

# PASSION FOR THE PATIENT

2017 CORPORATE  
RESPONSIBILITY REPORT  
EXECUTIVE SUMMARY



## **SUSAN FREEMAN**

was diagnosed with plaque psoriasis  
and treated with OTEZLA®

## REPORTING PERIOD HIGHLIGHTS

### RECOGNIZED FOR REINVESTMENT IN RESEARCH AND DEVELOPMENT (R&D)

Celgene reinvested the highest percentage of revenues back into R&D, as noted in the 2016 EU Industrial R&D Investment Scoreboard from the European Commission—which evaluates 2,500 multinational companies across all sectors of the economy worldwide.

### ADVANCED TOWARD OUR 2020 ENVIRONMENTAL GOALS

After setting our prospective quantifiable environmental goals in 2016, we have continued to implement various initiatives to reduce our carbon footprint, increase the purchasing of renewable electricity, reduce our water withdrawal and reduce our solid waste generation.

### JOINED THE ACCESS ACCELERATED INITIATIVE

Access Accelerated is a partnership of 23 biopharmaceutical companies, including Celgene, developing innovative and sustainable solutions to improve access to treatment and care for noncommunicable diseases (NCDs)—such as cancer and heart disease—in low- and middle-income countries.

### NAMED #1 BIOPHARMA PARTNER FUNDRAISER

Once again, the Leukemia & Lymphoma Society named Celgene as the #1 biopharma partner fundraiser for Light The Night® Walk. During 2016, 1,028 people on 63 Celgene teams walked, with total contributions amounting to \$627,626.

### INCLUDED ON THE FTSE4GOOD INDEX

In 2017, Celgene was added to the FTSE4Good Index Series, due to our high rating across environmental, social and governance (ESG) measures and proven corporate responsibility track record.

### RECEIVED APPROVAL FOR IDHIFA®

In 2017, IDHIFA® (enasidenib) was granted approval from the U.S. Food and Drug Administration (FDA) for the treatment of adult patients with relapsed or refractory acute myeloid leukemia (AML) with an IDH2 mutation as detected by an FDA-approved test. IDHIFA® was developed through a collaboration agreement between Celgene and Agios.

### ACHIEVED LEED® GOLD CERTIFICATION

Celgene's commitment to building a healthy, sustainable future has been recognized with LEED® Gold certification for Building L—a 180,000 square foot state-of-the-art office building at Celgene's Summit East, New Jersey headquarters location.

### ENHANCED CORPORATE RESPONSIBILITY REPORTING

Every year, we work to increase our corporate responsibility transparency. This year, that work included transitioning to the Global Reporting Initiative (GRI) Standards, the newest generation of the most widely used corporate responsibility reporting guidelines. We are now reporting on more GRI indicators than ever before, including on how Celgene contributes to the United Nations' Sustainable Development Goals (SDGs).

## MESSAGE FROM THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Patients are at the heart of everything Celgene does. Improving their lives is why we exist. We work tirelessly to deliver truly innovative and life-changing therapies.

Discovering, developing and commercializing breakthrough medicines for patients with serious unmet medical needs is our mission. We are working to change the course of human health through bold pursuits in science.

Bringing treatments to market is a direct result of Celgene's industry-leading commitment to reinvesting revenue into research and development (R&D), which includes robust clinical trial activities. At the time of this writing, Celgene was sponsoring more than 230 clinical trials examining 33 unique compounds, with more than 19,000 patients actively enrolled.

Celgene's innovative therapies offer hope to patients with significant medical needs. We are therefore focused on how we can make these medicines accessible for the patients who need them.

Delivering innovative medicines for patients is possible only through the hard work of highly dedicated Celgene employees. We are committed to hiring the best people, and to preparing them for today and tomorrow by cultivating every employee's full potential and fostering a culture that rewards high performance and innovation.

Celgene does not operate in a vacuum. We are part of society, and embrace our ability to contribute in a variety of ways. Some examples include programs that encourage employee participation in local charitable events, philanthropy and scholarships for deserving students.

We are committed to continually improving the environment in which we operate, and have established quantifiable 2020 environmental goals for greenhouse gas emissions, renewable electricity, water withdrawal and solid waste.

As a company that affects so many people's lives, we are unwavering in our commitment to conduct business with integrity, transparency and accountability. One mechanism we have in place to uphold this commitment is our Sustainability Committee: a senior-level, cross-functional team that oversees Celgene's integrated corporate responsibility strategy.

We have the ability to not only achieve our business and strategic objectives, but also to fulfill our responsibilities to society by applying patient focus, forward-looking practices, strong values, ethics and integrity to every aspect of our work.



