



2015 Corporate Responsibility Report

Highlights

Celgene has acquired San Diego-based Receptos, a biopharmaceutical company that develops therapeutic candidates for treatment of immune and metabolic diseases.

Since 2007, more than 50,000 patients in the United States (US) have received assistance through Celgene Patient Support®.

The Celgene Global Health program expanded its collaboration with the Drugs for Neglected Diseases initiative (DNDi) to identify and optimize new therapy candidates for the treatment of neglected tropical diseases (NTDs).

The new building at the Summit corporate headquarters is on track to earn Leadership in Energy and Environmental Design (LEED®) green building program certification because of various environmentally focused attributes.

Celgene was a national sponsor for the Leukemia and Lymphoma Society's Light the Night event, raising over \$500,000, making Celgene the largest biopharmaceutical supporter of Light the Night.

Celgene became one of only three biopharmaceutical companies to earn the CEO *Cancer Gold Standard* accreditation in the US as well as globally.

Indirect emissions from electricity purchasing have decreased by 37% from baseline levels in 2012 due to purchasing of electricity from certified renewable sources and installation of efficient technologies.

Celgene earned the #1 spot as "Best Employer in America" in both 2013 and 2014 in *Business Insider* magazine rankings, with high ratings by employees in both work schedule flexibility and job meaning categories.

Celgene has acquired an additional campus in Summit, New Jersey containing more than 1.2 million square feet for state-of-the-art research and development facilities, laboratory and support buildings and administrative offices.

European Patient Group support exceeded \$3 million in 2014, which included funds for workshops and conferences, education grants, sponsorships and various activities.

Support for World Child Cancer included donations of more than 3,000 toys to children's hospitals and more than \$100,000 through several European sporting activities.

The Celgene Patient Advocacy team was recognized in the 2015 STAR report that included a #1 ranking for Hematology advocacy 3 years in a row and a #1 ranking in corporate image/reputation.

Contents

2 Message from the Chairman and Chief Executive Officer

4 About This Report

6 Materiality

7 About Our Company

7 A History
7 Therapeutic Areas
14 Clinical Development Process
15 Global Relationships
17 Research Collaboration
19 Economic Performance

20 Corporate Responsibility

21 Stakeholders

23 Patients and Communities

23 Patient Advocacy
24 Patient Support
26 Community Volunteering
30 Education
31 Corporate Giving

Our Promise

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

35 Commitment to Safety

35 Patient Safety
36 Risk Minimization and Management
37 Employee Safety
40 Employee Wellness

42 Governance

42 Company Leadership
43 Sustainability Governance
44 Our Culture
46 Business Conduct and Ethics
49 Workforce
51 Professional Development
52 Public Policy
58 Supply Chain

67 Environment and Sustainability

67 Environmental Management
71 Energy
72 Water
73 Waste and Recycling
73 Biodiversity
74 Transportation
76 Carbon Footprint
78 Upstream and Downstream Activities
79 Compliance
79 Environmental Footprint Summary

80 Global Reporting Initiative Index

Message from the Chairman and Chief Executive Officer

Our purpose is to change the course of human health through bold pursuits in science and a promise to always put patients first. Our commitment is to pursue this purpose with integrity and responsibility.

With that goal in mind, I am pleased to share Celgene's 2015 Corporate Responsibility Report which encompasses the company's business practices to fulfill responsibly our commitment to patients, the healthcare system, our employees and the communities where we work and live.

Celgene is working within the broader healthcare ecosystem to expand the frontiers of medical innovation in an effort to help patients live longer, healthier and better lives. We are building a global biopharmaceutical company focused on the discovery, development and delivery of life-enhancing therapies that will transform the course of human health. With our growing portfolio of innovative therapies, we are helping more and more patients around the world.



By focusing on developing disease-altering therapies for patients with the greatest medical needs, we strive to deliver new innovative treatments with the strongest value to patients, their physicians and society.

Throughout 2015, Celgene has been focusing on growing our business by serving patients today while also building the foundation for long-term success through sustained medical innovation for the future. The dedication and commitment to excellence by our employees and partners worldwide are the drivers of our achievements, leading us to have confidence in delivering on our milestones and expectations for years to come.

Celgene continues to invest in Research and Development (R&D) at an industry-leading pace in an effort to accelerate patient access to important medicines that patients with cancer and immune-inflammatory diseases so desperately need. Simultaneously, we scan the landscape for opportunities to enhance and expand our deep and diverse portfolio of next-generation medicines with the potential to revolutionize the course of human health. Currently, we have 18 pivotal/phase III programs underway, 26 treatments in clinical trials, 30 programs in pre-clinical development and more than 700 clinical trials ongoing.

In achieving our operational and financial performance, we rely on a strong foundation of Corporate Responsibility best practices throughout our operations. This foundation reflects Celgene's identity within the global ecosystem of medical innovation in support of positive opportunities for patients, our partners, our employees and the environment. To this end, we continue to strengthen our longstanding commitment to Celgene's five pillars of Corporate Responsibility: Patients and Communities, Commitment to Safety, Governance, Global Health and Environment and Sustainability.

Our commitment to patients extends beyond our life-enhancing therapies to our patient access and financial support programs. Celgene Patient Support® aims to assist patients in gaining access to our innovative treatments. Since 2007, more than 50,000 patients have received assistance through Celgene Patient Support.

Our community engagement and support centers on patient-focused programs such as the Leukemia and Lymphoma Society's Light the Night, the Pancreatic Cancer Action Network's Purple Strides Campaign and the National Psoriasis Foundation Walks. Our focus extends to supporting science education through our participation in programs such as Change the Equation and support for scholarships and fellowships with the goal to help develop the next generation of innovators.

Celgene Global Health continues to collaborate with partners around the world to find innovative solutions for healthcare challenges in low and middle income settings. Our work is based on the belief that innovative therapies and healthcare partnerships are essential components to long-term progress and prosperity around the globe. Celgene is working with various collaborators on screening compounds for activity against NTDs, including malaria, Chagas disease, leishmaniasis, tuberculosis, lymphatic filariasis and viral hemorrhagic fevers. Since 2010, Celgene has partnered with the Academic Model Providing Access to Healthcare (AMPATH) in Kenya to support capacity building within their oncology program.

