

Patients First

2016 CORPORATE
RESPONSIBILITY REPORT
EXECUTIVE SUMMARY



TERRY BARTER (RIGHT) WAS
DIAGNOSED WITH MULTIPLE
MYELOMA AND TREATED WITH
REVLIMID®

Reporting Period Highlights

SET ENVIRONMENTAL GOALS

For the first time, we have set quantifiable, prospective targets for key environmental metrics, including reducing greenhouse gas emissions, purchasing renewable electricity, reducing water withdrawal and reducing solid waste generation.

INCREASED RENEWABLE ENERGY

As part of our effort to combat climate change, we increased our usage of electricity from renewable sources by 46 percent in 2015 as compared to 2014.

EXPANDED OUR SUMMIT, NEW JERSEY, HEADQUARTERS

In 2015, we completed the newest building at our headquarters campus. The building, which accommodates an additional 900 employees, was designed and constructed with a focus on environmental sustainability.

ENGAGED EXTERNAL STAKEHOLDERS

We invited nearly 50 external stakeholders to a week-long online engagement session to obtain feedback on our corporate responsibility approach and material topics. Following the session, we used the insights we received to update and enhance our materiality matrix.

COMMUNICATED CELGENE'S PRINCIPLES FOR PRICING OF INNOVATIVE MEDICINES

We engaged stakeholders in dialogue around Celgene's holistic approach to the volume and pricing of our innovative medicines.

REVLIMID® (LENALIDOMIDE) A FIRST-LINE TREATMENT FOR MULTIPLE MYELOMA

In 2015, REVLIMID® received approval in the US and EU (for patients ineligible for transplant), in combination with dexamethasone, as a first-line treatment for patients newly diagnosed with multiple myeloma. REVLIMID® plus dexamethasone was previously approved as a second-line treatment for multiple myeloma in nearly 70 countries, encompassing Europe, the Americas, the Middle East and Asia.

CELEBRATED ACCOMPLISHMENTS OF PEOPLE LIVING WITH PSORIASIS

In 2016, we teamed up with 12-time Olympic medalist, best-selling author and mother Dara Torres in a *show more of you* campaign to inspire people living with psoriasis to celebrate their accomplishments.

Message from the CEO

At Celgene, we are committed to discovering, developing and commercializing innovative medicines for patients with serious unmet medical needs.

Our intense focus on science and innovation has produced important therapies with significant value for patients and society, but we know that millions of people with life-threatening or life-altering diseases remain severely underserved by current treatments.

This knowledge and the countless interactions we have with patients and other stakeholders across the global healthcare ecosystem are constant reminders that our core purpose is to change the course of human health through bold pursuits in science and a promise to always put patients first. Our corporate responsibility framework is grounded in our values: passion for the patient; courage to face our challenges and the unknown; trust in our words and actions; excellence in delivering exceptional results; and curiosity and continuous learning.

In an effort to increase transparency relating to our corporate responsibility efforts, as part of this year's corporate responsibility reporting process we elicited input from key external

stakeholders regarding our determination of the economic, environmental, social and governance issues that are most impactful to the Company's current and future activities.

We recognize that we create the most value for all our stakeholders when we develop medicines that improve and extend the lives of patients today, while we invest in our vision of finding cures. True to this principle, during the reporting period, we continued to invest at an industry-leading level in Research and Development (R&D) with the goal of discovering and developing best-in-class products.

In addition to building for tomorrow through collaborations and significant investment in R&D, ensuring patients have access to our treatments today is critically important. Celgene Patient Support[®] provides patients with a dedicated, central point of contact to assist them with accessing their prescribed Celgene medications.

Our principled approach to pricing innovative therapies is driven by the value these medicines bring to patients, healthcare systems and society and the recognition that pricing should help provide incentives for the continued investment in the discovery and development of even more innovative medicines.

Finally, as a company committed to science, we know the health of every person on the planet ultimately depends on the health of the planet itself. And we continue to demonstrate this belief through established and quantifiable environmental 2020 targets for greenhouse gas emissions, renewable electricity, water consumption and solid waste.

Our outlook has never been more dynamic or held as much promise as it does today. Everyone at Celgene remains focused on maximizing our potential and doing so with the highest integrity.

Mark J. Alles
Chief Executive Officer



Celgene at a Glance

OUR PURPOSE

Changing the course of human health through bold pursuits in science, and a promise to always put patients first.