**MARK J. ALLES**  
Chairman and Chief Executive Officer

## CELGENE AT A GLANCE

Celgene is an integrated global biopharmaceutical company engaged primarily in the discovery, development and commercialization of innovative therapies for patients with cancer, immune-inflammatory diseases and other unmet medical needs.

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

**~7,000**  
employees globally

**\$11.2B**  
in revenue in 2016

**231**  
clinical trials currently being sponsored by Celgene

**1986**  
Founded in 1986 and headquartered in Summit, New Jersey

**39.8%**  
In 2016, Celgene reinvested 39.8% of revenue back into research and development\*

**33**  
unique compounds being examined in clinical trials

**70+**  
Serving patients in 70+ countries

**19K+**  
patients actively enrolled in clinical trials

**22**  
pivotal/Phase III programs currently underway

\*On a GAAP (generally accepted accounting principles) basis.  
Clinical trials data as of June 2017.

# OUR CULTURE

## VISION

What brings us together

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

## 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

# CORPORATE RESPONSIBILITY AT CELGENE

At Celgene, we strive to fulfill our responsibilities to society by applying forward-looking practices, strong values, ethics and integrity to every aspect of our work. Bold science that benefits patients is at the core of our values and our business. Underlying our company's culture is a strong belief in corporate responsibility that is predicated on our 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.

We organize corporate responsibility around the following central dimensions:

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

Responsibility is constantly evolving at Celgene. As with everything we do, we endeavor to raise the bar, and be better than before. In 2016, our efforts and progress gained recognition from external stakeholders, which only propels us forward: we have numerous projects currently underway to deeper embed Responsibility within the company's operations and external collaborations.

A copy of Celgene's Corporate Responsibility Report as well as the most recent Corporate Responsibility and Sustainability Policy can be found at: [www.celgene.com/responsibility](http://www.celgene.com/responsibility).

## Materiality

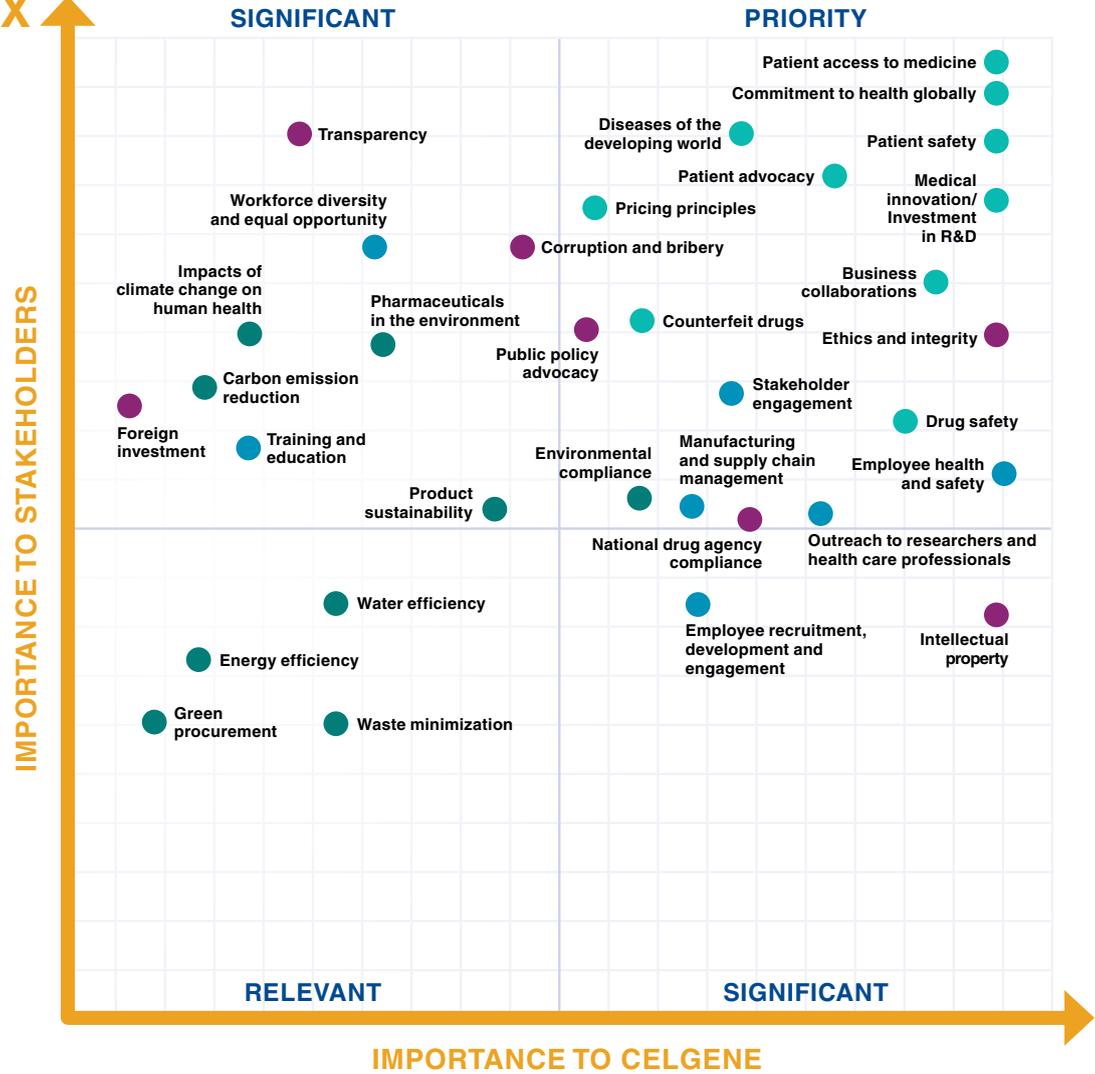
We assess our corporate responsibility work and practices in terms of issues and topics that are material to Celgene's current operations, those that are potentially material in the near future, and those that are not directly controlled, such as activities within our supply chains. Items and aspects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