In the area of Environment and Sustainability, our facilities around the world strive for thorough adherence to environmental laws and regulations and sound environmental management. This includes reducing waste generation, promoting water stewardship and managing energy usage. In furtherance of this commitment, all new construction of Celgene owned facilities meets exacting energy and environmental standards, including a LEED® certified building that we are now completing at our Summit, New Jersey Headquarters.

All of us at Celgene are excited about the future and more committed than ever to creating innovative therapies for patients' unmet medical needs. Each of our employees is focused on executing for today and investing for tomorrow so that we may positively impact the lives of patients worldwide and create value for all our stakeholders.



Robert J. Hugin
Chairman and Chief Executive Officer

About This Report

Celgene Corporation is a multinational, publicly owned biopharmaceutical company committed to improving the lives of patients worldwide. We are committed to responsible transparency and engagement with our stakeholders.

We are continuing to use the Global Reporting Initiative (GRI) G4 In Accordance – Core guidelines in our fourth Corporate Responsibility Report.

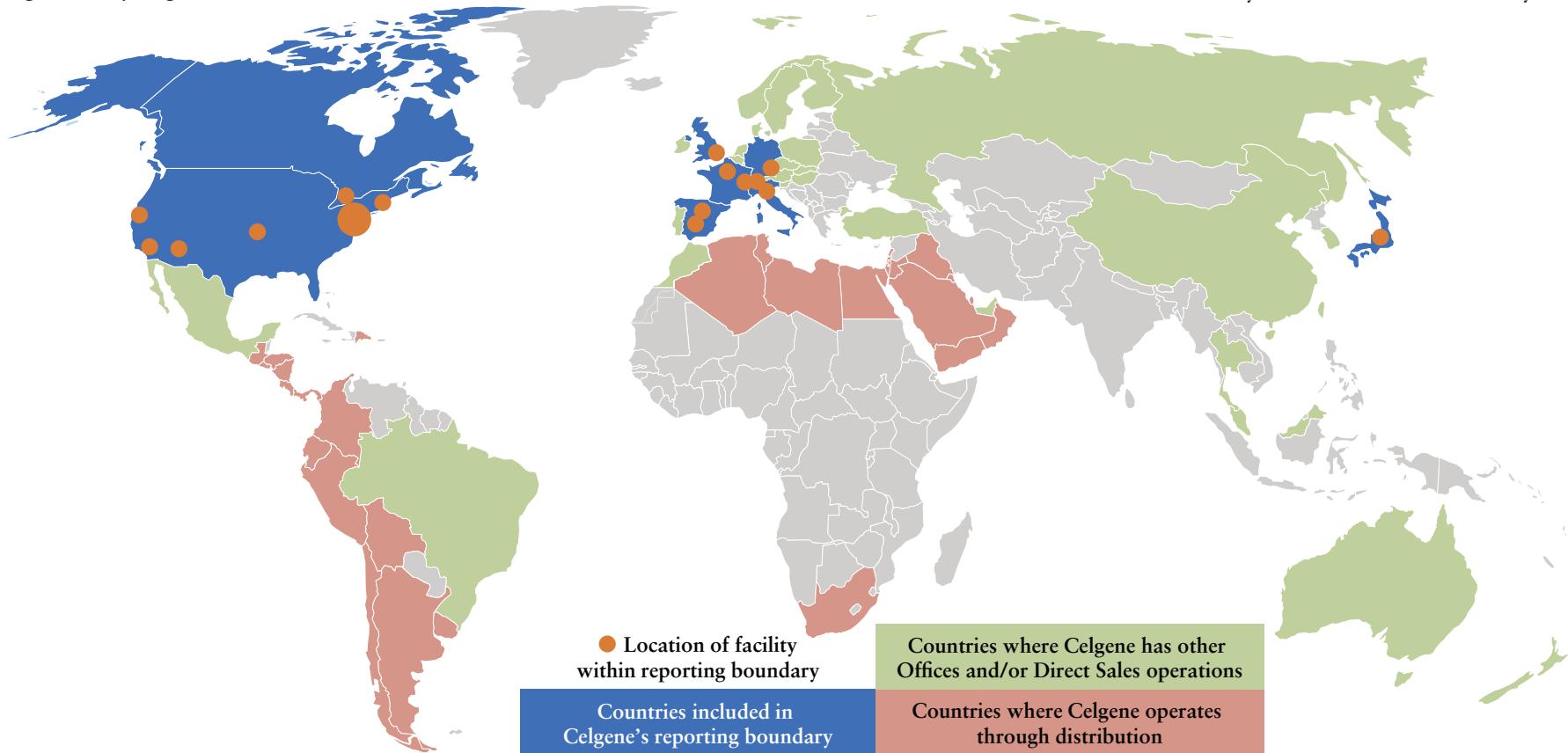
We have selected general and specific standard disclosures from these guidelines that apply to our business in a meaningful and material manner. The complete list of the GRI general and specific standard disclosures is provided in the GRI Index at the end of this report.

For a full explanation of the GRI guidelines, visit <http://www.globalreporting.org>.

The boundary of our Corporate Responsibility reporting includes activities within Celgene at the corporate, firm-wide level, such as philanthropy 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, shown on the map below.

The reporting boundary has been expanded in 2014 to include 22 facilities selected based on an operational control approach, 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. 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. A complete list of entities within Celgene Corporation is included in our [Annual Reports and 10K filings](#). 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. Throughout this report previously stated values have been revised and restated to account for the expanded boundary of 22 facilities, where applicable.

The 2015 Celgene Corporate Responsibility Report focuses on activities and performance during the 2014 calendar year, as well as important and impactful events and activities that have occurred since 2010 and during the first half of 2015.



Celgene Corporate Headquarters
Summit, New Jersey, US



Celgene International Headquarters
Boudry, Switzerland

Reviewing this report content in accordance with the range of GRI disclosures helps Celgene to identify possible reporting gaps and areas that may warrant further accounting and interest for future Corporate Responsibility programs. Historical data are included as appropriate, available and accurate as possible. The report includes plans for 2015 and beyond, where applicable, that illustrate our approach to integrating Corporate Responsibility programs across our global company. Monetary values provided throughout the report are in US dollars unless noted otherwise.

