Code Section 436 measurement date, except as otherwise provided under the Plan. The Plan shall comply with the rules relating to partial years of participation and the prohibition on double proration under Department of Labor regulation 29 CFR § 2530.204-2(c) and (d).

- (3) If an unpredictable contingent event benefit with respect to an unpredictable contingent event that occurs during the Plan Year is not permitted to be paid after the occurrence of the event because of the limitation of subsection (b)(2), but is permitted to be paid later in the same Plan Year (as a result of additional contributions or pursuant to the enrolled actuary's certification of the adjusted funding target attainment percentage for the Plan Year that meets the requirements of Treasury Regulations Section 1.436-1(g)(5)(ii)(B)), then that unpredictable contingent event benefit shall be paid, retroactive to the period that benefit would have been payable under the terms of the Plan (determined without regard to Section (b)(2)). If the unpredictable contingent event benefit does not become payable during the Plan Year in accordance with the preceding sentence, then the Plan is treated as if it does not provide for that benefit.
- (4) If a Plan amendment does not take effect as of the effective date of the amendment because of the limitation of subsection (a)(2) or subsection (b)(3), but is permitted to take effect later in the same Plan Year (as a result of additional contributions or pursuant to the enrolled actuary's certification of the adjusted funding target attainment percentage for the Plan Year that meets the requirements of Treasury Regulations Section 1.436-1(g)(5)(ii)(C)), then the Plan amendment must automatically take effect as of the first day of the Plan Year (or, if later, the original effective date of the amendment). If the Plan amendment cannot take effect during the same Plan Year, then it shall be treated as if it were never adopted, unless the Plan amendment provides otherwise.
- (e) Notice Requirement. The Plan Administrator shall provide written notice to Participants and Beneficiaries within 30 days after certain specified dates if the Plan has become subject to a limitation described in subsection (a)(1), subsection (b), or subsection (c) in accordance with section 101(j) of ERISA.
- (f) Methods to Avoid or Terminate Benefit Limitations. The Employer may avoid or terminate the application of the limitations set forth in subsections (a) through (c) for a Plan Year by any method permitted under Code Section 436(b)(2), (c)(2), (e)(2), and (f) and Treasury Regulations Section 1.436-1(f).
- (g) Special Rules.
  - (1) Rules of Operation for Periods Prior to and After Certification of Plan's Adjusted Funding Target Attainment Percentage.

- (A) Code Section 436(h) and Treasury Regulations Section 1.436-1(h) set forth a series of presumptions that apply (1) before the Plan's enrolled actuary issues a certification of the Plan's adjusted funding target attainment percentage for the Plan Year and (2) if the Plan's enrolled actuary does not issue a certification of the Plan's adjusted funding target attainment percentage for the Plan Year before the first day of the 10<sup>th</sup> month of the Plan Year (or if the Plan's enrolled actuary issues a range certification for the Plan Year pursuant to Treasury Regulations Section 1.436-1(h)(4)(ii) but does not issue a certification of the specific adjusted funding target attainment percentage for the Plan by the last day of the Plan Year). For any period during which a presumption under Code Section 436(h) and Treasury Regulations Section 1.436-1(h) applies to the Plan, the limitations under subsections (a) through (c) are applied to the Plan as if the adjusted funding target attainment percentage for the Plan Year were the presumed adjusted funding target attainment percentage determined under the rules of Code Section 436(h) and Treasury Regulations Section 1.436-1(h)(1), (2), or (3), as set forth in subsections (g)(1)(B) through (D) below.
- (B) If a limitation under subsection (a), (b), or (c) applied to the Plan on the last day of the preceding Plan Year, then, commencing on the first day of the current Plan Year and continuing until the Plan's enrolled actuary issues a certification of the adjusted funding target attainment percentage for the Plan for the current Plan Year, or, if earlier, the date subsection (g)(1)(C) or subsection (g)(1)(D) applies to the Plan:
- (i) The adjusted funding target attainment percentage of the Plan for the current Plan Year is presumed to be the adjusted funding target attainment percentage in effect on the last day of the preceding Plan Year; and
  - (ii) The first day of the current Plan Year is a Code Section 436 measurement date.
- (C) If the Plan's enrolled actuary has not issued a certification of the adjusted funding target attainment percentage for the Plan Year before the first day of the 4<sup>th</sup> month of the Plan Year and the Plan's adjusted funding target attainment percentage for the preceding Plan Year was either at least 60 percent but less than 70 percent or at least 80 percent but less than 90 percent, or is described in Treasury Regulations Section 1.436-1(h)(2)(ii), then, commencing on the first day of the 4<sup>th</sup> month of the current Plan Year and continuing until the Plan's enrolled actuary issues a certification of the adjusted funding target attainment

percentage for the Plan for the current Plan Year, or, if earlier, the date subsection (g)(1)(D) applies to the Plan:

- (i) The adjusted funding target attainment percentage of the Plan for the current Plan Year is presumed to be the Plan's adjusted funding target attainment percentage for the preceding Plan Year reduced by 10 percentage points; and
  - (ii) The first day of the 4<sup>th</sup> month of the current Plan Year is a Code Section 436 measurement date.
- (D) If the Plan's enrolled actuary has not issued a certification of the adjusted funding target attainment percentage for the Plan Year before the first day of the 10<sup>th</sup> month of the Plan Year (or if the plan's enrolled actuary has issued a range certification for the Plan Year pursuant to Treasury Regulations Section 1.436-1(h)(4)(ii) but has not issued a certification of the specific adjusted funding target attainment percentage for the Plan by the last day of the Plan Year), then, commencing on the first day of the 10<sup>th</sup> month of the current Plan Year and continuing through the end of the Plan Year:
  - (i) The adjusted funding target attainment percentage of the Plan for the current Plan Year is presumed to be less than 60 percent; and
  - (ii) The first day of the 10<sup>th</sup> month of the current Plan Year is a Code Section 436 measurement date.
- (2) New Plans, Plan Termination, Certain Frozen Plans, and Other Special Rules.
  - (A) The limitations in subsection (a)(2), subsection (b)(2), and subsection (b)(3) do not apply to a new plan for the first 5 plan years of the plan, determined under the rules of Code Section 436(i) and Treasury Regulations Section 1.436-1(a)(3)(i).
  - (B) The limitations on prohibited payments in subsection (a)(1), subsection (b)(1), and subsection (c) do not apply to prohibited payments that are made to carry out the termination of the Plan in accordance with applicable law. Any other limitations under this Section 16.2 of the Plan do not cease to apply as a result of termination of the Plan.
  - (C) The limitations on prohibited payments set forth in subsections (a)(1), (b)(1), and (c) do not apply for a Plan Year if the terms of the Plan, as in effect for the period beginning on September 1, 2005, and continuing through the end of the Plan Year, provide for no benefit accruals with respect to any Participants. This subsection (g)(2)(C) shall cease to apply as of the date any benefits accrue under

the Plan or the date on which a Plan amendment that increases benefits takes effect.

- (D) During any period in which none of the presumptions under subsection (g)(1) apply to the Plan and the Plan's enrolled actuary has not yet issued a certification of the Plan's adjusted funding target attainment percentage for the Plan Year, the limitations under subsection (a)(2) and subsection (b)(2) shall be based on the inclusive presumed adjusted funding target attainment percentage for the Plan, calculated in accordance with Treasury Regulations Section 1.436-1(g)(2)(iii).

(3) Special Rules Under PRA 2010.

- (A) For purposes of determining whether the limitations under subsections (a)(1) or (b)(1) apply to payments under a social security leveling option, within the meaning of Code Section 436(j)(3)(C)(i), the adjusted funding target attainment percentage for a Plan Year shall be determined in accordance with the "Special Rule for Certain Years" under Code Section 436(j)(3) and any Treasury Regulations or other published guidance thereunder issued by the Internal Revenue Service.
- (B) For purposes of determining whether the accrual limitation under subsection (b)(3) applies to the Plan, the adjusted funding target attainment percentage for a Plan Year shall be determined in accordance with the "Special Rule for Certain Years" under Code Section 436(j)(3) (except as provided under section 203(b) of the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010, if applicable).

- (4) Interpretation of Provisions. The limitations imposed by this Section 16.2 of the Plan shall be interpreted and administered in accordance with Code Section 436 and Treasury Regulations Section 1.436-1.

- (h) Definitions. For purposes of this Section 16.2 the definitions in the following Treasury Regulation Sections apply:

| <u>Regulation Section</u> | <u>Term</u>                                                                      |
|---------------------------|----------------------------------------------------------------------------------|
| 1.436-1(j)(1)             | "Adjusted funding target attainment percentage"                                  |
| 1.436-1(j)(2)             | "Annuity starting date"                                                          |
| 1.436-1(j)(6)             | "Prohibited payment"                                                             |
| 1.436-1(j)(8)             | "Code Section 436 measurement date"                                              |
| 1.436-1(j)(9)             | "Unpredictable contingent event" and<br>"Unpredictable contingent event benefit" |

- (i) Effective Date. The provisions in this Section 16.2 apply to Plan Years beginning after December 31, 2007.

## ARTICLE 17

### TOP-HEAVY CONTINGENCY

17.1 **General Rule** – The provisions of this Article 16 shall apply only in a Plan Year in respect of which the Plan becomes top-heavy (as herein defined) and thereafter to the extent provided herein.

17.2 **Aggregation Group** – The Plan shall be considered to be top-heavy in any Plan Year if the aggregation group of which the Plan is required to be a part becomes top-heavy for such year; provided, however, the Plan shall not be considered to be top-heavy in such Plan Year if by the inclusion of additional plans permitted to be included in such required aggregation group the resulting permissive aggregation group is not top-heavy for such year.

(a) The required aggregation group as to the Plan shall include the Plan and any pension, profit sharing or stock bonus plan of the Employer, or Affiliated Employer under common control by or with the Employer if such plan is intended to be a qualified plan under Section 401(a) of the Code, and either (i) includes or has included any Key Employee as a participant in this Plan Year or in the 5 preceding Plan Years or (ii) enables the Plan or any such plan to meet the antidiscrimination requirements and minimum participation standards applicable to qualified plans under the Code.

(b) The permissive aggregation group shall include plans in the required aggregation group and any other comparable plan



of an Employer or Affiliated Employer in the controlled group specified in subparagraph (a) or to which such

Employer contributes if such plan is intended to be qualified under Section 401(a) of the Code and continues to meet

the antidiscrimination requirements and minimum participation standards of the Code when considered together with

the plans in the required aggregation group.

A terminated or frozen plan shall be treated as part of the required or permissive aggregation group only in accordance under Section 416 of the Code and regulations promulgated thereunder.

**17.3 Top-Heavy Definition** – A required aggregation group or a permissive aggregation group shall be considered to be top-heavy, if as of the applicable determination dates, the sum of the present value of the cumulative accrued benefits for Key Employees under all defined benefit plans in such group and the aggregate value of the accounts of Key Employees under all defined contribution plans in such group exceed sixty percent (60%) of the sum of such values for all Employees participating in or eligible for

participation in such plans.

(a) The applicable determination date for each plan shall be the last day of its plan year which immediately precedes the plan year for which such plan is being tested or, in the case of a new plan, the last day of its first plan year.

(b) The present value of accrued benefits of Employees under each defined benefit plan shall be determined as of the plan's most recent valuation date within the twelve-month period ending on the determination date (or, in the case of a new plan, as of the

determination date) and shall be based upon the assumption that each Employee terminated his or her Service on the determination date with a fully vested accrued benefit on such date and elected a lump sum distribution in an amount equal to the present value of such benefit based upon the actuarial assumptions, mortality rates and assumed earnings used to maintain the plan's minimum funding account as defined in Section 412 of the Code. If the plans in the required aggregation group use different actuarial assumptions for purposes of determining the present value of cumulative accrued benefits, (i) for Key Employees, the actuarial assumptions used shall be the actuarial funding assumptions used to maintain the funding standard account under a selected plan in the required aggregation group, computed as if the Member voluntarily terminated Service as of the most recent valuation date, and (ii) for Members who are not Key Employees, the actuarial assumptions used shall be such assumptions so that the benefit shall accrue not more rapidly than the slowest accrual rate permitted under Section 411(b)(1)(C) of the Code.

(c) With respect to a defined contribution plan which is included in the required aggregation group or permissive aggregation group, the sum of a member's aggregate value of account balances attributable to employer and employee contributions under such plans as of the most recent valuation date under the plan ending within the 12-month period ending on the applicable determination date shall be adjusted for contributions due as of such determination date. If the Plan is not subject to the funding requirements of Section 412 of the Code, the adjustment is the amount of contributions actually made after the valuation date and on or before the determination date and, in the first plan year of any plan, also shall include contributions allocated as of a date in such plan year but made after the determination date. If a plan is subject to the funding requirements of Section 412 of the Code, a Member's account balance shall include contributions not yet required to be contributed, but which would be allocated as of a date not later than the determination date, and the adjustment shall reflect any contributions made or due after the valuation date but prior to the expiration of the extended payment period of Section 412(c)(10) of the Code.

(d) Present value shall also include any related rollovers and transfers. A determination as to whether a rollover or transfer is related or unrelated shall be made in accordance with applicable Treasury Regulations.

(e) The present values of accrued benefits and the values of accounts used in the sixty percent (60%) calculation described herein shall be increased by all distributions made within the five (5) year period ending on the determination date to Employees covered by plans in the aggregation group.

**17.4 Key Employee** – A "Key Employee" shall include any Employee, former Employee (or a Beneficiary) who at any time during the Plan Year or any of the four (4) preceding Plan Years is or was:

(a) an officer of his or her Employer having an annual compensation from the Employer and all Affiliated Employers in a controlled group greater than fifty percent (50%) of the amount in effect for the calendar year ending with the plan year or within which such plan year ends under Section 415(b)(1)(A) of the Code, except that the number of officers included herein shall not exceed the lesser of 50 officers or 10% of the maximum number of Employees in the aggregation group in any year of the five-year period and that in such case the highest paid officers shall be the Key Employees; or

(b) an Employee who owns directly or indirectly more than five percent (5%) of the outstanding stock of his or her Employer; or

(c) one of the ten Employees having an annual compensation greater than the dollar limit in effect under Section 415(c)(1)(A) of the Code for the Plan Year and who owns (or is considered as owning within the meaning of Section 318 of the Code) both more than a 0.5% interest and the largest interests in the Employer; or

(d) a one percent owner of his or her Employer who has an annual compensation of more than \$150,000.

17.5 **Non-Key Employee** – A “Non-Key Employee” shall be any Employee who is not a “Key Employee.”

17.6 **Minimum Benefit Provision** – In the event the Plan becomes top-heavy for any Plan Year, all plans in the required aggregation group will also be top-heavy for such year and all Non-Key Employees will be participating in more than one top-heavy plan. In such event there shall be provided to each “Non-Key Employee” a minimum benefit under this Plan equal to:

(a) an annual retirement benefit (with no ancillary benefits) commencing at Normal Retirement at or after Age 65 equal to 3% of his or her average annual compensation for each Year of Service from and after December 31, 1983 during which this Plan was top-heavy, excluding any such service including D&B Service (if assets and liabilities in respect of such Non-Key Employee were transferred from the Cognizant Plan and such assets and liabilities were not subsequently returned to the Cognizant Plan for any reason) in excess of ten (10) years; minus

(b) the amount of such retirement benefit which could be purchased for such Employee by application of all amounts allocated to his or her accounts under each defined contribution plan of the Employer as the result of Employer contributions, tax-deferred Employee salary reductions and forfeitures for all plan years during which such Employee was a participant, but excluding any such allocations which were forfeited by such Employee. The determination of the amount of such retirement benefit which could be purchased for each “Non-Key Employee” shall be made by the Plan Sponsor’s independent actuaries as of the date of such Employee’s termination of Service and shall utilize the earnings and actuarial assumptions most recently published by the Pension Benefit Guaranty Corporation.

Average annual compensation of a “Non-Key Employee” for purposes of the foregoing shall mean his or her average annual aggregate compensation, as determined under Section 415(c)(3) of the Code, for the five (5) consecutive years of his or her Service resulting in the highest such average, or if fewer than five (5) consecutive years for the actual years of his or her Service. For purposes hereof, the term average annual compensation shall not include such compensation after the last Plan Year in which a Plan is a top-heavy plan or a super top-heavy plan.

Any benefit which is payable as other than a life annuity, or which commences at other than the Member’s normal retirement shall be adjusted to an amount which is actuarially equivalent to such benefit. For purposes hereof, such actuarially equivalent determination shall be based on such actuarial assumptions set forth in Section 1.2.

17.7 **Vesting Provision** – Notwithstanding any provision in the Plan to the contrary, if the Plan becomes top-heavy in any Plan Year, the accrued benefits of all Employees in active service from and after such year shall vest and become nonforfeitable after three (3) Years of Vesting Service. If the Plan is no longer top-heavy in a later Plan Year, the

foregoing vesting schedule shall continue to apply with respect to all Employees having three (3) or more Years of Vesting Service, but shall no longer apply to Employees with less than three (3) Years of Vesting Service except to the extent their benefits have already vested by application of such schedule.

**17.8 Change in 415(e) Limits** – In the event the Plan becomes super top-heavy in any Plan Year, the combined benefit limitation applicable to any Employee participating in a defined benefit plan and a defined contribution plan of one or more Employing Companies in a controlled group shall be reduced for such year from 1.25 to 1.0 for purposes of Sections 416(e)(2)(B) and (3)(B) of the Code. The Plan shall be considered to be super top-heavy in any Plan Year if the percentage determined under Section 17.3 of the Plan for such year equals or exceeds ninety percent (90%).

Effective for Plan Years after December 31, 1999, this Section 17.8 shall become void and shall no longer apply.

**17.9 Modification Of Top-Heavy Rules After 2001**

- (a) This Section shall apply for purposes of determining whether the Plan is a top-heavy plan under Section 416(g) of the Code for Plan Years beginning after December 31, 2001, and whether the Plan satisfies the minimum benefits requirements of Section 416(c) of the Code for such years, notwithstanding any contrary provision of the Plan.
- (b) Determination of top-heavy status.
  - (1) “Key Employee” means any Employee or former Employee (including any deceased Employee) who at any time during the Plan Year that includes the determination date was an officer of the Employer having annual Compensation greater than \$130,000 (as adjusted under Section 416(i)(1) of the Code for Plan Years beginning after December 31, 2002), a 5-percent owner of the Employer within the meaning of Section 416(i)(1)(B)(i) of the Code, or a 1-percent owner of the Employer having annual Compensation of more than \$150,000. For this purpose, annual Compensation means Compensation within the meaning of Section 415(c)(3) of the Code.

The determination of who is a Key Employee will be made in accordance with Section 416(i)(1) of the Code and the applicable regulations and other guidance of general applicability issued thereunder.
  - (2) This Section 17.9(b)(2) shall apply for purposes of determining the present values of accrued benefits and the amounts of account balances of Members as of the determination date.
    - (A) The present values of accrued benefits and the amounts of account balances of a Member as of the determination date shall be increased by the distributions made with respect to the Member under the Plan and any Plan aggregated with the Plan under Section 416(g)(2) of the Code during the one-year period ending on the determination date. The preceding sentence shall also apply to distributions under

terminated plan which, had it not been terminated, would have been aggregated with the Plan under Section 416(g)(2)(A)(i) of the Code. In the case of a distribution made for a reason other than severance from employment, death, or disability, this provision shall be applied by substituting "five-year period" for "one-year period."

- (B) Employees not performing services during the year ending on the determination date. The accrued benefits and accounts of any individual who has not performed services for the Employer during the one-year period ending on the determination date shall not be taken into account.
- (C) For purposes of satisfying the minimum benefit requirements of Section 416(c)(1) of the Code and the Plan, in determining Years of Service with the Employer, any service with the Employer shall be disregarded to the extent that such service occurs during a Plan Year when the Plan benefits (within the meaning of Section 410(b) of the Code) no Key Employee or former Key Employee.

**17.10 Interpretation** – The foregoing provisions of this Article 17 are intended to conform the Plan to the requirements of Section 416 of the Code and any regulations, rulings or other pronouncements issued pursuant thereto, and shall be construed accordingly. In the event that under any statute, regulation or ruling all or a portion of the conditions of this Section are no longer required for the Plan to comply with the requirements of Section 401 of the Code (or any other provisions with respect to qualification for tax exemption of retirement plans and trusts), to the extent possible such conditions shall become void and shall no longer apply without the necessity of an amendment to the Plan.

## ARTICLE 18

### PARTICIPATING EMPLOYERS

18.1 **Designation of Participating Employers.** The Company, acting through any committee or person(s) duly authorized by the Board to serve as Plan Administrator, shall designate the Affiliated Employers that shall participate in the Plan with respect to some or all of their designated Employees.

18.2 **Requirements of Participating Employers.**

- (a) Each Participating Employer shall be required to use the same Trustee as provided in the Plan.
- (b) The Trustee may commingle, hold and invest in one or more Funds all contributions made by the Employer and all Participating Employers, as well as all increments thereof. The assets of the Plan shall, on an ongoing basis, be available to pay benefits to all Members of the Plan without regard to the Employer or Participating Employer who contributed such assets.
- (c) On the basis of information furnished by the Plan Administrator, the Trustee shall keep separate books and records concerning the affairs of each Participating Employer and as to the benefits of the Members of each Participating Employer.
- (d) Each Participating Employer shall pay to the Trustee its proportionate share of the contributions to the Plan, as determined by the Trustee. Each Participating Employer shall also pay to the Company its proportionate share of any administrative expenses of the Plan which are to be paid by the Employer.

18.3 **Delegation of Authority by Participating Employers.** Each Participating Employer shall be deemed to have irrevocably granted to the Company, the Board, the Employee Benefits Committee appointed by the Board, the Plan Administrator and the Funding Agent(s) exclusive authority to exercise all the powers conferred on them by the terms of the Plan and any trust arrangement, including the power vested in the Board and in the Employee Benefits Committee appointed by the Board to amend the Plan, the power vested in the Board to terminate the Plan, and the power vested in the Company to amend or terminate any trust arrangement, and each Participating Employer shall be deemed to have irrevocably appointed the Company, the Board, the Employee Benefits Committee appointed by the Board, the Plan Administrator and any Funding Agent(s) as its agents for such purposes. In addition, each Participating Employer shall automatically become a party to any trust arrangement without further action on its part.

18.4 **Employee Transfers.** In the event of a transfer of an Employee from or to the Employer or a Participating Employer, the Employee shall receive credit for Service with the transferor or predecessor in accordance with Article 2. The transfer of any Member from or to the Employer or a Participating Employer shall not affect such Member's rights under the Plan, and the Member's benefits as well as the Member's accumulated Service with the transferor or predecessor shall continue to the credit of such Member. No such transfer shall effect a termination of employment under the Plan, and the Participating Employer to which the Member is transferred shall thereupon become obligated under the Plan with respect to such Member in the same manner as was the Employer or Participating Employer from whom the Member was transferred.

