

Shareholder Resolution

RESOLVED: Shareholders request that Allergan issue a report, updated annually and omitting proprietary information, disclosing the Corporation's recent activities and future plans to eliminate the animal-based LD₅₀ test from the manufacturing process of Botox and Botox Cosmetic. This report should be prepared at a reasonable cost and posted on the Corporation's website.

SUPPORTING STATEMENT

As an Allergan shareholder, The Humane Society of the United States (HSUS) supports efforts to reduce the use and suffering of animals in safety testing. Allergan has publicly affirmed its commitment to humane testing practices. That commitment was challenged in 2003, with the revelation that Allergan uses the widely criticized LD₅₀ test in manufacturing its flagship products, Botox and Botox Cosmetic.

The LD₅₀ (or Lethal Dose 50%) is the amount of a substance that will kill 50% of a test group of animals. In this test, botulinum toxin, the active ingredient of Botox and Botox Cosmetic, causes prolonged suffering and death from suffocation after 3 to 4 days.

At a 2006 meeting on testing botulinum toxin products convened at the request of HSUS, regulators signaled their willingness to accept alternative methods of assessing the potency of these products once new methods are validated. At the meeting, Allergan reported its progress in replacing the LD₅₀ test with more modern and humane alternatives.

In addition to the Corporation's current technical updates at occasional scientific meetings, providing periodic reports to shareholders and other interested parties would demonstrate Allergan's commitment to progress and transparency in achieving its stated goal of eliminating the LD₅₀ test. Such openness, coupled with sustained progress, would prevent conflicts with the animal protection community.

Allergan's use of the LD₅₀ test warrants attention from management and shareholders for several reasons:

- Causing animals to suffer for the sake of a product with a cosmetic application (Botox Cosmetic) is widely perceived as unethical.
- Allergan is relying on a test that was developed in 1927, is considered outdated and crude, and has been all but abandoned by the safety testing community.
- Although the LD₅₀ test is the industry standard for assessing the potency of botulinum toxin products, Allergan is particularly vulnerable to public criticism because it is the only company currently licensed to sell such products for cosmetic purposes in the U.S.

- The testing controversy concerns Botox and Botox Cosmetic, which accounted for nearly 33% of Allergan's net sales in 2006.
- A Botox-like product manufactured with a non-animal alternative test would have a strong marketing advantage in the U.S.
- If a competitor devised an LD₅₀ test alternative that became the industry standard, Allergan could be compelled to use a new method better suited to a competitor's manufacturing process.

Given the seriousness of the issue, Allergan should protect the Corporation and its shareholders by providing updates on its efforts to replace the LD₅₀ test. The National Research Council forecasts that, within a generation, new methods will greatly reduce, if not eliminate, animal testing. Eliminating LD₅₀ testing should be a priority in this process.