

AGREEMENT GOVERNING THE EXCHANGE OF COMMERCIALY SENSITIVE INFORMATION THROUGH A CLEAN TEAM

This Agreement for Governing the Exchange of Commercially Sensitive Information through a Clean Team (the "**Agreement**") is entered into on April 30, 2018 by and between:

- (1) TAKEDA PHARMACEUTICAL COMPANY LIMITED whose registered office is at 1-1 Doshomachi 4-chrome, Chuo-ku, Osaka 540-8645, Japan ("**Takeda**"); and
- (2) SHIRE PLC whose registered office is at 22 Grenville Street, Jersey, JE4 8PX ("**Shire**").

Shire and Takeda are together referred to as the "**Parties**" and individually as a "**Party**".

1 Introduction

- 1.1 Takeda and Shire are in discussions in relation to a possible recommended offer by Takeda to acquire the whole of the issued and to be issued share capital of Shire (the "**Proposed Transaction**").
- 1.2 The Parties have entered into a non-disclosure agreement dated 22 April 2018 (the "**NDA**") and a confidentiality and joint defense agreement (the "**CJDA**") dated on or about April 30, 2018.
- 1.3 In connection with the Proposed Transaction, the Parties recognise that they will need access to commercially sensitive information of the other Party. This Agreement is intended to ensure that the exchange of Commercially Sensitive Information (as defined in Annex 1) does not give rise to any infringement of antitrust law and stipulates the procedure for the exchange of Commercially Sensitive Information.

2 The Parties hereby agree as follows:

- 2.1 The providing party will only disclose Commercially Sensitive Information to the receiving Party so far as is reasonably necessary for the purpose of:
 - 2.1.1 undertaking commercial due diligence in order to evaluate the Proposed Transaction;
 - 2.1.2 evaluating the synergies expected to result from the Proposed Transaction;
 - 2.1.3 planning the Proposed Transaction and integration process; and/or
 - 2.1.4 undertaking the antitrust and/or regulatory analysis and/or the preparation of filings or subsequent communication with any relevant antitrust and/or regulatory authority as required and agreed by the Parties in the context of the Proposed Transaction.
- 2.2 Subject to the terms of the NDA, each Party receiving Commercially Sensitive Information from the other Party will keep such information strictly confidential and will not use it for any purpose (including, but not limited to, any competitive or commercial purpose) other than those set out at clause 2.1 above.
- 2.3 Subject to the terms of the NDA, each Party receiving Commercially Sensitive Information from the other Party will ensure that such information is made available only to:

- 2.3.1 the employees, officers and directors who are part of the receiving Party's Clean Team (set out in Annex 2, as may be amended pursuant to clause 2.7); and,
- 2.3.2 external professional advisers hired by the receiving Party in connection with the Proposed Transaction (e.g. independent accountants, lawyers, economists, financial advisers)

in each case, to the extent (in the reasonable opinion of the receiving Party) they strictly need to receive and consider such Commercially Sensitive Information for the purposes set out in clause 2.1 above.

- 2.4 Each Party may designate that disclosure of certain Commercially Sensitive Information should be limited to certain individuals within a "sub-group" of a Clean Team, the members of such sub-group to be defined as the need arises and agreed to by the Parties at that time. Subject to clause 2.3.2 above, each Party shall procure that the individuals within each sub-group of its Clean Team must not share the relevant Commercially Sensitive Information with individuals outside the relevant sub-group.
- 2.5 Each Party will ensure that its Clean Team does not contain any persons involved in the day-to-day commercial/strategic operations and decisions (including decisions on pricing and future bids) of that Party and other commercially sensitive areas of business that compete with Takeda or Shire (as applicable) from the time a person first joins its Clean Team until two years from the time the Clean Team no longer has access to Commercially Sensitive Information.
- 2.6 Notwithstanding the generality of clause 2.3.1 above, a person will not become a member of a Clean Team until he/she has been made aware of his/her obligations under this Agreement and provided a signed acknowledgement in the form set out in Annex 3 to a relevant Legal Contact (as defined in clause 2.10 below) of the receiving Party.
- 2.7 Each Party is entitled to add to, remove and/or substitute the members of its Clean Team (including any Clean Team sub-group) at any time, subject to receiving written consent from a Legal Contact of the other Party (such consent not to be unreasonably withheld).
- 2.8 The receiving Party will ensure that Commercially Sensitive Information received from the providing Party is not passed to persons or entities outside the persons or entities identified in clause 2.3 above, and that the information is kept separate from all the documents and records of the receiving Party.
- 2.9 The Clean Team and/or the external professional advisers of the receiving Party may report to the employees, officers and directors of the receiving Party who are not members of such Clean Team any conclusions/findings arising from their review of such information as is reasonably required for the purposes stated in clause 2.1 above, provided that any Commercially Sensitive Information from the providing Party has been omitted, redacted, aggregated or anonymised. The Clean Team and/or external professional advisers may also provide the employees, officers and directors of the receiving Party who are not members of the Clean Team with a summary of the Commercially Sensitive Information of the providing Party, provided that this summary is in a form that no longer constitutes Commercially Sensitive Information (e.g., because the information has been sufficiently aggregated and/or anonymised). Any such reports must be reviewed by the recipient's outside antitrust counsel before it is distributed to persons outside of the Clean Team to ensure that such information is sufficiently aggregated or cleaned so as to remove any Commercially Sensitive Information, or the ability to deduce any Commercially Sensitive