**18.5 Withdrawal of a Participating Employer.**

(a) A Participating Employer may terminate its participation in the Plan by giving the Plan Administrator prior written notice specifying a termination date which shall be the last day of a month at least thirty (30) days subsequent to the date such notice is delivered to the Plan Administrator, unless the Plan Administrator shall have waived its right to such notice. The Plan Administrator may terminate a Participating Employer's participation in the Plan as of any termination date by giving the Participating Employer prior written notice specifying a termination date which shall be the last day of a month at least thirty (30) days subsequent to the date such notice is delivered to the Participating Employer, unless the Participating Employer shall have waived its right to such notice.

(b) The benefits provided under the Plan with respect to each Member employed by a former Participating Employer as of the termination date will be paid or forfeited in accordance with the Plan as if such termination had not occurred. Notwithstanding the foregoing, the Plan Administrator may direct the Trustee to segregate such portion of the assets of the Plan as the Trustee shall determine to be properly allocable in accordance with ERISA to the Members of such Participating Employer and direct the Trustee to apply said assets for the benefit of the Members employed by a former Participating Employer as of the termination date in such manner as the Plan Administrator shall determine including, without limitation, payment to such Members or a transfer to a successor employee benefit plan which is qualified under Section 401(a) of the Code, or any combination thereof. Any such payments or transfers of said assets shall constitute a complete discharge of all liabilities under the Plan with respect to such Participating Employer's participation in the Plan and any Member employed by such Participating Employer. To the maximum extent permitted by ERISA and the Code, the termination of a Participating Employer's participation in the Plan shall not in any way affect any other Participating Employer's participation in the Plan.

**18.6 Administrator's Authority.** The Plan Administrator shall have all of the duties and responsibilities authorized by the Plan and shall have the authority to make any and all rules, regulations and decisions necessary or appropriate to effectuate the terms of the Plan, which shall be binding upon each Participating Employer and all Members.



**ARTICLE 19**  
**MISCELLANEOUS**

**19.1 Limitation on Distributions.** Notwithstanding any provision of this Plan regarding payment to Beneficiaries or Members, or any other person, the Plan Administrator may withhold payment to any person if the Plan Administrator determines that such payment may expose the Plan to conflicting claims for payment. As a condition for any payments, the Plan Administrator may require such consent, representations, releases, waivers or such other information as it deems appropriate. To the extent required by law, the Plan Administrator shall comply with the terms of any judgment or other judicial decree, order, settlement or agreement including, but not limited to, a qualified domestic relations order as defined in Section 414(p) of the Code.

**19.2 Exclusive Benefit; Limitation on Reversion of Contributions.** Except as provided in subsections (a) through (c) below and Section 13.1 hereof, Employer contributions made under the Plan will be held for the exclusive benefit of Members or Beneficiaries and for defraying the reasonable expenses of administering the Plan and may not revert to the Employer.

(a) A contribution made by the Employer under a mistake of fact may be returned to the Employer within one (1) year after it is contributed to the Plan.

(b) A contribution conditioned on the Plan's initial qualification under Sections 401(a) and 501(a) of the Code may be returned to the Employer, within one (1) year after the date the Plan is denied qualification.

(c) A contribution conditioned upon its deductibility under Section 404 of the Code may be returned, to the extent the deduction is disallowed, to the Employer within one (1) year after the disallowance. Unless the Employer notifies the Plan Administrator and the Trustee to the Company in writing, all contributions made to this Plan are expressly conditioned upon their deductibility under Section 404 of the Code.

The maximum contribution that may be returned to the Employer shall not exceed the amount actually contributed to the Plan, or, if less, the value of such contribution on the date it is returned to the Employer.

**19.3 Voluntary Plan.** The Plan is purely voluntary on the part of the Employer and neither the establishment of the Plan nor any Plan amendment nor the creation of any fund or account, nor the payment of any benefits will be construed as giving any Employee or any person legal or equitable right against the Employer, any trustee or other agent, or the Plan Administrator unless specifically provided for in this Plan or by applicable law or conferred by affirmative action of the Plan Administrator or the Employer according to the terms and provisions of this Plan. Such actions will not be construed as giving any Employee or Member the right to be retained in the service of the Employer. All Employees and/or Members will remain subject to discharge to the same extent as though this Plan had not been established.

**19.4 Nonalienation of Benefits.** No benefit or interest available hereunder will be subject to assignment or alienation, either voluntarily or involuntarily. The preceding sentence shall not apply to (a) domestic relations orders, as defined in Section 414(p) of the Code and Section 206(d)(3) of ERISA, or entered before January 1, 1985; or (b) assignments pursuant to court orders arising from a fiduciary crime involving the Plan

and settlements entered into with the Department of Labor or the Pension Benefits Guaranty Corporation for correct of fiduciary breaches.

Effective on or after April 6, 2007, a domestic relations order that otherwise satisfies the requirements for a qualified domestic relations order (QDRO) will not fail to be a QDRO: (a) solely because the order is issued after, or revises, another domestic relations order or QDRO; or (b) solely because of the time at which the order is issued, including issuance after the annuity starting date or after the Member's death. A domestic relations order described in this paragraph is subject to the same requirements and protections that apply to QDROs.

**19.5 Inability to Receive Benefits.** If the Plan Administrator receives evidence that (a) a person entitled to receive any payment under the Plan is physically or mentally incompetent to receive payment and to give a valid release, (b) another person or any institution is maintaining or has custody of such person, and (c) no guardian, committee, or other representative of the estate of such person has been duly appointed by a court of competent jurisdiction, then any distribution made under the Plan may be made to such other person or institution. The release of such other person or institution will be a valid and complete discharge for the payment of such distribution.

**19.6 Missing Persons.** If the Plan Administrator is unable, after reasonable and diligent effort, to locate a Member or Beneficiary who is entitled to a distribution under the Plan where no contingent beneficiary is provided under the Plan, the distribution due such person may be forfeited as permitted under applicable laws and regulations. If, however, such a person later files a claim for such benefit, it will be reinstated without any interest earned thereon. In the event that a distribution is due to a Beneficiary where a contingent beneficiary is provided under the Plan (including the situation in which the contingent beneficiary is the Member's estate), and the Plan Administrator is unable, after reasonable and diligent effort, to locate the Beneficiary, the benefit shall be payable to the contingent beneficiary, and such non-locatable Beneficiary shall have no further claim or interest hereunder. Notification by certified or registered mail to the last known address of the Member or Beneficiary will be deemed a reasonable and diligent effort to locate such person.

**19.7 Limitation of Third-Party Rights.** Nothing expressed or implied in the Plan is intended or will be construed to confer upon or give to any person, firm, or association other than the Employer, the Members or Beneficiary, and their successors in interest, any right, remedy, or claim under or by reason of this Plan except pursuant to a qualified domestic relations order as defined in Section 414(p) of the Code.

**19.8 Invalid Provisions.** In case any provision of this Plan is held illegal or invalid for any reason, the illegality or invalidity will not affect the remaining parts of the Plan. The Plan will be construed and enforced as if the illegal and invalid provisions had never been included.

**19.9 Use and Form of Words.** Whenever any words are used herein in the singular form, they will be construed as though they were also used in the plural form in all cases where the plural form would apply, and vice versa.

**19.10 Headings.** Headings to Articles and Sections are inserted solely for convenience and reference. In the case of any conflict, the text, rather than the headings, shall control.

19.11 **Governing Law.** The Plan shall be governed by and construed according to ERISA, the Code and according to the laws of the state of New York (but only where such state laws are not preempted by federal law).

19.12 **Information Required in Writing.** All notices, elections, designations of Beneficiaries and waivers of rights under the Plan shall be in writing and in such form as required by the Plan Administrator.

19.13 **USERRA** – Notwithstanding any provision of this Plan to the contrary, effective as of the Initial Effective Date of the Plan, benefits and Service credit with respect to military service will be provided in accordance with Section 414(u) of the Code.

- (a) **Death benefits.** In the case of a death occurring on or after January 1, 2007, if a Member dies while performing qualified military service (as defined in Section 414(u)(5) of the Code), the Member's Beneficiary is entitled to any additional benefits provided under the Plan as if the Member had resumed employment and then terminated employment on account of death. Moreover, the Plan will credit the Member's qualified military service as service for vesting purposes, as though the Member had resumed employment under the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA") immediately prior to the Member's death.
- (b) **Benefit accrual.** Effective as of January 1, 2011, for benefit accrual purposes, the Plan treats an individual who dies or becomes disabled (as defined under the terms of the Plan) while performing qualified military service with respect to the Employer as if the individual had resumed employment in accordance with the individual's reemployment rights under USERRA, on the day preceding death or disability (as the case may be) and terminated employment on the actual date of death or disability.
- (c) **Differential wage payments.** For years beginning after December 31, 2008: (1) an individual receiving a differential wage payment, as defined by Section 3401(h)(2) of the Code, is treated as an employee of the employer making the payment; (2) the differential wage payment is treated as compensation for purposes of Section 415(c)(3) of the Code and Treasury Reg. Section 1.415(c)-2; and (3) the Plan is not treated as failing to meet the requirements of any provision described in Section 414(u)(1)(C) of the Code (or corresponding Plan provisions) by reason of any contribution or benefit which is based on the differential wage payment. Differential wage payments (as described herein) will also be considered compensation for all Plan purposes.

This subsection (c) applies only if all Employees of the Employer performing service in the uniformed services described in Section 3401(h)(2)(A) of the Code are entitled to receive differential wage payments (as defined in Section 3401(h)(2)) of the Code on reasonably equivalent terms and, if eligible to participate in a retirement plan maintained by the Employer, to make contributions or receive benefits based on the payments on reasonably equivalent terms (taking into account Sections 410(b)(3), (4), and (5)) of the Code.

\_\_\_\_ NOW, THEREFORE, the Company has caused this Plan document to be executed by its duly authorized officer on this day of August, 2020.

IQVIA Inc.

By: \_\_\_\_\_

Title: \_\_\_\_\_

**APPENDIX A**

**MORTALITY RATES**

| Age | Participant | Beneficiary |    |         |         |
|-----|-------------|-------------|----|---------|---------|
| 25  | .000581     | .000470     | 52 | .005746 | .003926 |
| 26  | .000610     | .000497     | 53 | .006310 | .004288 |
| 27  | .000644     | .000526     | 54 | .006907 | .004683 |
| 28  | .000681     | .000557     | 55 | .007538 | .005112 |
| 29  | .000720     | .000591     | 56 | .008206 | .005588 |
| 30  | .000763     | .000629     | 57 | .008916 | .006123 |
| 31  | .000811     | .000669     | 58 | .009679 | .006729 |
| 32  | .000866     | .000714     | 59 | .010510 | .007415 |
| 33  | .000923     | .000762     | 60 | .011426 | .008190 |
| 34  | .000988     | .000814     | 61 | .012449 | .009063 |
| 35  | .001059     | .000873     | 62 | .013608 | .010042 |
| 36  | .001136     | .000936     | 63 | .014928 | .011131 |
| 37  | .001223     | .001077     | 64 | .016449 | .012338 |
| 38  | .001318     | .001084     | 65 | .018207 | .013671 |
| 39  | .001423     | .001168     | 66 | .020245 | .015129 |
| 40  | .001539     | .001261     | 67 | .022388 | .016662 |
| 41  | .001682     | .001369     | 68 | .024559 | .018359 |
| 42  | .001869     | .001497     | 69 | .026871 | .020335 |
| 43  | .002097     | .001647     | 70 | .029559 | .022766 |
| 44  | .002364     | .001815     | 71 | .032952 | .025919 |
| 45  | .002670     | .002005     | 72 | .036762 | .029529 |
| 46  | .003011     | .002216     | 73 | .040907 | .033496 |
| 47  | .003388     | .002449     | 74 | .045427 | .037808 |
| 48  | .003797     | .002705     | 75 | .050298 | .042428 |
| 49  | .004241     | .002983     | 76 | .055809 | .047551 |
| 50  | .004717     | .003289     | 77 | .062080 | .053217 |
| 51  | .005216     | .003594     | 78 | .069068 | .059419 |
|     |             |             | 79 | .076746 | .066152 |
|     |             |             | 80 | .084955 | .073330 |

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|     |         |         |
|-----|---------|---------|
| 81  | .093582 | .080901 |
| 82  | .102603 | .088868 |
| 83  | .111984 | .097236 |
| 84  | .121754 | .106074 |
| 85  | .131910 | .115436 |
| 86  | .142522 | .125403 |
| 87  | .153693 | .136075 |
| 88  | .165518 | .147557 |
| 89  | .178093 | .159954 |
| 90  | .191529 | .173397 |
| 91  | .203702 | .185997 |
| 92  | .216646 | .199614 |
| 93  | .230478 | .214387 |
| 94  | .245331 | .230463 |
| 95  | .261353 | .248008 |
| 96  | .278704 | .267202 |
| 97  | .297562 | .288242 |
| 98  | .318124 | .311344 |
| 99  | .340598 | .336741 |
| 100 | .365204 | .364688 |
| 101 | .392179 | .395460 |
| 102 | .421772 | .429358 |
| 103 | .455805 | .467222 |
| 104 | .496440 | .510917 |
| 105 | .545840 | .562310 |
| 106 | .606167 | .623265 |
| 107 | .679585 | .695646 |
| 108 | .768255 | .781319 |
| 109 | .874340 | .882150 |
| 110 | .999999 | .999999 |

## **APPENDIX B**

1. **The Grandfathered Benefit Amount: (Normal Retirement).** The amount of the Grandfathered Benefit, under Section 4.9 of this Plan payable to a Member as of his or her Normal Retirement Date in the form of a single life annuity shall equal the greater of:
    - (a) the sum of 1.7% of his or her Average Final Compensation multiplied by his or her years of Credited Service (as defined below) not in excess of 25, plus 1.0% of his or her Average Final Compensation multiplied by his years of Credited Service in excess of 25, minus the sum of 1.7% of his or her Primary Insurance Benefit multiplied by his or her years of Credited Service not in excess of 25, plus 0.5% of his or her Primary Insurance Benefit multiplied by his or her years of Credited Service in excess of 25 (but, in any event, not to exceed 50% of the Primary Insurance Benefit); or
    - (b) \$100 for each year of his or her Credited Service.
  2. **The Grandfathered Benefit Amount: (Early Retirement).** The amount of the Grandfathered Benefit under Section 4.9 of this Plan payable to a Member as of his or her Early Retirement Date in the form of a single life annuity shall equal:
    - (a) if such Early Retirement Date is after the Member attains Age 55 and completes ten years of Vesting Service, the Grandfathered Benefit amount payable as of the Normal Retirement Date in 1(a) above, reduced 3/12% for each month by which the Early Retirement Date precedes the Normal Retirement Date (or precedes Age 60 if the Member has 35 Years of Vesting Service on his Early Retirement Date); or
    - (b) if such Early Retirement Date is prior to the date the Member attains Age 55 and completes ten years of Vesting Service, the Actuarial Equivalent Value of the Grandfathered Benefit amount payable as of his or her Normal Retirement Date.

Notwithstanding the foregoing to the contrary, any Member whose participation in this Plan terminated effective August 1, 2000 by reason of the termination of participation in this Plan by Clark-O'Neill, Inc. effective August 1, 2000 and/or such Member's transfer of employment to SYNAVANT Inc. effective August 1, 2000 or any Member whose participation in this Plan terminated effective October 3, 2000 by reason of the termination of participation in this Plan by ERISCO Managed Care Technologies, Inc. effective October 3, 2000 shall be deemed to have completed ten (10) years of Vesting Service for purposes of this Section 2.
  3. **The Frozen Accrued Benefit Amount: (Normal Retirement).** The amount of the Frozen Accrued Benefit under Section 4.8 of this Plan payable to a Member as of his or her Normal Retirement Date in the form of a single life annuity shall equal the greater of:
    - (a) the sum of 1.7% of his or her Average Final Compensation multiplied by his or her years of Credited Service (as defined below) not in excess of 25, plus 1.0% of his or her Average Final Compensation multiplied by his or her years of Credited Service in excess of 25, minus the sum of 1.7% of his or her Primary Insurance Benefit multiplied by his or her years of Credited Service not in excess of 25, plus and 0.5% of his or her Primary
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Insurance Benefit multiplied by his or her years of Credited Service in excess of 25 (but, in any event, not to exceed 50% of the Primary Insurance Benefit); or

- (b) \$100 for each year of his or her Credited Service.

For purposes of the Frozen Accrued Benefit, no Credited Service after October 31, 1996 shall be considered, and no Compensation after October 31, 1996 shall be considered.

- 4. The Frozen Accrued Benefit Amount: (Early Retirement). The amount of the Frozen Accrued Benefit under Section 4.8 of this Plan payable to a Member as of his or her Early Retirement Date in the form of a single life annuity shall equal:
  - (a) if such Early Retirement Date is after the Member attains Age 55 and completes ten years of Vesting Service, the Frozen Accrued Benefit amount payable as of the Normal Retirement Date in 4(a) above, reduced 3/12% for each month by which the Early Retirement Date precedes the Normal Retirement Date (or precedes Age 60 if the Member has 35 Years of Vesting Service on his Early Retirement Date); or
  - (b) if such Early Retirement Date is prior to the date the Member attains Age 55 and completes ten years of Vesting Service, the Actuarial Equivalent Value of the Frozen Accrued Benefit amount payable as of his or her Normal Retirement Date.

Notwithstanding the foregoing to the contrary, this Section 4. shall not apply to any Member whose participation in this Plan terminated effective August 1, 2000 by reason of the termination of participation in this Plan by Clark-O'Neill, Inc. effective August 1, 2000 and/or such Member's transfer of employment to SYNAVANT Inc. effective August 1, 2000 or any Member whose participation in this Plan terminated effective October 3, 2000 by reason of the termination of participation in this Plan by ERISCO Managed Care Technologies, Inc. effective October 3, 2000.

- 5. Credited Service. For the purpose of calculating the Grandfathered Benefit or the Frozen Accrued Benefit, "Credited Service" shall mean Years of Service as an Employee and a Member (including service with Cognizant, D&B and an Affiliated Employer(s) for purposes of the Grandfathered Benefit, but service with D&B only for purposes of the Frozen Accrued Benefit); provided, however, Credited Service shall not include any period of service with respect to which a distribution shall have been made, as follows:
  - (a) For service rendered on or after January 1, 1976 and before January 1, 1988, a Year of Service shall mean that twelve consecutive month period coincident with the calendar year during which an Employee completes 1,800 or more hours of service. Pro rata credit shall be given for service rendered during such period: (i) if a Member completed at least 1,000 hours of service during such period; (ii) if a Member transferred to a non-participating affiliated company, died or retired under the D&B Plan during such period; or (iii) if an Employee became eligible for membership in the D&B Plan during such period; provided, however, if an Employee became a Member of the D&B Plan on or after July 1, he or she shall not be entitled to any credit hereunder unless he or she completed



500 or more hours of service prior to the end of the calendar year, and provided that such Employee shall be entitled to no more than one-half year of Credited Service if he completed 900 hours or more of service during such period.

- (b) For service rendered after December 31, 1987, an Employee who is a full-time Employee will be entitled to 1/12th of a year of Credited Service for each calendar month or part thereof during which he or she was a Member under the D&B Plan, the Cognizant Plan or this Plan and (b) an Employee who is a part-time or temporary Employee will be entitled to a full or fractional year of Credited Service for each year during which he or she is a Member under the D&B Plan, the Cognizant Plan or this Plan, determined as follows:

| <u>Hours of Service</u> | <u>Credited Service</u> |
|-------------------------|-------------------------|
| 1,800 and over          | 1.0                     |
| 1,600 – 1,799           | 0.9                     |
| 1,400 – 1,599           | 0.8                     |
| 1,200 – 1,399           | 0.7                     |
| 1,000 – 1,199           | 0.6                     |
| less than 1,000         | 0.0                     |

An employee shall not be entitled to more than one year of Credited Service for any year.

6. Primary Insurance Benefit shall mean for this purpose, the estimated annual benefit to which a Member will be entitled at Age 65 under the Federal Social Security Act as in effect at the earlier of his or her attaining his or her Normal Retirement Age, retirement or termination, whether or not such Member shall have forfeited his right to receive such benefit through his or her acceptance of covered employment or failure to apply for such benefit or otherwise. In the event that a Member retires under this Plan or his or her Service is terminated prior to Age 65, the amount of such estimated benefit shall be based upon the assumption that the Member shall receive no wages for Social Security purposes after such early retirement or termination. The amount of such estimated benefit shall be based upon the Member's wage history with the Employer and Cognizant (if such Member was in active service on October 31, 1996 and assets and liabilities were transferred to the Plan with respect to such Member, and such assets and liabilities were not subsequently returned to the Cognizant Plan for any reason) and upon the assumption that the Member had no wages prior to commencement of Service with the Employer or D&B.

IQVIA INC.  
IQVIA SAVINGS EQUALIZATION PLAN

Effective January 1, 2018

I. Purpose of the Plan

The purpose of the IQVIA Savings Equalization Plan (the "Plan") is to provide a means of equalizing the benefits of those employees participating in the IQVIA 401(k) Plan (the "401(k) Plan") whose matching contributions under the 401(k) Plan are or will be limited by the application of Sections 401(a)(17) or 415 of the Internal Revenue Code of 1986, as amended (the "Code"), or by reason of the exclusion from the definition of compensation under the 401(k) Plan of amounts deferred under any nonqualified deferred compensation plan maintained by IQVIA Inc. (the "Corporation"). The Plan is intended to be an "excess benefit plan" as that term is defined in section 3(36) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") with respect to those participants whose benefits under the 401(k) Plan have been limited by Section 415 of the Code, and a plan which is unfunded and is maintained by an employer primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees for purposes of ERISA.

II. Participation in the Plan

All members of the 401(k) Plan shall be eligible to participate in this Plan whenever their benefits under the 401(k) Plan as from time to time in effect would exceed the limitations on benefits and contributions imposed by Sections 401(a)(17) or 415 of the Code or would be limited by reason of the exclusion from the definition of compensation under the 401(k) Plan of amounts deferred under any nonqualified deferred compensation plan maintained by the Corporation. For purposes of this Plan, benefits of a participant in this Plan shall be determined as though no provisions were contained in the 401(k) Plan incorporating limitations imposed by Sections 401(a)(17) or 415 of the Code or excluding from the definition of compensation under the 401(k) Plan amounts deferred under any nonqualified deferred compensation plan maintained by the Corporation.

