Patients First

2016 CORPORATE RESPONSIBILITY REPORT

TERRY BARTER (RIGHT) WAS DIAGNOSED WITH MULTIPLE MYELOMA AND TREATED WITH REVLIMID®
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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.
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. With our mission and purpose in mind, I am proud to present Celgene’s 2016 annual Corporate Responsibility Report. 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. Our policies, practices and the initiatives highlighted in this report are designed to optimize our opportunities and further support our commitment to all of our stakeholders. 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. This year’s Corporate Responsibility Report is shaped in part by the feedback we received.

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 with the goal of discovering and developing best-in-class products. Over the next two years, we expect pivotal data from approximately 20 Phase III programs. These late-stage programs combined with numerous other mid- and early-stage programs create the potential for us to bring forth more than 50 unique, first-in-class therapies through the next decade.

This broad and high-potential pipeline is a product of our novel approach to drug discovery—complementing organic expertise with a network of collaboration partners. Over the past four years, we have entered into more than 80 partnerships and collaborations. These initiatives include unique, first of their kind arrangements with different members of our innovation ecosystem. For example, earlier this year we entered into a research consortium collaboration with four leading cancer centers. This landmark public-private consortium collaboration with the Abramson Cancer Center at the University of Pennsylvania, the Herbert Irving Comprehensive Cancer Center at Columbia University Medical Center, the Sidney Kimmel Comprehensive Cancer Center at Johns Hopkins, and the Tisch Cancer Institute at the Icahn School of Medicine at Mount Sinai is designed to accelerate the delivery of disease altering programs to the clinic.
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. Since 2007, Celgene Patient Support® has reached more than 50,000 US patients with education and support. OTEZLA® SUPPORTPLUS™ is a program for people taking OTEZLA® (apremilast), as well as those looking for more information on treatment. It offers patients support throughout their journey, including information on receiving their OTEZLA® prescription, and educational resources about their condition.

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. To realize these principles, we seek to work collaboratively with healthcare providers, payers, patient advocacy organizations, and governments to maximize patient access to our products, to conduct research designed to demonstrate the full clinical value of our existing therapies, and to ensure that appropriate incentives exist to encourage continued reasonable risk-taking linked to research into the biological processes and drivers of serious diseases. During the year, we published these long-standing principles relating to how we price our innovative medicines. As a leading global biopharmaceutical company, we believe that our transparent and principled approach to pricing will help all stakeholders appreciate the risks involved with developing innovative medicines today, and the benefits to patients and societies for years to come.

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 (using 2015 as a baseline) for greenhouse gas emissions, renewable electricity, water consumption and solid waste. These targets show the commitment we are making to continually improve the environments we operate in and our collective global environment.

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. We are incredibly energized by the opportunity to turn our promise into reality for patients.

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

$9.3B
$9.3 billion in revenue in 2015

7,000
Approximately 7,000 employees

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
Celgene Corporation, together with its subsidiaries (collectively “we,” “our,” “us,” “Celgene” or the “Company”), is an integrated global biopharmaceutical company engaged primarily in the discovery, development and commercialization of innovative therapies for the treatment of cancer and inflammatory diseases through next-generation solutions in protein homeostasis, immuno-oncology, epigenetics, immunology and neuro-inflammation.

Celgene’s long-term commitment to discovering, developing, and delivering entirely new classes of therapies is evident in our deep and diverse pipeline of novel compounds.

Over the past 10 years, more than 1.2 million patients around the world have been treated with Celgene products.

The breadth and depth of our pipeline fuels our ability to further develop innovative new therapies designed to alter the course of disease and improve patient outcomes.

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. More than 23.5 million people in the US alone are living with immune-inflammatory disorders, representing a large unmet medical need.
The Celgene portfolio consists of therapies and patient services, including REVLIMID®, POMALYST®/IMNOVID® (pomalidomide), OTEZLA® (apremilast), ABRAXANE® (paclitaxel protein-bound particles for injectable suspension) (albumin-bound), VIDAZA®, azacitidine for injection (generic version of VIDAZA®), THALOMID® (thalidomide) (sold as THALOMID® or THALIDOMIDE CELGENE® outside of the US), and ISTODAX® (romidepsin).

**FINANCIAL PERFORMANCE**

Celgene’s 2015 revenue was $9.26 billion, representing a 21 percent increase over 2014. Further information, annual reports, proxy statements, quarterly financial results, US Securities and Exchange Commission filings, stock information, and questions related to becoming an investor can be found on our Investor Relations website.

Celgene was formed in 1986 as an independent company. As such, 2016 marked our 30th anniversary. Since our founding, we’ve become a major biopharmaceutical company helping patients around the world, with a focus on cancer and immune-inflammatory related diseases. Every day, our employees work to discover, develop and commercialize innovative therapies.

In 2005, Celgene established a physical presence in EMEA with small offices in Neuchatel, Switzerland, and big plans. Ten years later, we employ more than 2,300 people in EMEA, and have operations in 23 countries with distribution arrangements covering 29 additional countries. In addition, 60 percent of patients in our Celgene clinical trials are from the EMEA region.

We owe our growth to outstanding employees, excellent partners, and products that make a difference to patients.
Celgene’s Global Presence
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. We strive to ensure that patients are at the heart of everything we do—that patients are the focus of every employee, regardless of the role that employee plays in the company. Our growing portfolio of innovative therapies and our commitment to cutting-edge medical research enables us to help more and more patients around the world.

Underlying our company’s culture is a strong belief in corporate responsibility that is predicated on our purpose, our values and our behaviors—which, together, are the foundation of our approach to ethical and responsible business. This foundation reflects Celgene’s role within the global ecosystem of medical innovation in support of positive opportunities for patients, our partners, our employees and the environment. Our collaborative efforts complement the work of medical and academic institutions of excellence, government agencies and regulators, patient advocacy groups and non-governmental organizations, as well as investors and other biopharmaceutical companies. Beyond the development of new therapies, we invest in patient access and financial support programs while collaborating with patient groups and their families.

Celgene’s values are founded on the belief that by looking at the world around us with fresh curiosity, we can intensify our discovery efforts to find new treatments for patients. Thus, we believe that a relentless dedication to how we work is just as important as the value we bring to people who need our medicines. Our continuous focus on how we discover, how we operate, and how we deliver helps us to serve patients now—and in the future.

This report is organized around four central dimensions of corporate responsibility at Celgene.

- **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.
ABOUT THIS REPORT

We continue to report based on the Global Reporting Initiative (GRI) guidelines (G4 in Accordance—Core).

We have selected general and specific standard disclosures from these guidelines that apply to our business in a meaningful and material manner. The complete list of the GRI general and specific standard disclosures is provided in the GRI Index at the end of this report.

FORWARD-LOOKING STATEMENTS

Any statements contained in this report that are not statements of historical fact may be deemed forward-looking statements. Forward-looking statements generally are identified by the words “expects,” “anticipates,” “believes,” “intends,” “estimates,” “aims,” “plans,” “may,” “could,” “will,” “will continue,” “seeks,” “should,” “predict,” “potential,” “outlook,” “guidance,” “target,” “forecast,” “probable,” “possible” or the negative of such terms and similar expressions. Forward-looking statements are subject to change and may be affected by risks and uncertainties, most of which are difficult to predict and are generally beyond our control. Forward-looking statements speak only as

Don Wright was diagnosed with multiple myeloma and treated with POMALYST® and other medications
of the date they are made, and we undertake no obligation to update any forward-looking statement in light of new information or future events, although we intend to continue to meet our ongoing disclosure obligations under the US securities laws and other applicable laws.

REPORTING BOUNDARY

Our corporate responsibility reporting includes activities within Celgene at the corporate, enterprise-wide level, such as governance and global health; site-specific activities in selected facilities, such as water and energy consumption; and some activities that occur outside of Celgene, such as in portions of our supply chain. Site-specific data are provided for the facilities included in our organization boundary.

The 2016 Celgene Corporate Responsibility Report focuses on activities and performance during the 2015 calendar year, as well as important and impactful events and activities that have occurred during the first three quarters of 2016.

More details on the reporting boundary can be found in our GRI Index on page 83.

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. Our strategies related to business governance, environmental stewardship, community involvement, labor relations, and other material aspects are presented throughout this report to show the breadth and depth of the corporate responsibility work at Celgene. In 2016, we enhanced our materiality assessment through an in-depth stakeholder engagement process. This deepened our understanding of priority issues and sharpened our focus on these priorities.

*In this report we use the terms “material” and “materiality” to refer to topics that reflect Celgene’s significant economic, environmental and social impacts or that influence the assessments and decisions of stakeholders, or what the GRI Reporting Guidelines define as “Material Aspects.” We are not using these terms as defined by the securities laws or any other laws of the United States, nor are we using them as they are used in the context of financial statements and financial reporting.
Materiality Matrix

IMPORTANCE TO STAKEHOLDERS

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- Patients first
- Employees and communities
- Governance

CELGENE 2016 CORPORATE RESPONSIBILITY REPORT
Obtaining Stakeholder Input on Materiality and Corporate Responsibility

For our previous corporate responsibility report, we used an internal exercise to determine the environmental, social, and governance issues deemed most significant and impactful to the Company. This year, we have enhanced this 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. This process, which was moderated by an independent third party, encouraged participants to provide their honest commentary on a variety of corporate responsibility–related topics.

We make it a priority to listen to our stakeholders and incorporate their input into our approach to corporate responsibility. We greatly appreciate their participation and value the comments we received. We have aggregated the feedback provided during the session and—combined with our initial internal assessment—created an updated materiality matrix that helped shape the content of this report.

Here is a sampling of input we received during the engagement session.

“With the recent spread of Western diseases (cancer, stroke, etc.) in developing countries, the notion of global health is less and less restricted to neglected diseases in these countries and it is key that Celgene keeps on integrating this notion in its strategy and corporate responsibility plans.”

—Didier Leroy, Director, Drug Discovery, Medicines for Malaria Venture

“Including the patient voice/values in everything, from research and development, to value-based pricing conversations, to education, is essential to achieve optimal outcomes.”

—Andrea Ferris, President and Chairman of the Board, LUNGevity Foundation

“Taking on the topic of pharmaceuticals in the environment is a smart move for Celgene. Consumers and patients have a lot of questions around the science here, and how this might impact them in their daily lives.”

—Pam Traxel, VP, Alliance Development and Partnerships, American Cancer Society Cancer Action Network

“Medical innovation should be the most important to Celgene, which includes innovative research but also innovative ways in which to unlock value creation with the global patient population in mind.”

—Dries Oelofse, Business Development Manager, Drug Discovery & Development (H3-D) University of Cape Town

“In an era of shrinking budgets, challenging science, and growing expectations on the behalf of many stakeholders … I think it’s necessary for Celgene to get out ahead of these issues and become—as much as regulations allow—a convener and thought leader for the most challenging healthcare issues facing society.”

—Paul Howard, Director and Senior Fellow for Health Policy, Manhattan Institute

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Patients First

First and foremost, we are COMMITTED TO IMPROVING THE LIVES OF PATIENTS WORLDWIDE®. Underlying this commitment is our dedication to change the course of human health through bold pursuits in science and transformational medicines. At Celgene, we believe that a commitment to medical progress must go hand in hand with a corresponding promise to ensure that patients who can benefit from our discoveries have the opportunity to do so.

PHIL FALKOWITZ WAS DIAGNOSED WITH MULTIPLE MYELOMA AND TREATED WITH REVLIMID®
Research and Development

We’re proud of our ongoing investment in research and development. Over the past five years, Celgene invested an average of 34 percent of revenue in R&D.*

**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. It is a virtuous cycle, in which each action creates the building blocks for next-generation therapies, improved healthcare and economic growth.

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.

Biopharmaceutical leadership and commitment is best expressed in a virtuous cycle which includes investment, innovation and patient access. Each step of the cycle is critical to sustaining the healthcare ecosystem and to increasing our chance of discovering the next truly revolutionary and disruptive medicine.

*On average and on a generally accepted accounting principles (GAAP) basis*
CELGENE RESEARCH AND DEVELOPMENT LOCATIONS

Celgene’s R&D facilities are strategically located around the United States and in Europe. Each location is uniquely equipped to its specialty.

- **San Diego, CA:** The Drug Discovery & Alliance Development center in San Diego is our hub for biotherapeutics and the Protein Homeostasis Thematic Center of Excellence. With our enhanced insights on cereblon, the target protein for REVLIMID® and POMALYST®/IMNOVID®, we are redefining the therapeutic potential of protein homeostasis. We are developing next-generation drugs, called CELMoD® compounds (Cereblon E3 Ligase Modulation Drugs), designed with novel chemistry and differentiated properties that potentially enable us to address a broader range of diseases.

San Diego is also the drug discovery center for the Epigenetics Thematic Center of Excellence. Our leadership position within epigenetics is anchored by our two commercially available drugs (VIDAZA® and ISTODAX®) and an expanding clinical portfolio of epigenetic therapies that further strengthen our capabilities in this critical area of research.

- **Celgene Quanticel Research (CQR)** was added to the research team after the acquisition of Quanticel Pharmaceuticals in 2015. With the acquisition came a proprietary platform for the single-cell genomic analysis of human cancer, as well as Quanticel’s lead programs that target specific epigenetic modifiers to advance Celgene’s pipeline of innovative cancer therapies. CQR is located in San Diego, CA and San Francisco, CA.

- **Translational Development:** Located in San Francisco, CA the Celgene Translational Development Center serves as the main site for immunomodulatory drugs (IMiD® compounds and CELMoD® compounds) research. IMiD® compounds are proprietary small-molecule, orally available compounds that modulate the immune system and other biological targets through multiple mechanisms of action, not all of which have been fully characterized. Our IMiD® compounds use multiple mechanisms of action that target the sources rather than the symptoms of disease.

- **Cambridge, MA:** Celgene moved into a new state-of-the-art research facility in Cambridge, MA in January 2016. This facility is primarily dedicated to drug discovery and translational development for the Immunology and Inflammation Thematic Center of Excellence.
• **Immuno-Oncology Thematic Center of Excellence**: This facility in Seattle, WA provides translational support for key assets in the immuno-oncology clinical portfolios as well as working with our alliance partners in the cutting edge CAR-T programs. There are laboratories for cellular immunology, molecular biology, protein chemistry, flow cytometry and other areas that will deal with pre-clinical work with human primary cells and tissues.

• **CITRE**: The Celgene Institute for Translational Research Europe (CITRE®) in Seville, Spain—our first dedicated R&D site outside the US—bridges Celgene R&D and the European research community.

• Celgene’s **laboratories and R&D Facilities in Summit, NJ**, include good manufacturing practice and quality control space for testing of therapies. Additional laboratories include those for drug metabolism pharmacokinetics, translational development, analytical R&D and other departments.

• Our expanding computational biology capabilities have been embedded in all the research facilities bringing top scientists together with computational experts to drive innovation and targeted therapies.
Balancing Transparency and Patient Privacy

Celgene is committed to responsible and transparent sharing of clinical trial data with patients, healthcare practitioners, and independent researchers to improve scientific and medical knowledge, and foster innovative treatment approaches. We believe that responsible data sharing means protecting both patient privacy and the innovator’s intellectual property rights.

Clinical trials are a critical part of our research and development pipeline, safeguarding that our innovative treatments that reach patients are both safe and effective. Our research and development team works in collaboration with our patient safety team to ensure that patients who participate are involved in safe, well-planned studies.

Responsible sharing of clinical trial data is an essential element of our commitment to research and development. We believe responsible data sharing can help enhance the impact our medicines have in changing the course of diseases, providing new treatment options for patients, and identifying safety concerns.

In addition to other responsible data-sharing activities, Celgene endorses and has implemented the European Federation of Pharmaceutical Industries and Associations (EFPIA) and Pharmaceutical Research and Manufacturers of America (PhRMA) Principles for Responsible Clinical Trial Data Sharing. We also ensure that our sponsored studies are considered for publication in the appropriate scientific literature regardless of the results. Failure, from a scientific standpoint, is an important aspect of learning in research and development. Patients are waiting, so we support disease area research by sharing our learnings to help expedite the development of new medications for those who need them now.

Celgene Clinical Trials by the Numbers

- **100+** Clinical Trials Currently Being Sponsored by Celgene
- **25** Unique Compounds Being Examined
- **28,000+** Patients Actively Enrolled in Our Clinical Trials
We actively seek collaborators in areas such as developing novel targeted therapies, next generation biologics, protein homeostasis, epigenetics, immunotherapy, combination treatments, and more. We currently work with over 50 active industry and academic collaborations, ranging from research and development collaborations to clinical and commercial alliances.

**BOSTON CONSULTING GROUP PARTNERING SURVEY**

Published in January of 2015, Boston Consulting Group’s (BCG) 2014 Biopharmaceutical Partnering Survey concluded that “Celgene stands out once again as the strongest in partnering skills.” The survey, the objective of which was to determine the most important characteristics in selecting a licensing partner, targeted a representative sample of 750 biopharma companies and received 63 responses from throughout the world, including China, Europe, Israel, and North America. BCG surveyed a broad cross-section of biopharma and expanded the number of companies surveyed over the last several years for more comprehensive coverage.
Our Internal R&D Strengths Are Amplified Through External Collaborations
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.