1986

Founded in 1986 and headquartered in Summit, New Jersey

7,000

Approximately 7,000 employees

\$9.3B

\$9.3 billion in revenue in 2015

43

programs in preclinical development

50

treatments in clinical trials

31

pivotal Phase III programs underway

90+

Serving patients in 90+ countries

34%

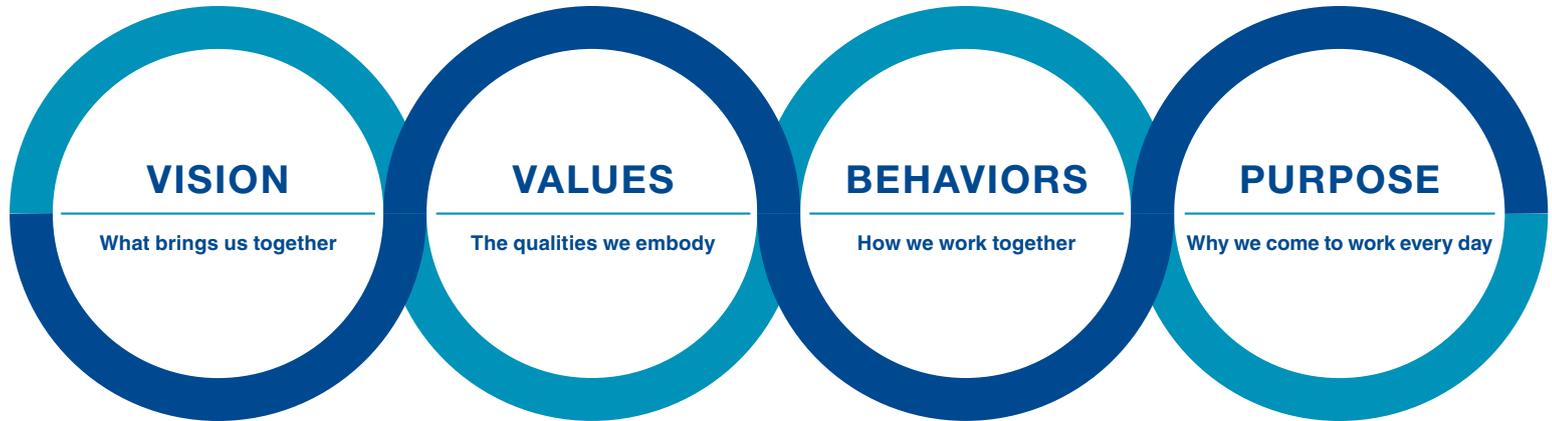
On average, 34% of revenue was invested in R&D between 2011 and 2015*

EXTERNAL RECOGNITION

- **Newsweek Green Rankings (2016):** Ranked #54 in the United States, up 99 spots from 2015, and #97 worldwide, up 154 spots from 2015
- **IDEA Pharma (2016):** Ranked one of the top 10 most innovative biopharma companies
- **Fortune 500's Fastest-Growing Pharmaceutical Companies (2015):** Ranked #2
- **Business Insider (2015):** The best companies to work for in America, ranked #6
- **FutureBrand (2015):** 100 top global companies, ranked #9
- **Barron's (2015):** 100 most respected companies worldwide, ranked #28
- **Science Careers (2015):** Top employers survey, ranked #12
- **BioSpace (2015):** Top 10 Biotech Industry Leaders Based on Largest Market Value, ranked #3
- **Boston Consulting Group Partnering Survey (2015):** In BCG's Biopharmaceutical Partnering Survey, released in 2015, the firm concluded that "Celgene stands out once again as the strongest in partnering skills."

* On average and on a generally accepted accounting principles (GAAP) basis

Our Culture



Celgene is building a preeminent global biopharmaceutical company focused on the discovery, development and commercialization of innovative therapies for **patients** with cancer, immune-inflammatory, and other unmet medical needs

- Passion for the **patient**
- Courage to face our challenges and the unknown
- Trust in our words and our actions
- Excellence in delivering exceptional results
- Curiosity and continuous learning

- We assume the best of each other
- We embrace diversity and promote inclusion
- We act with integrity and treat everyone with dignity and respect
- We communicate transparently and debate openly
- We pursue disruptive and innovative solutions for **patients**

Changing the course of human health through bold pursuits in science, and a promise to always put **patients** first

Corporate Responsibility at Celgene

At Celgene, we strive to fulfill our responsibilities to society by applying forward-looking practices, strong values, ethics and integrity to every aspect of our work. Bold science that benefits patients is at the core of our values and our business. Underlying our company's culture is a strong belief in corporate responsibility that is predicated on our vision, values, behaviors and purpose—which, together, are the foundation of our approach to ethical and responsible business. This foundation reflects

THERAPEUTIC AREAS

Celgene is committed to helping patients who suffer from a wide range of debilitating diseases. Our initial focus was on cancers and blood disorders, including immunomodulation in cancer, solid tumor cancers, and blood disorders and diseases. While this is still a core area of expertise, we are committed to addressing a diverse range of patient needs. For example, we have created and are creating new therapies for patients around the world with immune-inflammatory disorders.