III. Equalized Benefits

If member participating contributions or Corporation contributions to the 401(k) Plan for any calendar year are limited by reason of the application of Sections 401(a)(17) or 415 of the Code or the exclusion from the definition of compensation under the 401(k) Plan of amounts deferred under any nonqualified deferred compensation plan maintained by the Corporation, the Corporation shall pay the participant in this Plan, in a single lump sum, on or after January 1<sup>st</sup> and on or before March 15th of the immediately following year, provided such participant is actively employed by the Corporation on such payment date, an amount equal to:

- (1) the Corporation matching contributions that otherwise would have been credited to such participant's account under the 401(k) Plan if the limitations imposed by Sections 401(a)(17) and 415 of the Code and the exclusion from the definition of compensation under the 401(k) Plan of amounts deferred under any nonqualified deferred compensation plan maintained by the Corporation did not apply, plus
  - (2) an interest factor equal to one-half of the annual return which would have been received by the participant had such payment been invested eighty percent (80%) in the fixed income fund and twenty percent (20%) in the
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equity index fund available as investment funds under the 401(k) Plan during the year prior to the year of payment, less

- (3) any applicable withholding taxes.

#### IV. Death

Upon the death of a participant in this Plan, the benefits otherwise payable to such participant pursuant to Article III shall be paid at the time provided in Article III to such participant's designated beneficiary as determined under the 401(k) Plan.

#### V. Administration of the Plan

The Corporation shall administer the Plan, except that any action authorized to be taken by the Corporation hereunder may also be taken by any committee or person(s) duly authorized by the Board of Directors of IQVIA Holdings Inc. or the duly authorized delegates of such duly authorized committee or person(s). The Corporation shall have full authority to determine all questions arising in connection with the Plan, including interpreting its provisions and construing all of its terms; may adopt procedural rules; and may employ and rely on such legal counsel, such actuaries, such accountants and such agents as it may deem advisable to assist in the administration of the Plan. All of its rules, interpretations and decisions shall be applied in a uniform manner to all participants similarly situated and decisions of the Corporation shall be conclusive and binding on all persons.

#### VI. Claims

(1) Presentation of Claims. Claims for benefits shall be filed in writing with the Plan Administrator. Written or electronic notice of the disposition of a claim shall be furnished to the claimant within 90 days after the claim is filed (or within 180 days if special circumstances require an extension of time for processing the claim and if notice of such extension and circumstances is provided to the claimant within the initial 90-day period.)

(2) Claims Denial Notification. If a claim is wholly or partially denied, the Plan Administrator shall furnish to the claimant a written notice setting forth in a manner calculated to be understood by the claimant:

- the specific reason(s) for denial;
- specific reference(s) to pertinent Plan provisions on which any denial is based;
- a description of any additional material or information necessary for the claimant to perfect the claim, and an explanation of why such material or information is necessary;
- an explanation of the Plan's claims review procedures and the applicable time limits for such procedures; and
- a statement that the claimant has a right to bring a civil action under Section 502(a) of ERISA following an adverse determination on review.

(3) Claims Review Procedure. Upon a denial, the claimant is entitled (either in person or by his duly authorized representative) to:

- request a subsequent review of the claim by the Plan Administrator upon written application for review made to the Plan Administrator. Any such request for review of the claim must be made within 60 days after receipt by the claimant of

such notice. A claimant must submit a written application for review before the claimant is permitted to bring a civil action for benefits;

- review pertinent documents relating to the denial; and
- submit written comments, documents, records and other information relating to the claim.

**Timing.** The Plan Administrator shall make its decision and notify the claimant with respect to a claim not later than 60 days after receipt of the request. Such 60-day period may be extended for another period of 60 days if the Plan Administrator finds that special circumstances require an extension of time for processing and notice of the extension and special circumstances is provided to the claimant within the initial 60-day period.

**Final Decision.** The claim for review shall be given a full and fair review that takes into account all comments, documents, records and other information submitted that relates to the claim, without regard to whether such information was submitted or considered in the initial benefit determination. The Plan Administrator shall provide the claimant with written or electronic notice of the decision in a manner calculated to be understood by the claimant. The notice shall include specific reasons for the decision, specific references to the pertinent Plan provisions on which the decision is based, a statement that the claimant has a right to bring a civil action under Section 502(a) of ERISA, and a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records and other information relevant to the claim. A document is relevant to the claim if it was relied upon in making the determination, was submitted, considered or generated in the course of making the determination or demonstrates that benefit determinations are made in accordance with the Plan and that Plan provisions have been applied consistently with respect to similarly situated claimants.

**Delayed Payments.** If the Plan Administrator shall approve the payment of a claim for benefits filed in accordance with the claims procedures set forth hereinabove, any payment delayed pending the resolution of such claim will be adjusted to reflect the deferred payment date by multiplying the payment by the product of the six-month CMT Treasury Bill annualized yield rate as published by the U.S. Treasury for the date on which such payment would have been made but for the delay multiplied by a fraction, the numerator of which is the number of days by which such payment was delayed and the denominator of which is 365.

**Arbitration.** Any dispute or controversy arising under or in connection with the Plan shall be settled exclusively by arbitration in Parsippany, New Jersey in accordance with the rules of the American Arbitration Association in effect at the time of such arbitration. The Corporation shall promptly pay or reimburse on a fully grossed-up and after-tax basis (so that the recipient of such reimbursement is held economically harmless) all reasonable costs and expenses (including fees and disbursements of counsel and pension experts) incurred by a participant or beneficiary to assert rights under this Plan, for so long as such rights may exist, or in any proceeding in connection therewith brought by a participant or beneficiary, whether or not such participant or beneficiary is ultimately successful in enforcing such rights or in such proceeding; provided, however, that no reimbursement shall be owed with respect to expenses relating to any unsuccessful assertion of rights or proceeding if and to the extent that such assertion or proceeding was initiated or maintained in bad faith or was frivolous as determined by the arbitrators or a court having jurisdiction over the matter. The amount of expense eligible for reimbursement in any one taxable year of the participant or beneficiary shall not affect the amount of expense eligible for reimbursement in any other taxable year of the participant or beneficiary. The reimbursement of expenses shall be made each calendar quarter and not later than the last day of the taxable year of the participant or beneficiary in which the expense was

incurred. The right to reimbursement of any expense hereunder shall not be subject to liquidation or exchange for another benefit.

## VII. Miscellaneous

This Plan may be terminated at any time by the Board of Directors of the Corporation, in which event the rights of participants to their accrued benefits shall become nonforfeitable. This Plan may also be amended at any time by the Board of Directors of the Corporation and the Benefits Committee of IQVIA Holdings Inc. may amend the Plan without the approval of the Board of Directors of the Corporation with respect to amendments that such Committee determines do not have a significant effect on the cost of the Plan; provided, however, that no such amendment of the Plan may (1) adversely affect a participant's benefit under the Plan to which he or she has become entitled in accordance with the Plan as in effect on the date immediately preceding the date of such amendment, or (2) adversely affect a participant's right or the right of a participant's beneficiary to receive a benefit in accordance with the Plan as in effect on the date immediately preceding the date of such amendment, or (3) cause any payment that a participant or beneficiary is entitled to receive under this Plan to become subject to an income tax penalty or interest payable under Section 409A of the Code.

Benefits payable under this Plan shall not be funded and shall be made out of the general funds of the Corporation; provided, however, that the Corporation reserves the right to establish a trust fund as an alternate source of benefits payable under the Plan and to the extent payments are made from such trust, such payments will satisfy the Corporation's obligations under this Plan.

No right to payment or any other interest under this Plan may be alienated, sold, transferred, pledged, assigned, or made subject to attachment, execution, or levy of any kind.

Nothing in this Plan shall be construed as giving any employee the right to be retained in the employ of the Corporation. The Corporation expressly reserves the right to dismiss any employee at any time without regard to the effect which such dismissal might have upon him under the Plan.

The Corporation may withhold from any benefits under the Plan an amount sufficient to satisfy its tax withholding obligations.

This Plan shall be construed, administered and enforced according to the laws of the State of Connecticut applicable to contracts made and to be performed in such state to the extent not preempted by federal law. Anything in this Plan to the contrary notwithstanding, the terms of this Plan shall be interpreted and applied in a manner consistent with the requirements of Section 409A of the Code and the Treasury Regulations thereunder including the exception for short-term deferrals under Section 1.409A-1(b)(4) of the Treasury Regulations so as not to subject any participant or beneficiary to the payment of any tax penalty or interest which may be imposed by Section 409A of the Code and the Corporation shall have no right to accelerate, defer or make any payment under this Plan except to the extent such action would not subject any participant or beneficiary to the payment of any tax penalty or interest under Section 409A of the Code. If a participant or beneficiary becomes subject to any tax penalty or interest under Section 409A of the Code by reason of his or her participation in this Plan, the Corporation shall reimburse such participant or beneficiary, as the case may be, on a fully grossed-up and after-tax basis for any such tax penalty or interest (so that the recipient of such reimbursement is held economically harmless) ten business days prior to the date such tax penalty or interest is due and payable by such participant or beneficiary to the government.

The Corporation shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Corporation to expressly assume and agree to perform the obligations of the Corporation under this Plan in the same manner and to the same extent that the Corporation would have been required to perform such obligations if no such succession had taken place and such assumption shall be an express condition to the consummation of any such purchase, merger, consolidation or other transaction.

Date: \_\_\_\_\_ IQVIA Inc.

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**IQVIA ELECTIVE DEFERRED COMPENSATION PLAN (POST 409A)****(Amended and Restated Effective January 1, 2018)**

The purpose of this IQVIA Elective Deferred Compensation Plan (Post-409A) (the "Plan") is to further the success of IQVIA Inc. (the "Company") and its affiliates by providing deferred compensation for a select group of management and highly compensated employees, thereby giving such persons an additional incentive to continue in the employ of the Company and its subsidiaries. The Plan is an unfunded, nonqualified deferred compensation plan governed by Section 409A of the Internal Revenue Code of 1986, as amended (the "Code") and a "top hat" plan under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The Plan, which was originally named the Quintiles Transnational Corp. Elective Deferred Compensation Plan, was originally adopted effective for compensation deferred on or after January 1, 2005 and earnings thereon following enactment of Code Section 409A and was previously amended and restated effective November 6, 2008, January 1, 2014, and September 15, 2015, and further amended on or about September 30, 2016, when it was renamed the "Quintiles Elective Deferred Compensation Plan (Post-409A)." The Plan is a successor to a plan also named the Quintiles Transnational Corp. Elective Deferred Compensation Plan (as Amended November 6, 2003), which is maintained as a separate plan that was renamed the "Quintiles Elective Deferred Compensation Plan (Pre-409A)" (the "Pre-409A Plan"). Notwithstanding anything herein to the contrary, the Pre-409A Plan shall continue to govern the compensation of legacy employees of Quintiles Transnational Corp. and its subsidiaries deferred through December 31, 2004 and earnings thereon ("Pre-2005 Deferrals"). This amendment and restatement of the Plan shall be effective as of January 1, 2018.

**ARTICLE I  
ADMINISTRATION**

The Plan shall be administered by the Leadership Development and Compensation Committee (the "Committee") of the Board of Directors (the "Board") of IQVIA Holdings, Inc. ("Holdings"), the Company's corporate parent. Except as otherwise provided herein, the Committee shall have absolute discretionary authority to interpret and construe the provisions of the Plan as it deems appropriate, including the absolute discretionary authority to determine eligibility for benefits under the Plan. The Company shall have the duty and responsibility of maintaining records, making the requisite calculations and disbursing the payments hereunder. The interpretations, determinations, regulations and calculations of the Committee and the Company shall be final and binding on all persons and parties concerned. The Company shall furnish individual statements of accrued benefits to each participant or current beneficiary no less frequently than annually, in such form as may be determined by the Committee or the Company or required by law. In order to discharge its duties hereunder, the Committee shall have the power and authority to delegate its duties hereunder as it deems appropriate and to employ such outside professionals as may be required for the prudent administration of the Plan. In the case of any such delegation, references herein to the Committee shall be construed to refer to the Committee's delegate to the extent of such delegation. No member of the Board or the Committee, and no officer or employee of the Company or other delegate of the Committee, shall be liable to any person for any action or determination that he or she makes in good faith in connection with the administration of the Plan.

## ARTICLE II ELIGIBILITY AND PARTICIPATION

Section 2.1. Eligibility. All executive officers of Holdings who primarily provide services to Holdings or its subsidiaries within the United States, as well as such members of management and/or highly compensated employees of Holdings and its subsidiaries (including the Company) as are designated from time to time by the Committee, shall be eligible to participate in the Plan. In no event shall non-resident aliens who receive no earned income from the Company that constitutes income from sources within the United States be eligible to participate in the Plan.

Section 2.2. Election to Participate. The individuals described in Section 2.1 may elect to participate in the Plan each calendar year by submitting a written election to the Company in such form, and at such time (subject to the limitations below), as may be determined by the Committee (the "Deferral Election Form"). Participants may make two separate elections to defer the payment of compensation, one with respect to base salary and one with respect to any amounts payable to the participant pursuant to a short-term incentive plan (excluding any commission or other similar plan or arrangement), as and to the extent permitted by the Deferral Election Form (each a "Deferral Source"); provided that with respect to any commissions deferred prior to January 1, 2018 (which was then permitted by the Plan), such deferred commissions shall remain deferred as of January 1, 2018 in accordance with their terms, subject to the terms of the Plan. Except as otherwise provided herein, deferral elections with respect to compensation must be made before the beginning of the calendar year in which the services for which such compensation is payable are performed. In the first year in which a participant becomes eligible to participate in the Plan, the newly eligible participant may make an election to defer payment of compensation for services to be performed subsequent to the election within 30 days after the date the participant becomes eligible. Except as provided in Section 2.4, deferral elections shall be irrevocable as to the compensation for which they are made. In addition to the participant's deferral elections, the Deferral Election Form for each calendar year (or portion of a calendar year in the event of a newly-eligible participant) shall specify the participant's election with respect to the time and form of distribution of the amounts deferred from each Deferral Source for such year as permitted in Article IV. For purposes of this Plan, the term "compensation" shall mean, for any calendar year (or portion of a calendar year in the event of a newly-eligible participant), the sum of the participant's base salary plus any amounts payable to the participant pursuant to a short-term incentive plan (excluding any commission or other similar plan or arrangement) for services rendered in such year or partial year. In the event a participant ceases to be eligible to participate in the Plan (including, without limitation, due to the Committee exercising its discretion to change the eligibility criteria for participation in the Plan) during a calendar year other than by reason of a "separation from service", such participant's deferral elections in respect of base salary for such calendar year and/or amounts payable pursuant to a short-term incentive plan for services rendered in such calendar year shall continue in effect; provided, however, that such participant shall be ineligible to participate in the Plan with respect to any compensation for any subsequent calendar years unless and until such time he or she again meets the eligibility requirements described in Section 2.1 hereof.

Section 2.3. Minimum and Maximum Deferrals. The maximum amount of compensation that may be deferred with respect to any calendar year (or portion of a calendar year in the event of a newly-eligible participant) shall be 80% of the participant's base salary in such year or partial year and 100% of any amounts payable to the participant pursuant to a short-term incentive plan (excluding any commission or other similar plan or arrangement) for services rendered in such year or partial year.



Section 2.4. Change or Cancellation of Deferrals. Notwithstanding any other provision of this Plan to the contrary, the Committee may, in its discretion, permit a participant to revoke an existing deferral election mid-year and cease future deferrals for the remainder of the calendar year (i) due to an unforeseeable emergency as defined in Section 4.4 below or a hardship distribution pursuant to Treas. Reg. § 1.401(k)-1(d)(3) or (ii) due to a participant's disability (as defined below), where such cancellation occurs by the later of the end of the calendar year or the 15th day of the third month following the date the participant incurs a disability. For purposes of this paragraph, a "disability" refers to any medically determinable physical or mental impairment resulting in the participant's inability to perform the duties of his or her position or any substantially similar position, where such impairment can be expected to result in death or can be expected to last for a continuous period of not less than six months.

Section 2.5. Deferred Compensation Account; Reporting on Form W-2. For each individual electing to participate in the Plan, the Company shall establish and maintain an account (a "Deferred Compensation Account") on the Company's books and records. The amounts deferred by a participant shall be credited to this account as of the date such compensation otherwise would be payable. No amount shall actually be set aside for payment under the Plan. Any participant to whom an amount is credited under the Plan shall be deemed a general, unsecured creditor of the Company. To the extent required by Code Section 6051 and the regulations thereunder or other applicable law or regulation, the Company or its subsidiary shall report on Form W-2 for each participant the total amount of the participant's deferrals for each calendar year under the Plan.

### ARTICLE III DEFERRED COMPENSATION

Section 3.1. Investment Election. Each participant shall be entitled to make an initial investment election with respect to his or her Deferred Compensation Account as set forth in the Deferral Election Form and submit this election to the Company. A participant may change an investment election at any time by submitting election changes online as directed by the Company. Changes in investment elections shall become effective as soon as practicable after they have been properly submitted. The investments from which participants may choose shall be subject to change at the discretion of the Committee. The Committee reserves the right to shift any amount designated for an investment option eliminated by the Committee to the investment that the Committee determines, in its discretion, most closely resembles the eliminated investment.

Section 3.2. Rate of Return. All amounts credited under the terms of the Plan to a Deferred Compensation Account maintained in the name of a participant shall be deemed to have been invested pursuant to the participant's investment election as then in effect. Each participant's Deferred Compensation Account shall be credited or debited on each day securities are traded on a national stock exchange, with the amount of deemed investment gain or loss resulting from the performance of the investment funds elected by the participant under Section 3.1 above until such time as the entire account has been distributed to the participant or to the participant's beneficiary. In the case of a lump-sum distribution, as provided under Section 4.1 below, investment gains and losses shall cease to accrue as to the portion of a participant's Deferred Compensation Account to be paid in a lump sum as of a valuation date prior to the date of payment determined under Section 4.1 below. Although the performance of the investments selected by a participant shall be used to determine the rate of return on the participant's Deferred Compensation Account, deferrals will not necessarily be invested by the Company in the investments selected by the participant.

#### ARTICLE IV DISTRIBUTION

Section 4.1. Separation from Service. Except in the case of a participant who is a Specified Employee (as defined below) or as otherwise provided in Section 4.2, within 60 days after the date of a participant's "separation from service" (as defined in Treas. Reg. § 1.409A-1(h)) for any reason, including disability or death, distribution of the amount credited to the participant's Deferred Compensation Account in accordance with this Plan shall be made or shall commence in accordance with the alternative forms of distribution set forth below as elected by the participant in his or her Deferral Election Form for each deferral year.

In the case of a participant who is a Specified Employee, distribution of any portion of the participant's Deferred Compensation Account to be paid in a lump sum shall be made, and the distribution of any portion of the participant's account to be paid in installments shall commence, on the first day of the month immediately following the 6-month anniversary of the participant's separation from service. For purposes of this Plan, a "Specified Employee" means an individual determined by the Company to be a specified employee under Treasury regulation Section 1.409A-1(i).

Participants may elect an alternative form of distribution with respect to amounts deferred from each Deferral Source each year, as permitted by the Deferral Election Form. The alternative forms of distribution shall be:

- (a) lump sum; or
- (b) annual installments over a period not to exceed 15 years.

Where a participant has elected installments, the annual payment amount shall be determined each year by dividing the portion of the participant's Deferred Compensation Account to be paid in installments, determined as of a valuation date prior to the date of payment that the Company has determined to be administratively feasible, by the number of remaining annual installments. The unpaid balance of such portion of the Deferred Compensation Account shall continue to earn a rate of return as specified in Section 3.2 above. The final installment shall be the balance of the portion of the participant's Deferred Compensation Account to be paid in installments, including gains or losses credited to such portion of the account during the last year of the payout period. Once a distribution of a participant's Deferred Compensation Account has been triggered due to a separation from service, the participant's subsequent reemployment by the Company shall not stop or delay the ongoing distribution of the participant's account under the Plan in accordance with this Section 4.1.

Once made, a participant's election with respect to the time and form of distribution as described in this Section 4.1 shall be irrevocable; provided, however, that: (i) except in the case of an account of a Specified Employee, if at any time the balance of a participant's Deferred Compensation Account that is in the process of an installment distribution falls below \$10,000, the Committee may, in its sole discretion and without obligation to do so, pay out the remaining balance in the form of a lump sum to the extent permitted by Code Section 409A and Treas. Reg. § 1.409A-3(j)(4)(v) and (ii) if permitted by the Committee in the Committee's sole discretion, a participant may make a subsequent election to delay the timing of a previously selected distribution provided that such subsequent election complies with all applicable laws and:

- (i) the election may not take effect until at least 12 months after the date on which the election is made;
- (ii) the first payment with respect to which the election is made is deferred not less than 5 years from the date the payment would otherwise have been made; and

(iii) the election may not be made less than 12 months prior to the date of the first previously scheduled distribution.

Section 4.2. Scheduled In-Service Distributions. Although distribution of the amount credited to a participant's account shall in all cases begin not later than 60 days following the participant's separation from service for any reason (or beginning on the first day of the month following the 6-month anniversary of a Specified Employee's separation from service), as described in Section 4.1 above, a participant may, with respect to amounts deferred from each Deferral Source each year, elect to take an in-service distribution of such amounts deferred and subsequent earnings thereon commencing on a certain date, in the form of a lump sum or annual installments over a period not to exceed 15 years (as provided in Section 4.1 above), as specified by the participant in his or her Deferral Election Form for that deferral year.

In no event may an in-service distribution be made before the date that is two years after the first day of the year in which any related deferral election became effective.

Once made, a participant's elections with respect to scheduled in-service distributions for a particular year as described in this Section 4.2 shall be irrevocable except as follows: A participant may make a subsequent election to delay an in-service distribution payment, provided that:

- (i) the election may not take effect until at least 12 months after the date on which the election is made;
- (ii) the first payment with respect to which the election is made is deferred not less than 5 years from the date the payment would otherwise have been made; and
- (iii) the election may not be made less than 12 months prior to the date of the first scheduled in-service distribution.

With respect to all amounts deferred prior to January 1, 2018 (and earnings thereon) other than Pre-2005 Deferrals ("Pre-2018 Deferrals"), in the event of a participant's separation from service with the Company for any reason or death, any remaining in-service distribution amounts shall instead be distributed as elected for payments on separation from service or death in accordance with the Section 4.1 above and paid in accordance with the participant's Deferral Election Form governing the year in which the amounts were deferred. With respect to deferrals other than Pre-2018 Deferrals, a separation from service or death shall have no impact on the distribution schedule of such amounts.