We have developed unique, industry-leading risk evaluation and mitigation strategy programs that have enabled hundreds of thousands of patients worldwide to safely access the clinical benefits of our therapies. Our emphasis on patient safety includes labeling and informational material developed in compliance with regulatory bodies such as the US Food and Drug Administration and the European Medicines Agency. We also take deliberate, sustained, and proactive steps to strictly enforce the quality and safety of our treatments, continuously implementing strategies and exploring new technological developments to deter counterfeiting.

We have established strict engineering and environmental controls to manufacture all active pharmaceutical ingredients, intermediates, and drug products. The purpose of these mechanisms is to ensure the highest form of environmental controls for our products across our supply chain. This is a standard practice and requirement in our manufacturing environment, and is routinely inspected by Celgene audit teams.

David Parrot, shown here with his grandchild, was diagnosed with multiple myeloma and treated with POMALYST®
prescribing, dispensing, and using the drug. “That’s how the Systems for Thalidomide Educating Prescribing Safety (STEPS®) program began,” says Tracy.

Over the years, Tracy helped refine the program and expand it to additional drugs that required risk minimization activity for teratogenicity risk. “Our global approach to risk management, specifically for pregnancy prevention, is designed to ensure that we provide strategic guidance to all of our local affiliates within the organization to follow the core principles of our THALOMID® market authorization program, which is now called THALOMID REMS® (Risk Evaluation and Mitigation Strategy),” she says. To avoid embryo-fetal exposure, REMS programs are mandatory for Celgene products in the US for THALOMID®, REVLIMID® and POMALYST®. These programs require prescribers and pharmacists to be certified, and patients to enroll and comply with all of the requirements for each program. Celgene requires a Pregnancy Prevention Program for these products globally by including the same core Pregnancy Prevention Plan principles that are also mandated by most Health Agencies. Although these products (THALOMID®, REVLIMID® and POMALYST®) require a Pregnancy Prevention Program due to teratogenicity risk, all Celgene products require a Risk Management Plan to describe in detail pharmacovigilance and risk management activities to identify, characterize, prevent, or minimize risks relating to medicinal products, this includes the assessment of the effectiveness of those activities and interventions.

Tracy also works with Celgene’s clinical teams to look at risk management requirements early in the product development process. “We’re doing risk management for the lifecycle of the product. We’re always working to ensure that the benefits of our products outweigh the risks.”

While acknowledging that risk management for a company the size and scope of Celgene is a huge responsibility, Tracy says she focuses on the benefits that programs like REMS provide. “When I wake up every morning, I think about the role that I play and the value that Celgene provides to patients,” she says. “Celgene is really an innovative company that is providing medical solutions to certain diseases in a safe way. Knowing that eliminates any stress for me.”
RISK MINIMIZATION AND MANAGEMENT

Celgene is proud to be a world leader in pioneering risk minimization techniques related to the safe use of medicinal products. Our Global Risk Management Oversight Committee (GRMOC) works to ensure that risks related to any of our commercial or development products are identified, assessed, and managed effectively.

The GRMOC operates across functional areas with standing members comprising Celgene’s Chief Medical Officer, Regulatory Affairs, Global Drug Safety and Risk Management (GDSRM), Medical Affairs, Legal, Clinical Research and Development, and US Risk Management Strategies. The GRMOC is chaired by the GDSRM Head of Global Risk Management.

The overall aim of our risk management efforts is to confirm that the benefits of a particular product outweigh the risks by the greatest achievable margin for the patient. This process has three interrelated stages:

• We characterize the product’s safety profile, including what is known and what is not known.

• We plan pharmacovigilance activities (defined by the World Health Organization as the science and activities relating to the detection, assessment, understanding, and prevention of adverse effects or any other drug-related problem) as a key component of effective therapy regulation, clinical practices, and public health programs. These activities are used to characterize risks, identify new risks, and increase knowledge about the safety profile of therapies.

• Once we have planned and implemented risk minimization and mitigation measures, we assess their effectiveness.

For risk management activities conducted in the US, we support prescribers, pharmacies, and patients through our REMS programs.

Our GDSRM department is involved in the lifecycle management of products, including every step of the clinical development process—from inception to marketing—making sure the safety profile of our therapies are well-defined and our patients are well-informed. Safety personnel are embedded within clinical development and project teams to help ensure the continuity of safety assessments from pre- to post-marketing.

PATIENT SAFETY OVERSIGHT BOARD

In 2016, Celgene 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.

David Clark was diagnosed with psoriatic arthritis and treated with OTEZLA®
Access to Treatment

We embrace our responsibilities to patients today by ensuring access to our medicines, and to patients tomorrow by ensuring that we can invest in future medical innovations that will help treat debilitating diseases.

**CELGENE PATIENT SUPPORT® — US**

This US-based program helps patients access the Celgene Hematology or Oncology medication their physicians have prescribed. Celgene Patient Support Specialists come from varied backgrounds, having worked as nurses, pharmacists, and social workers and in other healthcare roles supporting patients. As Celgene employees, each Specialist belongs to a team of professionals committed to the single mission of helping patients access their prescribed medications.

Celgene Patient Support 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:
  - Celgene Commercial Co-pay Program for eligible patients
  - Celgene Patient Assistance Program for eligible patients who are uninsured or underinsured
- Information on independent third-party organizations that may provide financial assistance
- Assistance with understanding the insurance approval process for Celgene medications

Celgene Patient Support is committed to helping US patients access their medication.

For more information, visit: [www.celgenepatientsupport.com](http://www.celgenepatientsupport.com).

OTEZLA® SupportPlus™ is an exclusive program for people taking OTEZLA® (apremilast), as well as those looking for more information on treatment. It’s designed to support plaque psoriasis and psoriatic arthritis patients throughout their journey, including information on receiving their prescription, how to save on treatment, navigating the insurance approval process, and more.

For more information, visit: [www.otezla.com/supportplus](http://www.otezla.com/supportplus).

**Helping Multiple Myeloma Patients in Russia Access Needed Medication**

Dexamethasone is a steroid medication used frequently to treat multiple myeloma in combination with other medicines. Dexamethasone was available in Russia only as a low-dose pill, meaning patients were required to take up to 80 pills per day. Celgene provided a grant to a charity organization that supported the manufacture and distribution of a high-dose Dexamethasone, making it available to multiple myeloma patients. This change reduced the daily dosage to four pills per day, improving treatment adherence.
Celgene’s Principles for Pricing of Innovative Medicines

When considering pricing for its therapies, Celgene follows an approach that recognizes the following four principles:

**Value**
The price of medication should be based upon the benefits they deliver to the patients, health-care systems and society

**Innovation**
Pricing should provide incentives for continued investment in discovery and development of innovative medicines

**Flexibility**
Pricing flexibility among countries according to their financial circumstances permits broad global access

**Access**
Patients who can benefit from Celgene products should have access to them
In 2015, our first-ever European media summit welcomed 55 journalists from across Europe to our international headquarters in Boudry, Switzerland, for a day of discussion on key topics in healthcare. The summit included a review of Celgene’s pipeline and approach to R&D, and an interactive discussion and case study on the cost of medicines, featuring a simulation that let journalists make decisions about the price of a fictional medicine and see the impact of those decisions. A roundtable of Celgene leaders and external stakeholders offered commentary from their own perspectives, resulting in a rich discussion on the challenges of medicine pricing. Experiential stations run by patient organizations gave journalists the chance to experience what it feels to have a disease like multiple myeloma, psoriasis/psoriatic arthritis, or pancreatic cancer, allowing the journalists to gain a better understanding of the patient perspective. Feedback from journalists about the event was positive, with several commenting that our willingness to openly discuss topics like pricing was a bold and innovative approach to engaging with the media.
PATIENT ADVOCACY IN THE US
Celgene’s Patient Advocacy team works with approximately 150 patient groups around the world who are deeply dedicated to supporting and advocating on behalf of patients and their families. They develop strong collaborations with patient and professional advocacy organizations to deliver patient-focused initiatives such as education for patients and their caregivers, navigation tools and engagement opportunities within the healthcare ecosystem, and policy engagement that will help drive positive legislative change for patients. All this is done in the spirit of strengthening the care patients receive at every step of their journey.

For Celgene, patient advocacy is about building long-term strategic collaborations that provide important insights for all collaborators—insights that influence research and clinical development, patient access to the medicines they need, pro-innovation and pro-patient policies, outreach, and education. This is all in addition to the countless personal hours Celgene employees devote to volunteering in support of activities and events that serve patients.

As part of Celgene’s commitment to innovation at every level, we recognize the tremendous work being done by patient and professional organizations that have shown excellence in crafting novel solutions that creatively meet patient, caregiver, and healthcare providers’ needs in hematology, oncology, and immune-inflammatory conditions. This recognition is exemplified by the Celgene Innovation Impact Awards, eligible to US patient groups. In 2016, we asked our fourth annual award applicants, “Who are the unreached and how can we reach them?” For the first time, we accepted only video submissions as applications. Details on the winning submission can be found at: www.celgene.com/responsibility/patients-communities/innovation-impact/.

PATIENT ADVOCACY IN EMEA
Across Europe, the Middle East, and Africa (EMEA), Celgene works closely with patient organizations at both international and country levels. Patient organizations provide many important services for patients, from offering them information about their disease and support during their treatment to working with governments and health authorities for improvements in the treatment patients receive.

Our support for these organizations includes grants for disease awareness events, funding for attendance at capacity building workshops and conferences, and support for various advocacy activities the patient organizations undertake, such as developing information materials for patients.

In 2015, Celgene EMEA provided support to 140 patient organizations for over 290 projects.
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).

In 2001, in the face of the deadliest pandemic in human history, the collaborators joined forces to create one of Africa’s largest, most comprehensive and effective HIV/AIDS control systems. Today, working with the Kenyan Ministry of Health and the United States government, AMPATH is currently in the process of implementing and strengthening a population health model within an AMPATH–Ministry of Health (MoH) collaboration to achieve healthcare equity and improve the health of low-income populations in Kenya and beyond.

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. Achievements include:

- Development of safety pamphlets and materials for both patients and healthcare professionals for MM in Kenya.
- Diagnostic improvements that led to an increase from 5 patients diagnosed with MM in 2010 to 61 new patients in 2015. The expected number of new MM diagnoses in the country is about 800/year.
- Approximately 100 MM patients seen during routine clinic follow-up visits in 2015.
- AMPATH’s MM program is currently seeking IRB approval for a 5-year retrospective data-driven study to demonstrate the feasibility of MM care with comparable outcomes in a resource poor country to more advanced settings.

The AMPATH MM program conducts extensive patient and family education; it held 10 patient support group meetings over the course of 2015 and supported the care of 61 new patients with MM. The program has conducted multiple Continuing Medical Education (CME) programs on MM per quarter and has expanded its reach to 12 outreach sites and other sites in Western Kenya. Celgene has also supported the establishment of a robust Oncology Pharmacist-led MM pharmacovigilance program and funded IT support for the development of electronic medical records for the MM program with decision support.

In addition to the MM program, 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.
Top left: The Revolving Fund Pharmacy

Top right: Former Celgene-funded pharmacy fellow Susie Crowe, PharmD, who is now the Director of Experiential Education at East Tennessee State University

Left: Celgene’s Zeba M. Khan, PhD, VP Corporate Responsibility, during the AMPATH Partners’ Summit
Research and Development for Diseases of the Developing World

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.

Celgene Global Health (CGH) is a dedicated R&D unit committed to discovering, developing and delivering novel drugs for Diseases of the Developing World (DDW).

CGH is applying modern-day drug discovery efforts to help find treatments for malaria, tuberculosis and other diseases of the developing world.

400,000 compounds in Celgene’s library made available for research and development of diseases worldwide

Collaborating closely with disease experts from non-profit and academic institutions around the globe, CGH has utilized the diverse, drug-like properties of the company’s library of more than 400,000 compounds. Together with these collaborators and their networks of disease experts, CGH is working to rapidly identify and evaluate candidates for drug development for more than ten diseases that have a devastating impact on families and communities.

These strong collaborations are essential to driving long-term progress and prosperity everywhere, including lower-income settings around the world where these diseases are most prevalent.

DNDI DRUG DISCOVERY BOOSTER CONSORTIUM

In 2016, CGH joined the Neglected Tropical Diseases Drug Discovery Booster consortium, a new venture of the Drugs for Neglected Diseases initiative (DNDi), designed to accelerate and reduce the cost of early stage drug discovery for two of the world’s most neglected diseases: leishmaniasis and Chagas disease.

Our participation builds on our long-standing collaboration with DNDi to mine Celgene’s compound library for a range of diseases.

CGH and DNDi have collaborated on the screening of CGH’s compound library for activity against NTDs since 2011. Over the last few years, the collaboration has expanded to include the identification and optimization of potential therapeutic candidates for several of the world’s most neglected diseases such as: sleeping sickness, river blindness, and elephantiasis.

PIPELINE PROGRESS AND PARTNERS

CGH has a pipeline with more than ten discovery stage programs and phase II clinical trials in five indications/diseases areas that are ongoing or planned.

It is the goal of CGH to not only bring novel therapies to patients in need, but also, to continue to develop a full pipeline for target diseases—just as Celgene does throughout its R&D.
Our global partners and projects include:

- **Medicines for Malaria Venture (MMV)**: identifying novel therapies for blood and liver-stage malaria
- **H3-D Drug Discovery and Development Center at the University of Cape Town in South Africa**: identifying and developing next generation therapies for patients with tuberculosis and malaria
- **GALVmed**: the leading not-for-profit global alliance to protect livestock and improve human lives, working on a drug discovery program to advance a Celgene compound with very potent activity against two strains of African Animal Trypanosomiasis (AAT)

### CELGENE GLOBAL HEALTH PIPELINE

<table>
<thead>
<tr>
<th>Condition</th>
<th>Discovery</th>
<th>Development</th>
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<tbody>
<tr>
<td></td>
<td>Hit ID</td>
<td>Lead ID</td>
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<tr>
<td>Visceral Leishmaniasis</td>
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<tr>
<td>Chagas</td>
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<td>Malaria</td>
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<td>Animal African Trypanosomiasis</td>
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<tr>
<td>Helminths</td>
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<td></td>
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<tr>
<td>Wolbachia</td>
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<td></td>
</tr>
<tr>
<td>Tuberculosis</td>
<td></td>
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</tr>
<tr>
<td><strong>CC-11050</strong></td>
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<td></td>
</tr>
<tr>
<td>Tuberculosis</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Erythema nodosum leprosum</td>
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<tr>
<td>Immune reconstitution inflammatory syndrome</td>
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<tr>
<td><strong>CC-11050/CC-5048</strong></td>
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<tr>
<td>Hemorrhagic Fevers (Junin, Lassa, Ebola, Rift Valley)</td>
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<tr>
<td>Lenalidomide</td>
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<td></td>
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<tr>
<td>Human Immunodeficiency Virus</td>
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<td></td>
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<tr>
<td>Pomalidomide</td>
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<tr>
<td>Kaposi Sarcoma</td>
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</table>
EMPLOYEE SPOTLIGHT

Vikram Khetani, PhD
Executive Director, Drug Development, Celgene Global Health

A Life Devoted to Science

Growing up in Mumbai, India, even as a child, Vikram Khetani, Celgene’s Executive Director of Drug Development, Celgene Global Health, was already interested in science. “I come from a family of industrialists, with my grandfather being recognized for his philanthropic contributions to society. I have several physicians and scientists with doctorate degrees in the family,” he says. “I have always enjoyed the challenges of science, learning the issues, and solving the problems using scientific research.”

“I have always enjoyed the challenges of science, learning the issues, and solving the problems using scientific research.”

In 1982, after receiving a BS degree in chemistry in Mumbai, Vikram came to the United States, where he earned a PhD in organic chemistry, and later, an MBA in finance.

In 1992, Vikram joined Celgene, and is currently one of the longest tenured employees at the company. “I watched Celgene grow from a small company with 20–30 employees into a full-fledged pharmaceutical biotech corporation with approximately 7,000 employees across the world today,” says Vikram, who is also a member of Celgene’s Sustainability Committee.

Vikram was a key member of the team that developed FOCALIN®, the active enantiomer of Ritalin®, which is widely used to treat attention-deficit/hyperactivity disorder (ADHD). “I was very much involved in the project from beginning to end, starting with synthesizing the product in the lab and guiding it all the way through commercialization.” He also helped develop OTEZLA®, a medication approved to treat psoriatic arthritis and plaque psoriasis.

In 2010, an opportunity came Vikram’s way that appealed to his love of science and desire to help people. “Celgene was launching Celgene Global Health (CGH) with a goal of fighting neglected diseases around the world,” says Vikram. “Right away, I wanted to join the initiative. We are working to help people who need it most by focusing on neglected diseases of the developing world, such as malaria, HIV, tuberculosis (TB), and leishmaniasis, which affect millions of people worldwide.”

Since its inception just seven years ago, CGH has worked with global health partners around the world, and has progressed several chemical classes in a number of different disease areas, including malaria and TB. “With one of our compounds, a Phase II clinical study in TB has recently been initiated in South Africa funded by the Bill and Melinda Gates Foundation,” he says. CGH is hoping to progress some drug candidates from the initial drug discovery phase into the development stage—a huge milestone. The group was also recently awarded a multi-year, multimillion dollar grant by a division of the Department of Defense to develop a drug for Ebola.

“There are a lot of exciting things going on in global health,” says Vikram.

