

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

FORM SD
Specialized Disclosure Report

ELI LILLY AND COMPANY
(Exact name of registrant as specified in its charter)

Indiana
(State or Other Jurisdiction
of Incorporation)

001-06351
(Commission
File Number)

35-0470950
(I.R.S. Employer
Identification No.)

Lilly Corporate Center
(Address of Principal
Executive Offices)

Indianapolis, Indiana

46285
(Zip Code)

Jamie Haney (317-277-3278)
(Name and telephone number, including area code, of the person to contact in connection with this report)

Check the appropriate box to indicate the rule pursuant to which this form is being filed, and provide the period to which the information in the form applies:

Rule 13p-1 under the Securities Exchange Act (17 CFR 240.13p-1) for the reporting period from January 1 to December 31, 2013

Item 1.01. Conflict Minerals Disclosure and Report

Eli Lilly and Company (“the company”) has concluded its conflict minerals due diligence for the year ended December 31, 2013. In the course of the diligence process the company has identified the use of two minerals covered by Rule 13p-1 under the Securities Exchange Act of 1934 (one tin-based and one gold-based) that are used in components for one of the company’s medical delivery devices. The details related to the company’s due diligence process are outlined in the attached Conflict Mineral Report, filed herewith as Exhibit 1.02, also available on our company’s website at: <http://www.lilly.com/Responsibility/ethical-business/Pages/public-policy.aspx>. Based on the due diligence to-date, the company has been unable to determine the country of origin of the two covered materials.

The company plans to continue its due diligence efforts with the relevant supply chain partners in order to clearly identify the country of origin and smelters of the tin and gold used in our products.

Item 1.02 Exhibit

The Conflict Minerals Report required by Item 1.01 is filed as Exhibit 1.02 to this Form SD.

Item 2.01 Conflict Minerals Report

<u>Exhibit Number</u>	<u>Description</u>
1.02	Conflict Mineral Report

SIGNATURES

Pursuant to the requirements 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.

ELI LILLY AND COMPANY
(Registrant)

By: /s/ Elizabeth O'Farrell

Name: Elizabeth O'Farrell

Title: Chief Procurement Officer

Dated: May 30, 2014

Eli Lilly and Company Conflict Minerals Report

I. Background

Eli Lilly and Company (referred to herein as “Lilly,” “we,” “us” and “our”) has prepared this report as required by Rule 13p-1 under the Securities Exchange Act of 1934. Rule 13p-1 requires that public companies disclose in an annual Form SD and associated Conflict Minerals Report information regarding any conflict minerals that are “necessary to the functionality” of any products that such companies manufacture or have contracted to be manufactured. Specifically, Rule 13p-1 requires that a company:

- (i) determine whether any products that it manufactures (or contracts to have manufactured) contain conflict minerals,
- (ii)
- (iii) conduct a reasonable country of origin investigation to determine whether any such products originated in the Democratic Republic of the Congo or its adjoining countries (the “DRC”) or are from recycled or scrap sources, and

- (iv) exercise due diligence on the source and chain of custody of conflict minerals contained in its products to ascertain the origin and chain of custody of the conflict minerals, and whether the minerals financed or benefited armed groups in the DRC.

For the purposes of these requirements, the phrase “conflict minerals” refers to tantalum, tin, tungsten, and gold (hereinafter referred to as “3TG minerals” or “3TG”).

Company Overview and Products

Lilly is in the business of discovering, developing, manufacturing and marketing pharmaceutical products. Lilly currently has two business segments - human pharmaceutical products and animal health products. The mission of our human health pharmaceutical business is to make medicines that help people live longer, healthier, more active lives. Several injectable products in our human pharmaceutical business are marketed in combination with a medical device for patient convenience and adherence. Our animal health business develops, manufactures, and markets products for both food animals and companion animals.

As required by Rule 13p-1, we conducted a thorough search of the materials used as components in the manufacturing process or final materials for our products. As outlined in more detail below under “Reasonable Country of Origin Inquiry,” out of all of the products we manufacture, and out of the more than five thousand materials used either as a part of the manufacturing process or in the final product itself, only one product was found to contain 3TG minerals: one of our reusable insulin pens, representing less than 2% of the number of products that we market.

Eli Lilly and Company - Corporate Responsibility

We are strongly committed to corporate responsibility, with oversight from the most senior leadership in the organization. Lilly governs corporate responsibility issues through our global corporate affairs leadership, under the supervision of the Public Policy and Compliance Committee of the Board of Directors. We are concerned with the many human rights violations that occur in the DRC and the surrounding region, and have adopted a policy on conflict minerals that provides the following:

Lilly is concerned with the many human rights violations that occur in the Democratic Republic of Congo and the surrounding region. The conflicts that are occurring in this region may be financed by the mineral mining of cassiterite, columbite-tantalite, wolframite, and gold [3TG minerals]. In support of the provisions in the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Lilly is working to develop a better understanding of the supply chain of “conflict minerals” used in our products and will conduct due diligence to determine the origin of these raw materials to avoid the inadvertent support of businesses associated with human rights violations. This work will

require our suppliers to develop a thorough understanding of their supply chains. We expect our suppliers to provide information regarding the origin of parts or products supplied to Lilly and whether those parts or products contain “conflict minerals.”

This policy, along with more information regarding our efforts related to corporate responsibility, is included in our 2012-2013 Corporate Responsibility Report, available on our website at: http://www.lilly.com/Documents/Lilly_2012_2013_CRreport.pdf.

