

## California Transparency in Supply Chains Act of 2010

On January 1, 2012, under the California Transparency in Supply Chains Act (SB 657), retailers and manufacturers doing business in California are required to publicly disclose their efforts to eradicate slavery and human trafficking from their supply chains.

Aerie Pharmaceuticals is becoming a major ophthalmic pharmaceutical company, dedicated to addressing the unmet needs of patients, healthcare providers, health plans, and other customers, while creating value for our employees, shareholders, and partners, through continuous innovation and operational excellence. As such, Aerie Pharmaceuticals is committed to ensuring that quality and safety standards are maintained throughout our supply chain. This includes our suppliers' compliance with applicable labor laws and statutes.

**Third-party Verification of Supply Chains:** Aerie Pharmaceuticals does not currently utilize a third party to evaluate its global supply to determine the risk of trafficking and forced labor. Our in-house personnel conduct this assessment in conjunction with the Company's Legal, Security, Internal Audit and Global Ethics and Compliance functions.

**Supplier Audits:** Aerie Pharmaceuticals conducts risk-based periodic audits of its suppliers, using both in-house and third-party auditors. Risk levels are assigned based upon our knowledge of the industry and the country of origin.

**Certification:** Aerie Pharmaceuticals does not currently require its direct suppliers to certify that all materials incorporated into its product were source, processed and manufactured in compliance with the human trafficking and slavery laws of the country or countries in which they operate. However, Aerie Pharmaceuticals' supplier agreements require the supplier to comply with applicable laws and regulations.

**Standards:** Aerie Pharmaceuticals has not established specific company standards on human trafficking and slavery. However, the Company's Code of Business Conduct and Ethics and other related policies require employees, as well as those entities and individuals with whom Aerie Pharmaceuticals does business to comply with the applicable laws and regulations governing the Company's global business activities.

**Non-Compliance:** If Aerie Pharmaceuticals has reason to believe that a supplier is not in compliance with our agreement, policies, or applicable laws and regulations, the Company will provide the supplier an opportunity to remedy the non-compliance and provide sufficient evidence to demonstrate that corrective action has been taken. If the supplier does not remedy the non-compliance, or if the corrective action cannot be verified by Aerie Pharmaceuticals, the Company will seek to eliminate the supplier from its supply chain.

**Training:** Aerie Pharmaceuticals' procurement personnel are trained to identify and respond to supply chain risks such as child or forced labor as part of the procurement process.

Additionally, all Aerie Pharmaceuticals employees are required to acknowledge and adhere to the Company's Code of Conduct. Violations of the Aerie Pharmaceuticals Code of Business Conduct and Ethics may result in disciplinary action up to, and including termination of employment.