*Ritalin® is the trademark of Ciba Limited
Employees and Communities

Putting patients first is only possible because of the commitment of approximately 7,000 employees who make Celgene possible. From researchers to Celgene Patient Support Specialists, our employees are dedicated to pursuing our purpose every day and focused on the single mission of delivering innovative therapies to patients with unmet medical needs in cancer and inflammatory diseases.
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.

VISION
What brings us together

VALUES
The qualities we embody

• 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

BEHAVIORS
How we work together

• 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

PURPOSE
Why we come to work every day

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

Celgene’s culture inspires us to do our best work, deliver exceptional results, and achieve our purpose. Our high performance culture fosters a strong spirit of cooperation and collaboration to advance the discovery, development, and commercialization of our products.

Our values and behaviors live vibrantly at Celgene, guiding how we work, the decisions we make, and the results we achieve. Celgene employees are bold at work—and in life—and are rewarded through equitable compensation, opportunities for increased reward, and stock ownership.

Our managers are coaches, helping employees leverage their strengths and inspiring them to be passionate about their role and contribution to our mission.

Because every individual at Celgene matters, we are committed to planning, acquiring, developing, and performing by preparing our employees for both the present and future, hiring the best people, unleashing every employee’s potential, and energizing a culture of high performance and innovation. The result is a workforce that keeps the patient at the forefront of everything.
Employees

As unique and diverse as Celgene employees are, there’s one thing that unites them: their commitment to discover, develop, and market innovative therapies that make a measurable difference in the lives of millions of people. Our employees are in the right place, at the right time, doing the right things, to build on our scientific and commercial achievements and secure patient access to our innovative therapies.

DIVERSITY AND INCLUSION

At Celgene we assume the best in others and recognize the value of diverse points of view as we work to do what’s best for patients and for Celgene. We honor the contribution that each employee makes, and recognize that differences in life experiences, cultural backgrounds, and work- and life-styles add value to our business and unite us as a company. Only by appreciating the talents, backgrounds, and diverse perspectives of each employee can we do our best work in honor of the patients we serve.

We also understand the importance of appreciating the uniqueness of each individual and supporting diversity within the communities in which our employees reside and where Celgene does business. A culturally sensitive and diverse workforce is better able to serve our customers’ needs and generate the wealth of ideas that are vital to innovation and growth.

46% of our management positions are held by women

Globally, women comprise 54 percent of our global workforce and 46 percent of our management positions (defined as senior manager and above). Celgene has been a partner of the Healthcare Businesswomen’s Association (HBA) since 2006 and annually recognizes our HBA Rising Stars within the organization, providing visibility organization-wide to the talent and accomplishments of our female employees. Minority employees make up 33 percent of our US workforce and 31 percent of US-based management positions. Celgene’s global workforce includes employees in 39 countries.

We’re proud that as a result of our Diversity and Inclusion-focused initiatives, our Human Rights Campaign Corporate Equality Index score—which rates American workplaces on lesbian, gay, bisexual, and transgender equality—increased from 30 in 2015 to 70 in 2016. We continue to work to improve diversity and inclusion throughout Celgene.
Celgene has been fortunate to attract employees of the highest caliber. Here’s a look at today’s Celgene employees:

Celgene is heavily focused on medical innovation and patient care:

- >30% of global employees are engaged in science
- >40% of global employees are directly involved in bringing healthcare solutions to patients

Celgene’s population is young in tenure yet still infused with the spirit of our founders:

- >30% of global employees have been with Celgene less than 2 years
- >45% of global employees have been with Celgene 2–5 years
- >25% of global employees have been with Celgene 6 years or more

Celgene people love to learn:

- >70% of Celgene employees are college graduates and half of those employees hold post-graduate degrees (master’s, PhDs, MDs, PharmDs, other post-graduate degrees or their equivalent)

For global employees engaged in science, the numbers are even higher:

- >50% hold post-graduate degrees
WORKFORCE STATISTICS

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workforce</td>
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<tr>
<td>Male</td>
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<tr>
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<td>Japan</td>
<td>177</td>
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<tr>
<td>Europe²</td>
<td>261</td>
<td>450</td>
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<td>APAC</td>
<td>89</td>
<td>74</td>
<td>62</td>
</tr>
<tr>
<td>Japan</td>
<td>15</td>
<td>38</td>
<td>42</td>
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<tr>
<td>Turnovers</td>
<td>403</td>
<td>377</td>
<td>589</td>
</tr>
</tbody>
</table>

¹Americas does not include field based employees in US or Canada, nor employees at Basking Ridge site, Chicago site, Seattle site, Brazil or Mexico
²Europe includes only Boudry, Zofingen, Madrid, Sevilla, Paris, London, Munich and Milan sites

EMPLOYEE ENGAGEMENT SURVEYS

Our most recent employee engagement survey shows a highly engaged, involved, and effective workforce:

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Response Rate</td>
<td></td>
<td></td>
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<tr>
<td>Employee Engagement Index</td>
<td>95%</td>
<td>86%</td>
<td></td>
</tr>
<tr>
<td>High Performance Index</td>
<td>79%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manager Effectiveness</td>
<td>81%</td>
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</tr>
</tbody>
</table>

IBM Kenexa, which conducted the survey, noted that these are some of the highest scores in the industry, and reported that “Celgene demonstrates an uncanny knack for ‘democratizing’ engagement, empowerment, manager effectiveness, and behavior change across all levels of the organization.”
Award-Winning Employees

HEALTHCARE BUSINESSWOMEN’S ASSOCIATION RISING STAR

Healthcare Businesswomen’s Association (HBA) Rising Stars are professionals in the early- to mid-stage of their career. They are recognized for exemplifying leadership and making significant contributions to their organizations. As a Corporate Partner of HBA, each year Celgene nominates employees for the HBA Rising Star award. It’s a huge honor to be nominated as colleagues spend considerable time and effort preparing the submission materials. The ultimate winner is chosen from this select group of nominees. 2015’s award was presented to Anita Gandhi, PhD, Senior Director, Translational Development.

Greg Chesmore
Executive Director, State Government Relations

JOHN W. JACKSON AWARD WINNER

The John W. Jackson (JWJ) Award is the highest individual recognition bestowed by Celgene. It recognizes Celgene leaders who have demonstrated leadership qualities upon which the foundation of Celgene was built and whose work has had significant positive impact on the contributions that support our global corporate objectives and commitment to improve the lives of patients.

The 2015 JWJ Award was presented to Greg Chesmore. Greg lives the Celgene values by putting patients first in his work to expand patient access. He was the catalyst behind successful passage of the oral parity laws that have improved access and affordability of current and future therapies for cancer patients in 42 states in the US. Greg and his team also work with physicians and patient advocates to ensure those laws are fully implemented so that barriers to access for cancer patients are removed. Greg was also instrumental in partnering with patient advocates to form new coalitions to work collaboratively on other critical patient access legislation, such as policies to overcome “fail first” step therapy barriers and limits to burdensome cost sharing imposed through specialty tiers. Greg’s tireless commitment to improving patient access to treatment will have an enduring impact on the lives of the patients we serve for many years to come.

At Celgene, Anita has established herself as an internationally recognized expert in her field. Anita is an effective and inspiring manager and mentor, and advocates for others in their career development. As a top talent within her department, as well as in the broader organization, Anita is known and respected as one of the most valuable scientific leaders.

Anita Gandhi, PhD
Senior Director, Translational Development
EMPLOYEE SAFETY

We’re dedicated to providing a safe, healthy, and environmentally responsible workplace for our employees, contractors, and visitors. This dedication begins with our commitment to establishing a best-in-class Environmental Health and Safety (EHS) Management System. Our EHS Management System establishes the framework for extending our “Passion for the Patient” to our workforce and the environment. It empowers Celgene sites and holds them accountable to operate in a healthy, safe, compliant, and environmentally responsible manner.

The Celgene EHS Management System is supported by four EHS Policies, including our Environmental Health and Safety Policy and EHS Directives, which are detailed in our EHS Guidebook. Included are EHS Directives that cover a wide range of safety, health, and environmental requirements that apply to all Celgene and affiliate locations.

Our internal Global EHS Audit Team monitors compliance with EHS Directives and local and country regulations or requirements. Established in 2015, this team audits Celgene manufacturing and research sites based on operational risk. These sites also perform internal inspections to proactively identify and mitigate hazards.

This table summarizes three years of Global Celgene Safety metrics. We continue to identify and mitigate injury and illness risks wherever they may be found as part of our ongoing and consistent approach to safety.

<table>
<thead>
<tr>
<th>CELGENE GLOBAL SAFETY METRICS</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>Industry Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Injury &amp; Illness Rate</td>
<td>0.62</td>
<td>0.56</td>
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<tr>
<td>Lost Day Case Rate</td>
<td>0.10</td>
<td>0.14</td>
<td>0.03</td>
<td>0.7</td>
</tr>
<tr>
<td>Occupational Disease Rate</td>
<td>0.11</td>
<td>0.02</td>
<td>0.0</td>
<td>N/A</td>
</tr>
<tr>
<td>Fatalities</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>N/A</td>
</tr>
</tbody>
</table>
EMPLOYEE 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.

Continuous Learning and Professional Development

Our success in achieving business objectives depends on the contributions of each employee. We’re committed to the professional and managerial development of all employees to meet both the changing demands of their positions and to help them achieve their personal and professional goals. These principles guide our employee development efforts:

- Managers must know the capabilities and aspirations of their people.
- Job assignments are used to develop our leadership and drive business growth.
- Feedback and rewards reinforce performance and developmental messages.
- Development occurs throughout one’s career and occurs company-wide.

We encourage employees to take part in courses of study that enhance their general development and support continuous learning and professional development. This supports our philosophy of learning and development by advancing employees’ personal and technical development to help them achieve individual goals and corporate objectives.

Professional development opportunities also contribute to enabling employees to incorporate Celgene’s “Leadership Success Behaviors” — five practices of individuals who produce exceptional results — into everyday operations.

In addition to formal leadership development programs, there are numerous tools available to help employees envision and plan for rewarding careers at Celgene. For example, My Career Profile is a robust career development tool that enables employees to consolidate their experiences and career aspirations in one place to facilitate employee and manager career discussions, allowing us to match our talent with the experiences and career opportunities that correspond to employees’ strengths and business needs.

Celgene Named a Top Employer by Science Careers

In 2015, Celgene was ranked #12 in Science Careers Top Employers Survey of the 20 companies with the best reputations as employers. We placed #15 in 2014 and #17 in 2013.

Wellness Options

Celgene’s investment in employees extends to their health and well-being. That’s why Celgene offers a number of healthy living programs, services, and educational opportunities. These opportunities include healthy food and exercise programs, and health programs both in the US and internationally.
Healthy Food and Exercise Programs in the US

- Health club reimbursement is available to eligible employees in the US and Europe. Fitness centers and group fitness classes are available at certain Celgene facilities, and certified fitness professionals are on staff at certain US Celgene facilities. In the US, we offer programs to support employees’ efforts to improve their health.

- Healthy food alternatives are provided in workspaces and at meetings where Celgene extends cafeteria services.

- US-based national webinars are offered that focus on various topics including organic foods, healthy heart programs, stress reduction, and the flu season.

- We provide support for soccer, softball, and other teams of employees that participate in local and community sporting leagues.

- On-site educational tables at select US locations cover topics such as anti-inflammatory diet, healthy eating on-the-go, and “ask the exercise specialist.”

- There are on-site nurse practitioners at select US locations.
Celgene United Kingdom

Health and wellness are addressed in the UK through monthly events supported by our Occupational Health partners at Managed Occupational Health (MOH). These events focus on personal optimal health and guidance around having a healthy work/life balance. Past monthly events have included “New Year—new you,” a health checkup, “Safe Summer Awareness,” annual flu vaccination, and the opportunity to book a private appointment with a doctor from MOH to discuss any personal health concerns. We also participate in national campaigns, such as Breast and Prostate Cancer Awareness months. Celgene encourages healthy eating options in our cafeteria, and provides free fruit daily. In addition to giving up to £450 per annum per employee towards any personal fitness activity of choice, we also invite health practitioners on-site to offer a range of complimentary services such as yoga classes.

UK Advanced Driver Training

Advanced Driver Training is a mandatory program for all field-based and long-distance drivers in the UK. This training enhances skills and training in defensive and fuel-efficient driving techniques while providing a systematic approach to tackling hazards. The program also reviews how to properly review vehicles, road conditions, and traffic patterns and conditions.

Celgene Boudry, Switzerland

Each year, Celgene’s Boudry, Switzerland, location offers an on-site health fair that addresses health and wellness topics and has blood pressure, healthy eye, cholesterol, and balance checks. Informational sessions are presented by our Employee Assistance Program provider to address stress reduction, benefits of healthy eating, smoking cessation, and general program information.

On a weekly basis, the Boudry infirmary is staffed by an occupational nurse and a doctor providing preventive medical checks, promoting good occupational health for Celgene employees, supporting absence management and occupational rehabilitation, and giving assistance and knowledge of the mandatory system and insurances.
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

Celgene supports three signature events on an annual basis, including through corporate matching of employee contributions.

Light The Night® Walk is 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 form fund-raising walk teams. Participation and support of Light The Night helps to unify the company and focus our philanthropic efforts on a common initiative. During the 2015 event, over 1,000 people walked on 86 Celgene teams, raising close to $400,000. In 2015, Celgene was named as LLS’ #1 biopharma partner fundraiser, and was ranked #4 overall among the Top 25 National Teams.

#1

our ranking as Leukemia and Lymphoma Society bio-pharma partner for Light The Night

A Note of Appreciation

In July of 2016, we were heartened to receive this note from Kristen Dee, the sister of a lymphoma patient:

“Thank you for all you are doing to support LLS. I wanted to share with you that my brother was diagnosed with lymphoma at the end of May, about two weeks after he was offered a job at Celgene in Warren, NJ. My family’s life stopped and of course our main focus was my brother’s health. He, on the other hand, was concerned about his new job. After getting all of the details and a treatment plan from his doctors, he contacted his new boss and explained everything. I have been so amazed and touched by how supportive and flexible Celgene has been to their brand new employee.

Then, I was looking to create a team made up of friends and family for the Light The Night Walk, and imagine my surprise when I saw Celgene, this incredible company who already was doing so much to support my brother, has raised over $37,000. Celgene is not only a leader in the field of bio-pharmaceuticals, but a leader in philanthropy and I am just so grateful for everything you are doing.”
PurpleStride is 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 affected by pancreatic cancer. Celgene was the first National Presenting Sponsor of the PurpleStride events. Over 50 events are held across the country each year. 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: In 2014, the National Psoriasis Foundation (NPF) launched its Team NPF Cycle program, which raises money to provide people with psoriatic disease the services they need to live well, while funding research for a cure. Ten Celgene employees participated in Team NPF Cycle in 2016—and were the second ranked team in the country.

Following are some additional examples of community initiatives and projects that our employees have participated in and supported with their time and energy.
Marathon Run
Our Slovak team organized a marathon run with the mission “Multiple myeloma never gives up. Neither do we!” as part of the Košcie Peace Marathon, the oldest marathon in Europe, in Košice, Slovakia. Approximately 170 runners supported patients with multiple myeloma.

Coming to the Aid of Refugees in the Netherlands
In light of the refugee crisis in both Syria as well as Eritrea, Celgene Netherlands employees felt the need to help local refugee-support organizations. Through the local community, our Netherlands employees learned of an organization called Taal doet Meer (Language Does More), which supports refugees living in the Netherlands—specifically in the Utrecht area—to develop their Dutch language skills. The group helps refugees participate in society and increase their opportunities to find a job or further their education. With the influx of refugees in the Netherlands, Taal doet Meer has expanded its activities to refugee shelters in the Utrecht area. Celgene Netherlands has provided support by donating Arab-Dutch dictionaries, notebooks, earphones, and fruit baskets.

200-Mile Journey Towards a Cure
Eric Gelber, a long-time multiple-myeloma advocate and married father of three, is an ultra-marathon runner who has run hundreds of miles to raise funds for the Multiple Myeloma Research Foundation (MMRF) to honor a friend who passed away some years ago. In the past few years, Eric has completed a 155-mile non-stop run in the Catskill Mountains, a 135-mile non-stop run from Death Valley to Mt. Whitney in California, and a 48-hour run in New York City’s Central Park.

In September, Eric succeeded in his third and final attempt at the 200-mile Journey Towards a Cure—33 consecutive laps around Central Park. Celgene employees donated $23,000 for the cause, which the company matched for a total donation of $46,000. Numerous employees supported Eric by running alongside him for part of his run, including Celgene President and Chief Operating Officer Jackie Fouse, PhD.
Supporting World Child Cancer in the UK and Ireland

Celgene has become a corporate sponsor of World Child Cancer, whose mission is to improve cancer diagnosis, treatment and support for children in the developing world. The partnership that Celgene has built with World Child Cancer since 2011 goes beyond financial donations. For example, Celgene UK/Ireland has been involved in a sponsored walk, donated to raffles and participated in a bike-a-thon.

The Lights Upon the Mountain Awards in Japan

Celgene is a sponsor of these awards, which are given to senior leaders in Japan over the age of 75 who remain active in the science and medical community. The awards are presented to those who have contributed to improving healthcare and service to patients in Japan. This year’s recipients dedicated themselves in the areas of medical research, community health and public health. Awardees included a nurse contributing to the improvement of nursing education, and the head of a patient advocacy group.