Celgene's role within the global ecosystem of medical innovation in support of positive opportunities for patients, our partners, our employees and the environment.

We organize corporate responsibility around the following central dimensions:

- **Patients first:** *We deliver the value of innovative medicines to patients around the world with the ambitious goal of finding cures for patients with significant unmet medical needs.*
- **Employees and communities:** *We nurture the commitment and passion of our people while contributing to and partnering with our communities.*
- **Environment:** *We manage our environmental footprint to promote a healthy planet.*
- **Business with integrity:** *We reinforce a culture of excellence and integrity that governs all we do, from enabling new discoveries to ensuring that patients benefit from them.*

A copy of Celgene's Corporate Responsibility Report as well as our most recent Corporate Responsibility and Sustainability Policy can be found at: www.celgene.com/responsibility.

MATERIALITY

We assess our corporate responsibility work and practices in terms of issues and topics that are material to Celgene's current operations, those that are potentially material in the near future, and those that are not directly controlled, such as activities within our supply chains. Items and aspects deemed material have a financial, social, or environmental impact on our day-to-day operations.

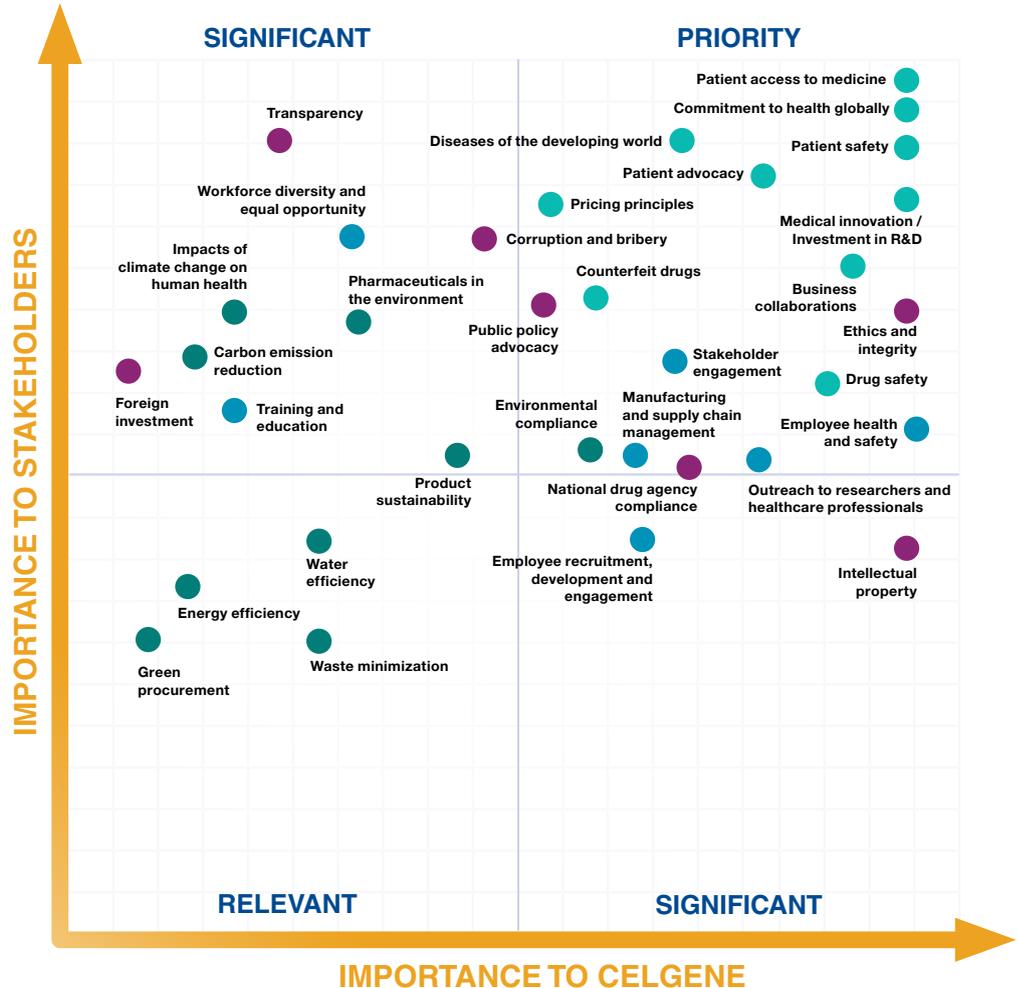


Materiality Matrix

OBTAINING STAKEHOLDER INPUT ON MATERIALITY AND CORPORATE RESPONSIBILITY

In 2016, we enhanced our materiality assessment by gathering feedback directly from key external stakeholders. To do this, we organized a virtual engagement process through a highly interactive online platform. We invited nearly 50 stakeholders from a range of backgrounds to participate, including global health, patient advocacy, environmental management, and government affairs. Following the session, we used the insights we received to update and enhance our materiality matrix.

The top right quadrant of the matrix indicates areas of priority to both stakeholders and Celgene.



MATERIALITY MATRIX KEY

- Patients first
- Employees and communities
- Environment
- Governance

Patients First

