

PERRIGO COMPANY

Related-Party Transaction Policy

It is the policy of the Nominating & Governance Committee of the Board of Directors of Perrigo Company (the “Company”) that all Related-Party Transactions (as defined below) must be approved or ratified by the Nominating & Governance Committee.

Definitions

1. Related-Party Transaction. For purposes of this policy, a “Related-Party Transaction” means a transaction or arrangement or series of transactions or arrangements in which:

- the Company participates (whether or not the Company is a party),
- the aggregate amount involved will or is expected to exceed \$120,000 in any calendar year, and
- any Related Party (as defined below) has or will have a direct or indirect interest.

A transaction in which any subsidiary of the Company or any other company controlled by the Company participates shall be considered a transaction in which the Company participates.

2. Related Party. A “Related Party” covered by this policy is any:

- person who is or was (since the beginning of the last fiscal year for which the Company has filed a Form 10-K and proxy statement, even if they do not presently serve in that role) an executive officer, director or nominee for election as a director,
- beneficial owner of more than 5 percent of the Company’s common stock, or
- immediate family member of any of the foregoing.

For purposes of this definition, immediate family member includes a person’s spouse, parents, stepparents, children, stepchildren, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, and brothers- and sisters-in-law and anyone residing in such person’s home (other than a tenant or employee).

3. Transaction. A “Transaction” means any financial transaction, arrangement or relationship or any series of similar transactions, arrangements or relationships. The term also includes indebtedness and guarantees of indebtedness.

Procedures

1. Each executive officer, director or director nominee shall promptly notify the Chair of the Nominating & Governance Committee and the Company’s General Counsel of any actual or prospective Related-Party Transaction of which he or she is aware. The notice shall include:

- the name of the Related Party and the basis on which the person is a Related Party,
- the Related Party's interest in the Transaction, including the Related Party's position(s) or relationship(s) with, or ownership in, a firm, corporation, or other entity that is a party to, or has an interest in, the Transaction,
- the approximate dollar value of the amount involved in the Transaction,
- the approximate dollar value of the amount of the Related Party's interest in the Transaction, which shall be computed without regard to the amount of profit or loss, and
- any other information regarding the Transaction or the Related Party in the context of the Transaction that could be material to investors in light of the circumstances of the particular Transaction.

2. The Company's Legal Department will gather any additional, relevant information and make an initial determination, based on the facts and circumstances, whether an actual or proposed Related-Party Transaction exists and, if so, as to whether it should be approved/ratified or disapproved. From time to time, but at least annually, the Company's Legal Department will present to the Nominating & Governance Committee the facts, circumstances, and standards relating to Related-Party Transactions, along with its recommendation with respect to the Related-Party Transactions.

3. Except as set forth under "Exceptions" below, the Nominating & Governance Committee shall review the relevant facts of all Related-Party Transactions and either approve/ratify or disapprove the Related-Party Transaction.

- In determining whether to approve/ratify a Related-Party Transaction, the Nominating & Governance Committee will take into account, among other factors it deems appropriate, whether the transaction is in the best interest of the Company, the Company's rationale for entering into the transaction, alternatives to the transaction, whether the transaction is on terms at least as fair to the Company as would be the case were the transaction entered into with a third party, potential for an actual or apparent conflict of interest, and the extent of the Related Party's interest in the transaction.
- Prior to any approval or ratification of a Related Party Transaction involving a non-employee director or director nominee, the Nominating & Governance Committee also will consider whether the Transaction would compromise such director's status as:
 - an independent director under the NASDAQ Standards,
 - an "outside director" under Section 162(m) of the Internal Revenue Code or a "non-employee director" under Rule 16b-3 under the Exchange Act, if such non-employee director serves on the Compensation Committee of the Board, or
 - an independent director under Rule 10A-3 of the Securities Exchange Act of 1934, if such non-employee director serves on the Audit Committee of the Board.

- The Nominating & Governance Committee may also conclude, upon review of all relevant information, that the Transaction does not constitute a Related Party Transaction, and thus that no further review is required under the Policy.
- If after the review described above, the Nominating & Governance Committee determines not to approve or ratify a Related Party Transaction (whether such Transaction is being reviewed for the first time or has previously been approved and is being re-reviewed), the Transaction will not be entered into or continued, as the Committee shall direct.
- Any member of the Nominating & Governance Committee who has an interest in the transaction under discussion will abstain from voting on the approval of the Related Party Transaction, but may, if so requested by the Chair of that Committee, participate in some or all of the Committee's discussions of the Related Party Transaction.
- On an annual basis, the Nominating & Governance Committee shall review previously approved Related Party Transactions, under the standard described above, to determine whether such Transactions should continue.

Exceptions

Standing Pre-Approval for Certain Related-Party Transactions

The Nominating & Governance Committee has reviewed the types of Related-Party Transactions described below and determined that each shall be deemed to be pre-approved by the Nominating & Governance Committee, even if the aggregate amount involved will exceed \$120,000.

1. *Employment of executive officers.* The Company's employment of an executive officer if (a) the related compensation is required to be reported in the Company's proxy statement under Item 402 of the Securities and Exchange Commission's ("SEC's") compensation disclosure requirements (generally applicable to "named executive officers"), or (b) the executive officer is not an immediate family member of another executive officer or director of the Company, the related compensation would be reported in the Company's proxy statement under Item 402 of the SEC's compensation disclosure requirements if the executive officer was a "named executive officer," and the Company's Compensation Committee approved (or recommended that the Board approve) such compensation.

2. *Director compensation.* Any compensation paid to a director if the compensation is required to be reported in the Company's proxy statement under Item 402 of the SEC's compensation disclosure requirements.

3. *Certain transactions with other companies.* Any transaction with another company at which a Related Party's only relationship is as an employee, director or beneficial owner of less than 10% of that company's shares, if the aggregate amount involved does not exceed the greater of \$200,000, or 5 percent of that company's total annual revenues.

4. *Certain Company charitable contributions.* Any charitable contribution, grant or endowment by the Company to a charitable organization, foundation or university at which a Related Party's only relationship is as an employee, or a director, if the aggregate amount involved does not exceed the greater of \$200,000, or 5 percent of the charitable organization's total annual receipts.

5. *Transactions where all shareholders receive proportional benefits.* Any transaction where the Related Party's interest arises solely from the ownership of the Company's common stock and all holders of the Company's common stock received the same benefit on a pro rata basis (*e.g.*, dividends).

6. *Indemnification Payments.* Indemnification payments pursuant to the Company's Articles of Incorporation or By-laws or pursuant to any agreement or instrument shall not be Related Party Transactions.

Disclosure

All Related-Party Transactions shall be publicly disclosed to the extent and in the manner required by applicable legal requirements and legal standards. The Nominating & Governance Committee may determine that public disclosure of a Related-Party Transaction considered by the Nominating & Governance Committee shall be made even where not so required, where the Nominating & Governance Committee considers such disclosure to be in the best interests of the Company and its shareholders.

General

This policy should be interpreted in the context of applicable laws, regulations and listing requirements, as well as in the context of the Company's governing documents, but the policy is not intended to establish by its own force any legally binding obligations.