Celgene Named Great Oak Awards Finalist

Each year, New Jersey Monthly magazine presents the Great Oak Awards to honor the state’s businesses for their work on behalf of social and charitable causes and non-profits. This year, Celgene was honored to be named an award finalist for our work in supporting health services and STEM education. Our STEM-related philanthropy focused on the Governor’s STEM Scholars program, the Liberty Science Center, the Student Partner Alliance, and Rockefeller University’s Science Saturday Program.

Over the course of the year, Celgene also supported a number of organizations and events in the New Jersey community, including the Leukemia & Lymphoma Society, the Valerie Fund, the Captain Turner Ocean Swim in Longport, Community Health Charities, and the United Way.
Neighborhood Meeting at Summit West

On March 22nd, Celgene invited residential neighbors of the new Summit West Campus to an evening reception. It was a great opportunity to meet the neighbors, introduce them to Celgene and to future plans for the site, and talk about Celgene’s proud commitment to the Summit, NJ community. Many of the neighbors expressed their gratitude for the engagement and dedication to the community.

Community Open Doors Event: Boudry, Switzerland

We welcomed the community in and around Boudry to visit the Celgene campus and learn more about what we do as a company and how we contribute to Switzerland. The Open Doors Day included interactive stations sharing facts and figures about Celgene in Switzerland and our contributions to the community, an overview of Celgene and our research on diseases with high unmet needs, an experiential station about living with multiple myeloma, and a game to demonstrate the complexities of developing a drug. A sculpture by a local artist to commemorate 10 years of Celgene in Europe and Switzerland was unveiled. More than 900 people visited our campus during the event, learning about Celgene and the people who make medicine for patients.
Building “L” Dedication

In January of 2016, we officially dedicated the new 500,000 square foot building at our corporate headquarters site with a moving ceremony reemphasizing our commitment to our mission. At the ceremony, we also honored two patients by naming prominent conference rooms after them.

Celgene senior management was joined by employees, community leaders, our Summit neighbors and elected officials for the formal opening ceremony. The event honored two patients who were treated with Celgene therapeutics as they bravely battled cancer. One conference room in Building “L” was named in honor of Elijah Alexander. Elijah was diagnosed with late-stage multiple myeloma in October 2005 at the age of 35 and died in March of 2010. The former NFL player, husband and father of two took REVLIMID® and POMALYST® at different times during his four-and-a-half years battling multiple myeloma.

Another conference room in Building “L” was named in honor of Ryan Davidson. Ryan was diagnosed with cancer at the age of six.

He endured many surgeries and rounds of treatment before passing away in February 2009 on his 16th birthday.

Both Elijah and Ryan had been guest speakers at the Global Town Hall in July 2008. Their powerful journeys, bravery and dignity while they fought cancer left a lasting impression on the Celgene family.
We recognize that doing our best work requires our people to be passionate about acquiring new insights and developing new skills. Celgene fosters a culture that enables and rewards continuous learning and development, within and beyond areas of current expertise. Our passion for education extends to our employees and our community.

In collaboration with the Ernest Mario School of Pharmacy, Celgene offers a two-year postdoctoral fellowship in our primary therapeutic areas, giving fellows the opportunity to rotate through various disciplines. The goal of the two-year Global Medical Affairs Fellowship is to provide real-world, hands-on experience within the traditional functional areas of the Medical Affairs department, including Global Medical Information and Global Scientific Communications. The Global Clinical Research and Development Fellowship focuses on the science and strategy of drug development and global clinical studies. More than 750 postdoctoral fellows have completed the Rutgers Pharmaceutical Industry Fellowship program at Celgene and other New Jersey–based pharmaceutical and biopharmaceutical companies, and 28 alumni of the program are currently employed at Celgene.

Celgene offers a Medical School Gap Year Program (MSGYP). The MSGYP is a one-to-two year post baccalaureate program for pre-medical students designed to provide training opportunities and meaningful work experiences during the “gap” or “bridge” year(s) before attending medical school. The MSGYP provides highly talented graduates with hands-on clinical development experience, allowing them to increase their competitiveness for admission to top MD programs. Students perform independent work with a dedicated Celgene scientific/medical mentor and are involved in the development and conduct of a clinical trial collaborating with our worldwide teams throughout the stages of the drug development process.

**Education and Learning Programs**

More than 750 postdoctoral fellows have completed the Rutgers Pharmaceutical Industry Fellowship program at Celgene and other New Jersey–based pharmaceutical and biopharmaceutical companies, and 28 alumni of the program are currently employed at Celgene.

*Rutgers Pharmaceutical Industry Fellowship Preceptors Lisa Chen, Manager for Medical Information, and Ji-May Jen, Senior Manager for Scientific Communications and their Fellows, Kevin Sharkey and Mindy Chen (left to right)*
Celgene also provides a unique program aimed at recent college graduates. Our Graduates Engaged in Accelerated Rotations (GEAR) program allows recent college graduates the opportunity to work in a fast-paced environment while developing foundational skills on which to build a career. GEAR rotation employees spend two years rotating through different functional areas at Celgene. A large number of GEAR employees continue their careers at Celgene.

Celgene supports the Sol J. Barer Scholarship in Life Sciences, named after Celgene’s former Chairman and Chief Executive Officer. The award helps students recognized as superior academic performers who are preparing for careers in the life sciences industries. Five scholarships are available through the Independent College Fund of New Jersey.

Celgene is also a four-year member of Change the Equation, a collaboration between education and business that aims to ensure that all students are literate in science, technology, engineering and math (STEM). Change the Equation’s members actively advocate STEM policies and practices across the US.

In addition, Celgene supports and actively participates in the STEM program at the Governor’s School of New Jersey. This initiative provides funding for workshops, seminars and opportunities within the STEM fields for more than 50 students a year.

Celgene has continued to support the Entrepreneurs in Clinical Academia (ECA) initiative, part of the Federation of Clinical Immunology Societies. ECA offers medical academics in Europe the ability to learn more about the drug development process and to understand the value of innovative research from the laboratory to the marketplace. This course is delivered by INSEAD, a globally renowned business school, and is supported by an educational grant from Celgene.
Corporate Giving

We focus our charitable and philanthropic support on health and social service programs, science education, and local community support. We are receptive to strategic corporate giving and contributions, which may be made in response to a funding request or proactively at our discretion. In the US, we support roughly 50 organizations, a sampling of which is listed here in alphabetical order. You'll find more information about our charitable and philanthropic contributions, as well as the application process for funding requests on www.celgenesponsorshipsanddonations.com.

- American Red Cross
- American Cancer Society
- Beautiful Self, Inc.
- Community Hope
- Covenant House NJ
- Herbert Irving Comprehensive Cancer Center of Columbia University
- International Myeloma Foundation
- Junior Achievement of New Jersey
- Montclair State University
- Research & Development Council of New Jersey
- Summit Department of Community Programs
- The Center for Missing and Exploited Children
- The Overlook Foundation
- The Pink Fund

CORPORATE GIVING IN THE UK

In the United Kingdom, we provide charitable support for 12 charities, listed in alphabetical order below.

- Breast Cancer Care
- Irish Skin Foundation
- Leukemia & Lymphoma Research
- Leukemia Care
- Myeloma Ireland
- Myeloma UK
- NRAS
- Pancreatic Cancer Action
- Pancreatic Cancer UK
- Psoriasis Association
- MDS UK Patient Support Group
- World Child Cancer

Fiona Pirilla was diagnosed with myelodysplastic syndrome (MDS) deletion 5q and treated with REVLIMID®
Environment

As a science-based company, we know that supporting environmental stewardship efforts are 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

Celgene is a growing company with increasing global demand for our innovative therapies and a robust development pipeline. Given our respect for our environment, it’s critical that we grow responsibly and with the goal of long-term sustainability. We must employ sound decision-making that reflects our values, and seek to mitigate our operational impacts on the environment. To advance our long-term sustainability approach, we seek opportunities to minimize our global carbon footprint, develop programs that reduce waste, implement water and energy conservation practices, and maintain our compliance with water quality and environmental regulations.

<table>
<thead>
<tr>
<th>Target Area</th>
<th>2020 Target</th>
<th>2015 Quantity</th>
<th>Units</th>
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</thead>
<tbody>
<tr>
<td>Direct + Indirect Greenhouse Gas Emissions</td>
<td>Reduce emissions from our facilities and emissions from purchased electricity by 20%</td>
<td>24,947</td>
<td>Metric tons CO₂e</td>
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<tr>
<td>Purchasing of Renewable Electricity</td>
<td>Increase purchasing of electricity derived from certified renewable energy sources by 15%</td>
<td>28,847</td>
<td>MWh</td>
</tr>
<tr>
<td>Total Water Withdrawal</td>
<td>Decrease water withdrawal by 10%</td>
<td>396,590</td>
<td>m³</td>
</tr>
<tr>
<td>Solid Waste Generation</td>
<td>Decrease solid waste (non-hazardous trash) generation by 10%</td>
<td>1,351</td>
<td>Tons</td>
</tr>
</tbody>
</table>

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 have been making significant progress to improve our performance on these issues for the past seven years and 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 above.

We have already decreased GHG emissions in our operations by 36 percent since 2012, and increased electricity purchases from certified renewable sources to 42 percent of total consumption in 2015, in excess of 28,000 megawatt-hours. We will continue to measure—and publicly report on—the progress on our 2020 goals using relative quantitative values compared to the total area (square feet) of our scoped facilities to normalize and compare data year-over-year.

36%

DECREASE IN GREENHOUSE GAS EMISSIONS IN OUR OPERATIONS SINCE 2012
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

Through our Sustainability Committee, we are encouraging employee participation and enhancing education with the goal of reducing the company’s carbon footprint.

We have outlined accounting and measurement strategies in Celgene’s Carbon Management Inventory Management Plan and include references from the World Resources Institute Greenhouse Gas Protocol, the Climate Registry, US Environmental Protection Agency (EPA), Climate Leaders Greenhouse Gas Inventory Protocols, and the World Business Council for Sustainability Development’s Water Tool.

CARBON FOOTPRINT

Celgene’s carbon footprint assessment includes Scope 1 activities from directly controlled or owned sources (stationary combustion, mobile combustion, refrigeration, fire suppression, and laboratory chemical use); Scope 2 activities from purchased electricity and steam; and selected Scope 3 activities from business travel, waste disposal, and employee commuting. Methods for determining the resultant carbon footprint conform to the Climate Registry’s General Reporting Protocol and the World Resource Institute’s Greenhouse Gas Protocol.

`Scope 1 and 2 GHG emissions increased from 2014 to 2015, mainly due to the 2015 expansion of our corporate headquarters campus in Summit, New Jersey, which now comprises Summit East and Summit West. However, emission intensity has consistently decreased as a result of our increased purchasing of electricity from certified renewable sources and investments in infrastructure upgrades.`
ENERGY

Celgene invests in technologies that represent the forefront of modern advancements in efficient energy consumption for our various operations around the world. Our approach includes purchasing efficient lighting and making infrastructure upgrades and replacements that minimize our direct energy consumption. Indirectly, our facilities continue to purchase electricity that is derived from certified renewable energy sources.

Employee commuting is a large source of emissions related to transportation. To reduce commuting emissions and decrease fossil fuel consumption, we provide electric and hybrid vehicle charging stations for use by employees. By the end of 2015, there were 14 stations at Celgene facilities that were used a total of 1,871 times, a rate of 156 sessions per month. The charging station program had logged a total of 6,235 sessions by the end of 2015 since the program’s inception in 2011.

### TOTAL ENERGY CONSUMPTION AND ENERGY INTENSITY (GJ)

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
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</thead>
<tbody>
<tr>
<td>Total Energy Consumption</td>
<td>389,478</td>
<td>382,671</td>
<td>389,236</td>
<td>454,101</td>
</tr>
<tr>
<td>Consumption per Employee</td>
<td>117</td>
<td>86.3</td>
<td>81.7</td>
<td>99.75</td>
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<tr>
<td>Consumption per Facility Area</td>
<td>0.203</td>
<td>0.198</td>
<td>0.185</td>
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</tr>
</tbody>
</table>

### ENERGY CONSUMPTION PER SQUARE FOOT OF FACILITY AREA (GJ)

![Energy consumption per square foot of facility area has been consistently decreasing since 2012.](image)

### ELECTRICITY USE FROM RENEWABLE AND NON RENEWABLE SOURCES (GJ)

![Since 2012, we have increased our use of electricity sourced from clean, renewable sources from only 151 GJ in 2012 to 103,401 GJ in 2015. We intend to continue this trend. Based on our recently launched environmental goals, we are aiming for a 15% increase measured against facility area by 2020 compared to our 2015 baseline.](image)
Celgene’s carpooling program has continued at its New Jersey facilities with participation varying between 20 and 25 active groups in 2015 due to changes in departmental locations throughout the year. Similar to the charging station program, this program is aimed at reducing traveling emissions while providing carpool groups a monthly monetary incentive and overall decrease in commuting expenses.

Celgene provides free shuttle transportation for its employees between its New Jersey facilities and the local mass transportation hub in Summit. Employees have the option of using company-provided shuttle services that run daily at varying intervals. It is the aim of this shuttle service to increase mass transportation use for employees that may have longer commutes, thereby further decreasing emissions attributed to employee commuting.

The Boudry facility also has shuttle service for its personnel who use mass transit at the train stations located at Neuchatel and Yverdon-les-Bains. Personnel at the Boudry facility also have the option of participating in a carpooling/ride-share program.

Reducing Our Energy Consumption and Carbon Footprint

Highlights of Celgene’s efforts to reduce energy consumption and carbon footprint:

- Purchased 46% more electricity from renewable sources than in 2014
- Installed outdoor LED lighting at the Phoenix facility and upgraded interior lighting fixtures, reducing our emissions by 140 metric tons of CO₂e
- Also at the Phoenix facility, upgraded the digital boiler controllers and installed servo motors that properly adjust fuel-to-air ratio accuracy, both of which assisted with optimizing combustion, leading to reductions of 128 metrics tons of CO₂e
WATER

Water is used for a variety of purposes within Celgene operations, especially in R&D experimentation, laboratory processes, and manufacturing of therapies, as well as personal consumption, facility cooling operations, and cleaning and maintenance operations. Celgene has consistently sought opportunities to reduce water use in these processes and, with the advent of efficient and cost-effective technology, to reuse and recycle non-potable water in other consumptive facility processes where feasible and practical.

Because recycled water is not used in large quantities at our facilities, we have not yet evaluated the precise quantity of recycled or produced water that is consumed or utilized across our value chain.

43% decrease in water withdrawal since 2012

Celgene continues to use the World Business Council for Sustainable Development’s Global Water Tool to identify sites in water-stressed regions in order to consider water-related risks and opportunities, and determine where conservation and management efforts could have the greatest positive impact. This tool has shown that a couple of Celgene’s operations are in water-stressed regions where there is potential risk for tightening of regulations related to limited water sources. However, Celgene’s operations require minimal volumes of water and do not significantly affect any water sources during the withdrawal and discharge processes.

WASTE AND RECYCLING

Celgene’s research, manufacturing, office, and other activities generate waste in the form of hazardous, non-hazardous, and by-products. Our processes for reducing these physical types of waste aim to improve our environmental and economic bottom line through cost and emissions savings by using alternative forms of waste collection—such as recycling, incineration, and beneficial reuse and disposal.

Celgene R&D laboratories that handle biological materials follow the Center for Disease Control’s Biosafety Level 2. Solid biological waste is collected as Regulated Medical Waste (RMW) and disposed of through our RMW waste vendor. Sharps are disposed of in appropriate sharps containers and disposed of as RMW. All waste disposed of through our RMW vendor is incinerated as a means of ultimate disposal. Waste vendors are pre-approved through the EHS contractor safety program and are subject to Celgene EHS waste vendor audits. All biological waste is disposed of following federal, state and local regulations based on the site’s location.

Recycling streams, which are now available at most Celgene facilities, focus on common waste types, including plastics, paper, and metals. We have incorporated the collection of organic (or biodegradable) waste at the Boudry facility, with more facilities expected to integrate similar programs by 2020, depending upon
feasibility. Employees at Boudry have embraced the organics program that collects food waste and paper products from the cafeteria areas. Additional waste diversion has occurred through donation of old or obsolete items from our information technology department, such as computers, printers, and scanners.

HAZARDOUS WASTE

Celgene takes measures to reduce its hazardous waste footprint and is exploring ways to continuously improve operations. While waste totals increased from 2013 through 2015, this is not proportional to our increase in production activities or company growth. Hazardous waste and other regulated waste are managed in accordance with all applicable local, state, and federal regulations. All Celgene pharmaceutical waste is incinerated in order to reduce the potential of pharmaceuticals in the environment.

Isopropyl Alcohol Aerosol Can Recycling — Phoenix Manufacturing Facility

Isopropyl alcohol aerosol cans were previously shipped as a hazardous waste. In April 2015, Celgene began puncturing, draining, and recycling aerosol cans. The EPA allows “treatment” by puncturing and draining hazardous material as long as the aerosol container is recycled. We then purchased a compliant aerosol that can be recycled. As a result of these measures, we recycled 4,382 aerosol cans, eliminating approximately 1,454 pounds of hazardous waste.