# MATERIALITY MATRIX

All topics at right have been deemed material by Celgene and stakeholders and are graphed according to their significance and priority to both. We monitor all topics regardless of position on matrix.

## MATERIALITY MATRIX KEY

- Patients First
- Employees and Communities
- Environment
- Governance



## PATIENTS FIRST



**DOUG FARRELL** was diagnosed with multiple myeloma and treated with REVLIMID®

At Celgene, we believe that a commitment to medical progress must go hand in hand with a corresponding mission to help ensure that patients who can benefit from our discoveries have the opportunity to do so.

### Patient Safety

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.

### Celgene Patient Support®

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 health care roles. As Celgene employees, each Specialist belongs to a team of professionals committed to the single mission of helping patients access their prescribed Celgene medications.

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

### OTEZLA® SupportPlus™

OTEZLA® SupportPlus™ is a 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.

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

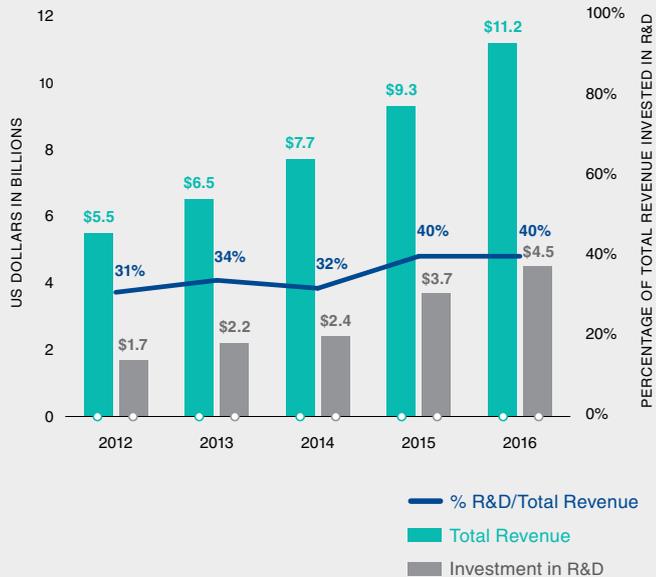
### Patient Advocacy

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

## Research and Development

Celgene is committed to R&D. A five-year summary of Celgene's growth in revenue and in percentage of revenue reinvested back into R&D\* is shown here. We take our role in the health care ecosystem very seriously, continuously striving to be a leader in medical innovation and pursuing transformational science that may translate into life-enhancing medicines.

### TOTAL REVENUE AND INVESTMENT IN R&D\*

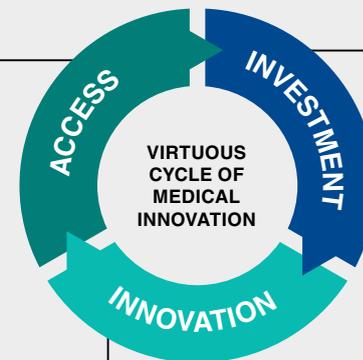


\*On a generally accepted accounting principles (GAAP) basis.

### MEDICAL INNOVATION IS A VIRTUOUS CYCLE

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

Access and reimbursement for current innovative therapies fund investment in future medical advancements.



Medical innovation results from continuous investment of time and resources by biopharmaceutical companies, such as Celgene.

Celgene has a proven track record of delivering clinically meaningful outcomes through medical innovation.

## Global Health

Our commitment to changing the course of human health extends to both those living in developed nations and those living in developing parts of the world.