Information. Without limiting the obligations under this Agreement, each Party agrees that the other shall be entitled to rely on its own outside antitrust counsel's instructions in meeting its obligations under this paragraph. The Clean Teams retain the right to describe the general nature of any information without disclosing the commercial terms or competitively sensitive details of the Commercially Sensitive Information. Each Party will designate a Legal Contact for its Clean Team. All requests for information, clarification or advice to, or from, the Clean Teams will be managed by the Parties' respective Legal Contacts. Each of the contacts listed below shall constitute "Nominated Representatives" in respect of the relevant Party for the purposes of Clause 3 of the NDA.

The Legal Contact for Shire are:

In house

Jeffrey Prowda
Head Counsel, Corporate
jprowda@shire.com
+1 617 588 8119

External counsel

Slaughter and May

Claire Jeffs
Partner
Claire.Jeffs@slaughterandmay.com
+44 (0)20 7090 4031

John Boyce
Partner
John.Boyce@slaughterandmay.com
+32 (0) 2 737 9411

Elena Krishnan
Associate
Elena.Krishnan@slaughterandmay.com
+44 (0)20 7090 3184

Rosalind Kenward
Associate
Rosalind.Kenward@slaughterandmay.com
+44 (0)20 7090 5891

Davis Polk & Wardwell LLP

Howard Shelanski
Partner
Howard.shelanski@davispolk.com
+1 (202) 962-7060

Jesse Solomon
Partner
Jesse.solomon@davispolk.com
+1 (202) 962-7138

Nathan Kiratzis
Associate
Nathan.kiratzis@davispolk.com
+1 (212) 450-4157

Benjamin Miller
Associate
Benjamin.miller@davispolk.com
+1 (202) 962-7133

The Legal Contacts for Takeda are:

In house

Yasushi Kojima
Deputy General Manager, Japan Legal
+81-6-6204-2054

yasushi.kojima@takeda.com

External counsel

Linklaters LLP:

Jonas Koponen
Partner
+32 2505 0227
+32 475 750548
jonas.koponen@linklaters.com

Anna Mitchell
Managing Associate
+44 207 456 2801
+44 7393 751169
anna.mitchell@linklaters.com

Maikel van Wissen
Managing Associate
+31 2079 96257
+31 651 867 379
maikel.van_wissen@linklaters.com

Thomas A McGrath
Partner
+1212 903 9140
+1917 751 1282
thomas.mcgrath@linklaters.com

Daniel Dukki Moon
Senior Associate
+1202 654 9221
+1347 967 6685
daniel.moon@linklaters.com

- 2.10** The Parties may replace, remove and/or specify additional Legal Contacts from time to time. Any change by a Party of the Legal Contacts will be communicated in writing to the Legal Contacts of the other Party.
- 2.11** It is expressly understood that nothing contained in this Agreement shall limit the right of the Parties to disclose any of their own documents or information, or any documents or information obtained independently and not pursuant to this Agreement, to anyone as they see fit.
- 2.12** Except as specifically provided herein, this Agreement shall not affect or supersede any other agreement(s) relating to the Proposed Transaction (including the NDA and CJDA) all of which remain in full force and in effect. Commercially Sensitive Information will also constitute Confidential Information (as defined in the NDA).
- 2.13** In the event of the termination of discussions or negotiations relating to the Proposed Transaction:
- 2.13.1** all Commercially Sensitive Information (including, without limitation, any copies of it) will be returned to the providing Party, destroyed or erased in accordance with the terms set out in the NDA; and
- 2.13.2** the obligations set out under this Agreement will continue in full force and effect (notwithstanding the return, destruction or erasure of Commercially Sensitive Information and any copies of it) until the expiry of the period ending three years after the termination of such discussions or negotiations.
- 2.14** The obligations set out in this Agreement shall cease to have effect upon completion of the Proposed Transaction.
- 2.15** This Agreement may be entered into in any number of counterparts, and by the Parties on separate counterparts, but will not be effective until each Party has executed at least one counterpart. Each counterpart will constitute an original of this Agreement, but all the counterparts will together constitute but one and the same instrument.
- 2.16** The rights and remedies of the Parties under this Agreement are cumulative and not exclusive of any rights or remedies provided by law.
- 2.17** No failure or delay by either Party in exercising any right, power or privilege under this letter will operate as a waiver of it, nor will any single or partial exercise of it preclude any further exercise or the exercise of any right, power or privilege under this letter or otherwise. The terms of this letter may not be varied or terminated without the prior written consent of each Party. No waiver of any provision of this letter will be binding upon either Party unless in writing signed by the Party granting the waiver.
- 2.18** Any waiver of a breach of this Agreement will not constitute a waiver of any subsequent breach.
- 2.19** The Parties acknowledge and agree that a breach of the provisions of this Agreement would cause the Parties to suffer irreparable damage that could not be adequately remedied by an action at law. Accordingly, Takeda agrees that Shire and Shire agrees that Takeda, is entitled to seek the remedies of injunction, specific performance and other equitable relief for any threatened or actual breach of any such provision by the other Party or any other relevant person and no proof of special damages shall be necessary for the

enforcement by either Party of the rights under this Agreement and to seek any other remedy, including, inter alia, damages and injunction relief, awarded by a court of competent jurisdiction as set out in clause 2.21 below.

