

Shire's Disclosure Pursuant to California Transparency in Supply Chain Act of 2010 (SB 657)

Shire is committed to the protection of the human rights of our employees in our offices and manufacturing facilities around the world. In the highly regulated biopharmaceutical industry, we recognize that commercial success depends on the full commitment of all our employees and therefore commit to respecting their human rights, to provide them with safe and favorable working conditions that are free from unnecessary risk, and to maintain fair and competitive terms and conditions of service at all times. We seek to comply fully with all relevant laws, rules and regulations governing labor, employment and the employment relationship in all of the countries where Shire does business.

When choosing suppliers and partners we take ethical and responsibility factors into account. Shire conducts health, safety, environment (HSE) and labor standards assessments with our partners and suppliers where appropriate and expects them to commit to and uphold Shire's ethical standards. We aim to cultivate strong partnerships with suppliers involving long-term commitments that will provide jobs and revenue to local communities.

Shire's disclosure statement below includes information on how we monitor our suppliers for human trafficking and slavery, and on how we are working to improve our monitoring in this area. Your feedback on our disclosure statement is most welcome. Please email our Head of Responsibility and Corporate Brand, Brooke Clarke at brclarke@shire.com.

Disclosure of Shire pursuant to SB 657:

(1) Extent to which Shire engages in verification of product supply chains to evaluate and address risks of human trafficking and slavery, including if the verification was not conducted by a third party.

Shire expects its suppliers to comply with applicable laws, including those prohibiting the use of child labor, slave labor, or human trafficking. Shire supports the UN Universal Declaration of Human Rights, and commits to the principles articulated in the International Labor Organization's (ILO) "Declaration on Fundamental Principles and Rights at Work" which includes the following four major principles: (1) Freedom of association and the effective recognition of the right to collective bargaining; (2) Elimination of all forms of forced or compulsory labor; (3) Abolition of child labor, and; (4) Elimination of employment discrimination.

Shire commits to the protection of human rights of our partners and suppliers, and in turn, expects them to do the same in their operations and to their employees around the world. We do this through a regular and systematic audit of our suppliers, and our Responsible Supply Chain policy explicitly states our expectations of suppliers to uphold the ILO principles.

Shire requires all prospective suppliers of chemicals, active pharmaceutical ingredients, dosage formulations manufacturers, packaging, and distributors to complete a Self-Assessment Questionnaire for Pharmaceutical Industry Suppliers, in which they are asked to disclose employment practices including use of child labor, compliance with legal minimum wage requirements, prevention of discrimination or harassment in the workplace, and fair working conditions.

(2) Extent to which Shire conducts audits of suppliers to evaluate supplier compliance with company standards for trafficking and slavery in supply chains, including if the verification was not an independent, unannounced audit.

Shire uses the services of independent third parties to conduct announced HSE audits of its direct suppliers to assess compliance with Shire's expectations, including assessing observed conditions against those reported in the Self-Assessment Questionnaire. Shire will assess observations recorded during such audits and will determine whether corrective action plans or additional remedial measures may be required.

In 2014, Shire conducted Health, Safety, and Environment (HSE) audits at seven direct suppliers and one labor audit. Shire will continue to conduct HSE audits within its supply chain to meet a goal of competing audits with all direct suppliers by the end of 2018.

(3) Extent to which Shire requires suppliers to certify that materials incorporated into a product comply with slavery and human trafficking laws in the country or countries in which those suppliers are doing business.

Shire does not require a supplier to certify that materials incorporated into Shire products comply with slavery and human trafficking laws in the country in which it does business.

When selecting key suppliers, we will assess their approach to HSE management, and will make HSE performance a key requirement in our purchasing and contracting arrangements.

(4) Extent to which Shire maintains internal accountability standards and procedures for employees or contractors failing to meet company standards regarding slavery and trafficking.

Shire will comply with relevant legal requirements, laws and regulations wherever we operate. However, we regard compliance with local legislation as a minimum standard, to be exceeded where reasonably practicable, and will adopt global standards that define minimum performance expectations.

(5) Extent to which Shire provides company employees and management, who have direct responsibility for supply chain management, training on human trafficking and slavery, particularly with respect to mitigating risks within the supply chains of products.

All Shire employees receive annual training on Shire's Code of Ethics. All Shire employees in its supply chain function receiving training on Responsible Supply Chain Management, which includes as a fundamental principle, a concern that Shire suppliers shall be committed to uphold the human rights of workers and to treat them with dignity and respect, including a commitment that suppliers shall not use child, forced, bonded, or indentured labor or involuntary prison labor.