## Access Accelerated

Access Accelerated is a partnership of 23 biopharmaceutical companies, including Celgene, developing innovative and sustainable solutions to improve access to treatment and care for noncommunicable diseases (NCDs)—such as cancer and heart disease—in low- and middle-income countries. NCDs are the leading causes of death and disability worldwide and bring untold suffering to patients and their families. According to the World Health Organization, NCDs such as cardiovascular disease, cancer, chronic respiratory disease, diabetes and mental health conditions are responsible for 38 million deaths annually.

If this trend persists, we risk losing many years of progress in global health and economic development. In order to both protect the gains we have made in past decades and advance progress in the future, we must:

- **WORK TOGETHER:** Across the industry, across health systems and sectors—truly answering the call to partnership outlined in UN Sustainable Development Goal 17.
- **ACCELERATE WHAT'S WORKING:** While many companies have individual efforts, we need a common framework

for analyzing what's working, what's not and scaling solutions that remove barriers to care.

- **FIND SOLUTIONS ACROSS THE SYSTEM THAT WORK FOR PATIENTS:** As we strive to overcome barriers, from a shortage of qualified health care workers to supply chain bottlenecks, pilots need to be designed and scaled to find solutions that focus on patients.

## AMPATH

One critical way to achieve global health goals is to strengthen health systems by equipping local institutions with skilled health workers and critical resources. For several years, Celgene has partnered with the Indiana University School of Medicine, Moi University Teaching and Referral Hospital in Eldoret, Kenya, and a consortium of academic health centers collectively called the Academic Model Providing Access to Healthcare (AMPATH). AMPATH is implementing and strengthening a population health model designed to achieve health care equity and improve the health of low-income populations in Kenya and beyond.

Celgene's support of the AMPATH Oncology Institute has helped create a successful multiple myeloma (MM) program, the first and only program in Kenya for this rare blood cancer. Key achievements include the development of safety pamphlets for both patients and health care professionals; diagnostic improvements that led to an increase in patients diagnosed with MM; oncology nurse training for improved patient outcomes; and



transportation services to enable more patients to receive routine clinic follow-up visits. The AMPATH Oncology Institute is becoming a replicable model of how to successfully treat patients with MM in sub-Saharan Africa.

## Research and Development for Diseases of the Developing World

Celgene has a longstanding connection to global health. We were started as a company with a drug to treat a form of leprosy, a disease that is limited now to the poorest parts of the world.

Celgene established Celgene Global Health (CGH) as 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. In 2016, CGH made progress on several fronts:

**Discovery:** The CGH Discovery Portfolio addresses numerous neglected diseases at all stages of the drug discovery pipeline. We partner with worldwide experts for each of our discovery projects. In 2016, we progressed several projects from screening to the lead optimization phase.

**Development:** We initiated three clinical studies, including a Phase II clinical study in tuberculosis evaluating host-directed therapy of our phosphodiesterase-4 inhibitor (CC-11050) in combination with standard

anti-TB regimen. We also initiated a pilot study of pomalidomide in combination with doxorubicin in patients with Kaposi Sarcoma at The National Cancer Institute.

**Lead optimization:** We are using medicinal chemistry efforts to make new molecules based on the core structures of our compound library.

### CELGENE GLOBAL HEALTH PIPELINE

Disease	Discovery			Development			
	Hit ID	Lead ID	Lead Optimization	DC	Non-Clinical	Phase I	Phase II
Visceral Leishmaniasis	●	■	■				
Cutaneous Leishmaniasis	●	■					
Chagas Disease	●	■					
Malaria	●	■	■				
Filariasis	●	■	■				
Tuberculosis	●	■	■				
Cryptosporidium	●	■					
Viral/Bacterial Infections	●	■					
<b>PDE4 Inhibitor (CC-11050)</b>							
Tuberculosis	●	■	■				
Erythema nodosum leprosum	●	■	■				
HIV PK/Safety Study	●	■	■				
<b>Pomalidomide</b>							
Kaposi Sarcoma	●	■	■				

# EMPLOYEES AND COMMUNITIES

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

From Celgene researchers to Celgene Patient Support Specialists, our employees are dedicated to pursuing our purpose every day.

## Employees

As unique and diverse as Celgene employees are, there's one thing that unites them: their commitment to discover, develop, and commercialize innovative therapies that make a measurable difference in the lives of patients.

## Diversity and Inclusion

At Celgene we 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.

## Employee Safety

Celgene is dedicated to providing a safe, healthy and environmentally responsible workplace for employees, contractors and visitors. This dedication begins with a commitment to establishing a best-in-class Environmental Health and Safety (EHS) Management System that establishes the framework for extending our "Passion for the Patient" to our workforce and the environment.

## Benefits

Celgene employees enjoy a high level of benefits—befitting our most important resource. These benefits include opportunities for continuous learning and professional development, paid parental leave, and a number of healthy living programs, services and educational opportunities.