Environmental, economic, labor and health and safety data include widely accepted parameters and units that are collected from appropriate departments within Celgene. Environmental performance and emissions are calculated using pertinent raw data acquired from each facility and carbon emissions are calculated using the existing greenhouse gas (GHG) Corporate Accounting and Reporting Standard developed by the World Research Institute and the World Business Council for Sustainable Development.

Reporting Statistics

Period Covered: 2010–2014 (calendar years) and important and impactful events from the first half of 2015

Most Recent Report: December 2014

Periodicity of Corporate Responsibility Reporting: Annual

Contact: Celgene welcomes thoughts and comments on this report through email at corporateresponsibility@celgene.com. Your comments support our progress on accurate and transparent reporting about our environmental, social, economic and governance performance.

Materiality

We assess our Corporate Responsibility program and practices in terms of items and topics that are material to Celgene's current operations, 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 the company's 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 broad Corporate Responsibility framework that exists at Celgene.

These aspects are a priority to our stakeholders, including shareholders, employees, patients and the communities where Celgene operates. The aspects are also spread across the Five Pillars of Corporate Responsibility. Additional stakeholders were identified as having a bearing on business operations in some fashion, either externally or internally. Our current materiality assessment allows us to determine issues deemed as most material and impactful to our company and our stakeholder populations and these issues are presented in the materiality matrix across the different areas that rank material priority. In the future, we will use a more in-depth materiality assessment that involves stakeholder surveys and discussions aimed to deepen our understanding of priority issues and enhance our focus on these priorities.



About Our Company

A History

Celgene Corporation is committed to improving the lives of patients around the world through innovative treatments and therapeutic developments. Our portfolio consists of therapies and patient services, including REVOLIMID®, ABRAXANE®, POMALYST®/IMNOVID®, OTEZLA®, VIDAZA®, THALOMID®, ISTODAX®, LifebankUSA® and BIOVANCE®.

Celgene's business expansion over the past 25 years includes new biopharmaceutical and clinical fields for product development and disease-altering therapies, while continuing to focus on quality outcomes for the global patient population. Our most focused research areas include immunomodulation in cancer, solid tumor cancers, immune-inflammatory diseases, blood disorders and diseases and treatment applications utilizing stem cell-based therapies.

2014 marked a dynamic year of milestones for our company and our existing therapies in addition to the approvals for six therapies in the first half of 2015 in Europe, which included:

- The expanded use of ABRAXANE
- The new inflammation and immunology therapy, OTEZLA

Therapeutic Areas

Celgene is committed to helping patients who suffer from a wide range of debilitating diseases and disorders. Our long-term commitment to discovering, developing and delivering entirely new classes of therapies is evident in our deep and diverse pipeline of novel compounds.

Representing many classes of therapeutic agents, these compounds are designed to potentially alter the course of disease. The richness of our pipeline gives us the potential to continue expanding and further developing innovative new therapies for years to come.

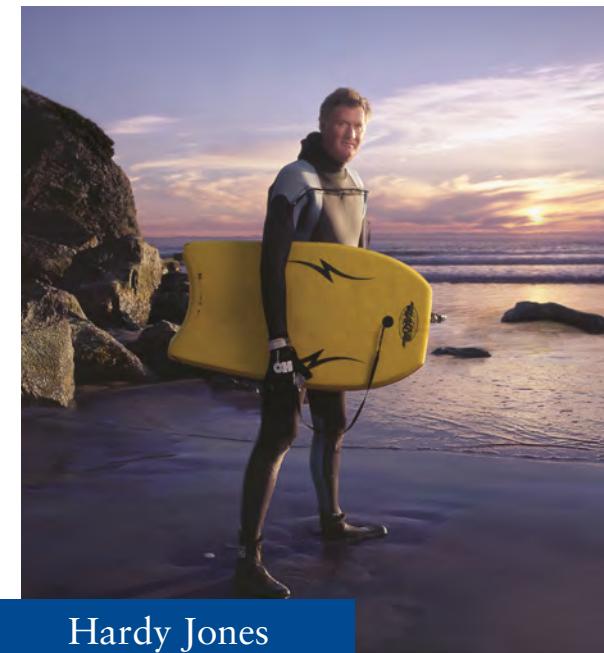
Celgene invests significant resources into creating disease-altering therapies for cancer and other serious immune-inflammatory conditions.

Currently, the Celgene pipeline consists of more than 25 unique compounds addressing more than 30 disease areas. Today, our portfolio of approved treatments has provided life-changing benefits to patients in more than 70 countries. Through researching powerful mechanisms, such as modifying the body's immune response, or creating unique delivery systems that turn cancer cells' own survival mechanisms against themselves, we strive to make significant improvement in patient health outcomes.

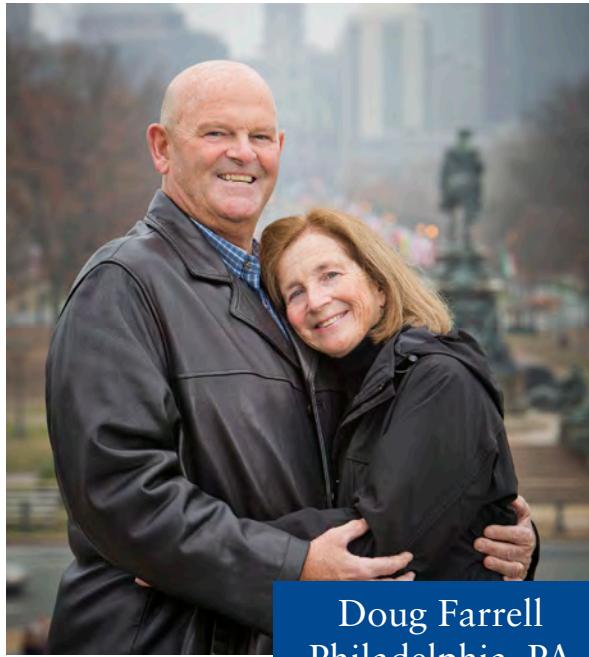
Our discovery and development of innovative biopharmaceutical therapies are accomplished through our four major franchises. These biopharmaceutical and healthcare franchises serve the global population of our patients through the specified products in each therapeutic area.