We strive to ensure that patients are at the heart of everything we do.

Underlying this commitment is our dedication to change the course of human health through bold pursuits in science and transformational medicines.



PHIL FALKOWITZ WAS DIAGNOSED WITH MULTIPLE MYELOMA AND TREATED WITH REVLIMID®

PATIENT SAFETY

At Celgene, we are focused on providing patients with safe access to our treatments. We subject our safety programs to independent external benchmarking that compares our activities to more than 15 other leading biopharmaceutical companies—and Celgene consistently places among the highest performing companies.



FIONA PIRILLA WAS DIAGNOSED WITH MYELODYSPLASTIC SYNDROME (MDS) DELETION 5Q AND TREATED WITH REVLIMID®

In 2016, we enhanced governance for patient safety with the creation of the Patient Safety Oversight Board. We established this board to gain executive-level awareness, input, and oversight to ensure that we always operate compliantly and with high levels of patient-centricity.

PATIENT ADVOCACY

Patient advocacy is undertaken by teams around the world. These teams work with nearly 300 patient groups to support and advocate on behalf of patients and their families.

CELGENE PATIENT SUPPORT® – US

This US-based program helps patients access the Celgene Hematology or Oncology medication their physicians have prescribed. The program provides:

- A Celgene Patient Support Specialist assigned to the patient to provide personal and direct support from a single source
- Assistance with identifying financial resources
- Assistance with understanding the insurance approval process

RESEARCH AND DEVELOPMENT

We're proud of our ongoing investment in research and development. Over the past five years, we have invested an average of 34% of revenue in R&D (on average and on a generally accepted accounting principles (GAAP) basis).

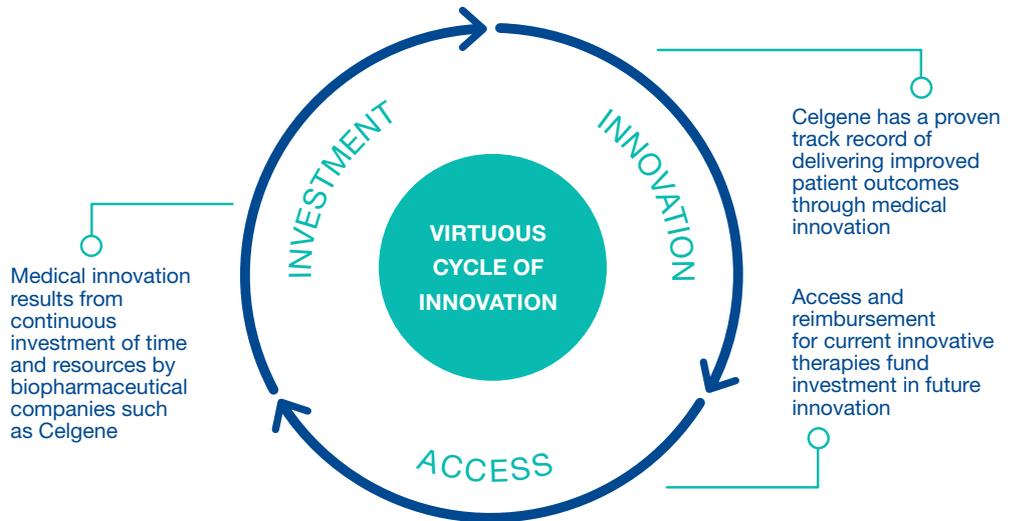
MEDICAL INNOVATION

Medical innovation is the process of turning knowledge about a disease mechanism at the genetic and cellular level into products that prevent or cure illness. At Celgene, we take our role in the healthcare ecosystem very seriously, striving to be a leader in medical innovation, pursuing transformational science that may translate into life-enhancing medicines.