Chemical Inventory Management Initiative

In 2015, Celgene gained approval to move forward with a new Chemical Inventory Management System. In 2016, Celgene EHS launched this new robust Global Chemical Inventory Management System that enables cross-sharing of on-hand inventories across our research labs, thus reducing redundancies in purchases of chemicals, and minimizing chemical waste throughout the organization. The system should reduce duplicate purchases by alerting internal users when chemicals are available at other Celgene sites. In addition, the system provides enhanced risk management capabilities through critical limit alerts that will allow us to maintain broader control over our Chemical Inventory Management System.
From a compliance perspective, the system also automates and facilitates aggregate reporting on certain chemicals and inventories, which is required by various regulatory agencies.

**Pharmaceutical Product Stewardship Work Group (PPSWG)**

Celgene is part of the Pharmaceutical Product Stewardship Work Group (PPSWG) and is participating in the unwanted medicine take-back programs as a member of local MED-Project LLC for five US West Coast counties with plans to participate in five additional county programs.

The purpose of MED-Project is to prevent unwanted medicines from ending up in our environment and drinking water, or being abused. As part of this group, there have been 12 take-back events completed in 2016, with a total of 1,500 pounds of medicine collected. Celgene and other participants are in the process of targeting 142 kiosks for installation within these counties to accept unwanted medicines for secure disposal.

**Biodiversity**

As Celgene continues to expand operations worldwide, we hold ourselves responsible for protecting and preserving biodiversity and respecting nature on and around our facilities in dialogue with local communities. As part of this effort, we evaluate operations to comply with international, national, and local regulations concerning the preservation of natural places, promoting open spaces where possible, and assessing land use compliance.

Celgene has developed plans to consider facility impacts on biodiversity and land when designing new buildings and renovating existing facilities. These plans include:

- A *Stormwater Pollution Prevention Plan*, which establishes and communicates awareness of appropriate practices associated with pollution prevention techniques and materials to divert or prevent stormwater contamination
- **Spill response procedures** that are used in the event of a hazardous chemical spill
- A *waste disposal program* that outlines procedures for disposal of hazardous wastes in compliance with the federal Resource Conservation and Recovery Act

In the future, Celgene plans to pursue detailed assessments of operational impacts on local and regional biodiversity, as well as the impact within supply chains.

**Upstream and Downstream Activities**

The activities that occur within our upstream and downstream value chains are a result of operations that are critical to both our business and our stakeholders. Celgene assesses emissions from these activities in our value chains using methods from the Greenhouse Gas Protocol’s Corporate Value Chain (Scope 3) Accounting and Reporting Standard. As of 2016 the operations we include for energy, resource, and emission performance assessment within our value chains include:

- Trash disposal of municipal solid waste (see Waste and Recycling section for quantities)
- Employee commuting
- Employee commuting levels of the local shuttle services in New Jersey and Switzerland
- Business travel of the regional shuttle service in New Jersey
- Business travel via air travel

**Building Sustainably**

In 2015, a significant advancement of Celgene’s environmental stewardship was the opening of our newest building at the Summit headquarters campus. This new building has office capacity for 900 employees, a basement parking infrastructure, an efficient and modern interior for workspaces, and a food service area.
As part of Celgene’s commitment to environmental responsibility, the project’s goal is to earn Leadership in Energy and Environment Design (LEED®) green building program certification through the US Green Building Council (of which Celgene is a member). To attain this recognition, certain environmentally focused attributes have been integrated into its design and construction, including:

- Installation of efficient water fixtures, water closets, and urinals that generate a 40% annual savings in water consumption compared to baseline building models
- The energy model, which is used to compare the design against a minimum code-compliant building and has generated a theoretical annual energy savings of approximately 15%
- Installation of landscaping that does not require a permanent irrigation system
- The roofing system, which comprises a white thermoplastic polyolefin membrane to maximize solar reflectance and reduce the heat island effect associated with conventional roof systems
- Parking, more than 80% of which is located under cover, further reducing the heat island effect and minimizing the impact on the area’s microclimate
- A cistern tank that collects rainwater that is filtered and used for various gray-water activities, such as toilet and urinal flushing and site landscaping
- Low-emitting adhesives, sealants, paints, flooring systems, and composite wood products, which were installed within the building enclosure to promote occupant well-being

The atrium and foyer of the new building at our Summit, New Jersey headquarters
New Production Facility in Couvet, Switzerland

Celgene’s new facility in Couvet will include production, packaging, and storage facilities with a total area of nearly 200,000 square feet. It will manufacture current and future products for blood cancers and inflammatory diseases for worldwide distribution to meet a growing need: this year, 150,000 patients will be treated with Celgene medicines, a number that is expected to grow to as many as 500,000 over the next five years.

The new facility includes state-of-the-art environmental, architectural, and technical features, and is one of the first production facilities to use geothermal energy as an energy-saving system. The energy produced by the geothermal installation, both for heating and cooling, is considered 100 percent renewable.

The facility’s modular concept will enable us to introduce new compounds without interrupting ongoing production. The site will employ 100 people when it is fully operational by early 2019, in addition to the approximately 680 Celgene employees who work nearby in Boudry, Switzerland.
Business with Integrity

Our culture is built on integrity, ethics, sound decision making, and behaviors that reflect our values and focus on patients. We work to ensure that corporate policies support best practices in governance, transparency, and accountability.
Governance

Throughout Celgene, we’re focused on ensuring that the qualities that make our company unique are supported and fostered by best practices in governance.

COMPANY LEADERSHIP

The Board of Directors is the highest governing body and is responsible for oversight of the business and affairs of Celgene and its long-term strategy, objectives, and risk management. The Board is responsible for reviewing, evaluating, and approving major corporate actions, overseeing management’s efforts to establish and maintain appropriate standards of legal and ethical conduct, and providing oversight for senior management.

Celgene’s Corporate Governance Principles provide the framework for the governance of the company and assist the Board in exercising its responsibilities. These principles reflect the Board’s commitment to monitor the effectiveness of policy and decision making at both the Board and management levels, with a goal to maximize shareholder and stakeholder value over the long term.

CORPORATE RESPONSIBILITY AND SUSTAINABILITY GOVERNANCE

A senior-level, cross-functional Sustainability Committee oversees Celgene’s integrated corporate responsibility strategy. This committee is responsible for decision making 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.

The Sustainability Committee develops and drives Celgene’s sustainability initiatives and approves the company’s annual Corporate Responsibility Report. It also serves as the liaison to corporate responsibility–focused organizations and programs, such as the CDP and GRI, and approves any updates to the Corporate Responsibility and Sustainability Policy. Specific information related to this policy can be found on our website.

The Committee also provides direct oversight of various topics related to corporate responsibility initiatives at Celgene. This includes proactive outreach to stakeholders, environmental target management, and coordination with executive-level management.

The Committee’s approved policies, actions, and strategies are executed by the respective departments within Celgene. Employees are informed through internal communications and, depending upon the department, are also included in training on the Corporate Responsibility and Sustainability Policy. Stakeholders and employees are encouraged to direct all communications to the Committee via email at corporateresponsibility@celgene.com.

Risk management is a central part of Celgene’s corporate policy, and risk management efforts have been expanded to include sustainability risks to enhance environmental compliance and performance. The Sustainability Committee reviews these potential risks and necessary actions for Celgene to consider. The Sustainability Committee reviews environmental risk annually during the formation of our disclosure to CDP. Social and material risk items and topics—such as access to medicine and corporate giving—are reviewed on a quarterly basis or as needed.

At least annually, a report on corporate responsibility and sustainability is provided to the Nominating and Governance Committee of the Board of Directors.
Sustainability Committee
Richard Bagger, Chair
Executive Vice President, Corporate Affairs and Market Access
Zeba M. Khan, RPh, PhD
Vice President, Corporate Responsibility
Tony Azzizzo
Executive Director, Supply Chain Operations
Anne Coogan
Senior Director, Environmental Health and Safety
Bernard Gianola
Associate Director, Environmental Health and Safety—Europe
Lisa Hayes
Senior Director, Investor Relations
Vikram Khetani, PhD
Executive Director, Drug Development, Celgene Global Health
Douglas MacGorman
Senior Director, Engineering, Construction and Carbon Management
Thomas Perone
Vice President, Corporate Legal
Carol Thompson
Senior Director, Human Resources

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 the following aspects as they relate to corporate responsibility and sustainability:

- Sustainability aspects of Celgene’s mission
- Regulatory compliance through Global Environmental Health and Safety
- Charitable and philanthropic donations
- Global health
- Environmental sustainability
- Pollution prevention and waste minimization
- Energy and fuel conservation
- Water conservation
- Climate change opportunities and risks
- Risk management process
- Biodiversity consideration
- Employee awareness

In the short term, the policy covers initiatives that our business can take to create a marginal-to-medium impact on our triple bottom line (environmental, social, and economic aspects), including energy-related and water-related conservation.

In long-term planning, Celgene views addressing environmental aspects, in particular in the areas of supply chain, water, and GHG emissions, as essential for Celgene general operations and business performance to ensure that we continue to deliver our life-changing therapies to our patients.
ENVIRONMENTAL COMPLIANCE

At Celgene, we're committed to conforming to the standards set forth by local, state, and federal environmental rules and regulations. Celgene professionals routinely complete environmental audits at our facilities, including manufacturing, R&D, and administrative offices (as applicable), in order to ensure compliance and that best practices are being applied. Audits include reviews of air quality programs, water treatment strategies, and hazardous waste disposal protocols. Celgene ensures that environmental permits are in place and routinely monitored, and that the appropriate processes are in place to minimize environmental risks.

In 2015, Celgene received no fines or sanctions for non-compliance with environmental laws and regulations at any facility. Celgene continues to adhere to local, state, federal, and country regulations concerning environmental compliance, and has numerous management best practices in place should a situation arise concerning non-compliance.
# Stakeholder Engagement Approach

## INVESTORS
Our business goals include responsibly achieving exceptional financial results year over year.

## PATIENTS & FAMILIES
We strive to create innovative therapies and services that meet the health needs of patients and their families throughout the world.

## PAYERS
We strive to ensure broad access to medicines based on their value to patients, healthcare providers and society.

## EMPLOYEES
We hold our employees to the highest standards and foster a positive work environment.

## BUSINESS PARTNERS
We select business partners who share our commitment to making a difference to patients.

## SUPPLIERS
We expect our suppliers to operate according to responsible business standards and practices.

## HEALTHCARE PROFESSIONALS
Research and clinical trials help us gain new insight into both the needs and opportunities of global patient populations.

## GOVERNMENTS
We abide by and endorse the regulatory frameworks in which we operate.

## LOCAL COMMUNITIES
We develop strong and lasting relationships with the communities where we conduct our operations.
At Celgene, we assume the best in each other in terms of capability and intention, and we treat each other with dignity and respect as we work together to advance our common mission. We value each individual for the integrity they bring to their work and their relationships, both internal and external.

**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 Purpose, Values, and Behaviors 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.

Our Board of Directors has oversight responsibility for our Global Compliance Program, and the Chief Compliance Officer provides the Board with regular compliance updates.
EMPLOYEE ETHICS TRAINING
All Celgene employees receive training on the Code of Business Conduct and Ethics. We expect that they read, understand and abide by the requirements set therein to ensure ethical business practices and compliance throughout our organization.

GLOBAL COMPLIANCE PROGRAM
Celgene’s Global Compliance Program supports legal and ethical conduct throughout the company. Employees have an obligation to report any conduct that they in good faith believe violates laws, corporate policies and/or the Code of Business Conduct and Ethics. There are various avenues both to seek advice on ethical behavior and to report concerns related to violations of such behavior, including:

- Obtaining advice from and reporting misconduct to the Global Compliance Group
- The Celgene Compliance and Ethics Hotline
- The Celgene Compliance and Ethics Website

DISCRIMINATION AND HARASSMENT
It is the policy of Celgene Corporation to provide equal employment opportunities in all terms and conditions of employment. Our Equal Opportunity Policy, which applies to all employees in the US, provides that we will not discriminate against any qualified employee or job applicant with respect to any terms, privileges or conditions of employment regardless of race, color, religious creed, sex (including gender identity), sexual orientation, marital status, pregnancy, national origin, ancestry, citizenship, age, veteran status, physical or mental disability or medical condition (including cancer or genetic information) or other legally protected classifications.

BRIBERY & ANTI-CORRUPTION
At Celgene, bribery is never permitted. This principle does not change based on local culture or if we are dealing with a government official, healthcare professional or commercial customer. All employees must follow all applicable anti-corruption laws and regulations, including the US Foreign Corrupt Practices Act, the UK Bribery Act and similar laws wherever we do business.

Corporate Compliance and Ethics Hotline
The Celgene Corporate Compliance and Ethics Hotline is available to report any conduct or action which is or may appear inconsistent with applicable law, Celgene policies, Code of Business Conduct and Ethics or Values.

The Hotline provides a means of filing a report anonymously (where permitted by applicable law) 24 hours a day, seven days a week, to a third-party service provider that will ensure a caller’s confidentiality. Celgene will not retaliate against any employee who reports a complaint or concern in good faith.

Employees can dial the Hotline directly at 1–866-480-6139.
Celgene’s Anti-Bribery and Anti-Corruption Policy supplements the Code of Business Conduct and Ethics and provides standards of conduct and practices for all employees of Celgene, its affiliates and subsidiaries to ensure compliance with applicable laws. Training on this policy has been distributed to 100 percent of employees worldwide, and target groups have received enhanced in-person training led by Legal and Compliance personnel. The policy identifies potential actions and areas of corruption that could generate risk for Celgene operations.

**CONFLICTS OF INTEREST & POLICY**

It is Celgene policy that employees and others acting on behalf of the company must be free from conflicts of interest that could adversely influence their judgment, objectivity or loyalty to the company in conducting Celgene business activities and assignments.

Employees, officers and directors are prohibited from engaging in any activity or having a personal interest that present a conflict of interest as laid out in the Conflicts of Interest Policy. This policy outlines procedures that identify and manage conflicts of interest that may exist for employees and proper avenues of internal disclosure.

**ANTITRUST AND COMPETITION**

Celgene employees are directed to follow all antitrust and competition laws in all places where the Company conducts business. Such laws are designed to preserve a fair and level playing field for all businesses by prohibiting any agreements and practices that improperly restrain business competition within marketplaces.

**ANTI-COUNTERFEITING ACTIVITIES**

Counterfeiting medicines is a serious criminal offense and a growing public health risk. Counterfeit medicines may be too strong or too weak, miss key ingredients, or even be made with dangerous contaminants that can lead to serious health issues. When patients consume medicine that is fake or counterfeit, trust in the quality of medicines in general is destroyed and hope for successful treatment of their disease is undermined. Celgene believes there is no higher priority than ensuring that patients receive genuine, safe, and effective medicines. It is because of this strong commitment to patient safety that Celgene takes deliberate, sustained, and proactive steps to strictly enforce the quality and safety of our treatments.

Celgene continuously implements strategies and explore new technological developments to deter counterfeiting. We also address product integrity issues by putting business practices in place designed to ensure that our therapies are securely distributed within our authorized markets. We work closely with regulatory bodies, law enforcement agencies, our industry peers, and consumer protection authorities worldwide to strengthen, enact, and enforce anti-counterfeiting laws and to raise awareness of counterfeiting. We also support law enforcement and industry initiatives to actively combat counterfeiting.

On a global basis, Celgene works with international law enforcement and customer agencies to take action against the manufacturers and distributors of counterfeit medicines. We are also deeply engaged through the Pharmaceutical Security Institute and similar organizations to prevent all types of pharmaceutical crime, including counterfeiting, theft and illegal diversion.
Public Policy

Public policy engagement is an important role for private sector companies. It is essential to work with public policymakers 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.

US PUBLIC POLICY

For example, Celgene employee ambassadors participated in more than 90 congressional meetings in both the US House of Representatives and the US Senate at the annual Celgene Washington Legislative Summit. Several Members of Congress, including Senator Bill Cassidy (R-LA) and Representative Tom MacArthur (R-NJ), participated in plenary sessions to share insights on public policy developments concerning healthcare issues. To date, Celgene has hosted four annual Legislative Summits in Washington, D.C., with past guest speakers including Senator Ben Sasse (R-NE), Representative Katherine Clark (D-MA), Representative Scott Peters (D-CA), and Representative Phil Roe (R-TN). Celgene also hosts visits by federal and state policymakers at Celgene facilities to foster greater awareness of biomedical innovation. Recent visitors included Senator Jeff Flake (R-AZ), Representative Susan Davis (D-CA), Representative Rodney Frelinghuysen (R-NJ), Representative Ruben Gallego (D-AZ), Representative Tom MacArthur (R-NJ), Representative Eric Paulsen (R-MN), and Representative Donald Payne Jr. (D-NJ).

As a member of the State Patients Equal Access Coalition, Celgene helps patients, advocates, and healthcare providers better understand the benefits of newly enacted state oral oncology parity laws. These laws require insurance companies to provide equal coverage for both intravenous (IV) and pill treatments. We work with patient advocacy and provider groups including the Cancer Support Community, the Leukemia & Lymphoma Society, the Association of Community Cancer Centers, Susan G. Komen for the Cure, and the International Myeloma Foundation to support virtual town hall meetings, webinars, educational fact sheets, and other resources to ensure that these laws are positively impacting cancer patients.