Celgene Recognized as the Top Employer

Celgene has been distinguished as attaining the #1 spot as "Best Employer in America" in both 2013 and 2014 in the ranking from Business Insider. This magazine and online business site analyzes the Fortune 500 companies based on various factors ranging from job satisfaction, years employed and compensation. Celgene was rated extremely high by employees in both work-schedule flexibility and job meaning.



Hardy Jones
St. Augustine, FL
Multiple Myeloma



Doug Farrell
Philadelphia, PA
Multiple Myeloma

The **Hematology** Franchise provided significant regulatory milestones and important clinical advances throughout 2014 in all of our areas of disease focus. In multiple myeloma, we recently solidified our leadership position as REVCLIMID, in combination with low-dose dexamethasone, received expanded approvals, making it available for newly diagnosed patients in the US and Europe. These approvals were the result of years of effort and one of the largest studies ever conducted for this disease. Many newly diagnosed patients will now have access to this innovative, oral combination for the first time and research continues in dozens of clinical trials of new agents in combination with a backbone of REVCLIMID and low-dose dexamethasone therapy.

The global launch of POMALYST/IMNOVID advanced with reimbursements in Scotland, Spain, Sweden, Switzerland and Japan. This therapy has also become the subject of multiple combination studies alongside new agents in heavily pre-treated patients and has obtained labeling approval by the US Food and Drug Administration (FDA) that provides information on survival benefits.

In myelodysplastic syndromes (MDS), the launch of REVCLIMID for patients with deletion 5q MDS continued in Europe and included a positive final appraisal determination from the National Institute for Health and Care Excellence in the United Kingdom (UK). There were also critical findings in acute myeloid leukemia in a Phase III study of VIDAZA that showed an improvement in survival for older patients when compared with conventional care.

In lymphoma, an assessment by the European Medicines Agency (EMA) is underway for an expected regulatory decision for REVCLIMID in mantle cell lymphoma in Europe during 2015. Results in a study of REVCLIMID in diffuse large B-cell lymphoma demonstrating activity in the hard-to-treat activated B-cell subtype lymphoma have also been presented. These results showed that the addition of REVCLIMID to conventional R-CHOP resulted in longer progression free survival and overall survival rates across patient groups. The combination of REVCLIMID and Rituxan® continues to be the subject of multiple independent studies over the course of the year and is now part of five Celgene-sponsored Phase III studies underway in various lymphomas.

Our Hematology program, which achieved several major milestones during the previous year, continues to expand our leadership position and our significant research efforts have positioned us to advance our pipeline of innovative products in areas of unmet medical need.

Our **Oncology** Franchise is focused on redefining and improving the treatment paradigm in pancreatic cancer, securing new regulatory approvals across the globe and accelerating our global development program in earlier stage treatment and novel combinations. With approvals for advanced breast, lung and pancreatic cancers in more than 40 countries, ABRAZANE remains an essential chemotherapy for treatment success in challenging cancers and is the cornerstone of our Oncology Franchise. ABRAZANE has enabled us to provide an effective treatment option for many underserved patients.

In pancreatic cancer, ABRAZANE (in combination with gemcitabine) is the first and only taxane-based chemotherapy proven to extend survival. In 2014, patients in Australia, Canada, Japan and Switzerland joined the more than 40 other countries that now have access to ABRAZANE. Approvals in metastatic breast cancer continued into new regions, such as Latin America as well as parts of Asia. Most recently, our regulatory application for non-small cell lung cancer was approved in Europe and in March 2015, ABRAZANE was approved by the Hong Kong Department of Health as a first-line treatment for late-stage pancreatic cancer in combination with gemcitabine.

Our global development program continues to grow with more than 100 studies of ABRAXANE as the backbone of therapy in difficult to treat cancers, such as triple-negative breast cancer and squamous cell lung cancer. Our global study in triple-negative metastatic breast cancer and exploration for new clinical opportunities in lung cancer also continued, with our multi-study lung cancer program expanding into Europe.

In addition, we continue to leverage the unique attributes of ABRAXANE as a chemotherapy in combination with immunotherapies. Given its lack of premedication with steroids, we are working with multiple partners in either providing ABRAXANE or leading studies in challenging tumor types. Late last year, a Phase I study was initiated of ABRAXANE in combination with Bristol-Myers Squibb's immuno-oncology therapy OPDIVO®. Earlier this year, Roche announced several Phase III combination studies in non-squamous and squamous lung cancer with ABRAXANE and its immuno-oncology therapy, atezolizumab. Our collaboration with OncoMed Pharmaceuticals also continues to expand as they evaluate demcizumab in combination with ABRAXANE in pancreatic cancer and in lung cancer in combination with other chemotherapies.



Lois Minta
Atlanta, GA
Psoriatic Arthritis

Nearly 253 million people worldwide have an immune disorder and our **Inflammation and Immunology (I&I)** Franchise is fully engaged and committed to bringing the clinical benefits of our rich pipeline of assets to this patient population. The continued growth of the I&I Franchise is driven by our focus to develop, bring to market and provide widespread patient access to our transformational therapies for underserved patients with immune-inflammatory disorders. Our growth trajectory in the I&I area through 2020 is strong with great expansion potential expected from existing and pipeline products that we believe will ensure our long-term success.

In 2014, Celgene's I&I Franchise made several advances. In the US, we launched our oral anti-inflammatory PDE4-inhibitor, OTEZLA, for patients with psoriasis and psoriatic arthritis (PsA). OTEZLA had strong early launch metrics, including the rapid acceleration of total prescriptions and sales and leadership position share of new patient starts in PsA.

In addition to the US commercial launches, OTEZLA was approved in Canada for psoriasis, in Australia and Israel for patients with both PsA (in mid-2015) and plaque psoriasis (PSOR) (in late 2014) and in early 2015 in the European Union (EU) for two therapeutic indications:

- For the treatment of moderate-to-severe chronic PSOR in adult patients who failed to respond to or who have a contraindication to or are intolerant to other systemic therapy.
- For the treatment of active PsA in adult patients who have had an inadequate response.