2.20 This Agreement, and any matter, claim or dispute (whether contractual or non-contractual) arising out of or in connection with it, will be governed by, and construed in accordance with, the laws of England and Wales.

2.21 Each of the Parties irrevocably agrees that the English courts have exclusive jurisdiction to settle any claim or dispute which may arise out of, or in connection with, this letter or the relationship between the Parties or the conduct of any negotiations in relation to the Proposed Transaction and that accordingly any proceedings arising out of, or in connection with, this letter shall be brought in such courts. Each of the Parties irrevocably submits to the jurisdiction of such courts and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

2.22 Takeda hereby irrevocably appoints Hackwood Secretaries Limited of One Silk Street, London EC2Y 8HQ as its agent for service of process in England and Wales.

In witness whereof this Agreement has been duly executed on the date first set out above:

SIGNED by Yasushi Kojima
for and on behalf of Takeda:

/s/ Yasushi Kojima
Title: Deputy GM, Japan Legal

SIGNED by Bill Mordan
for and on behalf of Shire:

/s/ W R Mordan
Title: General Counsel and
Company Secretary

Annex 1– Definition of Commercially Sensitive Information

- 1** Subject to clause 2 below, Commercially Sensitive Information is Confidential Information (as defined in the NDA) relating to the commercial strategy of either Party that might be expected to influence the commercial strategy of the other Party. For the purposes of the Agreement, Commercially Sensitive Information will include, without being limited to, the following information:
 - current, recent, or future pricing information or intentions (including price related terms such as discounts, rebates, commissions etc.);
 - current, recent, or future commercial strategy (including business plans) or marketing plans;
 - key commercial terms of supply contracts, sales contracts, or other major agreements (e.g. JV agreements);
 - specific customer information (including details of specific customer terms);
 - detailed price, margin and/or other financial information in particular on recent awards/lost orders/current projects (including revenue/contract value/selling price; margins);
 - existing specific customer or supplier contracts with competitively sensitive terms (e.g. identity of customer/supplier; revenue/contract value/selling price; margins; cash flow and profit; original estimated profit; project costs; payment terms) not having been redacted;
 - specific (non-aggregated) current, recent, or future costs relating to individual products, including costs of inputs, suppliers and facilities;
 - unannounced plans to make significant investments;
 - detailed information regarding pipeline products, proposals, research and development;
 - information regarding intentions to bid for new customers or ongoing negotiations with customers or suppliers;
 - detailed information on prospective bids and/or specific projects not yet awarded/under negotiation (including identity of customer and project name, specific location, order value);
 - current or proposed proprietary technologies, trade secrets or methods of doing business; and
 - detailed current and back wage or salary information.

- 2** Commercially Sensitive Information will not include information which: does not constitute “Confidential Information” as defined in the NDA.

Annex 2 – Clean Team members

Shire Clean Team members

Name	Title	Sub-Group (if applicable)
Jeffrey Prowda	Head Counsel, Corporate	
Clare Fisher	Head of Business Development	
William Tilton	Head of Due Diligence/ Integration	
Robert Hollowell	Head of Strategy – Business Development	

Takeda Clean Team members

Name	Title	Sub-Group (if applicable)
John Bathery	Vice President, US Business Development	
John Liu	Business Development Program Lead, US Business Unit	
Todd Lewis	Director of New Product Planning	

Annex 3

Acknowledgment of Agreement Governing the Exchange of Commercially Sensitive Information through a Clean Team

To: [Legal Contact of Receiving Party]

[DATE]

- 1 I, [name of individual], have read the foregoing Agreement Governing the Exchange of Commercially Sensitive Information through a Clean Team dated [●] (the “**Agreement**”), and agree to be bound by its terms with respect to any Commercially Sensitive Information that is furnished to me as set out in the Agreement.
- 2 I, [name of individual], further agree:
 - 2.1 not to disclose to anyone any Commercially Sensitive Information other than as set out in the Agreement;
 - 2.2 to use the Commercially Sensitive Information only under the terms outlined in the Agreement; and
 - 2.3 that any Commercially Sensitive Information furnished to me will be used by me only for the purposes set out in clause 2.1 of the Agreement in connection with the Proposed Transaction, and for no other purpose, and will not be used by me in any business affairs or be imparted by me to any other person other than as set out in the Agreement.

Agreed to and Accepted on _____

Signature: _____

Title: _____

Company: _____