**KARA ERRINGTON**, Associate Director, Strategic Sourcing at Celgene, was diagnosed with psoriasis and treated with OTEZLA®

**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, Pharm.D.s, other post-graduate degrees or their equivalent)

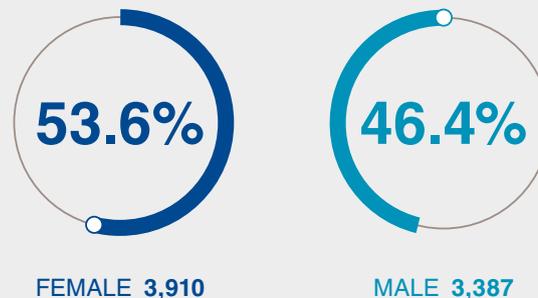
## WORKFORCE STATISTICS

		2014	2015	2016
<b>Workforce</b>		6,366	7,140	7,297
<b>Gender</b>	Male	2,944	3,292	3,387
	Female	3,422	3,848	3,910
<b>Region</b>	Americas <sup>1</sup>	3,904	4,297	4,274
	Europe <sup>2</sup>	1,950	2,296	2,393
	APAC	304	318	330
	Japan	208	229	300
<b>Type</b>	Full-Time	6,123	6,971	7,132
	Part-Time	243	169	165
<b>Hires</b>		1,327	1,268	1,143
<b>Hires by Region</b>	Americas <sup>1</sup>	765	653	527
	Europe <sup>2</sup>	450	511	411
	APAC	74	62	116
	Japan	38	42	89
<b>Turnovers</b>		377	589	997
<b>Turnover by Region</b>	Americas <sup>1</sup>	177	299	556
	Europe <sup>2</sup>	137	202	318
	APAC	56	67	100
	Japan	7	21	23

1 For 2014 and 2015 data, Americas does not include field based employees in the United States or Canada, nor employees at Basking Ridge site, Chicago site, Seattle site, Brazil or Mexico.

2 For 2014 and 2015 data, Europe includes only Boudry, Zofingen, Madrid, Sevilla, Paris, London, Munich and Milan sites.

## WORKFORCE BY GENDER



## GLOBAL SAFETY METRICS

	2014	2015	2016	Industry Rate
<b>Injury and illness rate</b>	0.56	0.2	0.44	1.1
<b>Lost day case rate</b>	0.14	0.03	0.15	0.3
<b>Occupational disease rate</b>	0.02	0	0	N/A
<b>Fatalities</b>	0	0	0	N/A

## Communities

We see the communities where we work and live as extensions of Celgene and are committed to creating positive impacts 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 numerous signature events each year, including three fundraising events for which Celgene provides corporate matching of employee contributions.

**Team NPF Cycle** was launched by the National Psoriasis Foundation (NPF) to raise money to provide people with psoriatic disease the services they need to live well, while funding research for a cure. In 2017, the Celgene team more than doubled in size, with riders braving rain and chilly temperatures to participate in this annual event.

# #1

## Our ranking as the Leukemia & Lymphoma Society biopharma partner for Light The Night® Walk

**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 form fundraising walk teams with friends, family, and co-workers. Participation in Light The Night® helps unify the company and focus our philanthropic efforts on a common initiative. During the 2016 event, 1,028 people walked on 63 Celgene teams. Our total contribution to the Light The Night® Campaign was \$627,626.

**PurpleStride** is a signature event of the Pancreatic Cancer Action Network, a nationwide network of people dedicated to advancing research, supporting patients, and creating hope for those affected by pancreatic cancer. Celgene was the first National Presenting Sponsor of the PurpleStride events and is the Pancreatic Cancer Action Network's largest corporate contributor. In 2016, more than 160 Celgene employees participated in 57 PurpleStride runs/walks.





**ERIC GELBER**, pictured at left

joined Eric for portions of his Central Park run, and many more donated to this noble cause.



### **At Long Last, Finishing a 200-Mile Journey Towards a Cure**

In 2007, Eric Gelber began running to raise funds for the Multiple Myeloma Research Foundation and to honor a close friend who had succumbed to the disease. In 2016, Eric—a long-time multiple myeloma advocate, married father of three and ultra-marathon runner—succeeded in his third and final attempt at the 200-mile Journey Towards a Cure: 33 consecutive laps around New York City’s Central Park. His effort has been made into an inspiring documentary called *200 Miles* that follows the challenges, heartaches and triumphs of Eric’s run. It also follows the stories of multiple myeloma patients whose lives have been touched by Eric’s personal dedication to supporting efforts to find a cure for the disease. Celgene has been a major supporter of Eric’s mission over the past years. Numerous Celgene employees

### **Corporate Giving**

We focus our charitable and philanthropic support on health and social service programs, science education, and local community support. Celgene engages in strategic corporate giving and contributions, which may be made in response to a funding request or proactively at our discretion. In the United States, we support roughly 50 organizations. You’ll find more information about our charitable and philanthropic contributions, as well as the application process for funding requests on [www.celgenesponsorshipsanddonations.com](http://www.celgenesponsorshipsanddonations.com).