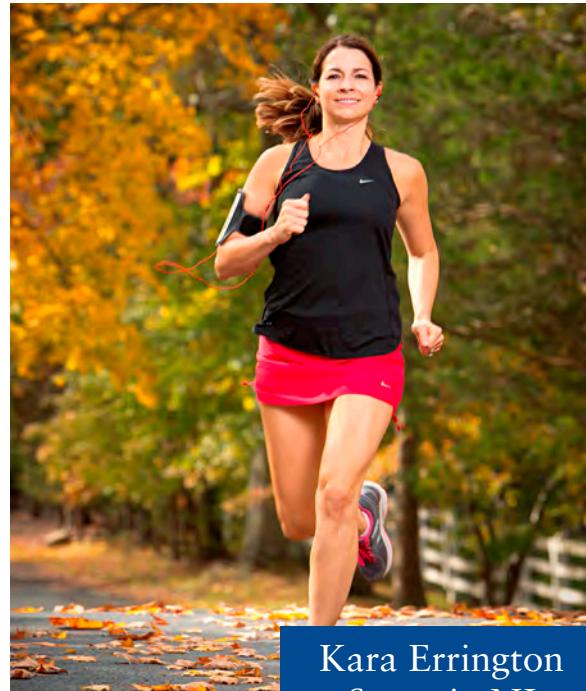
Additional new drug application and marketing authorization application submissions for the PsA and psoriasis indications are ongoing or are planned in several other countries/regions, including Japan, South East Asia and Russia.

OTEZLA also has potential for other underserved patient populations. For example, new indications and opportunities under investigation include Phase II trials in atopic dermatitis and ulcerative colitis, the enrollment of patients in a Phase III trial for Behçet's disease and the regulatory submission of data in Turkey (the country with the highest prevalence of Behçet's disease) based on the Phase II data.

OTZELA Direct to Patient Advertising

In June 2015, direct to patient advertising for OTEZLA was launched for both the Internet and for television. The advertisement features the benefit of information to patients regarding this new oral treatment option. The commercial showcases Celgene's greater commitment to patients and advocacy for patient access to our therapies.

The advertisement can be found [here](#).



Kara Errington
Summit, NJ
Psoriasis

A very important addition to our portfolio in 2014 was the acquisition of GED-0301, which shows significant potential for patients with Crohn's disease. A multi-trial pivotal program designed to support global regulatory registration in Crohn's disease is underway and Celgene plans to initiate a Phase III clinical trial program by the end of 2015. Also, CC-220 (cereblon modulator) is in a Phase II trial for lupus, which affects five million people worldwide. Another promising molecule includes sotatercept (ACE-011) that shows positive effects on anemia, bone and vascular calcification as it proceeds to a larger Phase II-b trial.

Celgene acquires Receptos

In August 2015, Celgene finalized acquisition of San Diego-based Receptos, a biopharmaceutical company that develops therapeutic candidates for treatment of immune and metabolic diseases. Receptos is developing the drug ozanimod, an oral, novel and potentially best-in-class selective modulator that has demonstrated advantages over existing oral therapies for treatment of ulcerative colitis (UC) and relapsing multiple sclerosis (RMS).



Phase II data have already been published and presented and show ozanimod meeting key clinical and endoscopic endpoints for UC for both induction and maintenance with statistical significance in patients. The overall safety and tolerability profile of ozanimod was consistent with results of a Phase II trial in RMS. Phase III trials are currently underway with data expected in 2017 for RMS and in 2018 for UC.

This acquisition builds upon Celgene's growing expertise in inflammatory bowel disease and the overall I&I portfolio. Along with OTEZLA and GED-0301, ozanimod will add to the development of therapies targeting Behçet's disease, Crohn's disease, UC and RMS, which represent areas of high unmet medical needs for patients.

Our **Research and Early Development** teams are advancing disruptive scientific innovations in critical areas of hematology, oncology and immune-inflammatory diseases. We have created an integrated and distributed research model designed to complement our internal strengths by collaborating with the most exciting emerging companies and academic groups. In 2014, we entered into over 10 new partnerships and extended the scope of existing collaborations. Adding external talent and resources to our own extends our access to novel programs and creates powerful drug discovery and development platforms.

Celgene established the first three Thematic Centers of Excellence (TCoE) in:

- Protein Homeostasis: With our enhanced insights on cereblon, the target protein for REVIMID and POMALYST/IMNOVID, we are redefining the therapeutic potential of protein homeostasis. We are developing next-generation drugs, called CELMoDs™ (Cereblon E3 Ligase Modulation Drugs), designed with novel chemistry and differentiated properties that potentially enable us to address a broader range of diseases.
- Epigenetics: 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.

- Immuno-oncology: Several of our key assets, such as REVIMID, ABRAXANE and CC-486, are uniquely positioned and potentially complementary to emerging immuno-oncology drugs. We are committed to broadening our footprint through expanded internal capabilities and external alliances.

We intend to create new TCoE in additional research areas in which we have scientific strength and unique competitive advantages. Our distributed research model and the internal alignment around the TCoE are designed to optimize efficiency and productivity so that we can sustain the advancement of landmark therapies to transform the treatment of serious diseases.

Celgene's Research and Development sustains a deep and diverse pipeline of paradigm-changing therapies across the biopharmaceutical sector.

The **Celgene Institute for Translational Research Europe (CITRE)** in Seville, Spain, is the company's first dedicated R&D site outside the US and provides a bridge between Celgene R&D and the European research community. Founded in 2010, CITRE's activities focus on Translational Research into new treatments for cancer and other rare and complex diseases to ensure that laboratory advances in personalized medicine reach the patients who need them.

Scientific activities at CITRE comprise three main departments: The Human Diseased Tissue Laboratory, the Computational Biology research group and the Clinical Trials Unit. Onsite facilities include extensive cell culture, flow cytometry,



Livia Bebing
Pittsburgh, PA
Myelodysplastic Syndromes

microscopy, genomics, immunohistochemistry and state-of-the-art computational analysis infrastructure for biomarker discovery and patient stratification.

Together, these components form a Translational Research center that coordinates and conducts Celgene medical research in Europe and enables rapid and effective transfer of new developments and discoveries to European patients. Furthermore, CITRE provides a focal point in Europe for collaborative translational research into cancer and inflammatory diseases, with a mission to rapidly deliver new Celgene compounds.