Section 4.3. Death. If a participant should die before distribution of the full amount of any account described in this Plan has been made to the participant, any remaining amounts shall be distributed to the beneficiary designated by the participant on such beneficiary designation form as may be determined by the Committee (the "Beneficiary Designation Form"). Such unpaid deferred amounts shall be distributed to the participant's designated beneficiary in the same form and on the same schedule as designated by the participant in his or her Deferral Election Form as if such death had not occurred. A participant may change his or her beneficiary designation at any time by submitting a new Beneficiary Designation Form to the Company but may not revoke a Beneficiary Designation Form once made so that no beneficiary is designated. With respect to Pre-2018 Deferrals only, if a participant has not designated a valid beneficiary, or if no designated beneficiary is living at the time of the participant's death, then the portion of his or her account attributable to such deferral shall be distributed to the participant's estate (or the person to whom the right to receive payment has been duly assigned by such estate) in a lump-sum distribution following the participant's death but not later than December 31 of the first calendar year following the calendar year in which the death occurs (or, if applicable, the latest date permitted by regulations under Code Section 409A consistent with timely payment thereunder). With respect to deferrals other than Pre-2018 Deferrals, in all cases, (i) in the event that a participant dies prior to the commencement of distribution of the portion of his or her account attributable to such deferral, his or her account shall be distributed to the participant's estate (or the person to whom the right to receive payment has been duly assigned by such estate) in a lump-sum distribution following the participant's death but not later than December 31 of the first calendar year following the calendar year in which the death occurs (or, if applicable, the latest date permitted by regulations under Code Section 409A consistent with timely payment thereunder), and (ii) in the event that a participant dies after the commencement of distribution of the portion of his or her account attributable to such deferral shall be distributed to the participant's designated beneficiary in the same form and on the same schedule as designated by the participant in his or her Deferral Election Form as if such death had not occurred.

Section 4.4. Unforeseeable Emergencies. In the event a participant incurs an unforeseeable emergency, the participant may make a written request to the Committee for a hardship distribution from his or her accounts established under the Plan. For purposes of this Plan, an unforeseeable emergency shall have the meaning provided in Treas. Reg. § 1.409A-3(i)(3)(i) and shall include a severe financial hardship to the participant resulting from an illness or accident of the participant, the participant's spouse or participant's dependent (as defined in Code Section 152(a) without regard to Sections 152(b)(1), (b)(2) and (d)(1)(B)); loss of the participant's property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the participant. A hardship distribution because of an unforeseeable emergency shall be permitted only to the extent reasonably needed to satisfy the emergency need plus amounts necessary to pay taxes reasonably anticipated as a result of the distribution as determined in accordance with Treas. Reg. § 1.409A-3(i)(3)(ii) (or the comparable provisions of any successor Treasury regulation).

Section 4.5. Other Withdrawals. Anything herein to the contrary notwithstanding, if at any time a court or the Internal Revenue Service determines that an amount in a participant's account is includable in the gross income of the participant and subject to tax due to the failure of the Plan to meet the requirements of Code Section 409A and the regulations thereunder, the Committee may, in its sole discretion, permit a lump sum distribution of an amount equal to the amount determined to be includable in the participant's gross income to the extent permitted by Code Section 409A and applicable regulations thereunder.

Section 4.6. Limit on Distributions. Except as otherwise provided by the Committee, the total distributions under the Plan in any calendar year shall be limited to such amount as may be deductible by the Company for federal income tax purposes under the Code in accordance with Treas. Reg. § 1.409A-2(b)(7)(i) (related to the delay of payments where the deduction is limited by Code Section 162(m)) (or the comparable provisions of any successor Treasury regulations). Payment will also be delayed to the extent the Company reasonably anticipates that making the payment will violate Federal securities laws or other applicable laws, provided that the payment is made at the earliest date at which the service recipient reasonably anticipates that the making of the payment will not cause such violation in accordance with Treas. Reg. § 1.409A-2(b)(7)(ii).

Section 4.7. Tax Withholding. To the extent required by law, the Company shall withhold from all amounts hereunder all taxes, if any, required to be withheld by the federal and applicable state or local taxing authorities at such times, and in such amounts, as determined by the Company.

Section 4.8. Distributions Under Domestic Relations Orders. Notwithstanding anything herein to the contrary, subject to Code Section 409A and Treas. Reg. § 1.409A-3(j)(4)(ii) (or the comparable provisions of any successor Treasury regulations), distributions from participants' accounts shall be permitted to alternate payees pursuant to domestic relations orders (as defined in Code Section 414(p)), irrespective of whether participants are then entitled to distributions under the Plan. A distribution to an alternate payee prior to the participant's entitlement to a distribution is available only if the distribution is pursuant to a domestic relations order that is in a form acceptable to the Committee and entered by a court of competent jurisdiction. Upon receipt of such an order, a lump-sum distribution shall be made to the alternate payee. In no case may an alternate payee maintain an ongoing interest in the Plan. Nothing in this Section 4.8 gives a participant a right to receive a distribution at a time not otherwise permitted by the Plan.

#### ARTICLE V AMENDMENT AND TERMINATION OF PLAN

The Committee reserves the right to amend or terminate the Plan at any time. Any such amendment or termination shall be effective as of the end of the calendar year during which notification is given to each participant or such other time determined by the Committee, to the extent consistent with Code Section 409A. Notification shall be by first class mail, addressed to each participant at the participant's last known address, or by such other method as may be commonly used by the Company to communicate similar information if such notice is acknowledged by the participant. Any amounts credited to an account of any participant shall remain subject to the provisions of the Plan, and distribution shall not be accelerated because of the termination of the Plan unless such termination qualifies as a plan termination and liquidation in accordance with the requirements of Treas. Reg. § 1.409A-3(j)(4)(ix) (or any comparable successor Treasury regulation). No amendment or termination shall directly or indirectly reduce any participant's accrued benefit under the Plan as of the effective date of such amendment or termination.

#### ARTICLE VI CLAIMS PROCEDURE

Section 6.1. Claims Reviewer. For purposes of handling claims with respect to this Plan, the "Claims Reviewer" shall be the Committee, unless another person or organizational unit is designated by the Company as Claims Reviewer.

Section 6.2. Claims Procedure. An initial claim for benefits under the Plan must be made by the participant or his or her beneficiary in accordance with the terms of the Plan through which the benefits are provided. Not later than 90 days after receipt of such a claim, the Claims Reviewer shall render a written decision on the claim to the claimant, unless special circumstances require the extension of such 90-day period. If such extension is necessary, the Claims Reviewer shall provide the participant or the participant's beneficiary with written notification of such extension before the expiration of the initial 90-day period. Such notice shall specify the reason or reasons for such extension and the date by which a final decision can be expected. In no event shall such extension exceed a period of 90 days from the end of the initial 90-day period. In the event the Claims Reviewer denies the claim of a participant or the beneficiary in whole or in part, the Claims Reviewer's written notification shall specify, in a manner calculated to be understood by the claimant, the reason for the denial, a reference to the Plan or other document or form that is the basis for the denial, a description of any additional material or information necessary for the claimant to perfect the claim, an explanation as to why such information or material is necessary, and an explanation of the applicable claims procedure. Should the claim be denied in whole or in part and should the claimant be dissatisfied with the Claims Reviewer's disposition of the claimant's claim, the claimant may have a full and fair review of the claim by the Company upon written request therefore submitted by the claimant or the claimants duly authorized representative and received by the Company within 60 days after the claimant receives written notification that the claimant's claim has been denied. In connection with such review, the claimant or the claimant's duly authorized representative shall be entitled to review pertinent documents and submit the claimant's views as to the issues, in writing. The Company shall act to deny or accept the claim within 60 days after receipt of the claimant's written request for review unless special circumstances require the extension of such 60-day period. If such extension is necessary, the Company shall provide the claimant with written notification for such extension before the expiration of such initial 60-day period. In all events, the Company shall act to deny or accept the claim within 120 days of the receipt for the claimant's written request for review. The action of the Company shall be in the form of a written notice to the claimant and its contents shall include all of the requirements for action on the original claim. In no event may a claimant commence legal action for benefits the claimant believes are due the claimant until the claimant has exhausted all of the remedies and procedures afforded the claimant by this Article.

## ARTICLE VII MISCELLANEOUS

Section 7.1. Unfunded Plan. The Company has established and intends to continue funding the IQVIA Elective Deferred Compensation Trust (the "Rabbi Trust"), provided that the Company may at any time discontinue the use of the Rabbi Trust if so directed by the Committee. The assets of the Rabbi Trust shall be subject to the claims of the Company's creditors and shall be located within the geographic United States. To the extent any benefits provided under the Plan are actually paid from the Rabbi Trust, the Company shall have no further obligation with respect thereto, but to the extent not so paid, such benefits shall remain the obligation of, and shall be paid by, the Company. Participants and their beneficiaries, heirs, successors and assigns shall have no legal or equitable rights, interest or claims in any specific property or assets of the Company, nor shall they be beneficiaries of, or have any rights, claims or interests in any life insurance policies, annuity contract, or the proceeds therefrom owned or which may be acquired by the Company (the "Policies"). Apart from the Rabbi Trust, such Policies or other assets of the Company shall not be held under any trust for the benefit of participants, their beneficiaries, heirs, successors or assigns, or held in any way as collateral security for the fulfilling of the obligations of the Company under this Plan. Any and all of the Company's assets and Policies shall be, and remain, the general, unpledged, unrestricted assets of the Company and available to its general creditors in the event of bankruptcy or insolvency. The Company's obligation under the plan shall be merely that of an unfunded and unsecured promise of the Company to pay money in the future, and the Plan shall at all times be considered entirely unfunded both for tax purposes and for purposes of ERISA.

Section 7.2. Expenses. Expenses of administration shall be paid by the Company. The Committee shall be entitled to rely on all tables, valuations, certificates, opinions, data and reports furnished by any actuary, accountant, controller, counsel or other person employed or retained by the Company with respect to the Plan.

Section 7.3. Rights Under Plan. The sole rights of a participant or beneficiary under this Plan shall be to have this Plan administered in accordance with its terms, to receive whatever benefits he or she may be entitled to hereunder, and nothing in the plan shall be interpreted as a guaranty that any funds in any trust which may be established in connection with the Plan or assets of the Company shall be sufficient to pay any benefit hereunder. Further, the adoption and maintenance of this Plan shall not be construed as creating any contract of employment between the Company and any participant. The Plan shall not affect the right of the Company to deal with any participants in employment respects, including their hiring, discharge, discipline, compensation, and conditions of employment.

Section 7.4. Distributions to Incompetent Persons. The Committee may from time to time establish rules and procedures which it determines to be necessary for the proper administration of the Plan and the benefits payable to an individual in the event that individual is declared incompetent and a conservator or other person legally charged with that individual's care is appointed. Except as otherwise provided herein, when the Committee determines that such individual is unable to manage his or her financial affairs, the Committee may pay such individual's benefits to such conservator or other person legally charged with such individual's care, or institution then contributing toward or providing for the care and maintenance of such individual. Any such payment shall constitute a complete discharge of any liability of the Company and the Plan for such individual.

Section 7.5. Forfeiture and Clawback. Payments with respect to a participant's Deferred Compensation Account are subject to forfeiture, termination and rescission, and a participant and his or her beneficiaries will be obligated to return to the Company payments received with respect to such Deferred Compensation Account as required by law, regulation or applicable stock exchange listing standards, including, without limitation, Section 10D of the Securities Exchange Act of 1934, as amended, or in accordance with any clawback or similar policy maintained by the Company, as in effect from time to time.

Section 7.6. Nonassignability. Neither a participant, nor his or her designated beneficiary, nor any other person shall have any power or right to transfer, assign, anticipate, hypothecate or otherwise encumber all or any part of the amounts payable hereunder. No such amounts shall be subject to seizure by any creditor of such beneficiary or otherwise, by a proceeding at law or in equity, nor shall such amounts be transferable by operation of law in the event of bankruptcy, insolvency or death of the participant, his or her designated beneficiary, or any other person. Any such attempted assignment or transfer shall be void.

Section 7.7. Notice. Any notice or filing required or permitted to be given to the Committee or the Company under the Plan shall be sufficient if in writing and hand delivered, or sent by registered or certified mail, to the principal office of the Company directed to the attention of the Secretary of the Company. Such notice shall be deemed given as of the date of delivery or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification.

Section 7.8. Current Address. Each participant shall keep the Company informed of his or her current address and the current address of his or her designated beneficiary. The Company shall not be obligated to search for any person. If such person is not located within 3 years after the date on which payment of the participant's benefits payable under this Plan may first be made, payment may be made as though the participant or his or her beneficiary had died at the end of such 3-year period, unless otherwise determined by the Committee.

Section 7.9. Governing Law. All questions pertaining to the construction, validity and effect of the Plan shall be determined in accordance with the laws of the United States and to the extent not preempted by such laws, by the laws of the State of Delaware, in each case, without regard to principles of conflicts of law.

Section 7.10. Administration and Interpretation Consistent with Code Section 409A. This Plan is intended to comply with Code Section 409A and all provisions of this Plan shall, to the maximum extent possible, be construed and interpreted in a manner consistent with Code Section 409A. Notwithstanding the foregoing, the participant shall be solely responsible for the payment of any taxes and penalties incurred under Code Section 409A or any corresponding state or local law. A separation from service or termination of employment shall not be deemed to have occurred for purposes of providing for the payment of benefits under the Plan unless such termination constitutes, and references to "termination of employment" and similar terms shall be construed to require, a "Separation from Service" within the meaning of Code Section 409A and Treas. Reg. § 1.409A-1(h) (after giving effect to the presumptions contained therein). With respect to all amounts deferred under the Plan other than Pre-2018 Deferrals, each payment made under this Plan shall be treated as a separate payment and the right to a series of installment payments under this Plan is to be treated as a right to a series of separate payments. For purposes of this Plan, unless the context requires otherwise, the term "Company" shall include IQVIA Inc. and all affiliated entities classified as a single employer with IQVIA Inc. under Code Sections 414(b) and (c) in accordance with the definition of Service Recipient set forth in Treas. Reg. § 1.409A-1(g). For the avoidance of doubt, eligible participants under the Plan shall include select management and highly compensated employees of IQVIA Inc. as well as all affiliated entities classified as a single employer with IQVIA Inc. under Code Sections 414(b) and (c).



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**IQVIA HOLDINGS INC.**  
**Non-Employee Director Deferral Plan**  
**Effective January 1, 2017**  
**(Amended November 9, 2023)**

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**1. Purpose of the Plan; Status as Sub-Plan.**

The purpose of this Non-Employee Director Deferral Plan (the "Plan") is to provide a convenient means for non-employee directors to increase their proprietary interest in IQVIA Holdings Inc., a Delaware corporation (the "Company"), in order to further align their interests with the interests of stockholders of the Company and to help the Company attract and retain qualified directors. The Plan allows non-employee directors to defer the receipt of cash compensation and/ or share-based equity compensation, with the ultimate payout of such deferred compensation to be in the form of shares of Company common stock.

The Plan shall be deemed to be a subplan implementing the Company's 2013 Stock Incentive Plan (the "2013 Plan") or any other legally permissible successor plan, including the Company's 2017 Incentive and Stock Award Plan. All references herein to the 2013 Plan, shall also include references to the applicable sections of any legally permissible successor plans. Accordingly, Deferred Shares shall be deemed to be Awards governed by the 2013 Plan, and any Shares delivered in connection with such Awards shall be drawn from the 2013 Plan. The provisions of the 2013 Plan are incorporated herein by reference. The effective date of the Plan is January 1, 2017 (the "Effective Date").

**2. Definitions.**

Capitalized terms used herein have the definitions specified in the 2013 Plan, (including "Award," "Board," "Exchange Act," "Fair Market Value" and "Share"). In addition, certain capitalized terms are defined in Section 1 above and in other Sections below, and the terms set forth in this Section 2 have definitions as follows:

(a) **Administrator:** The Company's Chief Human Resources Officer, and/or any other officer or committee of employees designated by the Committee to serve individually or by committee as Administrator.

(b) **Change in Control:** The occurrence of any of the following events after the Effective Date:

- (i) Any "person," as such term is used in Section 13(d) and 14(d) of the Exchange Act (other than the Company, any trustee or other fiduciary holding securities under an employee benefit plan of the Company, or any company owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company), acquires voting securities of the Company and immediately thereafter is the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 50% or more of the combined voting power of the Company's then-outstanding voting securities;
  - (ii) Individuals who on January 1 of any year constitute the Board of Directors, and any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Company) whose election by the Board or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors on that January 1 or whose election or nomination for election was previously so approved or recommended, cease for any reason to constitute at least a majority thereof;
  - (iii) There is consummated a merger, consolidation, recapitalization, or reorganization of the Company, or a reverse stock split of any class of voting securities of the Company, if, immediately following consummation of any of the foregoing, either (A) individuals who, immediately prior to such consummation, constitute the Board do not constitute at least a majority of the members of the board of directors of the Company or the surviving or parent entity, as the case may be, or (B) the voting securities of the Company outstanding immediately prior to such event do not represent (either by remaining outstanding or by being converted into voting securities of a surviving or parent entity) at least 50% or more of the combined voting power of the outstanding voting securities of the Company or such surviving or parent entity; or
  - (iv) The stockholders of the Company have approved a plan of complete liquidation of the Company and there occurs a distribution pursuant to such plan of complete liquidation, and all material contingencies to the completion of the transaction have been satisfied or waived, or there is consummated an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets (or any transaction have a similar effect).
- (c) Committee: The Leadership Development and Compensation Committee of the Board.
- (d) Deferred Share: A bookkeeping entry, equivalent in value to one Share, credited to a Participant's Plan Account under the Plan. A Deferred Share represents an Other Stock-Based Award under Section 10.2 of the 2013 Plan, (the terms of which are similar to a fully vested Restricted Stock Unit under 2013 Plan Article 8).

(e) **Determination Date:** As such term is defined in Section 6(b) of the Plan.

(f) **Participant:** Any director of the Company who is eligible to participate under Section 4 and has validly elected to participate in the Plan, from the earliest service period that is subject to the Participant's initial deferral election and for so long as such person continues to have Deferred Shares or other amounts credited to the Participant's Plan Account.

(g) **Plan Account:** A bookkeeping account to which cash amounts and Deferred Shares may be credited as deferred compensation.

(h) **Plan Rights:** Fees and other compensation subject to a valid election to defer under the Plan, any Plan Account and Deferred Shares and cash credited thereto, any rights to future distribution and any related rights of a Participant or a Beneficiary.

### **3. Administration**

The Plan will be administered by the Committee. The Committee is authorized to interpret the Plan, to establish, amend and rescind any rules and regulations relating to the Plan, and to make any other determinations that it deems necessary or desirable for the administration of the Plan. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan in the manner and to the extent the Committee deems necessary or desirable. Any decision of the Committee in the interpretation and administration of the Plan, as described herein, shall lie within its sole and absolute discretion and shall be final, conclusive and binding on all parties concerned (including, but not limited to, Participants and their beneficiaries or successors). The foregoing notwithstanding, the Board may exercise any power or perform any function of the Committee, in which case any applicable reference to "Committee" herein shall be deemed to refer to the Board. No Participant shall participate in any determination relating solely or primarily to the Participant's Plan Rights. The foregoing notwithstanding, the Administrator will perform the functions assigned to it in the Plan together with all other ministerial functions under the Plan.

### **4. Eligibility**

A person serving as a director who, at the date an election to defer compensation may be validly filed, is not an employee of the Company or its subsidiaries, is eligible to become a Participant under this Plan.

### **5. Voluntary Deferral of Compensation**

A person eligible under Section 4 may voluntarily elect to defer the Participant's cash and/or share-based equity compensation for services as a Company director, in accordance with the Plan.

(a) *Compensation that May be Deferred.* Compensation that may be deferred includes annual retainer fees for service on the Board or Board committees, including service as a Board or committee chair or in any leadership capacity, meeting fees for service on the Board or committees (if any), and any

other cash fees or share-based equity paid for service as a director. The following items may not be deferred hereunder:

- Any reimbursement for expenses; and
- Any compensation paid for services as an employee or consultant.

(b) *Method Of Election.* To elect to participate in the Plan, the Participant must complete and deliver to the Administrator a written election, not later than the latest of (1) 30 days after the date on which the Participant commences service as a director of the Company, (2) 30 days after the Effective Date or (3), for deferrals to occur in the year following the filing of the election to defer, not later than December 31 of the year preceding that following year; provided that the Administrator may specify any other deadline (earlier or later than specified in (1) – (3) above) so long as such deadline ensures effective tax deferral by the Participant and conforms to all applicable requirements of Code Section 409A. The written election:

- (i) Shall be on a form specified by the Administrator.
- (ii) Shall permit Participant to designate all or a portion of the Participant's cash and/or share-based equity compensation for the applicable year of service as a director as the amount to be deferred. The Administrator may determine whether this designation shall be as a dollar amount, a percentage or any other manner of designation.
- (iii) Shall permit the Participant to elect the time of distribution of Deferred Shares (subject to Section 6), which may be specific to the Deferred Shares resulting from deferral in a specified year (i.e., a different distribution election may apply to deferrals in different years).
- (iv) With respect to elections under both (ii) and (iii) above, shall remain effective for all future years of service unless the Participant makes a new valid election in a subsequent year by the applicable deadline for such elections or unless the Administrator has determined, and advised the Participant before such deadline, that the prior election will not remain in effect.
- (v) Shall apply only to director compensation that is payable for services performed after the filing of such election. Accordingly, if a new director were to elect to participate within the 30-day period after becoming a director, any fees paid after the date of the election allocable (as provided under Code Section 409A) to services performed during the 30-day period and before the date of the election would not be deferrable. This restriction may also apply to directors electing to participate within 30 days after the Effective Date.
- (vi) Shall be irrevocable to the extent provided under Code Section 409A; modifications to distribution elections are not permitted.

(c) *Crediting of Deferred Shares; Dividend Equivalents and Adjustments.* Deferred Shares and related amounts will be credited to a Participant's Plan Account as follows:

- (i) For cash and share-based equity compensation deferred, the number of Deferred Shares to be credited on a given day will be determined by dividing (i) the amount of cash and/ or share-based equity compensation to be deferred (and other cash then credited to the Plan Account) by (ii) 100% of the Fair Market Value of one Share on that day.
- (ii) The Administrator may determine to credit fractional shares (subject to reasonable rounding), or not to credit fractional shares but instead to carry forward in the Plan Account as a cash credit any amount that would have resulted in the crediting of a fractional share.
- (iii) The crediting of Deferred Shares to a Participant's Account will occur on one or more days in each calendar quarter. Unless otherwise determined by the Administrator, such crediting will occur on the regular date on which cash and/or share-based equity compensation is paid to non-employee directors (or would be paid but for the director's deferral election). If, on a date other than such regular quarterly payment date, any fees subject to deferral are payable to a director or any cash amounts are credited to the Participant's Plan Account under Section 5(c)(iv) or (v) (dividend equivalents or adjustments), then, unless otherwise determined by the Administrator, those credited amounts will remain as cash or equity credits, as applicable until the next scheduled date for the crediting of Deferred Shares.
- (iv) Dividend equivalents will be credited on each Deferred Share, in a cash amount equal to the regular dividends (if any) or non-regular cash dividends (if any) paid on one Share. Such crediting will take place as of the payment date of the corresponding dividend.
- (v) Deferred Shares will be adjusted as provided under Section 4.4 of the 2013 Plan, provided that the Participant will have a legal right to an adjustment in the event of an equity restructuring as that term is used in FASB ASC 718, and provided further that any adjustment will take into account the extent of any crediting of dividend equivalents under Section 5(c)(iv) in connection with the events triggering the adjustment. An adjustment may be effected through the crediting of additional cash to the Participant's Plan Account, if so determined by the Committee.