Celgene Pharmaceutical Industry Fellowship Program

## Education and Learning Programs

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 learning extends to our employees and our community.

In collaboration with the Rutgers Pharmaceutical Industry Fellowship (RPIF) program, Celgene currently hosts 10 post-graduate Pharm.D. Fellows across seven functional areas. More than 750 postdoctoral fellows have completed the RPIF program at Celgene and other New Jersey-based pharmaceutical and biopharmaceutical companies, and over 30 alumni of the program are currently employed at Celgene.

## Earth Day Celebration

Celgene held its fourth annual Earth Day event in Summit, NJ, hosting numerous exhibitors, including environmental organizations, arboretums, museums/zoos, county/town park commissions and eco-oriented companies. Over 200 Celgene employees attended both days of the event.



Earth Day celebration at Celgene's Summit, NJ campus

## Gift for Summit Community Center Renovation

The Summit Community Center has served generations of Summit residents since 1954. But the 60+ year-old facility, which is adjacent to Celgene's US headquarters, was showing its age when the Summit City Council unanimously supported a proposal to renovate and expand the center. A significant corporate contribution from Celgene enabled the Summit Community Center Renovation and Expansion Project to meet its \$1.2 million private financing goal. At completion, improvements to the Community Center will include a new full-sized gym, a lounge for seniors, additional restrooms, enhanced meeting spaces, a teens area, kitchen space, improved parking and accessibility improvements.



Representatives of Celgene and the City of Summit announcing the plans for renovating Summit's Community Center

# ENVIRONMENT

Celgene strives to have a positive impact on the health of the planet through environmental stewardship and resource conservation.

Our actions and business operations have the potential to affect people, communities and the environment not just today but well into the future. We strive to be a positive force to help shape a sustainable future for the generations to come.

## Tracking Progress on Our 2020 Environmental Goals

In 2016, Celgene’s Sustainability Committee identified four actionable and measurable environmental goals that are of significance to Celgene and for which new 2020 improvement targets were set: greenhouse gas (GHG) emissions, electricity sourcing, water withdrawal, and waste generation. From 2012–2015, Celgene achieved significant environmental performance improvements on these issues, and we believe these new goals will continue to drive us forward over the years to come. Using 2015 as a baseline, the targets for 2020 are shown here.

## Environmental Sustainability

Celgene’s environmental management approach incorporates best practices and programs related to energy, water, waste, and transportation 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

Celgene is encouraging employee participation and enhancing education with the goal of reducing the company’s carbon footprint.

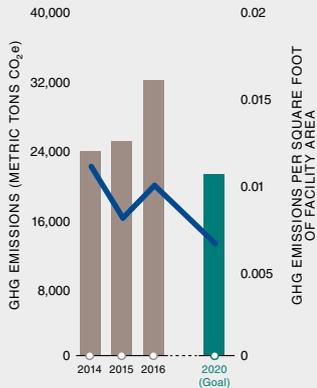
We have outlined accounting and measurement strategies in Celgene’s Carbon Management Inventory Management Plan and include references from the World Resources Institute Greenhouse Gas Protocol the Climate Registry, US Environmental Protection Agency (EPA), Climate Leaders Greenhouse Gas Inventory Protocols,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

### 2020 ENVIRONMENTAL GOALS

Target Area	2020 Target	2015 Quantity	Units
<b>Direct + Indirect Greenhouse Gas Emissions</b>	Reduce emissions from our facilities and emissions from purchased electricity by 20%	24,947	metric tons CO <sub>2</sub> e
<b>Purchasing of Renewable Electricity</b>	Increase purchasing of electricity derived from certified renewable energy sources by 15%	28,217	MWh
<b>Total Water Withdrawal</b>	Decrease water withdrawal by 10%	396,590	m <sup>3</sup>
<b>Solid Waste Generation</b>	Decrease solid waste (non-hazardous trash) generation by 10%	1,372	tons

# ENVIRONMENTAL PERFORMANCE HIGHLIGHTS

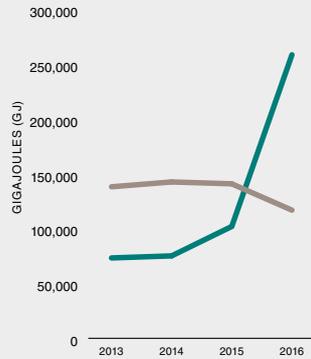
## GREENHOUSE GAS EMISSIONS



■ GHG Emissions\* (Metric Tons CO<sub>2</sub>e)  
 — GHG Emissions per Square Foot of Facility Area

