

California Transparency in Supply Chains Act of 2010

The California Transparency in Supply Chains Act of 2010 (SB 657) is intended to ensure consumers are provided with information about the efforts that certain companies are undertaking to prevent and eradicate human trafficking and slavery from their supply chains. The Act requires manufacturers and retailers who do business in California with more than \$100 million in annual worldwide gross receipts to disclose their efforts to eradicate slavery and human trafficking from their direct supply chain for tangible goods offered for sale.

Valeant Pharmaceuticals International, together with its applicable subsidiaries (“Valeant” or the “Company”) is committed to supporting human rights globally within our own organization and within its external supply base. Valeant expects its suppliers to conduct business abiding to all applicable regulations and laws. Valeant fully supports the intent of California’s law and opposes human trafficking and slavery in all forms.

Supplier Evaluation, Qualification, and Verification

Valeant uses a risk-based assessment process for evaluating, verifying and selecting direct suppliers. This qualification process may include supplier questionnaires or audits of supplier facilities, which may be completed by Valeant or a third party, following which Valeant verifies each direct supplier through the completion of a supplier risk assessment. Valeant expects all of its suppliers to abide by all applicable laws and regulations and maintain the highest ethical standards.

Supplier Agreements and Certification

In its supply agreements, purchase orders and other arrangements with its direct suppliers, Valeant includes provisions requiring such direct suppliers to comply with applicable laws and regulations, including as relates to the products or materials being supplied.

Supplier Audits

Valeant regularly conducts audits of its suppliers for compliance with applicable law and regulations and good manufacturing standards, as well as the performance of obligations under and the compliance with the terms and conditions of purchase orders and supply agreements. Valeant may conduct these audits directly or may utilize a third party.

Training and Accountability

Valeant has adopted and implemented its Standards of Business Conduct, which applies to apply to the Company and all of its worldwide divisions, subsidiaries and affiliated companies and is to be followed by all employees, contract employees and members of its Board of Directors. In connection with the Standards of Business Conduct, the Company seeks to (i) require the highest standard of business ethics and integrity on the part of its employees, members of its Board of Directors and third parties, (ii) comply with all applicable laws and regulations of the countries where we do business and (iii) maintain training and other related processes to ensure awareness and promote compliance with the Standards. . All employees certify on an annual basis that they have received, read, and been trained on the Standards of Business Conduct. The Company vigorously enforces the Standards of Business Conduct and will take prompt and appropriate action, up to and including termination of employment or other relationship, of those found to be in violation.