1.2M+
**OVER THE PAST 10 YEARS,
 MORE THAN 1.2 MILLION
 PATIENTS AROUND THE WORLD
 HAVE BEEN TREATED WITH
 CELGENE PRODUCTS**

MEDICAL INNOVATION IS A VIRTUOUS CYCLE REQUIRING COMMITMENT

Improvements in healthcare are an important global source of gains in health, longevity, and productivity.



Patients First (Continued)

GLOBAL HEALTH

At Celgene, our commitment to changing the course of human health extends to those living in developed nations and those living in developing parts of the world.

BUILDING HEALTHCARE CAPACITY FOR PATIENTS IN AFRICA: AMPATH

For several years, Celgene has worked with the Indiana University School of Medicine,

Moi University Teaching and Referral Hospital in Eldoret, Kenya, and a consortium of North American academic health centers to deliver health services, conduct health research, and develop leaders in healthcare for both North America and Africa. The institutional collaborators are collectively named the Academic Model Providing Access to Healthcare (AMPATH).

Celgene's support to the AMPATH Oncology Institute has enabled the creation of a successful multiple myeloma (MM) program, the first and only in Kenya. Celgene is also providing robust assistance to AMPATH's pharmacy infrastructure and novel patient care strategies—including education for patients with hematologic disorders, pharmaceutical supply chain enhancement, physical infrastructure support, and the development of a pharmacy residency training program.



Employees and Communities



Our employees are dedicated to pursuing our purpose every day.

EMPLOYEES

Putting patients first is only possible because of the commitment of approximately 7,000 employees who make Celgene possible.

DIVERSITY AND INCLUSION

Globally, women comprise 54 percent of our global workforce and 46 percent of our management positions. We're also proud that as a result of our Diversity and Inclusion-focused initiatives, our Human Rights Campaign Corporate Equality Index score increased from 30 in 2015 to 70 in 2016.

EMPLOYEE SAFETY

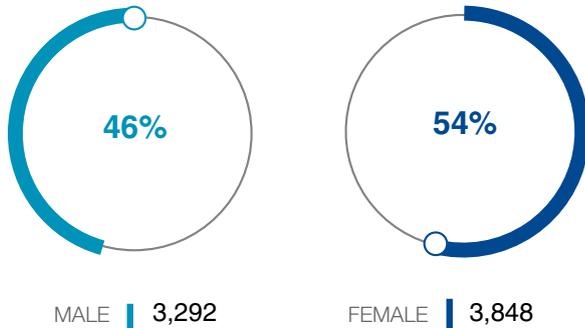
We're dedicated to providing a safe, healthy, and environmentally responsible workplace for our employees, contractors, and visitors.

BENEFITS

Celgene employees enjoy a high level of benefits—befitting our most important resource. These benefits include opportunities for professional development and a wide range of wellness options.



WORKFORCE BY GENDER



CELGENE GLOBAL SAFETY METRICS

	2013	2014	2015	Industry Rate
Injury and Illness Rate	0.62	0.56	0.20	2.0
Lost Day Case Rate	0.10	0.14	0.03	0.7
Occupational Disease Rate	0.11	0.02	0.0	N/A
Fatalities	0	0	0	N/A

WORKFORCE STATISTICS

		2013	2014	2015
Workforce		5,319	6,366	7,140
Gender	Male	2,517	2,944	3,292
	Female	2,802	3,422	3,848
Region	Americas ¹	3,271	3,904	4,297
	Europe ²	1,589	1,950	2,296
	APAC	282	304	318
	Japan	177	208	229
Type	Full-Time	5,214	6,123	6,971
	Part-Time	105	243	169
Hires		870	1,327	1,268
Region	Americas ¹	505	765	653
	Europe ²	261	450	511
	APAC	89	74	62
	Japan	15	38	42

1 Americas does not include field based employees in US or Canada, nor employees at Basking Ridge site, Chicago site, Seattle site, Brazil or Mexico

2 Europe includes only Boudry, Zofingen, Madrid, Sevilla, Paris, London, Munich and Milan sites

70

**CELGENE'S HUMAN RIGHTS CAMPAIGN
CORPORATE EQUALITY INDEX SCORE IN 2016,
UP FROM 30 IN 2015**

Employees and Communities (Continued)

COMMUNITIES

We see the communities where we work and live as extensions of Celgene and are committed to creating a positive impact in each one. We're proud that our people devote countless hours to volunteering in support of activities and events in their communities.