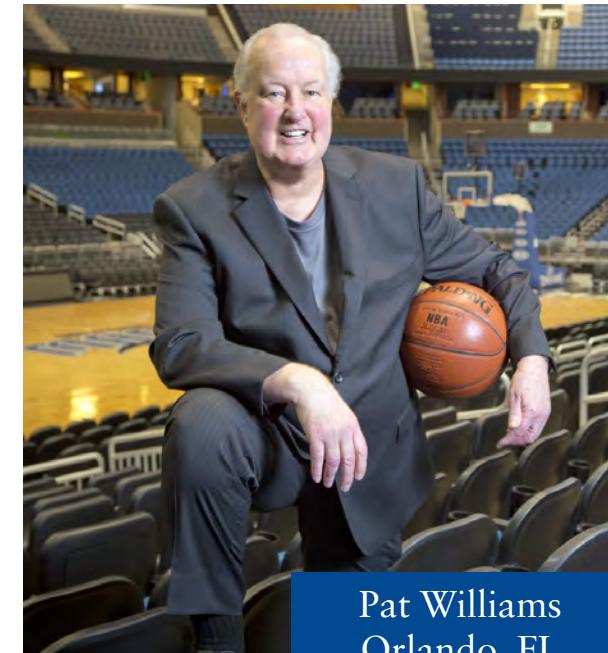
The Celgene Translational Development Center, located in San Francisco, California, US, serves as our main site for immunomodulatory drugs (IMiDs®) research. Translational Development at Celgene is an integrated, multi-disciplinary function that facilitates the transition of drug candidates from drug discovery through development by enabling determination of therapeutic index, dose, schedule and responsive patient populations and contributing to regulatory dossiers and product labels. The function explores the mechanism of efficacy of Celgene therapies, as well as mechanisms of resistance. Translational Development also focuses on adding value to existing products by providing rationale for new indications and therapeutic combinations to address unmet medical needs for patients.

Celgene Avilomics Research (CAR), located in Bedford, Massachusetts, US, joined the Celgene team through the acquisition of Avila Therapeutics in March 2012 and is primarily focused on the Avilomics platform of targeted covalent inhibitors. Targeted covalent drugs bond with disease-causing proteins in a way that not only inhibits these proteins, but “silences” them completely. This “silencing” lasts for the life cycle of the protein. The covalent bonding mechanism leads to four primary benefits: enhanced selectivity, potency toward the targeted protein, prolonged duration of action and retained efficacy against resistance-causing mutations. CAR has multiple ongoing pipeline projects that continue to make progress toward development candidate nominations and several projects that have been part of a collaboration with Sanofi.

The newly established **Immuno-Oncology Thematic Center of Excellence** is located at the new research facility in Seattle, Washington, US. This facility will provide translational support for key assets in the I&I clinical portfolios as they develop therapies and external alliances in the immuno-oncology area. 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.

The **Drug Discovery & Alliance Development Center** in San Diego, California, US, is our hub for epigenetics and intracellular signaling R&D. Our growing investment in the development of immunomodulatory agents and cell signaling inhibitors, as well as in the development of cellular and tissue therapeutics, will allow us to provide physicians/clinicians with a more comprehensive and integrated set of solutions for managing complex human disorders such as cancer and inflammatory diseases.

The **laboratories and R&D space at our Corporate Headquarters** in Summit, New Jersey, US, 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.



Pat Williams
Orlando, FL
Multiple Myeloma

Celgene Cellular Therapeutics (CCT) located in Cedar Knolls, New Jersey, is our wholly owned subsidiary focused on the development of stem cell therapies from human placentas and umbilical cord blood. Having developed proprietary technologies for collecting, processing and storing placental stem cells, CCT is now evaluating the potential of cellular therapies in cancer and a number of other autoimmune, cardiovascular, neurological, inflammatory and degenerative diseases. LifebankUSA® is CCT's cord blood, placenta blood and tissue banking business that serves as the source for the cell therapy, organ and tissue products.

To date, LifebankUSA has released stem cells to treat:

- Acute myelogenous leukemia (AML)
- Cerebral palsy
- Chronic lymphocytic leukemia
- Fanconi anemia
- Histiocytosis
- Myelodysplasia
- Myelodysplastic syndrome
- Non-Hodgkin's lymphoma
- Sickle cell anemia
- Other diseases

In 2014, a LifebankUSA stem cell unit was used to treat its 50th patient, a 9-year-old boy with Fanconi anemia, a rare, inherited blood disorder that leads to bone marrow failure and leukemia. These stem cells were used to replace other cells in the body that were abnormal or had been destroyed by disease.

The patient's parents stored his sibling's stem cells at LifebankUSA's state-of-the-art facility in Cedar Knolls, New Jersey, US, for 54 months prior to transplant.

Future Brand 2015

For the first time, Celgene was added to the 2015 Future Brand Index, ranking #9 among the top 100 global companies. A "future brand" is described as one that is likely to succeed in the future and balance strong perceptions of its purpose and the experience it delivers. This recognition is a tribute to the growing public perception of Celgene on a global level.