## **6. Distributions.**

(a) *Generally.* All distributions from a Participant's Plan Account will be made after termination of the Participant's service as a director of the Company as provided in Section 6(b), upon a Change in Control as provided in Section 6(c) or in the event of Participant's death as provided in Section 6(d). A distribution of Deferred Shares shall be in the form of whole Shares equal to the number of Deferred Shares being distributed, provided that any distribution on a final distribution date will include payment of the value of any fractional Share in cash based on the Fair Market Value of a Share as of that distribution date together with payment of any cash balance in the Participant's Plan Account.

(b) *Distributions Elected by the Participant.* With regard to Deferred Shares or other Account balances resulting from deferrals in a given calendar year, a Participant may elect distributions as follows, subject to Section 6(d) (applicable in the event of Participant's death):

- As a lump sum on the first business day of the calendar year immediately following the date on which the Participant has a separation from service with the Company (the "Determination Date");
- As a lump sum on the fifth anniversary of the Determination Date; or
- As annual installments payable commencing on the Determination Date or the fifth anniversary of the Determination Date (and in subsequent years on the first day of the month in which the Determination Date fell), such number of installments (not to exceed ten if commencing on the Determination Date or five if commencing on the fifth anniversary of the Determination date), to be elected by the Participant in accordance with Section 5(b). The Shares distributable in a given installment will be determined by dividing the number of Deferred Shares then credited to the Participant's account by the number of remaining scheduled installments (including the given installment), with the resulting number of Deferred Shares rounded down to the nearest whole Share, with no payment in lieu of a fractional share until the final installment is distributed. Any cash distributable in a given installment will be determined in a similar manner, reduced to the nearest whole cent.

The Participant shall elect the distribution date for deferrals at the same time as the Participant elects to participate in the Plan under Section 5(b), provided that, if no valid election relating to distribution is on file, the Participant shall be deemed to have elected a lump sum distribution to be made on the Determination Date.

(c) *Change In Control.* In the event of a Change in Control that constitutes (or involves related transactions that constitute) a change in the ownership of the Company, a change in the effective control of the Company, or a change in the ownership of a substantial portion of the Company's assets within the meaning of Treasury Regulation § 1.409A-3(i)(5)(v) – (vii) and any successor thereto (a "409A Change in Control"), Deferred Shares will be distributed in a lump sum not later than five business days after the 409A Change in Control, provided that such distribution shall be simultaneous with the 409A Change in Control if necessary to permit Participants to participate in a transaction that is related to the 409A Change in Control, such as a merger or tender offer.

(d) *Death of the Participant.* In the event of the Participant's death, all remaining Deferred Shares and any other amounts credited to the Participant's Plan Account will be distributed not later than the end of the calendar year following the year of death in accordance with applicable regulations (including proposed regulations) under Code Section 409A.

(e) *Effect of Participant Becoming an Employee or Consultant.* If a Participant ceases to serve as a director but becomes or has become an employee of or consultant to the Company or any of its subsidiaries, whether such Participant will be deemed to have a separation from service for purposes of Section 6(b) will be determined in accordance with Treasury Regulation § 1.409A-1(h).

## **7. Nontransferability of Plan Rights; Forfeiture.**

Plan Rights, including Deferred Shares and any other amounts credited to the Participant's Plan Account, are subject to the restrictions on transferability applicable to an Award as set forth in Section 11.1 of the 2013 Plan, including provisions permitting the designation of a Beneficiary. No provision of the Plan imposes any risk of forfeiture on a Participant's Plan Rights, except that those rights will remain forfeitable to the extent the compensation deferred that resulted in the Deferred Shares or cash credited to the Plan Account would have been forfeitable or subject to recoupment absent deferral.

## **8. Other Provisions**

(a) *Unfunded Plan.* The Plan is subject to Section 20.11 of the 2013 Plan. Accordingly, the interest of each Participant in Plan Rights shall be that of a general creditor of the Company, and Plan Rights shall at all times be maintained by the Company as bookkeeping entries evidencing unfunded and unsecured general obligations of the Company. The Plan shall be unfunded, and therefore no money or other assets of the Company shall be set aside for any Participant.

(b) *Other Applicable 2013 Plan Provisions.* For reference, applicable provisions of the 2013 Plan include (but are not limited to) the provisions relating to legal compliance (2013 Plan Sections 20.4, 20.5 and 20.6), governing law (2013 Plan Section 20.17), limitation on rights as a stockholder or rights to continue in service (2013 Plan Article 16), and severability (2013 Plan Section 20.3).

(c) *Successors and Assigns.* The Plan shall be binding on all successors and assigns of the Company and each Participant, including a Participant's Beneficiaries, estate and any executor, administrator or trustee of such estate, or any receiver or trustee in bankruptcy or representative of the Participant's creditors.

(d) *Amendment and Termination.* The Board or the Committee may amend, modify, suspend or terminate the Plan, but no such action may be taken if it would materially and adversely affect the rights of a Participant under the Plan without such Participant's consent. Unless earlier terminated by action of the Board, the Plan will remain in effect until such time as no Shares remain available for delivery under the Plan and the Company has no further rights or obligations under the Plan.

(e) *Section 409A of the Code; Tax Obligations.* Other provisions of this Plan notwithstanding, if any distribution under the Plan could cause a Participant to incur an accelerated or additional tax or penalty under Code Section 409A, such payment or other benefits will be deferred if deferral will make such payment or other benefits compliant under Section 409A of the Code (for instance, if the Participant is a "*specified employee*" within the meaning of Section 409A of the Code and would receive a distribution hereunder within six months after a separation from service, such distribution shall be delayed until the earlier of the Participant's death or six months and one day following the Participant's separation from service), or otherwise such payment or other benefits will be restructured (but not reduced), to the extent possible, in a manner reasonably determined by the Administrator to not cause such an accelerated or additional tax or penalty. The Plan, in its terms and operation, is intended to comply with Code Section 409A and will be interpreted accordingly, and will be automatically modified to the extent necessary to so comply. References herein to a Participant's termination of employment or separation from service shall be deemed to refer to the date upon which the Participant has a "separation from service" within the meaning of Code Section 409A. Each distribution hereunder, including each installment if installments are elected, constitutes a "separate payment" for purposes of Code Section 409A. The Participant remains responsible for all taxes payable by the Participant in respect of the compensation deferred under the Plan, Plan Rights and distributions hereunder, including any accelerated or additional tax or penalty under Code Section 409A, and the Company will not indemnify, "gross-up" or otherwise reimburse the Participant for any tax obligation resulting to the Participant from participation in the Plan or otherwise relating to the Participant's compensation as a director of the Company.



### ADDENDUM FOR CANADA

In addition to the terms and conditions of the 2013 Plan and the Plan, as may be amended from time to time, any deferred compensation shall be subject to the following additional terms and conditions as set forth in this addendum, as may be amended from time to time, to the extent the Participant resides and is employed or provides service primarily in Canada, or to the extent the Company or the Committee determines, or as otherwise set out herein (the "**Addendum**"). Capitalized terms used in this Addendum but not defined herein shall have the same meaning as assigned to such terms in the Plan. If there is an inconsistency between this Addendum and the Plan, the applicable terms of this Addendum shall prevail.

**Distributions.** The following provision replaces Section 6 (Distributions) of the Plan:

(a) *Generally.* All distributions from a Participant's Plan Account will be made after termination of the Participant's service as a director of the Company as provided in Section 6(b), or in the event of the Participant's death as provided in Section 6(c). A distribution of Deferred Shares shall be in the form of whole Shares equal to the number of Deferred Shares being distributed, provided that any distribution on a final distribution date will include payment of the value of any fractional Share in cash based on the Fair Market Value of a Share as of that distribution date together with payment of any cash balance in the Participant's Plan Account.

(b) *Distributions Elected by the Participant.* With regard to Deferred Shares or other Account balances resulting from deferrals in a given calendar year, a Participant may elect distributions as follows, subject to Section 6(c) (applicable in the event of Participant's death):

- As a lump sum on the first business day of the calendar year immediately following the date on which the Participant has a separation from service with the Company (the "Determination Date"); or
- As a lump sum on the last business day of the calendar year immediately following the Determination Date.

The Participant shall elect the distribution date for deferrals at the same time as the Participant elects to participate in the Plan under Section 5(b), provided that, if no valid election relating to distribution is on file, the Participant shall be deemed to have elected a lump sum distribution to be made on the Determination Date.

(c) *Death of the Participant.* In the event of the Participant's death, all remaining Deferred Shares and any other amounts credited to the Participant's Plan Account will be distributed not later than the end of the calendar year following the year of death.

(d) *Effect of Participant Becoming an Employee or Consultant.* If a Participant ceases to serve as a director but becomes or has become an employee of or consultant to the Company or any of its subsidiaries, such Participant shall be deemed to have a separation from service for purposes of Section 6(b).

\*\*\*\*\*



**Name:** W. Richard Staub, III

We are very pleased to extend this offer for the role of President, Research & Development Solutions. Except as otherwise provided herein, this Offer Letter (the "Offer Letter") supersedes any terms of your November 30, 2016 Offer Letter (the "2016 Offer Letter") that conflict with the terms of this Offer Letter. A copy of your November 30, 2016 Offer Letter is attached as Exhibit 1 to this Offer Letter. To the extent that there is a conflict between this Offer Letter and the 2016 Offer Letter, the terms of this Offer Letter shall govern. Except as stated above, any other prior offer letters, agreements or arrangements regarding the terms of your employment with IQVIA are hereby terminated or superseded by the terms of this Offer Letter. **You acknowledge and agree that your employment with IQVIA, which commenced when you accepted the 2016 Offer Letter, continues uninterrupted subject to the terms of this Offer Letter.**

- \* **Start date in new role:** September 25, 2023
- \* **Position Title / Level:** President, Research & Development Solutions / 210
- \* **Location:** RTP – Innovation Park
- \* **Manager / Title:** Ari Bousbib / Chairman & CEO
- \* **FT / PT Status:** Full Time
- \* **Base Salary:** \$800,000 (annualized). Pay is semi-monthly
- \* **AIP:** You are eligible to participate in IQVIA's Annual Incentive Plan (AIP) subject to the terms and conditions of the applicable AIP in place at the time of any payout. You will be eligible to be considered for a bonus of 100% of your base salary. Your manager will communicate performance parameters at a later date. Employees are not guaranteed any payout under the AIP.
- \* **LTIP:** You are eligible to participate in IQVIA's Long-Term Incentive Plan. You will be eligible to participate in future annual LTIP cycles based on the Company's discretion. All awards under the LTIP are subject to the discretion of the Leadership Development and Compensation Committee of the Board of Directors of IQVIA Holdings Inc. and the rules of the Plan.
- \* **Time off during calendar year 2023**

|                   |                        |
|-------------------|------------------------|
| Vacation Days:    | Discretionary Time-off |
| Company Holidays: | 10 days                |

Notwithstanding anything herein to the contrary, nothing in this Offer Letter shall revoke, extinguish, or diminish your obligations or IQVIA's and/or its affiliates' rights and remedies under any agreements relating to trade secrets, confidential information, non-solicitation, non-competition and intellectual property which you have previously executed in the past, including without limitation the Non-Competition, Non Solicitation, Confidentiality and Intellectual Property Agreement (the "2016 Restrictive Covenant Agreement") that you agreed to and executed in connection with the 2016 Offer Letter. For avoidance of doubt the 2016 Restrictive Covenant Agreement continues in full force and effect.

This Offer Letter shall not be construed as constituting a contract for employment, or otherwise set forth a length of employment. You are an employee at-will, which means that either you or IQVIA may end the employment relationship without cause or notice.

You will be entitled to discretionary leave as you deem appropriate, consistent with applicable IQVIA policies and business needs and upon your manager's approval.

The next step is to indicate your agreement to these terms by electronically signing this offer letter.

I accept the terms of this offer as stated and will start on September 25, 2023.

|                                 |                           |
|---------------------------------|---------------------------|
| <u>/s/ W. Richard Staub III</u> | <u>September 25, 2023</u> |
| Sign to accept                  | Date                      |

Approved:  
Name: Trudy Stein

|                        |                           |
|------------------------|---------------------------|
| <u>/s/ Trudy Stein</u> | <u>September 25, 2023</u> |
|                        | Date                      |

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**EXHIBIT 1**

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November 30, 2016

W. Richard Staub III  
3210 Merriman Avenue  
Raleigh, NC 27607

Dear Richard,

We are very pleased to extend this offer for the role of President, Research & Development Solutions, of Quintiles IMS Incorporated (the "**Company**"), a subsidiary of Quintiles IMS Holdings, Inc. ("**QuintilesIMS**"). Subject to satisfaction of all the conditions described in this letter, your employment in this new role will commence on December 1, 2016 (the "**Start Date**").

In consideration for your services and the execution of the Non-Competition, Non-Solicitation, Confidentiality and Intellectual Property Agreement set forth in Schedule A attached hereto (the "**Restrictive Covenant Agreement**"), you will be paid a base salary of \$540,000 per year, subject to annual review. The base salary shall be payable in periodic installments in accordance with the standard payroll practices of the Company and subject to all withholdings and deductions as required by law. Your principal place of employment shall be at the Company's offices in Raleigh-Durham, North Carolina, subject to business travel as needed to properly fulfill your employment duties and responsibilities.

During your employment, you will be eligible to participate in the Company's Annual Incentive Plan (or such successor or additional plans, the "**AIP**") on the same terms and conditions as other similarly situated executives. Your annual target bonus opportunity will be 85% of base salary. You will continue to be eligible to participate in the employee benefit plans and programs generally available to the Company's senior executives, subject to the terms and conditions of such plans and programs. The Company reserves the right to amend, modify or terminate any of its benefit plans or programs at any time and for any reason.

You will also be eligible to receive an annual equity award commensurate with amounts, terms and conditions applicable to similarly situated executive officers of the Company, subject to the applicable terms, conditions and eligibility requirements of the equity plans and programs of QuintilesIMS, as they may exist from time to time, and the approval of the Leadership Development and Compensation Committee of the Board of Directors of QuintilesIMS in its discretion.

Effective on the Start Date, your employment will be subject to the terms and conditions set forth in this letter, and any employment agreement between you and QuintilesIMS or any affiliate thereof, including the agreement executed as of August 13, 2013 between you and Novella Clinical, Inc. ("**Employment Agreement**"), shall terminate and have no further force or effect except as expressly described in this offer letter.

This offer of employment is contingent upon: (1) your agreement to the terms and conditions set forth in this offer letter and (2) your agreement to the terms and conditions set forth in the Restrictive Covenant Agreement.

You acknowledge and agree you are receiving good, valuable and adequate consideration for your agreement to the terms of this offer letter, including the promotion and increased responsibility reflected in your new role in the Company as described above.

This offer letter shall not be construed as constituting a contract for employment, or otherwise set forth a length of employment. Rather, your employment will be at-will, meaning that you or the Company may terminate the employment relationship at any time, with or without cause, and for any reason or no particular reason in accordance with the terms of this letter.

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If your employment with the Company is terminated by the Company other than for Cause, subject to your execution and non-revocation of a release of claims in a form provided by the Company and your compliance with the Restrictive Covenant Agreement, you will be eligible to receive severance in an aggregate amount equal to the sum of (1) an amount equal to twenty-four (24) months of base salary in effect at the time of your termination, (2) an amount equal to your annual target bonus opportunity in effect for the year of termination, and (3) an amount equal to the projected cost of the continuation of your group health insurance coverage for you and your eligible dependents pursuant to COBRA for the eighteen (18) months following the termination date (together, the "Severance Payment"). The Severance Payment shall be payable in equal monthly installments on the Company's regular payroll schedule during the twenty-four month non-competition period pursuant to the Restrictive Covenant Agreement, with the first installment to be paid on the first regular payroll date occurring after the 30th day following your termination date; provided that if the review and revocation period for the release begins in one taxable year and ends in another taxable year, payments shall not begin until the beginning of the second taxable year; and provided further that the first installment will include all amounts that would otherwise have been paid to you since the period beginning on the termination date if no delay had been imposed. The severance payable pursuant to this paragraph shall be in lieu of any benefits under any other severance plan of the Company.

For purposes of this offer letter, "Cause" means the occurrence of any of the following: (i) any willful misconduct or omission or act of dishonesty by you, which as determined by the Company in its reasonable discretion, may cause material harm to the Company or its affiliates, or any other actions that are materially detrimental to the Company or any affiliates' interest; (ii) gross negligence or willful misconduct by you in the performance of your duties; (iii) any material act by you of fraud or intentional misrepresentation or embezzlement, misappropriation or conversion of assets, whether or not related to your employment with the Company; (iv) you being indicted for, convicted of, confessing to, pleading nolo contendere or becoming the subject of proceedings that provide a reasonable basis for the Company to believe that you have engaged in, a felony or in any other crime involving dishonesty or moral turpitude; (v) your material violation of a provision of the Company's code of conduct, ethics policy or other material policy of the Company, which as determined by the Company in its reasonable discretion may be materially detrimental to the Company or any affiliates' interest; (vi) your material breach of fiduciary duty to the Company or its affiliates which as determined by the Company in its reasonable discretion may be materially detrimental to the Company or any affiliates' interest; or (vii) your material breach of this offer letter, the Restrictive Covenant Agreement or any other written agreement between you and the Company which as determined by the Company in its reasonable discretion may be materially detrimental to the Company or any affiliates' interest; provided that, "Cause" shall not be deemed to have occurred pursuant to subsections (v) and (vii) hereof unless you have first received written notice from the Company specifying in reasonable detail the particulars of such grounds and that Company intends to terminate your employment hereunder for such reason, and if such ground is reasonably capable of being cured within fifteen (15) days, you have failed to cure such ground within a period of fifteen (15) days from the date of such notice. The Company may place you on paid leave while it is determining whether there is a basis to terminate your employment for Cause or during the above-referenced cure period.

This offer letter shall be governed by the laws of North Carolina, without regard to conflict of law principles. This offer letter may be signed in any number of counterparts (including via facsimile and electronic transmission), each of which will be deemed to be an original and all of which together will constitute one and the same instrument. No provision of this offer letter may be amended or modified unless agreed to in writing and signed by you and the Company.

#### Section 409A

This offer letter is intended to comply with Section 409A of the Internal Revenue Code ("Section 409A") or an exemption thereunder and shall be construed and administered in accordance with Section 409A. Notwithstanding any other provision of this offer letter, payments provided under this offer letter may only be made upon an event and in a manner that complies with Section 409A or an applicable exemption. Any payments under this offer letter that may be excluded from Section 409A either as separation pay due to an involuntary separation from service or as a short-term deferral shall be excluded from Section 409A to the maximum extent possible. For purposes of Section 409A, each installment payment provided under this offer letter shall be treated as a separate payment. Any payments to be made under this offer letter upon a termination of employment shall only be made upon a "separation from service" under Section 409A. Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this offer letter comply with Section 409A and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by you on account of non-compliance with Section 409A.

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Notwithstanding any other provision of this offer letter, if any payment or benefit provided to you in connection with termination of employment is determined to constitute "nonqualified deferred compensation" within the meaning of Section 409A and you are determined to be a "specified employee" as defined in Section 409A(a)(2)(b)(i), then such payment or benefit shall not be paid until the first payroll date to occur following the six-month anniversary of your termination date (the "**Specified Employee Payment Date**") or, if earlier, on the date of your death. The aggregate of any payments that would otherwise have been paid before the Specified Employee Payment Date shall be paid to you in a lump sum on the Specified Employee Payment Date and thereafter, any remaining payments shall be paid without delay in accordance with their original schedule.

We eagerly await your acceptance in writing and look forward to working with you in this role, where we are confident you will find enormous opportunity for growth and development.

Yours sincerely,

/s/ Ari Bousbib

Ari Bousbib

On behalf of Quintiles IMS Incorporated

I have read, understood and accept all the terms of the offer of employment as set forth in the foregoing letter. I have not relied on any agreements or representations, express or implied, that are not set forth expressly in this letter, and this letter supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, with respect to the subject matter of this letter, except as expressly set forth herein.

/s/ W. Richard Staub III

November 30, 2016

W. Richard Staub III

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## NON-COMPETITION, NON-SOLICITATION, CONFIDENTIALITY AND INTELLECTUAL PROPERTY AGREEMENT

This Non-Competition, Non-Solicitation, Confidentiality and Intellectual Property Agreement (the “**Agreement**”) is made by and between W. Richard Staub III (the “**Executive**”) and Quintiles IMS Incorporated (the “**Company**”), a subsidiary of Quintiles IMS Holdings, Inc. (“**QuintilesIMS**”). This Agreement will become effective immediately upon the date Executive executes the letter agreement dated November 30, 2016 to which this Agreement is Exhibit A (the “**Letter Agreement**”).

WHEREAS, Executive has been employed by the Company and his employment is being continued in a senior executive position with the Company as of the Start Date set forth in the Letter Agreement. As an employee, he will have responsibilities that embrace all of the services provided by the Company and will have access to confidential information and trade secrets of the Company and its Affiliates, including but not limited to valuable information about their worldwide business operations and the persons and entities with which they do business in various locations throughout the world and he will develop relationships with their customers and others with which they do business in various locations throughout the world; and

WHEREAS, Executive is already obligated under existing agreements with Affiliates of the Company to comply with restrictive covenants similar to those contained in this Agreement, but Executive agrees that because of the information and relationships to which Executive will be exposed in anticipation of and during the course of Executive's performance of his new role with the Company, it would be harmful to the Company, QuintilesIMS and its Affiliates for Executive to compete with Company, QuintilesIMS or its Affiliates or solicit their clients, customers or employees in the manner prohibited by this Agreement and that the Company, QuintilesIMS and its Affiliates have legitimate business interests in protecting themselves from such competition and solicitation.