Congressman Tom MacArthur (fourth from right) visits Celgene’s Summit headquarters to tour the facilities and meet with employees
Oral Parity

There have been significant advancements in cancer care in recent years, and one of those advancements is the number of new oral medications that have been approved to fight a wide range of cancers.

In 2008, more than one quarter of 400 anticancer drugs in development were oral anticancer medications. Today, the number of oral anti-cancer drugs in development has nearly doubled. Yet, as new treatments are developed, many insurance plans have yet to update their benefits structures and reimbursement policies, sometimes hindering cancer patient access due to resulting higher out-of-pocket costs.

Injected and infused therapies tend to be covered under a health plan’s medical benefit, while oral therapies are generally covered under the plan’s pharmacy benefit.

**Celgene strongly supports oral oncology parity laws as they provide patients more affordable access to treatments, regardless of how the treatment is administered.**

In the last eight years, oral parity laws across 40 states have attempted to reduce that disparity through the passage of an oral parity law. The intent of these laws is to get patients access to the anti-cancer medicine their doctor has prescribed, by requiring health plans to create parity in out-of-pocket costs between oral and IV cancer therapies.

Celgene believes that patients and physicians should choose treatments based on effectiveness, not cost concerns caused by outdated health plan benefit design.

Since 2009, Celgene has worked closely with patient and provider advocates to advocate on behalf of oral oncology parity legislation. Through these coalitions, we have educated policymakers about the rapidly changing cancer treatment landscape and the importance of enacting thoughtful public policy ensuring that patients have access to the breakthrough therapies that offer them their best chance at survival.

While the vast majority of states have passed legislation, Celgene is also committed to ensuring that these laws are working for patients. Through data collection and analysis, discussions with state insurance officials, and the creation and dissemination of appropriate educational materials, the oral oncology parity coalitions remain committed to implementing real-world solutions for cancer patients.

At the federal level, Celgene continues to work with the Patients Equal Access Coalition to achieve enactment of a nationwide law that would ensure that patients will pay no more out of pocket for an oral anti-cancer medication than for traditional IV treatments. Together with our patient partners we have made strong progress in highlighting the need for federal action. Bills to achieve oral parity have been introduced in both the US House and Senate and support from lawmakers continues to grow. The House bill has gained the support of 124 co-sponsors while the companion Senate bill has gained the support of 21 co-sponsors.
Celgene’s Position on US Healthcare Policy Issues

Step Therapy / Utilization Management
Health insurance companies are increasingly employing utilization management policies such as step therapy to limit the use of prescription medicines by forcing patients to “fail” certain therapies approved for a condition prior to other approved treatments. When used with appropriate patient protections, step therapy can function as an effective way to guide drug utilization and subsequently control costs. In some cases, however, step therapy can prevent patients from accessing the most effective treatment recommended by their healthcare provider. Celgene supports public policies that ensure that health plan utilization management policies are clinically appropriate, transparent, and allow for physician/patient choice.

The Patient Protection and Affordable Care Act
Celgene supports efforts to ensure that patients have access to high-quality care. While the Affordable Care Act has increased access to health insurance coverage, high cost sharing remains a significant burden, especially for patients with serious conditions being treated with specialty medicines. Celgene advocates for payment models that recognize the value of innovative therapies, preserve patient and physician choice in treatment, and consider the total costs of care to the patient and the healthcare system.

Medicare Part D
Medicare Part D has been able to provide comprehensive prescription drug coverage that beneficiaries are highly satisfied with, through competition and choice, at a cost far less than anticipated, saving money for both the government and those enrolled. Celgene supports maintaining the current structure of the program, including the important access protections that exist for patients with life threatening diseases like cancer.

Protecting the Integrity of REMS and Patient Safety Programs
Celgene is committed to ensuring that risks associated with prescription drugs are identified, assessed, and managed effectively to ensure patient safety, prevent risk, and minimize the occurrence of adverse events. Risk Evaluation Mitigation Strategies (REMS) play an important role in our commitment to patient safety. Celgene opposes policies, like the forced sale of REMS (with Elements to Assure Safe Use (ETASU)) drugs for bioequivalence testing or the inclusion of REMS drugs in drug repository and take-back programs, that would hinder the ability to protect patient safety and execute REMS programs.

Cost-Sharing for Innovative Oral Therapies
Celgene supports public policies that limit the high out-of-pocket costs that an increasing number of patients are required to pay for innovative therapies. These pro-patient policies include oral oncology parity legislation, which
equals the out-of-pocket costs that patients must pay for IV and oral anti-cancer therapies and specialty tier legislation that reduces the high cost-sharing that patients with diseases like cancer, psoriatic arthritis, multiple sclerosis, and human immunodeficiency virus (HIV) often face for innovative oral therapies.

**Strengthening the Drug Discovery and Development Regulatory Framework**

Efficiency, predictability, flexibility, and collaboration are all key elements of a regulatory framework that cultivates and speeds development of new therapies. Celgene supports regulatory policies that streamline and modernize the discovery and development process, including those that support the use of more master protocols and biomarkers, and incorporate patient reported outcomes. In addition, Celgene supports incentives to encourage the development of more therapies in areas of high unmet medical needs.
PUBLIC POLICY IN EUROPE

Transparency

In the European region, Celgene has actively engaged a variety of stakeholders to address their concerns about transparency on pharmaceutical price-setting. To do so, our Corporate Affairs team has leveraged various tools that have been developed within Celgene, including our pricing principles and a pricing simulation exercise that showcases the trade-offs that companies need to balance when pricing innovative medicines or when making investment decisions. The latter has been an opportunity for meaningful discussions on pricing and value with payers and patient representatives at the EURORDIS symposium for rare diseases in Brussels in February 2016; with journalists during the Celgene Media Summit in Boudry, our international headquarters; with members of the European Parliament and their advisors in April 2016; and with patient organizations’ representatives in October 2016. Celgene’s new approach and the willingness to have an open discussion on pricing was unanimously appreciated by various stakeholders, some of whom are now seeing pricing of medicines in a different light. Keynote speakers at the EURORDIS conference recognized industry efforts to “collaborate constructively,” and the need for other decision makers to “gain more consensus on the value of therapies to ensure fair and equal access to orphan drugs.” Other participants stated, through Twitter, “Wrapping up at #RareEU2016, pricing and reimbursement must be looked at from all perspectives.” “#RareEU2016 fantastic workshop simulating payer decisions—everyone stepping into payers’ shoes to reduce drug budgets and negotiate prices,” and “Great interactive exercises at #RareEU2015 [sic]—shows complexity of decisions made by payers! #makeyouthink.”
**Orphan Drugs**

In addition, Celgene works to ensure that specificities of orphan drugs are appropriately reflected in Health Technology Assessments (HTAs). Our team launched an HTA working group with European experts that developed a set of recommendations for value assessment for orphan drugs, which were presented to payers in September of 2016. The recommendations will serve as a basis for wider efforts to improve patient access to orphan drugs through greater uniformity and consistency in the methods used to make reimbursement and funding decisions at a country level.

** Patient Access**

Celgene is committed to engaging in dialogue and working collaboratively with policymakers and other relevant stakeholders on solutions to ensure sustainable patient access to innovative therapies. As part of this commitment, Tuomo Pätsi, President of Celgene EMEA, has been given the opportunity to discuss outcomes-based healthcare systems with several EU health ministers, the Dutch Cancer Society, and a selection of fellow industry representatives who attended a roundtable in May 2016 organized by the Dutch Health Minister, Edith Schippers. The discussion resulted in an agenda for cooperation between industry and authorities including horizon scanning on upcoming therapies, capacity building for managed entry agreements, innovative payment models, and differential pricing.

Celgene affiliates are also actively engaging in this dialogue at the national level and implementing innovative approaches to patient access:

- **Celgene Poland** cooperates with the country’s two largest patient societies, Carita Foundation—Living with Multiple Myeloma and the Polish Myeloma Patients Society. We support these organizations with grants for education and other activities focused on supporting patients with Myeloma.

- **Celgene Slovenia** (including Croatia, Serbia and Macedonia) is collaborating with multiple patient support organizations working to help enhance their scale and effectiveness. We also support educational activities related to rare diseases.

- **Celgene Middle East & North Africa (MENA)** is collaborating with numerous country-focused medical societies to deliver needs-based educational and training programs that aim to support the appropriate diagnosis and treatment of patients with hematological malignancies.
CELGENE NETHERLANDS: THE IMNOVID® PILOT PROJECT

Taking into account the specifics of the decentralized Dutch healthcare system, Celgene initiated a pilot project that led to an indirect agreement for the provisions of IMNOVID® between Celgene, national payers, and hematology associations without the formal involvement of the Dutch government or any reimbursement authority. The innovative aspect of this approach lies in the fact that it goes beyond price and covers:

• Transparency on real-life treatment “start and stop” criteria and outcomes
• Adequate funding at the hospital level
• An acceptable cost-level based on agreements with private insurance companies following a pay-for-benefit approach

The IMNOVID® pilot represents a great example of how flexible and tailored approaches to reimbursement can best serve patient access, and may become a model for cooperation between companies and stakeholders on the access, quality, and affordability of patient care in the future.

CELGENE SWEDEN: THE INNOVATION PLATFORM

In 2015, Celgene Sweden launched an “Innovation Platform,” gathering key politicians, civil servants, healthcare professionals, and academics for a series of roundtable discussions. The objective was to deepen the debate on the future of healthcare, unlock the potential of new scientific and pharmacological innovations, and collaboratively develop concrete proposals on how Sweden can strengthen its position in the life sciences field and provide better treatments for Swedish patients.

The roundtables were organized around four themes:

• Scanning the horizon
• The impact of trends and changes in society on medicine and healthcare
• Prerequisites for a future-proof healthcare system
• Swedish healthcare in 2020— a strategy for success

The outcomes from the four roundtable discussions were compiled into an Innovation Platform publication, which provides a concrete and solution-oriented catalogue of proposals that are useful and realistically possible to implement by regional and national politicians. The publication was printed in spring 2016 and presented at the Swedish political week, Almedalen, in early July of 2016. Further activities, such as debates and open seminars on the progress of the proposed ideas, will follow.
Celgene’s Positions on EU Healthcare Policy Issues

**European Cooperation on Pricing and Reimbursement**

Due to the considerable variations in healthcare systems across Europe, patients are better served if pricing and reimbursement decisions are taken by each country individually. This ensures a sufficient level of flexibility, allowing for pragmatic access solutions that are adapted to the needs of each country. Without creating duplications, other types of cooperation between EU countries on aspects such as scientific assessments of the clinical value of medicines, early dialogue, or horizon scanning have the potential to contribute to faster and better patient access.

**International Reference Pricing**

Celgene supports public policies that are aimed at reducing patient access inequalities, in particular through differentiated approaches to pricing and reimbursement. To achieve this, Celgene believes that international reference pricing within the EU should be based on more coherent reference baskets that only include economically comparable EU countries. The indiscriminate effects of international reference pricing have undermined the capacity of innovative biopharmaceutical companies to address inequalities in patient access.

**European Cooperation on Relative Efficacy Assessment**

Regional European cooperation on relative efficacy assessment (REA) may be an appropriate response to the very specific regulatory and market characteristics of the EU. In Europe, Celgene recognizes the potential to hasten patient access by developing joint European REA reports, which could then be used directly to facilitate access decisions in the individual countries. Such assessments should focus on the scientific evaluation of clinical efficacy. Economic and ethical considerations should remain at the national level. Celgene considers that patient access can only be improved if the European REA does not create additional requirements for marketing authorizations and if national health-technology assessment (HTA) agencies do not duplicate assessments. Celgene is also working to ensure that the developments of new HTA systems at both the national and the EU level reflect the specificities of orphan drugs.

**A Renewed Commitment to Rare Diseases**

Celgene considers that the incentives provided by the European Regulation on Orphan Medicinal Products have been a catalyst for companies to invest in developing new treatments for patients with rare diseases. There has been a significant increase in the number of approved orphan medicines, from eight before the regulation to over 100 today. However, to maintain and increase research in this area, it is fundamental that a differentiated, stable, and predictable regulatory environment incentivizing research in areas of high unmet need is secured. Furthermore, great effort must be made to improve patient access to the new orphan therapies now available.
CELGENE POLITICAL ACTION COMMITTEE (PAC)

The Celgene PAC supports candidates from both political parties at the state and federal level who share Celgene’s commitment to innovation and patient access in healthcare. The Celgene PAC is an opportunity for eligible employees to join together with their peers and ensure that Celgene’s collective voice is a part of the political process.

The Celgene PAC positively impacts the policy environment on behalf of the patients we serve by supporting candidates from both political parties who share our commitment to access and innovation in healthcare in the following three core principles:

- Expanding patient access to medicines 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 and accountability

Based on research compiled by the Center for Political Accountability for the 2016 CPA-Zicklin Index of Corporate Political Accountability and Disclosure, Celgene received a total score of 91 percent, ranking at number five overall. The index, which covers the S&P 500, uses 24 indicators to measure the strength of each company’s political spending disclosure policies and compliance/oversight practices.

RECEIVED A TOTAL SCORE OF

91%

RANKING CELGENE AT NUMBER FIVE BY THE CENTER FOR POLITICAL ACCOUNTABILITY

To promote transparency, information about all political contributions in the US by the Celgene PAC and Celgene Corporation is provided in a semiannual report posted on the company website, categorized by state, candidate, and amount.

During 2015, Celgene Corporation and Celgene PAC made contributions totaling $52,050 and $192,700, respectively. These contributions went to 172 candidates in states across the country from both political parties at the federal and state levels, as well as 26 political party and PAC organizations and associations.
US Senator Jeff Flake tours the Celgene ABRAXANE® manufacturing facility in Phoenix, Arizona

Congressman Rodney Frelinghuysen (third from the left) with Celgene employees
Supply Chain

Celgene expects its suppliers to deliver sustainable solutions while operating at high ethical standards and adhering to fair business practices. These suppliers are part of regional, national, and international supply chains that are involved in the manufacturing process for Celgene therapies.

Celgene procurement follows a strategic sourcing process to identify the best suppliers and works with internal teams to ensure that we obtain the best value from our suppliers in terms of quality, cost, service, and delivery. We understand the value these businesses bring to Celgene and strongly encourage them to participate in our competitive bidding processes. We appreciate the benefits of supplier diversity and consider small and diverse businesses to be an asset to our company and are continually seeking to develop long-term relationships with suppliers in the Small Business Administration (SBA) program, including:

- Small businesses
- Minority-owned businesses (small/large)
- Women-owned businesses (small/large)
- Small disadvantaged businesses (SDB)
- Historically underutilized-business-zone businesses
- Veteran-owned and service-disabled veteran-owned businesses (small/large)

E-Sourcing

E-sourcing is our preferred method of doing business with our suppliers. This creates ease of project management, increases processing speed, maintains transparency and provides a consistent global process.

Supplier Diversity

Celgene recognizes the value and importance of a diverse supplier base that is enshrined in our commitment to the communities we serve. It is our commitment to facilitate and encourage the growth of small and diverse suppliers as Celgene itself grows as a global organization.

Sustainability

Celgene expects its suppliers to conduct business in a safe, sound and sustainable environment and minimize environmental impact from their business operations. Our suppliers are encouraged to promote sustainable and responsible business practices while integrating environmentally related initiatives into their own operations.

Ethics

Celgene expects its suppliers to follow the Celgene Code of Business Conduct and Ethics. Our decisions will be influenced by business decisions and not by personal favors or opinions.
SUPPLIER DIVERSITY

Celgene recognizes the value and importance of a diverse supplier base and makes it part of our commitment to the communities we serve.

Celgene had business transactions with 246 Small Business Association (SBA) suppliers in 2015, which represents about 4.5 percent of the suppliers used through US general sourcing. Many of these suppliers represent more than one type of SBA category, furthering our goal of developing our business collaboration with diverse suppliers. We look to leverage our outreach efforts to potentially introduce us to new sources of business and a chance of aligning our needs with another company’s resources and expertise to further enhance our database of suppliers. With that goal in mind, Celgene added five conferences to our schedule of outreach events in 2015, totaling nine for the full year—almost double the number of events attended in 2014.

Another objective is to target conferences that showcase business classifications that have posed challenges in prior years. Continuing to grow our network of diverse suppliers and industry contacts is key to the progression and success of our program. We have implemented
changes to increase visibility and to better align with non-traditional small businesses. We are continuing to develop our program by adding outreach efforts, including financial resources and additional manpower, and also by attending multiple events to pinpoint/include each type of diverse classification.

Celgene has joined several alliances to learn best practices and develop our pool of resources for information. Celgene is a member of the Supplier Diversity Pharmaceutical Forum, a sub-committee of the Pharmaceutical Forum of the Institute for Supply Management. The Forum is a collaborative group of supply chain professionals with the goals of expanding supply base diversity in the pharmaceutical industry, developing best and next practices in supplier diversity, and professional development. We’re also a member of Women Presidents’ Educational Organization (WPEO) to further enhance our engagement with women-owned businesses specifically, and expand our company reach and network of industry experts.

**SPEND ON LOCAL SUPPLIERS**
Whenever possible, Celgene seeks to do business with local suppliers. This allows us to minimize our environmental footprint, while simultaneously contributing to the development of the communities where we operate. As of 2015, in the US, 21 percent of our spend was with local suppliers (within 50 miles of the facilities they serve). In the rest of the world, that number was 77 percent.