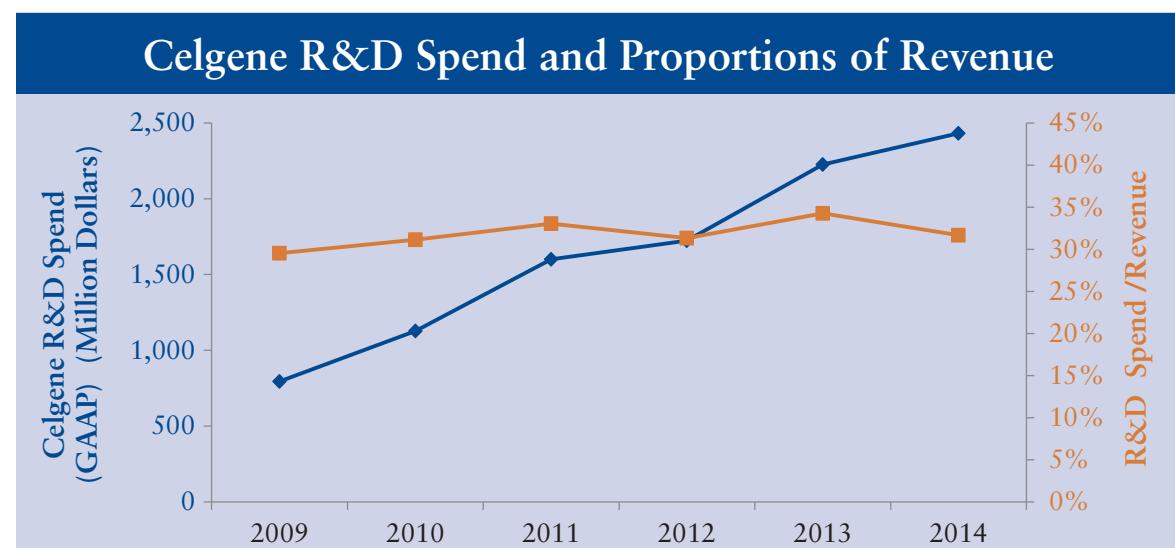
CCT achieved another major milestone in mid-2014 with the launch of BIOVANCE, its first commercial product. BIOVANCE (human amniotic membrane allograft) is a new wound management product developed by CCT to assist wound care specialists, as well as vascular, plastic and general surgeons, in the treatment of a wide variety of complex, acute, chronic, recalcitrant, full and partial thickness wound types.

BIOVANCE is derived from a natural source - the placenta of a normal, full-term human pregnancy. The product provides protection and support to the wound it covers and supports the body's ability to heal and orchestrate natural tissue restoration. BIOVANCE represents a key application of regenerative medicine for advanced wound care. CCT has a strategic partnership with Alliqua Biomedical for the development and commercialization of our portfolio of tissue-based advanced wound management products.

Investment in Research and Development

Over the last 6 years, Celgene reinvested more than 30 percent, on average and on a generally accepted accounting principles (GAAP) basis, of revenues in R&D, which is well above the biopharmaceutical industry average. These investments in R&D support the various clinical development programs for our existing therapies and those within the pipeline of new treatment candidates.

This commitment to research has enabled our company to build a broad and deep pipeline, through our own efforts and as a part of strategic collaborations with external partners. Many therapies are now in clinical development and under regulatory review in the US and internationally.

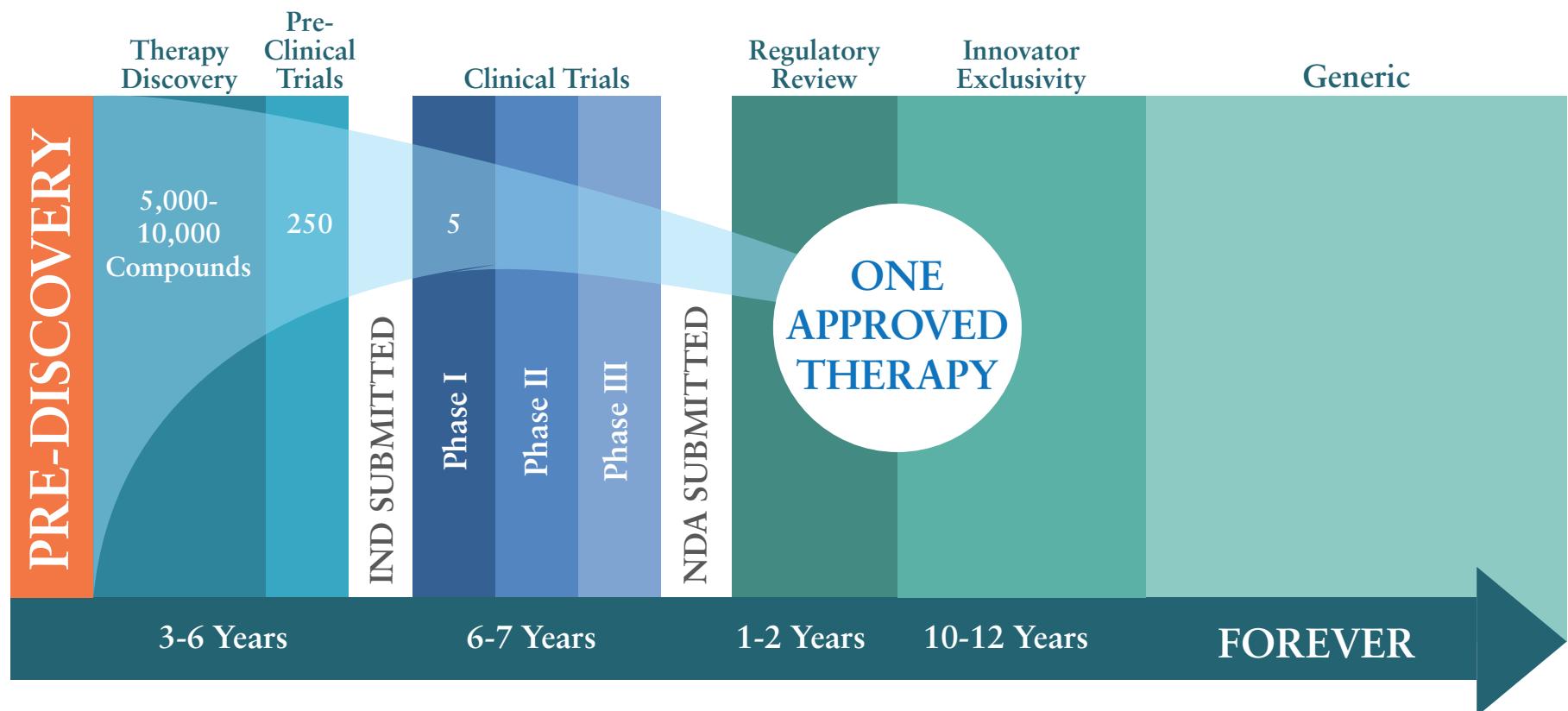


Clinical Development Process

Celgene has developed target-identification and therapy-discovery technology platforms that enable the company to proceed rapidly from target identification and validation through lead identification and optimization. Developing a new medicine takes an average of 10 to 15 years at an estimated cost of \$2.6 billion¹.

The steps within this process highlight the R&D stages necessary to generate the data and information that determine the safety, use and medical indications of the final therapy.