NOW, THEREFORE, in consideration of the mutual covenants, promises and obligations set forth herein and in the accompanying Letter Agreement, the parties agree as follows:

### 1. Nondisclosure.

1.1. Recognition of Company's Rights; Nondisclosure. Executive understands and acknowledges that during the course of his employment by the Company, Executive will have access to and learn about Confidential Information, as defined below, relating to the Company and its Affiliates, and the Company Business. Executive further understands and acknowledges that this Confidential Information, and the Company's ability to reserve it for the exclusive knowledge and use of the Company and its Affiliates, is of great competitive importance and commercial value to the Company, and that improper use or disclosure of the Confidential Information by Executive will cause irreparable harm to the Company and its Affiliates, for which remedies at law will not be adequate. At all times during Executive's employment, and thereafter, Executive will hold in strictest confidence and will not disclose or use any Confidential Information, except as such disclosure or use may be required in connection with Executive's work for the Company, or unless and to the extent the Company expressly authorizes such in writing. Executive will obtain the Company's written approval before publishing or submitting for publication any material (written, verbal, or otherwise, including without limitation presentations, abstracts or posters) that relates to Executive's work at the Company, relates to the Company's Business, and/or incorporates any Confidential Information.

1.2. Assignment. Executive agrees to assign and hereby assigns to the Company any rights Executive may have or acquire in any knowledge, data or information that is made, authored, conceived, developed, or reduced to practice by Executive during the period of Executive's employment with the Company and which (but for Executive's rights therein) would constitute Confidential Information, and Executive recognizes that all Confidential Information shall be the sole property of the Company.

1.3. Subpoena or Court Order. If Executive is required to disclose Confidential Information pursuant to a court order, subpoena or other government process or such disclosure is necessary to comply with applicable law or defend against claims, Executive shall: (i) notify the Company promptly before any such disclosure is made; (ii) at the Company's request and expense take all reasonably necessary steps to defend against such disclosure, including defending against the enforcement of the court order, other government process or claims; and (iii) permit the Company to participate with counsel of its choice in any proceeding relating to any such court order, subpoena, other government process or claims.

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1.4. Duration of Confidentiality Obligations. Executive understands and acknowledges that Executive's obligations under this Agreement with regard to any particular Confidential Information or Trade Secret shall commence immediately upon Executive first having access to such Confidential Information or Trade Secret and shall continue during and after Executive's employment by the Company until such time as such Confidential Information or Trade Secret has become public knowledge other than as a result of Executive's breach of this Agreement or breach by those acting in concert with Executive or on Executive's behalf and shall not continue longer than ten (10) years after Executive's separation from service as an employee.

1.5. Confidential Information. The term "**Confidential Information**" includes, but is not limited to: (i) all information not generally known to the public, in spoken, printed, electronic or any other form or medium, relating directly or indirectly to the Company Business, is of value and is treated as confidential, including, but not limited to, future business plans, financial information, business plans, strategic plans, pricing information, licensing strategies, advertising campaigns, information regarding executives and employees, and the terms and conditions of this Agreement; and (ii) information of the Company, or its Affiliates and its and/or their licensors, suppliers, customers, or prospective licensors or customers, including, but not limited to, data, formulas, patterns, compilations, programs, devices, methods, techniques, processes, financial data, financial plans, product plans, or lists of actual or potential customers or suppliers, which: (aa) derives independent actual or potential commercial value, from not being generally known to or readily ascertainable through independent development or reverse engineering by persons or entities who can obtain economic value from its disclosure or use; and (bb) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy ("**Trade Secret**"). Notwithstanding anything otherwise in this Agreement to the contrary, Confidential Information shall not include information that is generally known or available to the public unless such information became so known or available as a consequence of a breach by Executive of Executive's obligations pursuant to this Agreement.

1.6. Third Party Information. Executive understands, in addition, that the Company has received and in the future will receive from third parties confidential or proprietary information ("**Third Party Information**") subject to a duty on the Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes. During the term of Executive's employment and thereafter, Executive will hold Third Party Information in the strictest confidence and will not disclose to anyone or use the Third Party Information, except as and to the extent permitted under this Agreement with respect to Confidential Information in connection with Executive's work for the Company.

1.7. No Improper Use of Information of Prior Employers and Others. During Executive's employment with the Company, Executive will not improperly use or disclose any Confidential Information of any former employer or any other person to whom Executive has an obligation of confidentiality. Executive will not bring onto the premises of the Company any unpublished documents or any property belonging to any former employer or any other person to whom Executive has an obligation of confidentiality unless consented to in writing by that former employer or person. Executive will use in the performance of Executive's duties only information which is generally known and used by persons with training and experience comparable to Executive's own, which is common knowledge in the industry or otherwise legally in the public domain, or which is otherwise provided or developed by the Company or Executive. Executive represents that Executive's performance of all the terms of this Agreement and as an employee of the Company will be consistent with the obligations set forth in Section 1 of this Agreement.

1.8. Acknowledgement upon Termination of Employment. Executive agrees that upon termination of Executive's employment, without limiting Executive's obligations hereunder, and if requested by the Company, Executive will acknowledge Executive's possession of Confidential Information by signing an appropriate list of all Confidential Information of which Executive has knowledge or about which Executive has acquired information.

2. Competitive Business Activities. Executive acknowledges that by virtue of Executive's employment by and senior position with the Company, (i) Executive will have responsibilities that embrace each of the services provided within the Company Business (as defined in Section 2.7); (ii) the Company operates the Company Business through employees of Company as well as a network of entities subsidiary to or affiliated with the Company, or owned by subsidiaries or Affiliates of the Company located throughout the world; (iii) by virtue of Executive's employment by and senior position with the Company, Executive will have access to Confidential Information (as defined in this Agreement) of the Company and its Affiliates, including but not limited to valuable information about their worldwide business operations and the persons and entities with which they do business in various locations throughout the world and will develop relationships with their customers and others with which they do business in various locations throughout the world; and (iv) the restrictions set forth in this Section 2 are reasonably necessary to protect the Company's legitimate business interests, are reasonable as to time, territory, and scope of prohibited activities, do not interfere with the public policy or public interest, and are described with sufficient accuracy and definiteness to enable Executive to understand the scope of the restrictions imposed.

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2.1. Covenant Not to Compete. During Executive's employment and the twenty-four (24) month period following the end of Executive's employment, Executive shall not, within the geographic territory identified in Section 2.4, do any of the following, whether on his own behalf or as an officer, director, stockholder, partner, associate, owner, employee, consultant or independent contractor, nor shall Executive provide material assistance to any other person or entity to do so:

- (a) engage in the Company Business in competition with the Company or any Restricted Affiliate;
- (b) engage in the Company Business in any role that is the same as or materially similar to the role that he performed for the Company, in competition with the Company or any Restricted Affiliate; or
- (c) engage in the Company Business in competition with the Company or any Restricted Affiliate, in any role the performance of which would be reasonably presumed to require or involve the use or disclosure of Confidential Information.

2.2. Covenant Not to Solicit Customers. During Executive's employment and the twenty-four (24) month period following the end of Executive's employment, Executive shall not, within the geographic territory identified in Section 2.4, engage in any of the following activities, whether on his own behalf or as an officer, director, stockholder, partner, associate, owner, employee, consultant or independent contractor, nor shall Executive provide material assistance to any other person or entity to do so:

- (a) solicit any customer of the Company or any customer of any Restricted Affiliate, to obtain services that the customer had obtained from the Company or Affiliate from an entity in competition with the Company or Restricted Affiliate;
- (b) solicit any person or entity which Executive serviced, contracted with or negotiated with on behalf of the Company or any Restricted Affiliate to obtain services that the person or entity had obtained from the Company or a Restricted Affiliate from an entity in competition with the Company or Restricted Affiliate;
- (c) solicit any person or entity which any employee of Company or any Restricted Affiliate for whom Executive was responsible, serviced, contracted with or negotiated with on behalf of the Company or any Restricted Affiliate, to obtain services that the customer had obtained from the Company or Affiliate from an entity in competition with the Company or Restricted Affiliate;
- (d) solicit any customer of the Company or any Restricted Affiliate, the effective solicitation of which would reasonably be expected to be benefited by the knowledge of Confidential Information, to obtain services that the customer had obtained from the Company or an Restricted Affiliate from an entity in competition with the Company or an Restricted Affiliate;
- (e) solicit any vendor or supplier of the Company or a Restricted Affiliate to cease doing business with the Company or Restricted Affiliate, or to provide services to an entity in competition with the Company or any Restricted Affiliate the effect of which would be to eliminate or diminish the provision of services to the Company or an Restricted Affiliate; or
- (f) encourage any customer of the Company or any Restricted Affiliate to cancel, terminate or refrain from renewing or continuing any contract or business relationship with the Company or a Restricted Affiliate or to otherwise diminish that Customer's relationship with the Company or any Restricted Affiliate.

2.3. Covenant Not to Solicit or Hire Employees. During Executive's employment and the twenty-four (24) month period following the end of Executive's employment, Executive shall not, engage in any of the following activities, whether on his own behalf or as an officer, director, stockholder, partner, associate, owner, employee, consultant or independent contractor, nor shall Executive provide material assistance to any other person or entity to do so:

- (a) offer employment to, solicit for employment or hire any employee of the Company or any Restricted Affiliate or any person who was employed by the Company or any Restricted Affiliate during the one year period prior to the termination of Executive's employment with the Company;
  - (b) offer employment to, solicit for employment or hire any employee of Company or any Restricted Affiliate with respect to whom Executive had responsibility at the time of the termination of Executive's employment with the Company or during the one year period prior to the termination of Executive's employment with the Company;
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- (c) offer employment to, solicit for employment or hire any employee of Company or any Restricted Affiliate who was personally known to Executive; or
- (d) offer employment to, solicit for employment or hire any employee of Company or any Restricted Affiliate with respect to whom Executive had responsibility at the time of the termination of Executive's employment with the Company or during the one year period prior to the termination of Executive's employment with Company.

2.4. Geographic Territory. In recognition of the worldwide presence of the Company, the worldwide extent of Executive's responsibilities, the breadth of Executive's knowledge of Confidential Information relevant to the operations of the Company and its Affiliates worldwide, and the relationships with customers, potential customers and contacts important to the Company Business that Executive will develop and that will be available to him as a consequence of the goodwill of the Company worldwide, Executive agrees that the restrictions set forth in Sections 2.1 and 2.2 above will apply to the broadest geographic territory possible, including the following geographical regions: (a) the world; (b) the United States; (c) any country in which Executive worked, had responsibility or provided services on behalf of the Company or a Restricted Affiliate; (d) any country in which any employee of the Company or any Restricted Affiliate who was supervised by Executive, either directly or through other supervisors, had responsibility, provided services or worked; (e) any State of the United States, or similar political subdivision in a foreign country, in which Executive worked, had responsibility, or provided services on behalf of the Company or any Restricted Affiliate; (f) any State of the United States, or similar political subdivision of any foreign country in which any employee of the Company or any Restricted Affiliate who was supervised by Executive had responsibility, provided services or worked; (g) any city, or any county or similar political subdivision in any foreign country, in which Executive had responsibility, worked or provided services on behalf of the Company or any Restricted Affiliate; (h) any city, or any county or similar political subdivision in any foreign country in which any employee of Company or any Restricted Affiliate who was supervised by Executive had responsibility, worked or provided services on behalf of Company or any Restricted Affiliate; (i) any State, city, metropolitan area or country (or similar political subdivisions in any foreign country) in which Company or any Restricted Affiliate is located or does business.

2.5. Exclusion. Notwithstanding the foregoing, Executive's ownership of not more than one (1) percent of the issued and outstanding stock of a corporation the shares of which are regularly traded on a national securities exchange or in the over-the-counter markets shall not violate this Section 2.

2.6. Tolling. The period during which Executive must refrain from the activities set forth in Sections 2.1, 2.2 and 2.3 shall be tolled during any period in which he fails to abide by those provisions.

2.7. Definitions. As used in this Agreement:

- (a) "**Affiliate(s)**" shall mean: (i) any Company parent, subsidiary or related entity; and/or (ii) any entity directly or indirectly controlled or beneficially owned in whole or part by Company's parent, subsidiary or related entity.
- (b) "**Company Business**" shall mean the business engaged in by the Company, and its Restricted Affiliates, that includes but is not limited to the provision of contract research, sales and marketing services, market research services, technology services, information services and consulting services to pharmaceutical, biotechnology, medical device and healthcare entities.
- (c) "**Restricted Affiliates**" shall mean any Affiliate of the Company with which Executive worked, had responsibility or supervisory authority, or which uses Confidential Information of the Company about which Executive has knowledge.

### 3. Assignment of Inventions.

3.1. Proprietary Rights; Inventions. The term "**Proprietary Rights**" shall mean all trade secret, patent, copyright, mask work, trademark and other intellectual property rights throughout the world. The term "**Inventions**" shall mean any and all inventions, improvements, know-how, trade secrets, confidential and proprietary information, trademarks, service marks and other indicia of origin, websites, URLs, domain names, software programs, discoveries, conceptions, preparations and developments, in all stages of development, whether or not eligible for or covered by patent, copyright or trade secret protection.

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3.2. Prior Inventions. Inventions, if any, patented or unpatented, which Executive made prior to the beginning of Executive's employment with the Company are excluded from the scope of this Agreement. To preclude any possible uncertainty, Executive has provided to Company a complete list of all Inventions that Executive has, alone or jointly with others, made, authored, conceived, developed, or reduced to practice or caused to be made, authored, conceived, developed, or reduced to practice prior to the beginning of Executive's employment with the Company, that Executive considers to be Executive's property or the property of third parties and that Executive wish to have excluded from the scope of this Agreement (collectively, "**Prior Inventions**"). If disclosure of any such Prior Invention would cause Executive to violate any prior confidentiality agreement, Executive understands that Executive is not to list such Prior Inventions in his disclosure to the Company but is only to disclose a cursory name for each such Invention, a listing of the party to whom it belongs and the fact that full disclosure as to such Inventions has not been made for that reason. If no such disclosure is attached, Executive represents that there are no Prior Inventions. Notwithstanding anything to the contrary in this Agreement, Executive agrees that Executive will not incorporate, or permit to be incorporated, any Inventions in which Executive or any third parties own any rights in any Company product, process, service, machine, or other Company Inventions (as defined below) without the Company's prior written consent. Without limiting any other remedy to which the Company may be entitled, if in the course of Executive's employment with the Company, (a) Executive incorporates an Invention that Executive owns or controls into a Company product, process, service, machine, or other Company Invention, Executive agrees to grant and hereby grants to the Company a nonexclusive, royalty-free, paid-up irrevocable, perpetual, transferable, worldwide license (with rights to sublicense through multiple tiers of sublicensees) under such Inventions and all Proprietary Rights therein to make, have made, modify, use, sell, have sold, import, export and otherwise exploit any and all products, processes, services, machines or other Company Inventions, and (b) Executive incorporates an Invention that Executive does not own or control into a Company product, process, service, machine, or other Company Invention, Executive shall take all reasonable action necessary to cause the third party who owns or controls such Invention to grant to the Company the rights described in the foregoing sentence.

3.3. Assignment of Inventions. Executive agrees to assign and hereby assigns all Executive's right, title and interest in and to any and all Inventions and all Proprietary Rights with respect thereto (except to the extent that such Inventions constitute works for hire or otherwise belong to the Company by operation of law), which (a) are related to the Company's Business or actual or demonstrably anticipated research or development or (b) are developed during Company time or using Company resources, and that in each case are made, authored, conceived, developed, or reduced to practice by Executive, either alone or jointly with others, during the period of Executive's employment with the Company. Inventions assigned to the Company, or to a third party as directed by the Company pursuant to this Section 3.3, are hereinafter referred to as "**Company Inventions**". Executive further agrees to waive and hereby waives and agrees never to assert any and all moral rights in any Company Inventions, such as the right to be named as author, the right to modify, the right to prevent mutilation and the right to prevent commercial exploitation, whether arising under the Berne Convention or otherwise, and all other similar rights regardless of whether such right is denominated or generally referred to as a "moral right."

3.4. Obligation to Keep Company Informed. Executive will promptly disclose to the Company fully and in writing all Inventions that are made, authored, conceived, developed or reduced to practice by Executive, either alone or jointly with others, during the period of Executive's employment with the Company and for a two (2) year period thereafter. At the time of each such disclosure, Executive will advise the Company in writing of any Inventions that Executive believes are non-assignable Inventions under the provisions of applicable law (i.e., inventions that Executive developed entirely on Executive's own time without using the Company's equipment, supplies, facility or trade secret information, unless such Invention (a) relates to the Company's Business or actual or demonstrably anticipated research or development, or (b) results from any work performed by Executive for the Company) and Executive will at that time provide to the Company in writing all evidence necessary to substantiate that conclusion.

3.5. Works for Hire. Executive acknowledges and agrees that all original works of authorship which are made by Executive (solely or jointly with others) within the scope of Executive's employment and which are protectable by copyright are "works made for hire," pursuant to the United States Copyright Act (17 U.S.C., Section 101).

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3.6. Enforcement of Proprietary Rights. Executive agrees that Executive will assist the Company in every proper way to obtain, and from time to time enforce, United States and foreign Proprietary Rights relating to Company Inventions in any and all countries. To that end Executive will execute, verify and deliver such documents and perform such other acts (including appearances as a witness) as the Company may reasonably request for use in applying for, obtaining, perfecting, evidencing, sustaining and enforcing such Proprietary Rights and the assignment thereof. In addition, Executive agrees that Executive will execute, verify and deliver assignments of such Proprietary Rights to the Company or its designee. Any such assistance provided during the term of Executive's employment will be provided without additional compensation. Executive's obligation to assist the Company with respect to Proprietary Rights relating to such Company Inventions in any and all countries shall continue beyond the termination of Executive's employment, but the Company shall compensate Executive at a reasonable rate after Executive's termination for the time actually spent by Executive and for any reasonable expenses actually incurred by Executive thereafter at the Company's request on such assistance. In the event the Company is unable for any reason, after reasonable effort, to secure Executive's signature on any document needed in connection with the actions specified in the preceding paragraph, Executive hereby irrevocably designates and appoints the Company and each of its duly authorized officers and agents as Executive's agent and attorney in fact, which appointment is coupled with an interest, to act for and on Executive's behalf to execute, verify and file any such documents and to do all other lawfully permitted acts to further the purposes of the preceding paragraph with the same legal force and effect as if executed by Executive. Executive hereby waives and quitclaims to the Company any and all claims, of any nature whatsoever, which Executive now or may hereafter have for infringement of any Proprietary Rights assigned hereunder to the Company.

3.7. Irrevocable Assignment. The Company's ownership of all Company Inventions that are made, authored, conceived, developed or reduced to practice by Executive, either alone or jointly with others, during the period of Executive's employment with the Company, as assigned to the Company pursuant to this Agreement or by operation of law, shall not be subject to revocation or rescission in the event of a dispute between the Company and Executive concerning payment of compensation or benefits to Executive, unless Executive proves that the Company acquired ownership thereof fraudulently.

4. Non-Disparagement. Executive agrees not to make any disclosures, issue any statements or otherwise cause to be disclosed any information which is designed, intended or might reasonably be anticipated to disparage the Company, its officers or directors, its business, services, products, technologies and/or personnel. Nothing in this Section is intended, nor shall be construed, to (a) prohibit Executive from any communications to, or participation in any investigation or proceeding conducted by, any governmental agency with jurisdiction concerning the terms, conditions and privileges of employment or jurisdiction over the Company's business, or (b) prevent Executive from otherwise engaging in any legally protected activity.

5. Records. Executive agrees to keep and maintain adequate and current records of all Confidential Information learned or received by Executive and all Inventions made, authored, conceived, developed or reduced to practice by Executive during the period of Executive's employment with the Company, which records shall be available to, and to the extent constituting Confidential Information or Company Inventions shall remain the sole property of, the Company at all times.

6. No Conflicting Obligation. Executive represents that Executive's performance of all the terms of this Agreement and as an employee of the Company do not and will not breach any (a) agreement to keep in confidence information acquired by Executive in confidence or in trust prior to Executive's employment by the Company, or (b) agreement with or obligation to any third party to which he is otherwise bound, or faculty or staff appointment with a university, government or other research institution). Executive has not entered into, and Executive agrees that Executive will not enter into, any agreement, either written or oral, in conflict herewith.

7. Return of Company Materials. When Executive leaves the employ of the Company, Executive agrees that: (a) Executive will return all the Company property (including, but not limited to, credit cards; keys; company car; cell phone; air card; access cards; thumb drive(s), laptop(s), personal digital devices and all other computer hardware and software; records, files, documents, manuals, and other documents in whatever form they exist, whether electronic, hard copy or otherwise and all copies, notes or summaries thereof which Executive created, received or otherwise obtained in connection with Executive's employment); (b) Executive will not delete any emails, files or other information from any Company computer or device prior to Executive's return of the property except in strict accordance with Company policy; and (c) Executive will permanently delete any Company information that may reside on Executive's personal computer(s), other devices or accounts and submit all personal computers, phones and other devices which Executive used for Company business, and will identify all personal accounts on which Company information has been placed and related passwords, to a third party vendor, as may be designated by the Company, for inspection and removal of any Company-related information. Executive further agrees that any property situated on the Company's premises and owned by the Company, including disks and other storage media, filing cabinets or other work areas, is subject to inspection by Company personnel at any time with or without notice.

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8. Publicity. Executive hereby irrevocably consents to any and all uses and displays, by the Company and its agents, representatives and licensees, of Executive's name, voice, likeness, image, appearance and biographical information in, on or in connection with any pictures, photographs, audio and video recordings, digital images, websites, television programs and advertising, other advertising and publicity, sales and marketing brochures, books, magazines, other publications, CDs, DVDs, tapes and all other printed and electronic forms and media throughout the world, at any time during or after the period of his employment by the Company, for all legitimate commercial and business purposes of the Company without further consent from or royalty, payment or other compensation to Executive.

9. Legal and Equitable Remedies for Breach of Certain Provisions. Executive acknowledges that his failure to abide by Sections 1 (Nondisclosure), 2 (Competitive Business Activities), or 3 (Inventions) of this Agreement would cause irreparable harm to the Company and/or its Affiliates for which legal remedies would be inadequate. Therefore, in addition to any legal or other relief to which the Company and/or its Affiliates may be entitled by virtue of Executive's failure to abide by these provisions: (a) the Company and its Affiliates may seek legal and equitable relief, including but not limited to preliminary and permanent injunctive relief, for Executive's actual or threatened failure to abide by these provisions; (b) Executive will return all post-termination payments received, including but not limited to those received pursuant to any employment contract or agreement or severance plan in which Executive participates; and (c) if, as a result of Executive's failure to abide by the Competitive Business Activities provisions, any commission or fee becomes payable to Executive or to any person, corporation or other entity with which Executive has become employed or otherwise associated, Executive shall pay the Company or cause the person, corporation or other entity with whom he has become employed or otherwise associate to pay the Company an amount equal to such commission or fee. In the event that the Company or its Affiliates exercises its right to require Executive to return all post-termination payments received pursuant to any employment contract or agreement or severance plan in which Executive participates hereof, Executive shall remain obligated to abide by the terms of this Agreement, including but not limited to Sections 1 (Nondisclosure), 2 (Competitive Business Activities), and 3 (Inventions) set forth in this Agreement.