CELGENE COMMUNITY INITIATIVES

Every year, Celgene supports three signature events including through corporate matching of employee contributions:

- **Light the Night® Walk:** A fundraising campaign benefiting the Leukemia & Lymphoma Society (LLS) and their funding of research to find blood cancer cures. Celgene employees come together with friends, family, and co-workers to
- **PurpleStride:** A signature event of the Pancreatic Cancer Action Network, a nationwide network of people dedicated to working together to advance research, support patients and create hope for those

form fund-raising walk teams. During the 2015 event, over 1,000 people walked on 86 Celgene teams, raising close to \$400,000. In 2015, Celgene ranked #4 overall among the top national teams.

#1

OUR RANKING AS LEUKEMIA AND
LYMPHOMA SOCIETY
BIO-PHARMA PARTNER FOR
LIGHT THE NIGHT



affected by pancreatic cancer. Celgene was the first National Presenting Sponsor of the PurpleStride events. Celgene is currently the Pancreatic Cancer Action Network's largest corporate contributor. In 2015 alone, more than 150 Celgene employees participated in PurpleStride runs/walks.

- **Team NPF Cycle:** Launched by the National Psoriasis Foundation (NPF) in 2014, the Team NPF Cycle program raises money to provide people with psoriatic disease the services they need to live well, while funding research for a cure.

CORPORATE GIVING

We focus our charitable and philanthropic support on health and social service programs, science education, and local community support. Celgene supports roughly 50 organizations in the US, and dozens more around the world, including 12 in the United Kingdom. You'll find more information about our charitable and philanthropic contributions, as well as the application process for funding requests on www.celgenesponsorshipsanddonations.com.



Environment

As a science-based company, we know that supporting environmental stewardship efforts is critical for a healthy planet.

We also know that the health of our planet has an impact on the health and well-being of people everywhere, and that our actions have the potential to affect people and the environment not just today, but well into the future.

SETTING 2020 ENVIRONMENTAL GOALS

In early 2016, Celgene's Sustainability Committee identified four actionable and measurable environmental goals that are of material importance to Celgene and for which new 2020 improvement targets were set: greenhouse gas (GHG) emissions, electricity sourcing, water withdrawal, and waste generation.

We believe these new goals will continue to drive us forward over the years to come. Using 2015 as a baseline, the new targets for 2020 are shown here.

ENVIRONMENTAL SUSTAINABILITY

Celgene's environmental management approach incorporates best practices and

programs related to energy, water, waste, transportation, and supply chain operations within our company. Our approach includes:

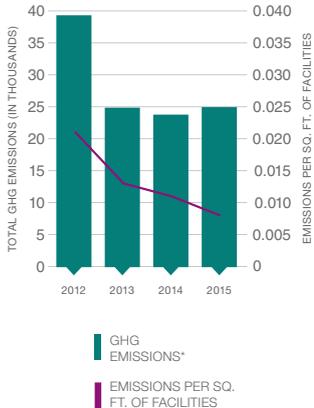
- Researching and implementing projects to reduce environmental impacts that generate measurable and meaningful results
- Realizing risks and opportunities related to climate change
- Educating and motivating our employees to participate in environmental stewardship plans
- Reporting and disclosing the Company's environmental performance and progress



Target Area	2020 Target	2015 Qty	Units
Direct + Indirect Greenhouse Gas Emissions	Reduce emissions from our facilities and emissions from purchased electricity by 20%	24,947	Metric tons CO ₂ e
Purchasing of Renewable Electricity	Increase purchasing of electricity derived from certified renewable energy sources by 15%	28,847	MWh
Total Water Withdrawal	Decrease water withdrawal by 10%	396,590	m ³
Solid Waste Generation	Decrease solid waste (non-hazardous trash) generation by 10%	1,351	Tons

ENVIRONMENTAL PERFORMANCE HIGHLIGHTS

GREENHOUSE GAS EMISSIONS (METRIC TONS CO₂E)