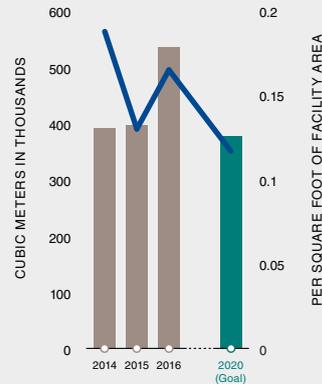
\*Scope 1 and Scope 2.

## ELECTRICITY SOURCED FROM RENEWABLE AND NON-RENEWABLE SOURCES



— Non-Renewable Electricity  
 — Renewable Electricity

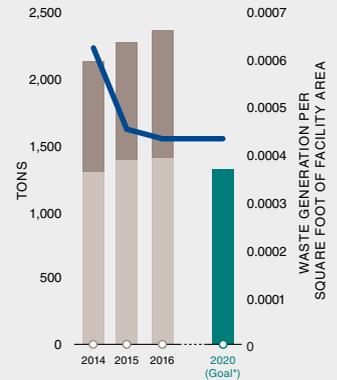
## WATER WITHDRAWAL



■ Total Water Withdrawal  
 — Water Withdrawal per Square Foot of Facility Area

Some withdrawal quantities are based on estimates from US EPA and AQUASTAT data for average water withdrawal rate per person per day.

## SOLID WASTE AND RECYCLING



■ Solid Waste ■ Recycling  
 — Per Square Foot of Facility Area

\*The 2020 goal reflects the aim to reduce trash generation that is either landfilled or incinerated.

## REDUCING ENERGY CONSUMPTION AND CARBON FOOTPRINT

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

- Cisco TelePresence technology was launched to enable collaboration across the globe while reducing the need for air travel
- At the Boudry facility, electricity purchases from certified renewable energy sources increased from 52 MWh in 2015 to 5,300 MWh in 2016
- Companywide purchasing of certified electricity from renewable sources increased by 154% from 2015 to 2016
- A significant quantity of fluorescent lights was replaced with LED lighting fixtures at our San Diego facility
- Additional hybrid and electric vehicle charging stations were installed for our facilities departments and employees to use

## Building Sustainably

In 2017, Celgene's commitment to building a healthy, sustainable future was recognized with LEED Gold certification for Building L—a 180,000 square foot, state-of-the-art office building at the Summit East headquarters location in New Jersey. To achieve this distinction, a variety of environmentally focused attributes were integrated in the design and construction. These include:

- Water quality and conservation measures such as installing efficient water fixtures and a cistern tank that collects rainwater, which is filtered and used for various gray-water activities, such as site landscaping
- Energy derived from renewable sources
- 80 percent covered parking, further reducing the heat island effect and minimizing the impact on the area's microclimate
- Alternate forms of waste collection and recycling
- Biodiversity consideration

It was decided to also obtain LEED certification for the renovation of Building J, an existing standalone building on the southern side of the Summit East campus, which was completely renovated. Obtaining LEED certification for Building J would increase Celgene's portfolio of environmentally sustainable buildings. To date, some of the strategies and building attributes that have been incorporated into the redesign and renovation of Building J include:

- Roofing system with white membrane (cover) to reduce the heat island effect
- Minimal landscaping in areas adjacent to the building: The trees and plants selected include species and varieties that are drought tolerant and bred for ease of care
- No irrigation or permanent watering system was installed to account for the minimal demand of the landscaping system
- Bicycle racks for employees with alternative commuting preferences, with the racks located near the new exercise and fitness facility for shower and changing purposes
- Commissioning to ensure all systems are operating at original design intent and resource consumption levels
- Continued purchasing of 100 percent of electricity derived from certified renewable energy sources for the campus and purchased using Renewable Energy Credits (RECs)
- Low-emitting adhesives, sealant, paints, coating and floor systems to promote occupant well-being and air quality
- A Green Cleaning Policy that includes LEED sustainability criteria for cleaning products and equipment, establishes standard operating and auditing procedures, addresses safe handling and storage of cleaning materials and sets guidelines for staff training
- Sustainable materials harvested to construct reclaimed wood walls

# BUSINESS WITH INTEGRITY



Celgene's 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.

## Sustainability Committee

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

## Corporate Responsibility and Sustainability Policy

We have formalized how corporate responsibility is integrated into Celgene through our Corporate Responsibility and Sustainability Policy. In the short term, the policy covers initiatives that our business can undertake to impact our triple bottom line (environmental, social, and economic aspects), including energy-related and water-related conservation. In long-term planning, Celgene views addressing environmental and sustainability 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 life-changing therapies to patients.