10. Notification of New Employer. In the event that Executive leaves the employ or retention of the Company, Executive hereby consents to the notification of Executive's new employer of Executive's rights and obligations under this Agreement.

11. Governing Law; Consent to Personal Jurisdiction and Forum. This Agreement shall be construed, interpreted, and governed in accordance with and by North Carolina law, without regard to the conflicts of laws principles thereof. The parties agree that the state and federal courts in North Carolina shall have jurisdiction (non-exclusive) for the adjudication of all disputes arising out of this Agreement, and Executive consents to the exercise of personal jurisdiction over Executive in any such adjudication and hereby waives any and all objections and defenses to the exercise of such personal jurisdiction and such venue.

12. Severability. Executive agrees that the restrictions contained in this Agreement are reasonable and necessary, are valid and enforceable, and do not impose a greater restraint than necessary to protect the Company's legitimate business interests. If any one or more of the provisions contained in this Agreement shall for any reason be held by a court to be excessively broad as to duration, geographical scope, activity or subject, the parties intend that such court would reduce, or "blue pencil" such provision by limiting and reducing it, so as to be enforceable to the extent compatible with the applicable law as it shall then appear. In case any one or more of the provisions contained in this Agreement shall, for any reason (including the failure of a court to "blue pencil" a provision pursuant to the foregoing sentence), be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect the other provisions of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein; provided, however, that if the absence of such provision causes a material adverse change in either the risks or benefits of this Agreement to either the Company or Executive, the Company and Executive shall negotiate in good faith a commercially reasonable substitute or replacement for the invalid or unenforceable provision.

13. Successors and Assigns. This Agreement will be binding upon Executive's heirs, executors, administrators and other legal representatives and will be for the benefit of the Company, its Affiliates, its successors, and its assigns.

14. Waiver. No waiver by the Company of any breach of this Agreement shall be a waiver of any preceding or succeeding breach. No waiver by the Company of any right under this Agreement shall be construed as a waiver of any other right. The Company shall not be required to give notice to enforce strict adherence to all terms of this Agreement.

15. Entire Agreement. This Agreement and the Letter Agreement contain the entire agreement of Executive and the Company and its Affiliates with respect to the matters set forth herein and supersede all previous negotiations and discussions, agreements and understandings regarding such matters. In the event of any conflict between this Agreement and any other agreement with the Company or its Affiliates, the terms of the agreement which are most restrictive shall control. It is understood that this Agreement does not constitute an express or implied employment

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contract for any definite period of time and that Executive's employment with the Company is "at will" meaning that either the Company or Executive can end the employment relationship at any time, with or without cause.

16. Counterparts. This Agreement may be executed in separate counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date written below.

**QUINTILES IMS  
INCORPORATED**

By: /s/ Ari Bousbib  
Name: Ari Bousbib  
Title: Authorized Signatory

**W. RICHARD STAUB III**

/s/ W. Richard Staub III

Name:

November 30, 2016

Date



**IQVIA Holdings Inc.**  
**Subsidiary Listing - as of 12/31/2023**

| <b><u>Subsidiary</u></b>                                                               | <b><u>Jurisdiction or State of Organization</u></b> |
|----------------------------------------------------------------------------------------|-----------------------------------------------------|
| 159 Solutions, LLC                                                                     | California                                          |
| 159 Technology Solutions Private Ltd                                                   | India                                               |
| AECIO IT Solutions India Private Ltd.                                                  | India                                               |
| AHM Global Services, LLC                                                               | New Jersey                                          |
| AIT Bioscience LLC                                                                     | Indiana                                             |
| Albatross Financial Solutions Limited                                                  | United Kingdom                                      |
| ALIMED Egeszsegugyi Szolgaltato Kft.                                                   | Hungary                                             |
| Allcare Plus Pharmacy LLC                                                              | Massachusetts                                       |
| Apuro.com K.K.                                                                         | Japan                                               |
| Ardentia International Limited                                                         | United Kingdom                                      |
| Ascott Sales Integration Pty Ltd                                                       | Australia                                           |
| Asesorias IQVIA Solutions Chile Limitada                                               | Chile                                               |
| Asserta Centroamerica Medicion de Mercados, S.A.                                       | Guatemala                                           |
| Avacare Clinical Research Network (Shanghai) Co., Ltd.                                 | China                                               |
| Battaerd Mansley Pty. Ltd.                                                             | Australia                                           |
| Benefit Holding, Inc.                                                                  | North Carolina                                      |
| Bioaxis Healthcare Southeast Europe Home Health Services Single Member Societe Anonyme | Greece                                              |
| Biofortis, LLC                                                                         | Delaware                                            |
| BITAC MAP S.L.U.                                                                       | Spain                                               |
| BuzzeoPDMA LLC                                                                         | Delaware                                            |
| Cambridge Pharma Consultancy Inc.                                                      | Delaware                                            |
| Cambridge Pharma Consultancy Limited                                                   | United Kingdom                                      |
| CDS - Centre de Service SAS                                                            | France                                              |
| Cegedim Venezuela C.A.                                                                 | Venezuela                                           |
| Cenduit Limited                                                                        | United Kingdom                                      |
| Centrix Innovations (Pty) Ltd.                                                         | South Africa                                        |
| CFS Clinical UK Limited                                                                | United Kingdom                                      |
| Clinical Financial Services, LLC                                                       | Pennsylvania                                        |
| Clinical Lab Minority Shareholder Limited                                              | United Kingdom                                      |
| Clintec CRO Services (India) Private Limited                                           | India                                               |
| Clintec International (Pty) Ltd.                                                       | South Africa                                        |
| Clintec International (Thailand) Limited                                               | Thailand                                            |
| Clintec International Bulgaria OOD                                                     | Bulgaria                                            |
| Clintec International doo                                                              | Serbia                                              |
| Clintec International FZ-LLC                                                           | United Arab Emirates                                |
| Clintec International Limited                                                          | Kenya                                               |
| Clintec International LLC                                                              | Ukraine                                             |

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|------------------------------------------------------------------------|----------------------|
| Clintec International Ltd.                                             | United Kingdom       |
| Clintec International Norway AS                                        | Norway               |
| Clintec International Off-Shore S.A.L.                                 | Lebanon              |
| Clintec International Pharmaceutical Services Ltd                      | Israel               |
| Clintec International Pte Ltd.                                         | Singapore            |
| Clintec International RUS LLC                                          | Russia               |
| Clintec Luxembourg S.A.                                                | Luxembourg           |
| Clintec Turkey Medikal ve Farmasotik Hizmetler Ticaret Limited Sirketi | Turkey               |
| Cognitive Clinical Trials, LLC                                         | Delaware             |
| Comline GmbH                                                           | Germany              |
| Compliant Community Projects (Pty) Ltd.                                | South Africa         |
| Concentrics Research LLC                                               | Indiana              |
| CoreZetta Co Ltd.                                                      | Republic of Korea    |
| CRONos Clinical Consulting Services Inc.                               | New Jersey           |
| CT Consulting Inc.                                                     | Philippines          |
| Data Niche Associates, Inc.                                            | Illinois             |
| Dataline Software Limited                                              | United Kingdom       |
| Datandina Ecuador S.A.                                                 | Ecuador              |
| Datec Industria e Comercio, Distribudora Grafica e Mala Direta Ltda.   | Brazil               |
| DAVASO GmbH                                                            | Germany              |
| DAVASO Holding GmbH                                                    | Germany              |
| Dimensions Healthcare Company Ltd                                      | Palestine, State of  |
| Dimensions Healthcare FZ-LLC                                           | United Arab Emirates |
| IQVIA Healthcare – Sole Proprietorship LLC                             | United Arab Emirates |
| Doe Acquisition Sub Inc.                                               | Delaware             |
| DrugDev Inc.                                                           | Delaware             |
| DrugDev Limited                                                        | United Kingdom       |
| Educom S.r.l.                                                          | Italy                |
| Emerald Star Holdings LLC                                              | Washington           |
| Epemius, LLC                                                           | Delaware             |
| EPG Communication Holdings Limited                                     | United Kingdom       |
| EPS Research Limited                                                   | United Kingdom       |
| EPS Software Limited                                                   | United Kingdom       |
| Evigraide - Health Care Research Consulting, Unipessoal, LDA           | Portugal             |
| Excel Life Sciences Inc.                                               | Delaware             |
| Excel Life Sciences Private Limited                                    | India                |
| Farmacja.hr Spółka Z Ograniczoną Odpowiedzialnością                    | Poland               |
| Farmacja.net Spółka Z Ograniczoną Odpowiedzialnością                   | Poland               |
| Forcea NV                                                              | Belgium              |
| Foresight IT Solutions and Consulting India Private Limited            | India                |
| Foundry Health, LLC                                                    | Wisconsin            |
| GCE Clin Solutions Limited                                             | United Kingdom       |
| GCE Global Solutions, LLC                                              | Delaware             |
| GCE Solutions International, LLC                                       | Delaware             |
| GCE Solutions, S. de R.L. de C.V.                                      | Mexico               |



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|---------------------------------------------------------------------------------------------|------------------------|
| Global Crown Investment Limited                                                             | Hong Kong              |
| Grace Data Corp.                                                                            | California             |
| gradient.Systemintegration GmbH                                                             | Germany                |
| Healthcare Business Information Limited                                                     | United Kingdom         |
| Hospital Marketing Services Ltd.                                                            | United Kingdom         |
| Hotel Lot C-8B, LLC                                                                         | North Carolina         |
| Iasist Holdco Limited                                                                       | United Kingdom         |
| Iasist Portugal, Consultadoria na Área de Saúde, Unipessoal, Lda                            | Portugal               |
| Iasist SAU Agencia en Chile                                                                 | Chile                  |
| IM Associates BV                                                                            | Belgium                |
| ImmunXperts                                                                                 | Belgium                |
| Impact RX Data Management (Pty) Ltd.                                                        | South Africa           |
| IMR International (Australia) PTY Ltd                                                       | Australia              |
| IMS (UK) Pension Plan Trustee Company Limited                                               | United Kingdom         |
| IMS AB                                                                                      | Sweden                 |
| IMS Health de Venezuela C.A.                                                                | Venezuela              |
| IMS Health Group Limited                                                                    | United Kingdom         |
| IMS Health Information Solutions Australia Pty. Ltd                                         | Australia              |
| IMS Health Information Solutions India Private Ltd.                                         | India                  |
| IMS Health Networks Limited                                                                 | United Kingdom         |
| IMS Health Paraguay Srl                                                                     | Paraguay               |
| IMS Health Surveys Limited                                                                  | United Kingdom         |
| IMS Health Uruguay S.A.                                                                     | Uruguay                |
| IMS Hospital Group Limited                                                                  | United Kingdom         |
| IMS Information Solutions Medical Research Limited                                          | United Kingdom         |
| IMS Information Solutions UK Ltd.                                                           | United Kingdom         |
| IMS Meridian Limited                                                                        | Hong Kong              |
| IMS Meridian Research Limited                                                               | British Virgin Islands |
| IMS Software Services Ltd.                                                                  | Delaware               |
| IMS Technology Solutions UK Limited                                                         | United Kingdom         |
| Incarnus Malaysia Sdn Bhd                                                                   | Malaysia               |
| Infocus Health Limited                                                                      | United Kingdom         |
| Infopharm Ltd.                                                                              | United Kingdom         |
| Innovex Merger Corp.                                                                        | North Carolina         |
| Innovex Saglik Urunleri Pazarlama ve Hizmet Danismanlik Anonim Sirketi                      | Turkey                 |
| Innovex Sağlık Hizmetleri Araştırma Pazarlama Danışmanlık Sanayi ve Ticaret Limited Şirketi | Turkey                 |
| Inteliquet, Inc.                                                                            | Delaware               |
| Intercontinental Medical Statistics International, Ltd.                                     | Delaware               |
| Intercontinental Medical Statistics Kenya Ltd.                                              | Kenya                  |
| Interface Clinical Services Ltd.                                                            | United Kingdom         |
| Interstatistik AG                                                                           | Switzerland            |
| IPP Informacion Promocional y Publicitaria S.A. de C.V.                                     | Mexico                 |
| IQVIA Medical Development (Dalian) Co., Ltd.                                                | China                  |
| IQVIA (Thailand) Co., Ltd.                                                                  | Thailand               |



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|-----------------------------------------------------------------|----------------------|
| IQVIA AB                                                        | Sweden               |
| IQVIA Adriatic d.o.o. za Konzalting                             | Croatia              |
| IQVIA Afrique de l'Ouest Francophone                            | Cote d'Ivoire        |
| IQVIA AG                                                        | Switzerland          |
| IQVIA Analytics Services Private Limited                        | India                |
| IQVIA Asia Pacific Commercial Holdings LLC                      | North Carolina       |
| IQVIA Beteiligungsgesellschaft mbH                              | Germany              |
| IQVIA BioSciences Holdings, LLC                                 | Delaware             |
| IQVIA Biotech LLC                                               | Delaware             |
| IQVIA Biotech Ltd.                                              | United Kingdom       |
| IQVIA Cancer Research                                           | Belgium              |
| IQVIA Chinametrik Inc.                                          | Delaware             |
| IQVIA Clinical AB                                               | Sweden               |
| IQVIA Clinical, Filial af IQVIA Clinical AB                     | Denmark              |
| IQVIA Commercial Consulting Sp. z.o.o.                          | Poland               |
| IQVIA Commercial Deutschland GmbH                               | Germany              |
| IQVIA Commercial Finance Inc.                                   | Delaware             |
| IQVIA Commercial GmbH & Co. OHG                                 | Germany              |
| IQVIA Commercial I LLC                                          | Delaware             |
| IQVIA Commercial India Holdings Corp.                           | Delaware             |
| IQVIA Commercial Sp. z.o.o.                                     | Poland               |
| IQVIA Commercial Trading Corp.                                  | Delaware             |
| IQVIA Consulting and Information Services India Private Limited | India                |
| IQVIA CRM Korea Ltd.                                            | Republic of Korea    |
| IQVIA CSD Korea Ltd.                                            | Republic of Korea    |
| IQVIA CSMS GmbH                                                 | Germany              |
| IQVIA CSMS US Inc.                                              | Delaware             |
| IQVIA Finance Ireland Designated Activity Company               | Ireland              |
| IQVIA Finance Ltd.                                              | United Kingdom       |
| IQVIA Finland Oy                                                | Finland              |
| IQVIA FZ-LLC                                                    | United Arab Emirates |
| IQVIA Government Solutions Inc.                                 | Delaware             |
| IQVIA Health Transformation Foundation                          | India                |
| IQVIA Hellas Technology Solutions Single Member S.A.            | Greece               |
| IQVIA Holdings (UK) Ltd.                                        | United Kingdom       |
| IQVIA Holdings France Sas                                       | France               |
| IQVIA Holdings Inc.                                             | Delaware             |
| IQVIA IES Brasil Ltda.                                          | Brazil               |
| IQVIA IES Denmark ApS                                           | Denmark              |
| IQVIA IES Europe Limited                                        | United Kingdom       |
| IQVIA IES European Holdings                                     | United Kingdom       |
| IQVIA IES Overseas Holdings Limited                             | United Kingdom       |
| IQVIA IES Oy                                                    | Finland              |
| IQVIA IES Portugal Unipessoal LDA                               | Portugal             |
| IQVIA IES Puerto Rico Inc.                                      | Puerto Rico          |



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|--------------------------------------------------------|-------------------|
| IQVIA IES South Africa (Pty) Limited                   | South Africa      |
| IQVIA IES UK Limited                                   | United Kingdom    |
| IQVIA II Technology Solutions Portugal, Unipessoal LDA | Portugal          |
| IQVIA Inc.                                             | Delaware          |
| IQVIA Information Medical Statistics (Israel) Ltd.     | Israel            |
| IQVIA Information Solutions (China) Co., Ltd.          | China             |
| IQVIA Information Solutions GmbH                       | Austria           |
| IQVIA Information, S.A.                                | Spain             |
| IQVIA Integrated Services NL                           | Netherlands       |
| IQVIA Investment Holdings Limited                      | United Kingdom    |
| IQVIA Korea Co. Ltd.                                   | Republic of Korea |
| IQVIA Lebanon S.a.r.l.                                 | Lebanon           |
| IQVIA Ltd.                                             | United Kingdom    |
| IQVIA Marktforschung GmbH                              | Austria           |
| IQVIA Maroc S.à r.l.                                   | Morocco           |
| IQVIA Medical Communications & Consulting, Inc.        | New Jersey        |
| IQVIA Medical Development (Hefei) Co., Ltd.            | China             |
| IQVIA Medical Education Inc.                           | New York          |
| IQVIA Medical Radar AB                                 | Sweden            |
| IQVIA MedTech Inc.                                     | Delaware          |
| IQVIA MedTech NV                                       | Belgium           |
| IQVIA Operations France SAS                            | France            |
| IQVIA Patients Solutions S.r.l.                        | Italy             |
| IQVIA Pharma Inc.                                      | North Carolina    |
| IQVIA Pharma Services Corp.                            | North Carolina    |
| IQVIA Pharmaceutical Marketing Services Ltd.           | Slovenia          |
| IQVIA Phase One Services LLC                           | Kansas            |
| IQVIA Quality Metric Inc.                              | Delaware          |
| IQVIA RDS (India) Private Ltd.                         | India             |
| IQVIA RDS (Shanghai) Co., Ltd.                         | China             |
| IQVIA RDS and Integrated Services Belgium NV           | Belgium           |
| IQVIA RDS Argentina S.R.L.                             | Argentina         |
| IQVIA RDS Asia Inc.                                    | North Carolina    |
| IQVIA RDS Austria GmbH                                 | Austria           |
| IQVIA RDS Brasil Ltda.                                 | Brazil            |
| IQVIA RDS Bulgaria EOOD                                | Bulgaria          |
| IQVIA RDS Canada ULC                                   | Canada            |
| IQVIA RDS Chile                                        | Chile             |
| IQVIA RDS Clindata (Pty.) Ltd.                         | South Africa      |
| IQVIA RDS Clindepharm (Pty.) Ltd.                      | South Africa      |
| IQVIA RDS Colombia S.A.S.                              | Colombia          |
| IQVIA RDS Costa Rica S.A.                              | Costa Rica        |
| IQVIA RDS Czech Republic s.r.o.                        | Czechia           |
| IQVIA RDS d.o.o. Beograd                               | Serbia            |
| IQVIA RDS East Africa Limited                          | Kenya             |





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| IQVIA RDS East Asia Pte. Ltd.                                                         | Singapore      |
| IQVIA RDS Eastern Holdings GmbH                                                       | Austria        |
| IQVIA RDS Egypt LLC                                                                   | Egypt          |
| IQVIA RDS Estonia OU                                                                  | Estonia        |
| IQVIA RDS Finland Oy                                                                  | Finland        |
| IQVIA RDS France SAS                                                                  | France         |
| IQVIA RDS Funding LLC                                                                 | North Carolina |
| IQVIA RDS GesmbH                                                                      | Austria        |
| IQVIA RDS GmbH                                                                        | Germany        |
| IQVIA RDS Guatemala S.A.                                                              | Guatemala      |
| IQVIA RDS Hellas Single Member S.A.                                                   | Greece         |
| IQVIA RDS Holdings                                                                    | United Kingdom |
| IQVIA RDS Hong Kong Limited                                                           | Hong Kong      |
| IQVIA RDS Hungary Pharmaceutical Development and Consulting Limited Liability Company | Hungary        |
| IQVIA RDS Inc.                                                                        | North Carolina |
| IQVIA RDS Ireland (Finance) Ltd.                                                      | Ireland        |
| IQVIA RDS Ireland Ltd.                                                                | Ireland        |
| IQVIA RDS Israel Ltd.                                                                 | Israel         |
| IQVIA RDS Italy S.r.l.                                                                | Italy          |
| IQVIA RDS Latin America LLC                                                           | North Carolina |
| IQVIA RDS Latvia SIA                                                                  | Latvia         |
| IQVIA RDS Malaysia Sdn. Bhd.                                                          | Malaysia       |
| IQVIA RDS Netherlands B.V.                                                            | Netherlands    |
| IQVIA RDS Nigeria Limited                                                             | Nigeria        |
| IQVIA RDS Norway                                                                      | Norway         |
| IQVIA RDS Panama Inc.                                                                 | Panama         |
| IQVIA RDS Peru S.r.l.                                                                 | Peru           |
| IQVIA RDS Philippines Inc.                                                            | Philippines    |
| IQVIA RDS Poland Sp. Zoo                                                              | Poland         |
| IQVIA RDS Pty. Limited                                                                | Australia      |
| IQVIA RDS Pty. Ltd.                                                                   | New Zealand    |
| IQVIA RDS Slovakia, s.r.o.                                                            | Slovakia       |
| IQVIA RDS South Africa (Pty.) Ltd.                                                    | South Africa   |
| IQVIA RDS Spain S.L.                                                                  | Spain          |
| IQVIA RDS Taiwan Ltd.                                                                 | Taiwan         |
| IQVIA RDS UAB                                                                         | Lithuania      |
| IQVIA RDS UK Holdings Ltd.                                                            | United Kingdom |
| IQVIA RDS Ukraine                                                                     | Ukraine        |
| IQVIA RDS Vietnam LLC                                                                 | Vietnam        |
| IQVIA Regional Headquarter                                                            | Saudi Arabia   |
| IQVIA Research and Development Solutions Saudi Arabia Limited                         | Saudi Arabia   |
| IQVIA Romania S.R.L.                                                                  | Romania        |
| IQVIA Services Japan LLC/IQVIA Services Japan G.K.                                    | Delaware       |
| IQVIA Solutions (NZ) Limited                                                          | New Zealand    |