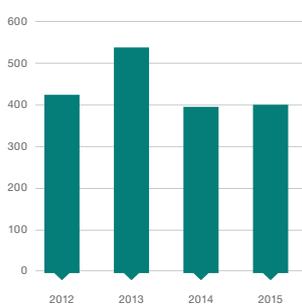
36% decrease in GHG emissions since 2012

ELECTRICITY USE FROM RENEWABLE AND NONRENEWABLE SOURCES (GJ)



46% more electricity from renewable sources than in 2014

TOTAL WATER WITHDRAWAL (CUBIC METERS IN THOUSANDS)



43% decrease in water withdrawal since 2012

SOLID AND RECOVERABLE WASTE GENERATION (TONS)



28% increase in waste diversion from landfill since 2013

Business with Integrity

Our culture is built on integrity, ethics, sound decision making & behaviors that reflect our values and focus on patients.

CORPORATE RESPONSIBILITY AND SUSTAINABILITY POLICY

We have formalized how corporate responsibility is integrated into Celgene through our Corporate Responsibility and Sustainability Policy. The scope of the policy includes 15 aspects as they relate to corporate responsibility and sustainability, including charitable and philanthropic donations, pollution prevention and waste minimization, and supply chain impacts.

SUSTAINABILITY COMMITTEE

A senior-level, cross-functional Sustainability Committee oversees Celgene's integrated corporate responsibility strategy. This committee is responsible for making decisions on corporate responsibility-related topics and reviewing the progress of environmental initiatives, stakeholder engagement, reporting, and other relevant activities. The Chair of the committee reports directly to the CEO. Committee members include senior representatives from key departments within Celgene.

CODE OF BUSINESS CONDUCT AND ETHICS

We are strongly committed to the principles of honesty, integrity, and accountability. These important concepts have provided the framework for Celgene's vision, values, behaviors and purpose, and form the foundation of our Code of Business Conduct and Ethics. This Code applies to all employees and anyone acting on Celgene's behalf.

CELGENE POLITICAL ACTION COMMITTEE (PAC)

The Celgene PAC supports candidates in the US from both political parties who share our commitment to access and innovation in healthcare in the following three core principles:

- Expanding patient access to medicine through a competitive marketplace and a regulatory environment where research and innovation can flourish
- Protecting the patient-physician relationship and ensuring patient access to innovative treatments
- Recognizing the important role of biopharmaceutical companies and their employees in healthcare



CELGENE SCORES HIGH IN POLITICAL ACTIVITY TRANSPARENCY & ACCOUNTABILITY

RECEIVED A TOTAL SCORE OF

91%

RANKING CELGENE AT NUMBER FIVE BY THE CENTER FOR POLITICAL ACCOUNTABILITY

STAKEHOLDER ENGAGEMENT APPROACH

We identify the stakeholders that we actively engage with based on factors related to meeting unmet medical needs around the world. We engage regularly with nine key groups of stakeholders:

- Investors
- Payers
- Employees
- Patients & Families
- Local Communities
- Healthcare Professionals
- Business Partners
- Suppliers
- Governments

PUBLIC POLICY

It is essential to work with public policy-makers to help ensure that the policy environment is supportive of patient access to life-changing medications and also enhances the promise of medical innovation. Government policies directly impact healthcare access and innovation while also affecting many aspects of Celgene's business model—including our ability to meet patient needs and provide value to all our stakeholders.

For these reasons, we actively participate in public policy discussions and activities to share our perspectives and experience.

For example, in the US, Celgene has been working closely with patient and provider advocates since 2009 to support oral oncology parity legislation. Through these coalitions, we have helped to educate policy-makers about the need to require insurance companies to provide equal coverage for both intravenous (IV) and oral treatments.

In the European region and at national levels, Celgene has actively engaged a variety of stakeholders: to address concerns on transparency in pharmaceutical price-setting; to ensure that the specificities of orphan drugs are appropriately reflected in Health Technology Assessments (HTAs); and to ensure sustainable patient access to innovative therapies.