## Code of Business Conduct and Ethics

Celgene is 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.

## Stakeholder Engagement Approach

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

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

## Public Policy

Public policy engagement is an important role for private sector companies. It is important to work with public policy makers to help ensure that the policy environment is supportive of patient access to life-changing medications while also enhancing the promise of medical innovation. Government policies directly impact health care access and innovation while affecting many aspects of Celgene's business model—including our ability to meet patient needs and provide value to all our stakeholders. For these

### PUBLIC POLICY ENGAGEMENT TOPICS

#### UNITED STATES

- Medicare Part D
- Protecting the Integrity of REMS and Patient Safety Programs
- Cost-Sharing for Innovative Oral Cancer Therapies
- Step Therapy/Utilization Management
- Strengthening the Drug Discovery and Development Regulatory Framework

#### EUROPE

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

reasons, we actively participate in public policy discussions and activities to share our perspectives and experience. For example, Celgene employee ambassadors participated in more than 100 congressional meetings in both the US House of Representatives and the US Senate at the annual Celgene Washington Legislative Summit.

## Celgene Political Action Committee (PAC)

The Celgene PAC supports candidates from both political parties at the state and federal levels who share Celgene's commitment to innovation and patient access in health care. The Celgene PAC is an opportunity for eligible employees to 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 through 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 health care

## CELGENE SCORES HIGH IN TRANSPARENCY AND ACCOUNTABILITY

Based on research compiled by the Center for Political Accountability for the 2017 CPA-Zicklin Index of Corporate Political Accountability and Disclosure, Celgene received a total score of 91.4%, and was designated a "Trendsetter." 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.

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Center for Political  
Accountability

# EXTERNAL RECOGNITION



*Forbes'* America's Best Midsize Employers (2017): Ranked #1 in the biotech industry, #4 nationally overall



IDEA Pharma (2017): Ranked one of the top 10 most innovative biopharma companies



FTSE4Good (2017): Added to the FTSE4Good Index



*CR Magazine* (2017): Ranked #13 on *CR Magazine's* list of Most Responsible Companies in the health care sector



*Barron's* (2017): 100 most respected companies worldwide, ranked #38, up from #44 in 2016



Science Careers (2016): Top employers survey, ranked #17



*Newsweek* Green Rankings (2017): Ranked top health care company and #7 in the United States



*Fortune* 500 (2017): Ranked #254, up 51 spots from 2016



The NJ Tech Council (2016): Recognized Celgene as Public Company of the Year



FutureBrand (2016): 100 top global companies, ranked #9



Great Oak Awards (2017): Finalist for *New Jersey Monthly's* Great Oak Awards, a program created to honor the state's most generous companies



United Way (2017): Spirit of the Community Award

# SUSTAINABLE DEVELOPMENT GOALS

Launched in 2015, the SDGs are a set of 17 Global Goals Created by the United Nations through a process involving its 193 Member States along with NGOs and the private sector. The goals contain a broad range of sustainable development issues, including poverty and hunger, improving health and education, making

cities more sustainable, combating climate change, and protecting oceans and forests.

At Celgene, we recognize the importance of contributions from the private sector in reaching the SDGs and are strongly committed to supporting them. Celgene's

people, expertise, collaborations and financial resources help advance the SDGs with a particular emphasis on ensuring healthy lives and promoting well-being (Goal 3). The following eight SDGs are the ones we consider to be most relevant to our operations and sustainability areas of focus:



**3** GOOD HEALTH AND WELL-BEING  
Ensure healthy lives and promote well-being for all at all ages



**5** GENDER EQUALITY  
Achieve gender equality and empower all women and girls



**6** CLEAN WATER AND SANITATION  
Ensure availability and sustainable management of water and sanitation for all



**7** AFFORDABLE AND CLEAN ENERGY  
Ensure access to affordable, reliable, sustainable and modern energy for all



**8** DECENT WORK AND ECONOMIC GROWTH  
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



**9** INDUSTRY, INNOVATION AND INFRASTRUCTURE  
Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation



**12** RESPONSIBLE CONSUMPTION AND PRODUCTION  
Ensure sustainable consumption and production patterns



**13** CLIMATE ACTION  
Take urgent action to combat climate change and its impacts



**JAMES FERRELL** was diagnosed with peripheral t-cell lymphoma, not otherwise specified, and treated with ISTODAX®



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**CELGENE ANNUAL REPORT**

Please find a link to our most recent [Annual Report](#) here: [ir.celgene.com/annuals-proxies.cfm](http://ir.celgene.com/annuals-proxies.cfm).