Summary of Process Used to Determine Whether Company Products Contain 3TG

As required by Rule 13p-1, we have conducted a review of our product and product components to determine whether those products contain 3TG minerals and, as necessary, have conducted follow-up diligence as outlined in more detail below, under “Due Diligence”. We structured our review process to take into account the fact that human pharmaceutical and animal health manufacturing processes are complex, highly regulated, and vary widely from product to product. There are hundreds of suppliers and third parties involved across all steps of the manufacturing process starting with raw materials and ending with the finished product that a patient receives. As a result, we elected to use a “product-centric” approach, rather than a “supplier centric” approach in performing our material inquiry.

Under this product centric-approach, we focused first on the materials included in our products to determine which products contained 3TG and to identify any suppliers that provide materials that contain 3TG. All of the materials used to manufacture Lilly’s products are included in a bill of materials (“BOM”). We reviewed over 50 BOMs for each product manufactured by Lilly. We also requested BOMs from suppliers for any products manufactured on Lilly’s behalf (or, in some cases, requested the supplier to complete a BOM review for 3TG minerals).

If any material listed on a BOM contained 3TG and was not made from recycled or scrap sources, we included the supplier of such materials in next step of our due diligence process described below. This process was used for all human pharmaceutical, animal health, and medical device products.

Based on the 3TG content assessment review, we were able to conclude that almost none of our suppliers provide components or products that contain 3TG minerals. Only one product was identified that was potentially in the scope of Rule 13p-1 that required follow-up due diligence. Our due diligence process with respect to that product is discussed in the following section. Because our reasonable country of origin process required by Rule 13p-1 was incorporated into our due diligence process, we do not describe that process separately below.

II. Due Diligence

Due Diligence Design and Measures

Our due diligence measures have been designed to conform with the due diligence framework presented by the Organisation for Economic Co-operation and Development (the “OECD”) in the publication *OECD (2013) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas: Second Edition, OECD Publishing* (“OECD Guidance”) and the related Supplements for gold and for tin, tantalum and tungsten.

Under the OECD Guidance, a downstream company such as Lilly is expected to:

- (1) establish strong company management systems to ensure that existing due diligence and management systems of companies in the supply chain are structured for effective due diligence,
- (2) identify and assess risks in the supply chain relating to the extraction, consolidation, transport, trading, and export of conflict minerals from conflict-affected and high-risk areas, and
- (3) design and implement a strategy to respond to identified risks in order to prevent or mitigate adverse impacts.

In accordance with the OECD Guidance, we undertook the following due diligence measures:

- established an internal, cross functional steering team to implement our conflict minerals due diligence measures;

- using information from our internal review process, identified one supplier that provided components containing 3TG;
- surveyed that supplier regarding the existence of 3TG in its products, the smelters or refiners of conflict minerals in its supply chains, and the country of origin of any conflict minerals;
- established the expectation that our suppliers would obtain the same information from their supply chains regarding entities that process necessary conflict minerals, and pass that information on to us; and
- conducted various follow-up queries in an effort to clarify certain responses received from our supplier and to update information previously provided to us by the supplier.

Conflict Minerals Steering Team

The conflict mineral due diligence process was conducted by an internal working group led by our procurement organization. Subject matter experts from supply chain, development, manufacturing, along with resources from the relevant company affiliates provided guidance and technical support to the working group throughout the process.

The working group was overseen by a cross functional steering team that included our Chief Procurement Officer and Chief Accounting Officer, along with other senior members of our legal, finance, and procurement teams. This steering team reviewed and approved the final analysis of our due diligence process and the Conflict Mineral Report was reviewed by the Public Policy and Compliance Committee.

The working group established the internal 3TG review process discussed above and due diligence process described below and oversaw the execution of both processes in connection with the preparation of this conflict minerals report for the year ended December 31, 2013.

The working group has also been working with other constituencies at the company whose areas of responsibility are implicated our conflict minerals policy to ensure that they are aware of and are working to ensure our adherence to our conflict minerals policy.

Due Diligence Related to the Source and Chain of Custody of the 3TG Components

The current supplier that uses 3TG (specifically gold and tin) (and its respective suppliers) have represented to us that they conducted their own due diligence for the medical device which they manufacture. The supplier was unable to provide complete documentation regarding the country of origin or the smelters from which the gold and tin that is incorporated into the medical device is sourced. As a result of our supplier's inability to provide us with this information, we had insufficient information from this supplier and were unable to conduct any diligence to determine the mine location of origin for the 3TG minerals used in the Lilly device.

Strategy To Respond To Identified Risks In Order To Prevent Or Mitigate Adverse Impacts

As stated above, we are committed to pursuing responsibly-sourced materials for use in our products and the manufacture thereof. We have developed and documented a process that can be replicated on an annual basis to support future submissions. We will continue to pursue further information from the supplier that has indicated that its sources for gold and tin are undeterminable, and we will be prepared to provide more detailed information in our Conflict Minerals Report for the year ending December 31, 2014.

As we develop or acquire future products that we will manufacture and/or sell, we will proactively analyze whether any 3TG minerals are present in such products and, if so, the source of such materials.

Working with Suppliers to Ensure Adherence to our Conflict Minerals Policy

As noted previously, we have adopted a publicly-available policy on conflict minerals. We have communicated our Conflict Minerals Policy to the suppliers that we have identified as providing products that contain 3TG. Our expectation is that our suppliers thoroughly understand their supply chains and work diligently to provide us with clear and accurate information regarding the source of the products they use.

We also are taking steps to ensure that our suppliers assist us in fulfilling our conflict minerals policy. Because we rely on our direct suppliers to work with their upstream suppliers in order that they may provide us with accurate information about the origin of 3TG in the components that are ultimately incorporated into our products, we are

considering ways in which our commercial agreements can help us ensure compliance with our policy. As we enter into new contracts or renew existing contracts, we will seek to add a clause that requires suppliers to identify the source of any 3TG included in products that we acquire from such suppliers.