PUBLIC POLICY ENGAGEMENT TOPICS

UNITED STATES

- Oral Parity
- Step Therapy / Utilization Management
- 21st Century Cures Act
- Medicare Part D
- Protecting the Integrity of REMS and Patient Safety Programs
- Cost-Sharing for Innovative Oral Therapies

EUROPE

- Pricing and Reimbursement
- International Reference Pricing
- Relative Efficacy Assessment
- Orphan Medicinal Products



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**FOR INQUIRIES,
PLEASE CONTACT:**

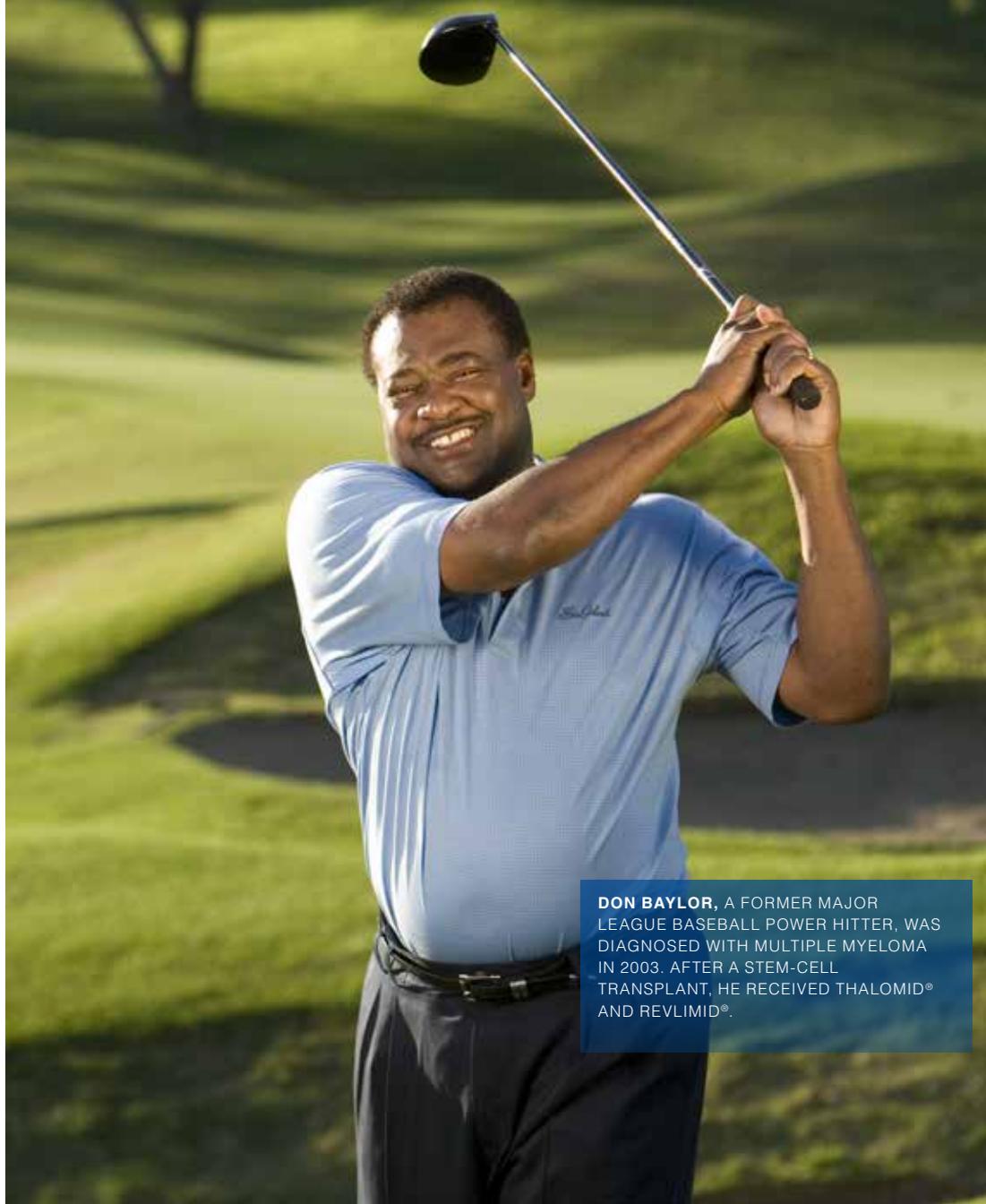
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ON CELGENE CORPORATE
RESPONSIBILITY, PLEASE VISIT:**

www.celgene.com/responsibility



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DON BAYLOR, A FORMER MAJOR LEAGUE BASEBALL POWER HITTER, WAS DIAGNOSED WITH MULTIPLE MYELOMA IN 2003. AFTER A STEM-CELL TRANSPLANT, HE RECEIVED THALOMID® AND REVLIMID®.