**OUTSIDE THE US,**

77%

**OF OUR SPEND WAS WITH LOCAL SUPPLIERS**
Global Reporting Initiative Index

Celgene uses the Global Reporting Initiative (GRI) standard for corporate responsibility reporting to account for indicators and aspects that constitute a familiar and globally accepted standard. In some cases, we have adjusted our reporting approach to reflect a more accurate depiction of Celgene’s business model and operations, but in all cases we respond to the spirit of the indicator(s).

For this report, Celgene is following the G4 in Accordance—Core guidelines.

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Description</th>
<th>Location and Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>G4-1</td>
<td>Statement from the most senior decision maker of the organization about the relevance of sustainability to the organization and its strategy</td>
<td>Message from the Chief Executive Officer: page 2</td>
</tr>
<tr>
<td>Indicator</td>
<td>Description</td>
<td>Location and Notes</td>
</tr>
<tr>
<td>-----------</td>
<td>-------------</td>
<td>--------------------</td>
</tr>
</tbody>
</table>
| G4-2 | Description of the organization's key impacts on sustainability and effects on stakeholders and the impact of sustainability trends, risks and opportunities on the organization | **Regulatory Requirements**  
Changes in climate-related regulations represent potential risks to the companies in various countries, and include cap-and-trade legislation, state-level greenhouse gas emission limits and carbon taxes at international operations. These can all lead to increased capital and operating costs to meet the additional regulatory compliance requirements. Some new regulatory requirements represent an opportunity to reap cost savings through facility improvements for energy, water, transportation and waste conservation or an overall decrease in environmental emissions and footprint.  
**Production and Operations**  
Energy reliability, availability and costs can impact manufacturing and production capability and expenses. This can also apply to the availability of water and material sources. Energy efficiency improvements and on-site renewable energy infrastructure can potentially mitigate impacts related to off-site energy production and disruption. Production capacities at manufacturing facilities could be adversely affected by natural disasters, changes in environmental regulations and disruptions to supplies of critical and/or non-critical raw materials.  
**Investor Relations**  
There are groups of investors worldwide that are integrating climate risk into their decision making and requiring disclosure and transparency around climate risk management. Celgene’s management and addressing of environmental issues enhances the company’s reputation with current and future stakeholders and the public.  
**Supply Chain**  
Climate change can affect the availability and sourcing of raw materials and natural resources that contribute to or impact operations, create commodity price volatility and disrupt current and future sources of supply. Climate-induced disruptions to distribution networks can affect delivery schedules to patients and cause product interruptions or sales losses.  
**Local Community**  
Climate change can impact local communities through natural disasters or other extreme weather, thereby impacting patient populations, workforce, suppliers and other stakeholders. Concern from local communities may exist if Celgene does not aim to effectively reduce its environmental footprint, air emissions or water consumption levels.  
See also Patients First: page 13 for our efforts to positively impact patient health, Patient Safety: page 20 for our approach on minimizing risks to patients, and Communities: page 43 on how we address our relationship and impacts with communities. |
### ORGANIZATIONAL PROFILE

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Description</th>
<th>Location and Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>G4-3</strong></td>
<td>Name of the organization</td>
<td>Celgene Corporation</td>
</tr>
<tr>
<td><strong>G4-4</strong></td>
<td>Primary brands, products and/or services</td>
<td>Celgene Corporation, together with its subsidiaries, is an integrated global biopharmaceutical company engaged primarily in the discovery, development and commercialization of innovative therapies for the treatment of cancer and inflammatory diseases through next-generation solutions in protein homeostasis, immuno-oncology, epigenetics, immunology and neuro-inflammation. See also: Therapeutic Areas: page 5 and our 2015 Annual Report: page 2.</td>
</tr>
<tr>
<td><strong>G4-5</strong></td>
<td>Location of the company’s headquarters</td>
<td>86 Morris Avenue Summit, NJ 07901</td>
</tr>
<tr>
<td><strong>G4-6 and G4-8</strong></td>
<td>Countries where the organization operates and markets served</td>
<td>Celgene’s Global Presence: page 7 See also our Global Office Network and our 2015 US Securities and Exchange Commission Form 10-K</td>
</tr>
<tr>
<td><strong>G4-7</strong></td>
<td>Nature of ownership and legal form</td>
<td>Celgene Corporation (CELG) is a publicly traded company listed on the Nasdaq Stock Market.</td>
</tr>
<tr>
<td><strong>G4-10</strong></td>
<td>Workforce statistics</td>
<td>Workforce Statistics: page 37</td>
</tr>
<tr>
<td><strong>G4-11</strong></td>
<td>Employees covered by collective bargaining agreements</td>
<td>There are no unions within Celgene and no bargaining agreements.</td>
</tr>
<tr>
<td><strong>G4-12</strong></td>
<td>The company’s supply chain</td>
<td>Supply Chain: page 80</td>
</tr>
<tr>
<td><strong>G4-13 and G4-23</strong></td>
<td>Significant changes during the reporting period regarding size, structure, ownership, or supply chain</td>
<td>On August 2015, Receptos became a wholly-owned subsidiary of Celgene. In July 2015, Celgene agreed to buy a former Merck facility two miles from Celgene’s headquarters in Summit, New Jersey. In 2015, we completed the newest building at our Summit Global Headquarters campus. The building accommodates 900 employees. For a full account of changes, refer to our 2015 Annual Report, particularly page 73.</td>
</tr>
<tr>
<td>Indicator</td>
<td>Description</td>
<td>Location and Notes</td>
</tr>
<tr>
<td>-----------</td>
<td>-------------</td>
<td>--------------------</td>
</tr>
<tr>
<td>G4-14</td>
<td>Whether and how the precautionary principle is addressed</td>
<td>The precautionary principle is not addressed.</td>
</tr>
<tr>
<td>G4-15</td>
<td>Externally developed economic, environmental and social charters, principles, or other initiatives to which is endorsed or subscribed to by the company</td>
<td>Celgene does not subscribe to or endorse any external charters, principles or other initiatives for economic, environmental or social aspects.</td>
</tr>
<tr>
<td>G4-16</td>
<td>Memberships of associations</td>
<td>Association Memberships</td>
</tr>
</tbody>
</table>

**IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Description</th>
<th>Location and Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>G4-17</td>
<td>Entities included in financial statements or equivalent</td>
<td>2015 Annual Report</td>
</tr>
<tr>
<td>G4-18 and G4-19</td>
<td>Process for defining report content and aspects and materiality</td>
<td>Materiality: page 10</td>
</tr>
<tr>
<td>G4-20</td>
<td>Material aspect boundaries within the organization</td>
<td>The reporting boundary includes the facilities for which we have operational control, of which Celgene owns either the facility or significant emission-emitting equipment and where data are readily available to support a proper and concise inventory. All subsidiaries are wholly owned, as are all major operations and no major operations exist for which Celgene has control but not ownership. A complete list of entities within Celgene Corporation is included in our 2015 Annual Report. We continue to enhance our data collection procedures and organizational boundary to produce future reports that are comprehensive and include additional facilities and operations with notable impacts.</td>
</tr>
<tr>
<td>G4-21</td>
<td>Material aspect boundaries outside of the organization</td>
<td>Facilities and sources that are outside the selected boundary include smaller-sized leased facilities, in particular laboratories, warehouses and office space where Celgene does not own significant energy-consuming equipment or direct emission sources.</td>
</tr>
<tr>
<td>G4-22</td>
<td>Restatements in previous reports</td>
<td>No restatements. Revisions to previous years are accounted for due to reporting boundary expansion where applicable.</td>
</tr>
<tr>
<td>Indicator</td>
<td>Description</td>
<td>Location and Notes</td>
</tr>
<tr>
<td>-----------</td>
<td>-------------</td>
<td>--------------------</td>
</tr>
<tr>
<td><strong>G4-25</strong> Basis for identification and selection of stakeholders engaged</td>
<td>We identify the stakeholders that we actively engage with based on factors related to meeting unmet medical needs around the world. See also Obtaining Stakeholder Input on Materiality and Corporate Responsibility: page 12.</td>
<td></td>
</tr>
<tr>
<td><strong>G4-27</strong> Key topics and concerns raised through stakeholder engagement and how the company has responded to them</td>
<td>We have aggregated the feedback provided during the stakeholder engagement session and combined it with our initial internal assessment to create an updated materiality matrix that helped shape the content of this report. See also Stakeholder Engagement Approach: page 66. Materiality: page 10.</td>
<td></td>
</tr>
</tbody>
</table>

**REPORT PROFILE**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Description</th>
<th>Location and Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>G4-28</strong> Reporting period</td>
<td>This report captures sustainability activities during calendar year 2015 and part of 2016. Indicators are solely for 2015.</td>
<td></td>
</tr>
<tr>
<td><strong>G4-29</strong> Date of most recent previous report</td>
<td>2015</td>
<td></td>
</tr>
<tr>
<td><strong>G4-30</strong> Reporting cycle</td>
<td>We report on Celgene’s sustainability strategies and performance on an annual basis.</td>
<td></td>
</tr>
<tr>
<td><strong>G4-31</strong> Contact information</td>
<td>Celgene welcomes thoughts and comments on this report through email at <a href="mailto:corporateresponsibility@celgene.com">corporateresponsibility@celgene.com</a>. Your comments support our progress on accurate and transparent reporting about our environmental, social, economic and governance performance.</td>
<td></td>
</tr>
<tr>
<td><strong>G4-32</strong> GRI content index and “in accordance” option</td>
<td>This index: pages 83 to 98</td>
<td></td>
</tr>
<tr>
<td><strong>G4-33</strong> Policy for external assurance and scope and basis for external assurance provided</td>
<td>Although we did not obtain external assurance explicitly for this report, LRQA provided verification for our Scope 1 and Scope 2 greenhouse gas (GHG) emissions for Calendar Year 2015 to a limited level of assurance in support of Celgene’s supplier CDP submittal. These verified indicators are included in this report. The boundaries set for this verification included twenty-three international facilities reported under operational control of Celgene. Celgene included all internationally recognized GHGs: CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, and NF₃ from Scope 1 and Scope 2.</td>
<td></td>
</tr>
<tr>
<td>Indicator</td>
<td>Description</td>
<td>Location and Notes</td>
</tr>
<tr>
<td>-----------</td>
<td>-------------</td>
<td>--------------------</td>
</tr>
<tr>
<td>G4-34</td>
<td>Governance structure of the organization</td>
<td>Our Leadership</td>
</tr>
<tr>
<td>G4-35</td>
<td>Process for delegating economic, environmental and social topics from the highest governance body to executives and employees</td>
<td>The Board of Directors is the highest governing body and is responsible for oversight of the business and affairs of Celgene, its long-term strategy, objectives and risk management. The Board is responsible for reviewing, evaluating and approving major corporate actions; overseeing management’s efforts to establish and maintain appropriate standards of legal and ethical conduct and providing oversight for senior management.</td>
</tr>
<tr>
<td>G4-36</td>
<td>Executive-level position with responsibility for economic, environmental and social topics</td>
<td>The Celgene Sustainability Committee has responsibility for economic, environmental and social topics.</td>
</tr>
</tbody>
</table>
| G4-38     | Composition of the highest governance body and its committees | The Board of Directors is the highest governing body and is responsible for oversight of the business and affairs of Celgene, its long-term strategy, objectives and risk management. The relevant board committees and their functions are:  
**The Audit Committee:** monitors the integrity of financial reporting processes and systems of internal controls regarding finance, accounting and legal compliance. It also monitors the independence and performance of the company’s independent auditors and provides an avenue of communication among the independent auditors and the Board of Directors.  
**The Management Compensation and Development Committee:** assists the Board in discharging its responsibilities relating to compensation of executive officers and producing the Compensation Report to stockholders. This committee reviews, evaluates and approves the company’s compensation plans for the CEO and other officers to increase competitiveness and alignment with the company’s compensation philosophy.  
**The Nominating, Governance and Compliance Committee** (see G4-40) See also Board of Directors and Committees |
<p>| G4-39     | Indication of whether the chair of the highest governance body is also an executive officer | Robert J. Hugin, an Executive Officer of the Company, is Executive Chairman of the Board of Directors. Mark J. Alles, Celgene’s Chief Executive Officer, is also a member of the Board of Directors. |
| G4-40     | Nomination and selection process for the highest governance body and its committees and nomination criteria | The Nominating, Governance and Compliance Committee of the Board of Directors identifies qualified individuals and candidates to become Board members. This committee considers all factors it deems appropriate for the nomination process, such as competencies, familiarity with the biopharmaceutical industry, governance experience and other commitments. |
| G4-41     | Process in place for the highest governance body to ensure conflicts of interest are avoided | Code of Business Conduct and Ethics: page 67 |</p>
<table>
<thead>
<tr>
<th>Indicator</th>
<th>Description</th>
<th>Location and Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>G4-42</td>
<td>Highest governance body’s roles in development and updating of economic, environmental and social statements, strategies and goals</td>
<td>The Sustainability Committee is responsible for decision making on corporate responsibility-related topics and reviewing the progress of environmental initiatives, stakeholder engagement, reporting and other items deemed appropriate.</td>
</tr>
<tr>
<td>G4-43</td>
<td>Measures taken to enhance the highest governance body’s collective knowledge of economic, environmental and social topics</td>
<td>Measures include proactive outreach to stakeholders, environmental data collection and reporting results from discussions with executive-level management.</td>
</tr>
<tr>
<td>G4-45</td>
<td>Highest governance body’s role in identification and management of economic, environmental and social risks and opportunities and use of stakeholder consultation</td>
<td>The Sustainability Committee provides direct oversight of various topics related to the initiatives focused on corporate responsibility that Celgene has interest in or was involved in the planning or implementation phases.</td>
</tr>
<tr>
<td>G4-46</td>
<td>Highest governance body’s role in reviewing the effectiveness of the risk management process for economic, environmental and social topics</td>
<td>Our Sustainability and Environmental Compliance policy dictates appropriate steps that departments take to identify, analyze, plan and prioritize risk so that appropriate actions can be implemented. The Sustainability Committee reviews these potential risks and necessary actions to account for them in our business strategies.</td>
</tr>
<tr>
<td>G4-47</td>
<td>Frequency of the highest governance body’s review of economic, environmental and social impacts, risks and opportunities</td>
<td>Environmental risk is reviewed annually during the formation of our disclosure to the CDP; social risk items and topics, such as access to medicine and corporate giving, are reviewed on an ongoing basis.</td>
</tr>
<tr>
<td>G4-48</td>
<td>Highest committee or position that formally review and approves the sustainability report</td>
<td>The Sustainability Committee reviews and approves Celgene's annual Corporate Responsibility Report.</td>
</tr>
</tbody>
</table>

**ETHICS AND INTEGRITY**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Description</th>
<th>Location and Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>G4-56</td>
<td>Describe the organization’s values, principles, standards and norms of behavior</td>
<td>Our Culture: page 33</td>
</tr>
<tr>
<td>G4-57 and G4-58</td>
<td>Internal and external mechanisms for seeking advice or reporting on ethical and lawful behavior</td>
<td>Reportable Allegations</td>
</tr>
</tbody>
</table>
## SPECIFIC STANDARD DISCLOSURES

<table>
<thead>
<tr>
<th>Material Aspect</th>
<th>Disclosure</th>
<th>Description</th>
<th>Boundary</th>
<th>Location and Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ECONOMIC</strong></td>
<td>DMA</td>
<td>Management Approach overview</td>
<td>●</td>
<td>2015 Annual Report</td>
</tr>
<tr>
<td></td>
<td>EC1</td>
<td>Direct economic value generated and distributed</td>
<td>◆</td>
<td>Financial performance: page 6, and 2015 Annual Report</td>
</tr>
<tr>
<td></td>
<td>EC2</td>
<td>Financial implications and other risks and opportunities for the organization’s activities due to climate change</td>
<td>●</td>
<td>Refer to our CDP report on Carbon, particularly section CC5 starting on page 18.</td>
</tr>
<tr>
<td></td>
<td>EC3</td>
<td>Coverage of the organization’s defined benefit plan obligations</td>
<td>●</td>
<td>Employee benefits: page 40</td>
</tr>
<tr>
<td><strong>Procurement Practices</strong></td>
<td>DMA</td>
<td>Management approach overview</td>
<td>◆</td>
<td>Supply chain: page 80</td>
</tr>
<tr>
<td></td>
<td>EC9</td>
<td>Policy, practices and proportion of spending on locally based suppliers at significant locations of operation</td>
<td>◆</td>
<td>Supplier diversity: page 81</td>
</tr>
<tr>
<td>Material Aspect</td>
<td>Disclosure</td>
<td>Description</td>
<td>Boundary</td>
<td>Location and Notes</td>
</tr>
<tr>
<td>-----------------</td>
<td>------------</td>
<td>-------------</td>
<td>----------</td>
<td>--------------------</td>
</tr>
<tr>
<td>DMA</td>
<td>Management approach overview</td>
<td>●</td>
<td>Energy: page 55</td>
<td></td>
</tr>
<tr>
<td>EN3</td>
<td>Energy consumption within the organization</td>
<td>●</td>
<td>Energy: page 55</td>
<td></td>
</tr>
</tbody>
</table>