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| IQVIA Solutions (Pty.) Ltd.                                           | South Africa      |
| IQVIA Solutions a.s.                                                  | Czechia           |
| IQVIA Solutions Argentina S.A.                                        | Argentina         |
| IQVIA Solutions Asia Pte. Ltd                                         | Singapore         |
| IQVIA Solutions Australia Holdings Pty. Ltd.                          | Australia         |
| IQVIA Solutions Australia Pty. Ltd.                                   | Australia         |
| IQVIA Solutions B.V.                                                  | Netherlands       |
| IQVIA Solutions Bangladesh Limited                                    | Bangladesh        |
| IQVIA Solutions Belgium BV                                            | Belgium           |
| IQVIA Solutions Bolivia S.R.L.                                        | Bolivia           |
| IQVIA Solutions Bulgaria Eood                                         | Bulgaria          |
| IQVIA Solutions Canada Inc.                                           | Canada            |
| IQVIA Solutions Colombia S.A.                                         | Colombia          |
| IQVIA Solutions Consulting Myanmar Company Limited                    | Myanmar           |
| IQVIA Solutions del Peru S.A.                                         | Peru              |
| IQVIA Solutions Denmark AS                                            | Denmark           |
| IQVIA Solutions do Brasil Ltda.                                       | Brazil            |
| IQVIA Solutions Egypt Ltd.                                            | Egypt             |
| IQVIA Solutions Enterprise Management Consulting (Hainan) Co., Ltd.   | China             |
| IQVIA Solutions Enterprise Management Consulting (Shanghai) Co., Ltd. | China             |
| IQVIA Solutions Finance B.V.                                          | Netherlands       |
| IQVIA Solutions Finance UK I Ltd.                                     | United Kingdom    |
| IQVIA Solutions Finance UK II Ltd.                                    | United Kingdom    |
| IQVIA Solutions Finance UK III Ltd.                                   | United Kingdom    |
| IQVIA Solutions Finance UK V Ltd.                                     | United Kingdom    |
| IQVIA Solutions Global Holdings UK Ltd.                               | United Kingdom    |
| IQVIA Solutions Holdings (Pty.) Ltd.                                  | South Africa      |
| IQVIA Solutions Hong Kong Limited                                     | Hong Kong         |
| IQVIA Solutions HQ Ltd.                                               | United Kingdom    |
| IQVIA Solutions Ireland Limited                                       | Ireland           |
| IQVIA Solutions Italy S.r.l.                                          | Italy             |
| IQVIA Solutions Japan LLC/IQVIA Solutions Japan G.K.                  | Delaware          |
| IQVIA Solutions Kazakhstan LLC                                        | Kazakhstan        |
| IQVIA Solutions Korea Ltd.                                            | Republic of Korea |
| IQVIA Solutions Kuwait for Technical Consultations                    | Kuwait            |
| IQVIA Solutions Lanka (Private) Limited                               | Sri Lanka         |
| IQVIA Solutions LLC                                                   | Russia            |
| IQVIA Solutions Malaysia Sdn. Bhd.                                    | Malaysia          |
| IQVIA Solutions Norway AS                                             | Norway            |
| IQVIA Solutions Operations Center Philippines Inc.                    | Philippines       |
| IQVIA Solutions Pakistan (Private) Limited                            | Pakistan          |
| IQVIA Solutions Pharmaceutical Srl                                    | Romania           |
| IQVIA Solutions Philippines Inc.                                      | Philippines       |
| IQVIA Solutions Portugal, Lda                                         | Portugal          |
| IQVIA Solutions Puerto Rico Inc.                                      | Puerto Rico       |



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| IQVIA Solutions Regional Pte. Ltd.                        | Singapore          |
| IQVIA Solutions Republica Dominicana, S.R.L.              | Dominican Republic |
| IQVIA Solutions s.r.o.                                    | Slovakia           |
| IQVIA Solutions Saudi Arabia Limited                      | Saudi Arabia       |
| IQVIA Solutions Services Ltd.                             | Hungary            |
| IQVIA Solutions Sweden AB                                 | Sweden             |
| IQVIA Solutions Taiwan Ltd.                               | Taiwan             |
| IQVIA Solutions Tunisia S.à r.l.                          | Tunisia            |
| IQVIA Solutions UK Investments Ltd.                       | United Kingdom     |
| IQVIA Solutions UK Limited                                | United Kingdom     |
| IQVIA Soluções de Tecnologia do Brasil Ltda               | Brazil             |
| IQVIA Technology Services Ltd.                            | United Kingdom     |
| IQVIA Technology Solutions (China) Co., Ltd.              | China              |
| IQVIA Technology Solutions Colombia Ltda.                 | Colombia           |
| IQVIA Technology Solutions Egypt LLC                      | Egypt              |
| IQVIA Technology Solutions Poland SP. z.o.o               | Poland             |
| IQVIA Technology Solutions Romania Srl                    | Romania            |
| IQVIA Technology Solutions s.r.o.                         | Slovakia           |
| IQVIA Technology Solutions s.r.o.                         | Czechia            |
| IQVIA Technology Solutions Ukraine LLC                    | Ukraine            |
| IQVIA Technology Tunisia S.à r.l.                         | Tunisia            |
| IQVIA Tibbi Istatistik Ticaret ve Musavirlik Ltd. Sirketi | Turkey             |
| IQVIA Trading Management Inc.                             | Delaware           |
| IQVIA Transportation Services Corp.                       | Delaware           |
| IQVIA West Africa                                         | Senegal            |
| IQVIA World Publications Ltd.                             | United Kingdom     |
| IQVIA Zagreb d.o.o.                                       | Croatia            |
| Kairos GmbH                                               | Germany            |
| Kun Tai Medical Development Hong Kong Limited             | Hong Kong          |
| Kun Tuo Medical Research & Development (Beijing) Co. Ltd. | China              |
| Laboratorio Commuq Pharma SLU                             | Spain              |
| Lasso Marketing, Inc.                                     | Delaware           |
| LH Perspectives Limited Sucursal en Espana                | Spain              |
| LH Perspectives Ltd                                       | United Kingdom     |
| Linguamatics Limited                                      | United Kingdom     |
| Linguamatics Solutions Limited                            | United Kingdom     |
| LSB Research Group, LLC                                   | Texas              |
| M&H Informatics (BD) Ltd.                                 | Bangladesh         |
| Market Dynamics, L.L.C.                                   | Tennessee          |
| Med-Vantage, Inc.                                         | Delaware           |
| Meddata Group, LLC                                        | Massachusetts      |
| Medineos S.r.l.                                           | Italy              |
| Medpages International Proprietary Limited                | South Africa       |
| Mercados Y Analisis, S.A.                                 | Spain              |
| Mercurial Insights Holding Pty. Ltd.                      | Australia          |



Mercurial Insights Pty. Ltd.  
Meridian Research Vietnam Ltd.  
Metrika Business Intelligence Consulting, Inc.  
MMK Communications Co., Ltd.  
MTouch SRL  
Nexelis Europe  
Nexelis Group Inc.  
Nexelis Laboratories Canada Inc.  
Nexelis Marburg GmbH  
Novasyste, LLC  
Novex Pharma Laboratorio S.L.  
Novex Pharma Limited  
Nuevo Health Pty Limited  
Omni Care Consult  
Open Applications Consulting Limited  
Operaciones Centralizadas Latinoamericana Limitada  
Optimum Contact Limited  
Outcome Sciences, LLC  
Penderwood Limited  
Pharma Deals Limited  
Pharma Strategy Group Limited  
Pharmaforce, S.A. de C.V.  
PharmaReview Inc.  
PharmaReview Limited  
Pharmaspectra Dollarco Ltd  
Pharmaspectra Group Ltd.  
Pharmaspectra Informatics Private Limited  
Pharmaspectra Midco 1 Ltd.  
Pharmaspectra Midco 2 Ltd.  
Pharmaspectra Topco Ltd  
Pharmaspectra US LLC  
Phoenix Group Holdings, LLC  
PhR BidCo Limited  
PhR Lower Midco Limited  
PhR Topco Limited  
PhR Upper Midco Limited  
PhR Warehouse Limited  
Polaris Management Partners, LLC  
Polaris Solutions Ltd.  
Polaris Solutions, LLC  
PR Editions S.A.S.  
Prioritis Limited  
PRIORITIS SAS  
Privacy Analytics Inc.  
Professional Pharmaceutical Marketing Services (Pty.) Ltd.

Australia  
Vietnam  
QC, Canada  
Republic of Korea  
Belgium  
Belgium  
Delaware  
Canada  
Germany  
California  
Spain  
United Kingdom  
Australia  
Belgium  
Ireland  
Chile  
United Kingdom  
Delaware  
United Kingdom  
United Kingdom  
United Kingdom  
Mexico  
Delaware  
United Kingdom  
United Kingdom  
United Kingdom  
India  
United Kingdom  
United Kingdom  
United Kingdom  
Delaware  
New Jersey  
United Kingdom  
United Kingdom  
United Kingdom  
United Kingdom  
United Kingdom  
United Kingdom  
New Jersey  
Hong Kong  
New York  
France  
United Kingdom  
France  
Canada  
South Africa





Prometheus Research, LLC  
 PT IQVIA RDS Indonesia  
 PT IQVIA Solutions Indonesia  
 Public Relations Algeria  
 Q Squared Solutions (Beijing) Co., Ltd.  
 Q Squared Solutions (Pty) Ltd  
 Q Squared Solutions (Quest) Limited  
 Q Squared Solutions (Quest) LLC  
 Q Squared Solutions B.V.  
 Q Squared Solutions BioSciences LLC  
 Q Squared Solutions China (Quest) Limited  
 Q Squared Solutions China Limited  
 Q Squared Solutions Expression Analysis LLC  
 Q Squared Solutions Group Inc.  
 Q Squared Solutions Holdings B.V.  
 Q Squared Solutions Holdings Limited  
 Q Squared Solutions Holdings LLC  
 Q Squared Solutions KK  
 Q Squared Solutions Limited  
 Q Squared Solutions LLC  
 Q Squared Solutions Pte. Ltd.  
 Q Squared Solutions S.A.  
 Qcare Site Services, Inc.  
 QH Research Limited  
 QIMS Pharma Services Sa De Cv  
 Quality Health Limited  
 QualityMetric Incorporated, LLC  
 QuarterMaster Blocker, LLC  
 QuarterMaster Holdco, LLC  
 QuarterMaster Intermediate Holdco, LLC  
 Quintiles Benin S.A.R.L.U.  
 Quintiles Commercial Laboratorio S.L.U.  
 Quintiles Commercial Rus LLC  
 Quintiles Finance Uruguay S.r.L.  
 Quintiles IMS Japan GK  
 Quintiles Lanka (Private) Limited  
 Quintiles Mauritius Holdings  
 Quintiles Medical Development (Shanghai) Co., Ltd.  
 Quintiles Mexico, S. de R.L. de C.V.  
 Quintiles West Africa Limited  
 Radar Acquisition Blocker, Inc.  
 RedPharma SA  
 Redsite Limited  
 Rules-Based Medicine, Inc.  
 RX India, LLC

Connecticut  
 Indonesia  
 Indonesia  
 Algeria  
 China  
 South Africa  
 United Kingdom  
 Delaware  
 Netherlands  
 Delaware  
 United Kingdom  
 United Kingdom  
 Delaware  
 Delaware  
 Netherlands  
 United Kingdom  
 Delaware  
 Japan  
 United Kingdom  
 North Carolina  
 Singapore  
 Argentina  
 North Carolina  
 United Kingdom  
 Mexico  
 United Kingdom  
 Delaware  
 Delaware  
 Delaware  
 Delaware  
 Benin  
 Spain  
 Russia  
 Uruguay  
 Japan  
 Sri Lanka  
 Mauritius  
 China  
 Mexico  
 Ghana  
 Delaware  
 Belgium  
 United Kingdom  
 Delaware  
 Delaware



Secureconsent, LLC  
Silverbullet A/S  
Source Informatics Limited  
StatFin Estonia OÜ  
STI Technologies Limited  
Targeted Molecular Diagnostics, LLC  
Themis Limited  
UAB IQVIA Commercial  
Valuecentric Privacy Solutions LLC  
Valuemedics Research, LLC  
VCG&A, Inc.  
VCG-BIO, Inc.  
Vivacity Health Pty. Ltd.  
ZhiWeiYunChuang Solutions Enterprise Management Consulting (Shanghai) Co., Ltd

Delaware  
Denmark  
United Kingdom  
Estonia  
Canada  
Illinois  
United Kingdom  
Lithuania  
Delaware  
Delaware  
Massachusetts  
Delaware  
Australia  
China

**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We hereby consent to the incorporation by reference in the Registration Statements on Form S-4 (No. 333-276404) and Form S-8 (Nos. 333-213927, 333-193212, 333-188431) of IQVIA Holdings Inc. of our report dated February 15, 2024 relating to the financial statements, financial statement schedules and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP  
Raleigh, North Carolina  
February 15, 2024

**CERTIFICATION OF PERIODIC REPORT UNDER SECTION 302 OF  
THE SARBANES-OXLEY ACT OF 2002**

I, Ari Bousbib, certify that:

1. I have reviewed this annual report on Form 10-K of IQVIA Holdings Inc. (the "registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 15, 2024

/s/ Ari Bousbib

Ari Bousbib

*Chairman, Chief Executive Officer and President*  
(Principal Executive Officer)

**CERTIFICATION OF PERIODIC REPORT UNDER SECTION 302 OF  
THE SARBANES-OXLEY ACT OF 2002**

I, Ronald E. Bruehlman, certify that:

1. I have reviewed this annual report on Form 10-K of IQVIA Holdings Inc. (the "registrant");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 15, 2024

/s/ Ronald E. Bruehlman

Ronald E. Bruehlman

*Executive Vice President and Chief Financial Officer*  
(Principal Financial Officer)

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002**

I, Ari Bousbib, Chairman, Chief Executive Officer and President of IQVIA Holdings Inc. (the "Company"), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) the Annual Report on Form 10-K of the Company for the year ended December 31, 2023 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods presented therein.

Date: February 15, 2024

/s/ Ari Bousbib

Ari Bousbib

*Chairman, Chief Executive Officer and President*

(Principal Executive Officer)

This certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and shall not be deemed "filed" by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and shall not be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Report, irrespective of any general incorporation language contained in such filing.

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.



**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350  
AS ADOPTED PURSUANT TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002**

I, Ronald E. Bruehlman, Executive Vice President and Chief Financial Officer of IQVIA Holdings Inc. (the "Company"), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) the Annual Report on Form 10-K of the Company for the year ended December 31, 2023 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the periods presented therein.

Date: February 15, 2024

/s/ Ronald E. Bruehlman

Ronald E. Bruehlman

*Executive Vice President and Chief Financial Officer*

(Principal Financial Officer)

This certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and shall not be deemed "filed" by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and shall not be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Report, irrespective of any general incorporation language contained in such filing.

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

## RESTATEMENT RECOVERY POLICY

**Section 1. Introduction.** The board of directors (the “Board”) of IQVIA Holdings Inc. (the “Company”) has adopted this policy (the “Policy”) to provide for the recovery by the Company, in the event of a Recovery Trigger (as defined below), of certain incentive-based compensation received by certain current and former executive officers, as further specified in this Policy.

This Policy is intended to comply with the requirements of Section 303A.14 (Erroneously Awarded Compensation) of the Listed Company Manual of the New York Stock Exchange (the “NYSE”) relating to the recovery of incentive-based compensation.

**Section 2. Administration.** The Board, or if delegated by the Board, the Leadership Development and Compensation Committee of the Board (the “Committee”), will administer and interpret this Policy and make all determinations for the administration of this Policy. Any determinations made by the Board and/or Committee, as applicable, will be final, binding, and conclusive on all affected individuals. For the avoidance of doubt, any director who is a Covered Individual (as defined below) under this Policy may not participate in discussions related to, or vote on, any potential recovery of their Incentive-Based Compensation (as defined below) under this Policy.

**Section 3. Statement of Policy.** Following the occurrence of a Recovery Trigger, the Company will recover reasonably promptly the Recoverable Compensation (as defined below) from the applicable Covered Individual(s), except as in accordance with this Policy.

**Section 4. Covered Individuals Subject to this Policy.** The Policy is applicable to any current or former “executive officer” of the Company as defined in Section 303A.14 of the NYSE Listed Company Manual who “received” (see Section 7 below) the subject Incentive-Based Compensation after beginning service as an “executive officer” and who served as an “executive officer” at any time during the performance period (for that Incentive-Based Compensation) covered by the Recovery Period (as defined below) (each, a “Covered Individual”).

**Section 5. Recovery Trigger for Accounting Restatements.** A “Recovery Trigger” will have occurred upon the earlier to occur of: (i) the date the Board, the Audit Committee of the Board, any other designated committee of the Board, or the officer or officers of the Company authorized to take such action concludes, or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement (as defined below), or (ii) the date a court, regulator or other legally authorized body directs the Company to prepare an Accounting Restatement.

For the purposes of this Policy, an “Accounting Restatement” means a restatement of the consolidated financial statements of the Company and its subsidiaries included in the Company’s filings with U.S. Securities and Exchange Commission (“SEC”) due to the material noncompliance of the Company with any financial reporting requirement under the U.S. federal securities laws, including any required accounting restatement (i) to correct an error in previously issued financial statements that is material to the previously issued financial statements or (ii) that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period.

For the avoidance of doubt, the Company’s obligation to recover Recoverable Compensation is not dependent on if or when the restated financial statements are filed with the SEC.

**Section 6. Recovery Period.** The Policy will apply to Incentive-Based Compensation “received” (see Section 7 below) during the three completed fiscal years immediately preceding the date on which a Recovery Trigger occurs (the “Recovery Period”). In addition to these last three completed fiscal years, this Policy applies to any transition period (that results from a change in the Company’s fiscal year) within or immediately following such three completed fiscal years. However, a transition period between the last day of the Company’s previous fiscal year end and the first day of its new fiscal year that comprises a period of nine to 12 months would be deemed a completed fiscal year.

**Section 7. Compensation “Received”.** Incentive-Based Compensation is deemed “received” by a Covered Individual in the Company’s fiscal period during which the Financial Reporting Measure (as defined below) specified in the Incentive-Based Compensation award is attained, even if the payment or grant of the applicable award occurs after the end of that period. Notwithstanding anything to the contrary contained herein, the only compensation subject to this Policy is Incentive-Based Compensation “received” by Covered Individuals on or after October 2, 2023 and while the Company had a class of securities listed on a national securities exchange or a national securities association.

**Section 8. Incentive-Based Compensation Subject to Recovery.** Any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a Financial Reporting Measure (“Incentive-Based Compensation”) will be subject to this Policy. A “Financial Reporting Measure” is a measure that is determined and presented in accordance with the accounting principles used in preparing the Company’s financial statements and any measures that are derived wholly or in part from such measures. Stock price and total shareholder return are also Financial Reporting Measures. A Financial Reporting Measure need not be presented within the financial statements or included in a filing with the SEC. Incentive-Based Compensation is subject to recovery under this Policy even if the Accounting Restatement was not due to any misconduct or failure of oversight on the part a Covered Individual.

**Section 9. Recovery of Recoverable Compensation.** In the event of a Recovery Trigger, the Company will seek to recover from any applicable Covered Individual an amount of Incentive-Based Compensation “received” (see Section 7 above) that exceeds the amount that otherwise would have been “received” (see Section 7 above) by such Covered Individual had it been determined based on the restated amounts, computed without regard to any taxes paid (such excess amount, the “Recoverable Compensation”). For Incentive-Based Compensation based on stock price or total shareholder return, where the amount of Recoverable Compensation is not subject to mathematical recalculation directly from the information in an Accounting Restatement (A) the amount must be based on a reasonable estimate of the effect of the Accounting Restatement on the stock price or total shareholder return upon which the Incentive-Based Compensation was “received” (see Section 7 above) and (B) the Company will maintain documentation of that reasonable estimate and, if required by the NYSE, provide such documentation to the NYSE.

**Section 10. Limited Exceptions to Recovery.** The Company must recover Recoverable Compensation in compliance with this Policy, except to the extent that the conditions of paragraphs (c)(1)(iv)(A), (B) or (C) of Section 303A.14 of the NYSE Listed Company Manual are met and the Committee, or in the absence of such a committee, a majority of the independent directors serving on the Board, has made a determination that recovery would be impracticable.

**Section 11. Method of Recovery.** The Board and/or Committee, as applicable, will determine in its sole discretion how the Company will effect any reimbursement or recovery pursuant to this Policy, including, but not limited to the following (in each case subject to applicable law): (1) seeking repayment from the Covered Individual; (2) reducing the amount that would otherwise be payable to the Covered Individual under any compensatory plan, program, agreement, policy or arrangement maintained by the Company or any of its affiliates; (3) canceling any outstanding vested or unvested award (whether cash- or equity-based) previously granted to the Covered Individual; or (4) any combination of the foregoing.

**Section 12. Policy Relationship to other Recoupment or Clawback Provisions.** This Policy supplements any requirements imposed pursuant to applicable law or regulations, any clawback or recovery provision in the Company's other policies, plans, awards and individual employment or other agreements (including any recovery provisions in the Company's equity incentive plans or award agreements), and any other rights or remedies available to the Company, including termination of employment.

In the event that a recovery is initiated under this Policy, amounts of Incentive-Based Compensation previously recovered by the Company from a Covered Individual pursuant to the Company's other policies, plans, awards and individual employment or other agreements shall be considered so that recovery is not duplicative, provided that in the event of a conflict between any applicable clawback or recoupment provision, including this Policy, the right to clawback or recoupment shall be interpreted to result in the greatest clawback or recoupment from the Covered Individual.

**Section 13. Amendment or Termination of Policy.** The Board may amend or terminate this Policy at any time, and from time to time, in its discretion, so long as the Company remains in compliance with applicable SEC and NYSE listing rules.

**Section 14. Disclosure.** The Company is required to file this Policy as an exhibit to its Form 10-K filed with the SEC and is also subject to the disclosure requirements of Item 402(w) of Regulation S-K, SEC Rule 10D-1 and Section 303A.14 of the NYSE Listed Company Manual, as applicable.

**Section 15. Indemnification.** The Company is prohibited from indemnifying any Covered Individual against the loss of Recoverable Compensation, including any payment or reimbursement for the cost of third-party insurance purchased by any Covered Individual to fund potential obligations to the Company under this Policy.

**Section 16. Successors.** This Policy shall be binding and enforceable against all Covered Individuals and their successors, heirs, beneficiaries, executors, administrators or other legal or personal representatives.

**Section 17. Validity and Enforceability.** To the extent that any provision of this Policy is found to be unenforceable or invalid under any applicable law, such provision will be applied to the maximum extent permitted, and shall automatically be deemed amended in a manner consistent with its objectives to the extent necessary to conform to applicable law. The invalidity or unenforceability of any provision of this Policy shall not affect the validity or enforceability of any other provision of this Policy. This Policy is intended to comply with, shall be interpreted to comply with, and shall be deemed automatically amended to comply with Section 303A.14 of the NYSE Listed Company Manual, and any related rules or regulations promulgated by the SEC or the NYSE including any additional or new requirements that become effective after October 2, 2023.

*Adopted by the Board of Directors on November 9, 2023*