### Fuel Consumption (GJ)

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-Renewable Fuels</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural Gas</td>
<td>164,868</td>
<td>165,127</td>
<td>166,412</td>
<td>194,727</td>
</tr>
<tr>
<td>Diesel</td>
<td>1,085</td>
<td>304</td>
<td>219</td>
<td>4,762</td>
</tr>
<tr>
<td>Gasoline</td>
<td>145</td>
<td>158</td>
<td>182</td>
<td>320</td>
</tr>
<tr>
<td>Propane</td>
<td>10.6</td>
<td>7.8</td>
<td>3.0</td>
<td>2.3</td>
</tr>
<tr>
<td>Steam</td>
<td>–</td>
<td>–</td>
<td>1,303</td>
<td>542</td>
</tr>
<tr>
<td>Kerosene</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>385</td>
</tr>
<tr>
<td>Wood Pellets (Biomass)</td>
<td>9,316</td>
<td>9,456</td>
<td>9,592</td>
<td>9,569</td>
</tr>
<tr>
<td>Total Fuel Consumption</td>
<td>175,424</td>
<td>175,054</td>
<td>177,710</td>
<td>210,307</td>
</tr>
</tbody>
</table>

---

*Energy intensity and reduction of energy consumption.*

*See also our CDP report on Carbon, CC3.3a and CC3.3b.*
<table>
<thead>
<tr>
<th>Material Aspect</th>
<th>Disclosure</th>
<th>Description</th>
<th>Boundary</th>
<th>Location and Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water</td>
<td>DMA</td>
<td>Management Approach overview</td>
<td>●</td>
<td>Water: page 57</td>
</tr>
<tr>
<td></td>
<td>EN8</td>
<td>Total water withdrawal by source</td>
<td>●</td>
<td>Water Withdrawal by Source (m³)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Municipal Water Suppliers and Utilities¹</td>
<td>392,988</td>
<td>531,286</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rainwater Consumption</td>
<td>1,370</td>
<td>565</td>
</tr>
<tr>
<td></td>
<td></td>
<td>External Wastewater</td>
<td>25,576</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total Water Withdrawal</td>
<td>419,935</td>
<td>531,851</td>
</tr>
<tr>
<td></td>
<td></td>
<td>See also our 2015 CDP Water Response, sections W1.2a, W5.1, W5.1a</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>EN9</td>
<td>Water sources significantly affected by withdrawal of water</td>
<td>■</td>
<td>According to WBCSD Water Tool for CDP Water 2014: California Floristic Province is at risk level of “Extreme Scarcity” Thames Basin is at risk level of “Extreme Scarcity” Sevilla Basin GHAABasin2117 is at risk level of “Extreme Scarcity” Seine Basin is at risk level of “Scarcity” Tokyo Basin GHAASBasin947 is at risk level of “Scarcity” The Rhine basin is at risk level of “Stress” Boston Basin GHAASBasin1513 is at risk level of “Stress” See also: our 2015 CDP Water response, sections W1.2a, W5.1, W5.1a</td>
</tr>
<tr>
<td></td>
<td>EN10</td>
<td>Volume of water recycled and reused</td>
<td>●</td>
<td>Water: page 57</td>
</tr>
<tr>
<td>Biodiversity</td>
<td>DMA</td>
<td>Management approach overview</td>
<td>●</td>
<td>Biodiversity: page 59</td>
</tr>
<tr>
<td></td>
<td>EN11</td>
<td>Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas</td>
<td>●</td>
<td>The 24-acre Summit campus is adjacent to several areas of biodiversity such as Hidden Valley Park and the Houdaillle Quarry, both along the border between the City of Summit and the Township of Springfield. The San Diego and San Francisco facilities are not within or adjacent to any areas of high biodiversity value, but are located within the California Floristic Province. This area is home to a number of threatened endemic species, according to Conservation International.</td>
</tr>
<tr>
<td></td>
<td>EN12</td>
<td>Significant impacts of activities, products and services on biodiversity in protected areas</td>
<td>●</td>
<td>Biodiversity: page 59</td>
</tr>
<tr>
<td></td>
<td>Emissions</td>
<td>DMA</td>
<td>Management approach overview</td>
<td>●</td>
</tr>
</tbody>
</table>

¹ Some withdrawal quantities are based on estimates from US EPA and AQUASTAT data for average water withdrawal rate per person per day.
<table>
<thead>
<tr>
<th>Material Aspect</th>
<th>Disclosure</th>
<th>Description</th>
<th>Boundary</th>
<th>Location and Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>EN15, EN16, and EN18</td>
<td>Direct GHG emissions (Scope 1), Indirect GHG emissions (Scope 2), and emissions intensity</td>
<td>Emissions (metric tons CO₂e)</td>
<td>2012</td>
<td>2013</td>
</tr>
<tr>
<td>Total Scope 1 Emissions</td>
<td>15,385</td>
<td>9,495</td>
<td>8,831</td>
<td>10,390</td>
</tr>
<tr>
<td>Total Scope 2 Emissions</td>
<td>23,874</td>
<td>15,340</td>
<td>14,939</td>
<td>14,557</td>
</tr>
<tr>
<td>Total Scope 1 and 2 GHG Emissions</td>
<td>39,259</td>
<td>24,835</td>
<td>23,770</td>
<td>24,947</td>
</tr>
<tr>
<td>Emission Intensity Ratios (metric tons CO₂e per unit)</td>
<td>Employee Headcount (including contractors)</td>
<td>12.1</td>
<td>5.6</td>
<td>5.0</td>
</tr>
<tr>
<td>Facility Area (sq. ft.)</td>
<td>0.021</td>
<td>0.013</td>
<td>0.011</td>
<td>0.008</td>
</tr>
<tr>
<td>Company Revenue (x10⁶)</td>
<td>7.13</td>
<td>3.82</td>
<td>3.10</td>
<td>2.62</td>
</tr>
</tbody>
</table>

**Methodologies Used**

- The Climate Registry: General Reporting Protocol
- US EPA Climate Leaders Greenhouse Gas Inventory Protocol:
  - Direct Emissions from Stationary Combustions
  - Direct Emissions from Mobile Construction Sources
  - Indirect Emissions from Purchases/Sales of Electricity and Steam
  - Direct HFC and PFC Emissions from Use of Refrigeration and Air Conditioning Equipment

**Conversion Methodologies**

Direct measurements were taken for vast majority of data points.

Assumptions were made based on previous year (2010) data only as needed and based on pre-approved analysis and calculation.

Refer also to our 2015 CDP Climate Change response, specifically sections CC7 to CC10.
<table>
<thead>
<tr>
<th>Material Aspect</th>
<th>Disclosure</th>
<th>Description</th>
<th>Boundary</th>
<th>Location and Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emissions</td>
<td>EN17</td>
<td>Other indirect GHG emissions (Scope 3)</td>
<td>◆</td>
<td>Indirect GHG emissions (metric tons CO₂e)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Waste</td>
<td></td>
<td>Solid Waste Incineration</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Solid Waste Landfill</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Non-Generated due to Diversion</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Total</td>
<td></td>
<td>1,340</td>
</tr>
<tr>
<td></td>
<td>Employee Commuting</td>
<td></td>
<td></td>
<td>Passenger Cars</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Light-Duty Trucks</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Motorcycles</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Commuter Rail</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Bus</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>21,178</td>
<td>22,909</td>
<td>13,162</td>
</tr>
<tr>
<td></td>
<td>Business Travel</td>
<td></td>
<td></td>
<td>Passenger Cars</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Light-Duty Trucks</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Airline Short-Haul</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Airline Medium-Haul</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Airline Long-Haul</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>10,336</td>
<td>14,334</td>
<td>12,076</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>32,855</td>
<td>38,574</td>
<td>26,651</td>
</tr>
<tr>
<td>EN19</td>
<td>Reduction in GHG emissions</td>
<td>●</td>
<td>Reducing our energy consumption and carbon footprint: page 56</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>See also: our CDP Climate Change response, specifically section CC3.3b</td>
<td></td>
</tr>
<tr>
<td>EN20</td>
<td>Emissions of ozone-depleting substances (lbs.)</td>
<td>●</td>
<td>2014: 149.54</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>2015: 2</td>
<td></td>
</tr>
<tr>
<td>EN21</td>
<td>NO₂, SO₂, and other significant air emissions</td>
<td>●</td>
<td>There were no recordable emissions of NO₂, SO₂, or other significant air emissions at Celgene facilities.</td>
<td></td>
</tr>
</tbody>
</table>
Some discharge quantities are based on estimates from US EPA and AQUASAT data for average water withdrawal rate per person per day.

These quantities include 1,510 m$^3$ of water that was reused at the San Francisco facility.

<table>
<thead>
<tr>
<th>Material Aspect</th>
<th>Disclosure</th>
<th>Description</th>
<th>Boundary</th>
<th>Location and Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Effluents and Waste</strong></td>
<td>DMA</td>
<td>Management approach overview</td>
<td>●</td>
<td>Waste and recycling: page 57</td>
</tr>
<tr>
<td></td>
<td>EN22</td>
<td>Total water discharge by quality and destination</td>
<td>◆</td>
<td>Water Discharge (m$^3$)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Sanitary Wastewater$^1$</td>
</tr>
<tr>
<td></td>
<td>EN23</td>
<td>Total weight of waste by type and disposal method</td>
<td>◆</td>
<td>Waste and recycling: page 57</td>
</tr>
<tr>
<td></td>
<td>EN24</td>
<td>Total number and volume of significant spills</td>
<td>◆</td>
<td>None</td>
</tr>
<tr>
<td></td>
<td>EN26</td>
<td>Identity, size, protected status and biodiversity value of water bodies significantly affected by discharges of water and runoff</td>
<td>◆</td>
<td>We have determined that Celgene’s operations require minimal volumes of water and do not significantly affect any water sources during the withdrawal and discharge processes.</td>
</tr>
<tr>
<td><strong>Compliance</strong></td>
<td>DMA</td>
<td>Management approach overview</td>
<td>●</td>
<td>Environmental compliance: page 65</td>
</tr>
<tr>
<td></td>
<td>EN29</td>
<td>Fines and sanctions for non-compliance with environmental laws and regulations</td>
<td>◆</td>
<td>None</td>
</tr>
<tr>
<td><strong>Transport</strong></td>
<td>DMA</td>
<td>Management approach overview</td>
<td>●</td>
<td>Energy: page 55</td>
</tr>
<tr>
<td></td>
<td>EN30</td>
<td>Significant environmental impacts of members of the workforce</td>
<td>●</td>
<td>Air travel is considered within our transportation footprint. We are rolling out teleconferencing to reduce the need for air travel. Future investigations could focus on initiatives to buy carbon offsets from air travel, partnering with airlines that use alternative fuels or fuel efficient airplanes or increasing alternatives to long-distance travel, such as teleconferencing capabilities when possible.</td>
</tr>
</tbody>
</table>

$^1$ Some discharge quantities are based on estimates from US EPA and AQUASAT data for average water withdrawal rate per person per day.

$^2$ These quantities include 1,510 m$^3$ of water that was reused at the San Francisco facility.
### CATEGORY: SOCIAL – LABOR PRACTICES AND DECENT WORK

<table>
<thead>
<tr>
<th>Material Aspect</th>
<th>Disclosure</th>
<th>Description</th>
<th>Boundary</th>
<th>Location and Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment</td>
<td>DMA</td>
<td>Management approach overview</td>
<td>●</td>
<td>Our employees: page 35. Diversity and inclusion: page 35. Ethics and business conduct: page 67. Celgene strives to create and maintain a work environment in which people are treated with dignity, decency and respect. Our workplace environment is characterized by mutual trust, respect and the absence of intimidation or harassment. Employees are able to work and learn in a safe, yet stimulating, atmosphere.</td>
</tr>
<tr>
<td></td>
<td>LA1</td>
<td>Total number and rates of new employee hires and turnover</td>
<td>●</td>
<td>About our people: page 36</td>
</tr>
<tr>
<td></td>
<td>LA2</td>
<td>Benefits provided to full-time employees that are not provided to temporary or part-time employees</td>
<td>●</td>
<td>Employee benefits: page 40. Celgene’s US employees’ access to benefits depend upon the type of employment. Full-time employees have access to a full suite of benefits, while part-time employees have access to similar benefits, but at reduced levels.</td>
</tr>
<tr>
<td>Occupational Health and Safety</td>
<td>DMA</td>
<td>Management approach overview</td>
<td>●</td>
<td>Employee safety: page 39</td>
</tr>
<tr>
<td></td>
<td>LA6</td>
<td>Rates of injury, occupational diseases, lost days and absenteeism and number of work-related fatalities</td>
<td>●</td>
<td>Employee safety (global safety metrics): page 39</td>
</tr>
<tr>
<td></td>
<td>LA7</td>
<td>Workers with high incidence or high risk of diseases related to their occupation</td>
<td>●</td>
<td>We provide educational, counseling, prevention and risk training, and—if necessary—treatment programs with a focus on potential serious diseases for employees that may have a high incidence or risk of diseases, such as laboratory staff that handle a myriad of chemicals and biological material and facility personnel that perform various operations throughout the facilities that could involve harmful material and substances.</td>
</tr>
<tr>
<td>Material Aspect</td>
<td>Disclosure</td>
<td>Description</td>
<td>Boundary</td>
<td>Location and Notes</td>
</tr>
<tr>
<td>----------------</td>
<td>------------</td>
<td>-------------</td>
<td>----------</td>
<td>-------------------</td>
</tr>
<tr>
<td>CATEGORY: SOCIETY — HUMAN RIGHTS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child Labor</td>
<td>DMA</td>
<td>Management approach overview</td>
<td>◆</td>
<td>Celgene is committed to compliance with all domestic and international laws and regulations regarding protection against child labor, forced labor, compulsory labor, infringements of indigenous rights and other human rights abuses. Celgene operations do not have any significant risks for incidents of these types of abuses, nor does our company create any types of situations where these types of incidents occur.</td>
</tr>
<tr>
<td></td>
<td>HR5</td>
<td>Operations and suppliers identified as having significant risk for incidents of child labor</td>
<td>◆</td>
<td></td>
</tr>
<tr>
<td></td>
<td>HR6</td>
<td>Operations and suppliers identified as having significant risk for incidents of forced labor</td>
<td>◆</td>
<td></td>
</tr>
<tr>
<td>Forced or Compulsory Labor</td>
<td>DMA</td>
<td>Management approach overview</td>
<td>◆</td>
<td>Celgene is committed to compliance with all domestic and international laws and regulations regarding protection against child labor, forced labor, compulsory labor, infringements of indigenous rights and other human rights abuses. Celgene operations do not have any significant risks for incidents of these types of abuses, nor does our company create any types of situations where these types of incidents occur.</td>
</tr>
<tr>
<td>CATEGORY: SOCIAL — SOCIETY</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Anti-Corruption</td>
<td>DMA</td>
<td>Management approach overview</td>
<td>●</td>
<td>We follow all applicable anti-corruption laws and regulations, including the US Foreign Corrupt Practices Act (FCPA), the UK Bribery Act, and similar laws wherever we do business. Refer also to our Code of Business Conduct and Ethics: page 23</td>
</tr>
<tr>
<td></td>
<td>SO4</td>
<td>Communication and training on anti-corruption policies and procedures</td>
<td>●</td>
<td>Training on our Anti-Bribery and Anti-Corruption policy has been distributed to 100 percent of employees worldwide, and target groups have received enhanced in-person training led by Legal and Compliance personnel.</td>
</tr>
<tr>
<td>Public Policy</td>
<td>DMA</td>
<td>Management approach overview</td>
<td>●</td>
<td>Public policy: page 70</td>
</tr>
<tr>
<td></td>
<td>SO6</td>
<td>Total value of political contributions by country and recipient/beneficiary</td>
<td>◆</td>
<td>Celgene Political Action Committee (PAC): page 78</td>
</tr>
<tr>
<td>Material Aspect</td>
<td>Disclosure</td>
<td>Description</td>
<td>Boundary</td>
<td>Location and Notes</td>
</tr>
<tr>
<td>----------------</td>
<td>------------</td>
<td>-------------</td>
<td>----------</td>
<td>--------------------</td>
</tr>
<tr>
<td>Customer Health and Safety</td>
<td>DMA</td>
<td>Management approach overview</td>
<td>◆</td>
<td>Patient safety: page 20</td>
</tr>
<tr>
<td></td>
<td>PR1</td>
<td>Percentage of significant product and service categories for which health and safety impacts are assessed for improvement</td>
<td>◆</td>
<td>Patient safety: page 20</td>
</tr>
<tr>
<td>Product and Service Labeling</td>
<td>DMA</td>
<td>Management approach overview</td>
<td>◆</td>
<td>Our products are marketed and distributed with thorough labeling and product information. Celgene develops labeling and informational material in compliance with regulatory bodies such as the US Food and Drug Administration (FDA) and the European Medicines Agency.</td>
</tr>
<tr>
<td></td>
<td>PR3</td>
<td>Type of product and service information required by procedures and percentage of significant products and services subject to such information requirements</td>
<td>◆</td>
<td>All therapies currently marketed by Celgene are required to include labeling approved by the applicable regulatory bodies. Celgene’s Regulatory Affairs Department is charged with enforcing the policies related to the labeling of marketed products. It is Celgene’s policy to maintain an internal Celgene Product Labeling Portal that provides access to current labeling worldwide as well as access to labeling for products on our external website.</td>
</tr>
</tbody>
</table>
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®.