This type of process has been and will continue to be applied to all Celgene therapies during the R&D stages. The regulatory review, filing and approval processes are directed by the applicable governmental body, such as the FDA, the European Commission and Japan's Ministry of Health, Labour and Welfare.



Source: Paul S, Mytelka D, Dunwiddie C, et al. "How to Improve R&D Productivity: The Pharmaceutical Industry's Grand Challenge." *Nature Reviews Drug Discovery*. March 2010; available from: doi:10.1038/nrd3078. Accessed June 24, 2014.

Note: Length of time at each stage is approximate.

¹Tufts Center for the Study of Drug Development (TCSDD). R&D Cost Study Briefing; November 18, 2014.

http://csdd.tufts.edu/files/uploads/Tufts_CSDD_briefing_on_RD_cost_study_-Nov_18,_2014..pdf. Boston, Mass.: CSDD. Accessed February 2015.

Global Relationships

Celgene maintains active memberships in national and international organizations within the pharmaceutical and biopharmaceutical sectors. Our relationships with these organizations are important in helping all members of the industry serve patients and the community. These organizations are also involved with public policy discussion, debate and consensus. Celgene's membership includes the following organizations:

- AMCP - Academy of Managed Care Pharmacy (US)
- Alliance for Regenerative Medicine (US)
- AMIIF – Asociación Mexicana de Industrias de Investigación Farmacéutica (Mexico)
- ASEBIO - Asociación Española de Bioempresas (Spain)
- Asociación Nacional Empresarial de la Industria Farmacéutica (Spain)
- Associação Portuguesa da Indústria Farmacêutica (Portugal)
- AIFD – Arastirmaci İlaç Firmalari Derneği (Turkey)
- AIFP - Association of Innovative Pharmaceutical Industry (Czech Republic)
- AIPM - Association of International Pharmaceutical Manufacturers (Russia)
- Association Générale de l'Industrie du Médicament (Belgium)
- ABPI – The Association of the British Pharmaceutical Industry (UK)
- Assobiotech – Associazione Nazionale per lo Sviluppo delle Biotecnologie (Italy)
- Association of Research-Based Pharmaceutical Companies (Turkey)
- BIOTECCanada (Canada)
- BIOCOM (California, US)
- Bio Deutschland (Germany)
- BioFarmind (Netherlands)
- BioNJ (New Jersey, US)
- BIO - Biotechnology Industry Organization (US)
- Bundesverband der Pharmazeutischen Industrie (Germany)
- CANIFARMA - Camara Nacional de la Industria Farmaceutica (Mexico)
- CEO Roundtable on Cancer (US)
- COA - Community Oncology Alliance (US)
- EBE - European Biopharmaceutical Enterprises (Europe)
- EUCOPE - European Confederation of Pharmaceutical Entrepreneurs (Europe)
- EFPIA - European Federation of Pharmaceutical Industries and Associations (Europe)
- Forum of International Research and Development Pharmaceutical Industries (Slovenia)
- Healthcare Institute of New Jersey (New Jersey, US)
- HollandBIO (Netherlands)
- Interfarma – Assoçiao da Indústria Farmacêutica de Pesquisa (Brazil)
- IFPMA - International Federation of Pharmaceutical Manufacturers and Associations (Switzerland)
- Irish Pharmaceutical Healthcare Association (Ireland)
- Japan Pharmaceutical Manufacturers Association (Japan)
- Korean Research-Based Pharmaceutical Industry Association (Korea)
- LEEM - Les Entreprises du Medicament (France)
- LIF - Swedish Association of the Pharmaceutical Industry (Sweden)
- Medicines Australia (Australia)
- National Health Council (US)
- National Pharmaceutical Council (US)
- PhRMA - Pharmaceutical Research and Manufacturers of America (US)
- RDPAC - R&D-Based Pharmaceutical Association Committee (China)
- United Kingdom BioIndustry Association (UK)
- US Chamber of Commerce (US)
- Nefarma - Vereniging Innovatieve Geneesmiddelen Nederland (Netherlands)
- VIPS - Vereinigung Pharmafirmen in der Schweiz (Switzerland)

Celgene and a large number of Celgene's personnel are involved in the congresses, committees, professional publications, sponsorship or support for the following organizations:

- Academy of Oncology Nurse & Patient Navigators
- Advanced Breast Cancer International Consensus Conference
- American Academy of Dermatology
- American Association for Cancer Research
- American College of Rheumatology
- ASCO- American Society of Clinical Oncology
- ASCO GI - American Society of Clinical Oncology Gastrointestinal
- ASH - Association Society of Hematology
- Association of Community Cancer Centers
- Association of Oncology Social Work
- CAPP - Canadian Association of Psoriasis Patients
- Chemotherapy Foundation Symposium
- EADV - European Academy of Dermatology & Venereology
- European Cancer Congress
- European Hematology Association
- EULAR - European League Against Rheumatism
- EURORDIS – European Organisation for Rare Diseases

- GRAPPA – Group for Research and Assessment of Psoriasis Psoriatic Arthritis
- Hematology/Oncology Pharmacy Association
- IASLC - International Association for the Study of Lung Cancer
- ICBD – International Congress on Behcet's Disease
- IFPA - International Federation of Psoriasis Associations
- International Congress on Hematologic Malignancies
- International Congress on Malignant Lymphoma
- International Myeloma Foundation
- International Society of Gastrointestinal Oncology
- International Workshop on Chronic Lymphocytic Leukemia
- IPC - International Psoriasis Council
- Medical Group Management Association
- Multiple Myeloma Research Foundation
- Myelodysplastic Syndromes Foundation
- National Comprehensive Cancer Network
- National Psoriasis Foundation
- Oncology Nursing Society
- SABCS - San Antonio Breast Cancer Symposium
- World Congress of Dermatology
- World Cutaneous Malignancies Congress

Lights Upon the Mountain

Celgene is a co-founder of the *Lights Upon the Mountain* awards, which is given to senior leaders in Japan's scientific and medical community who are making impactful contributions to the health of the Japanese people. The awards were presented in May 2015 in Tokyo and Bob Hugin attended and recognized the works of Dr. Hiroshi Handa of the Tokyo Medical University. Dr. Handa and his colleagues are working with Celgene to study the impact of ligase protein cereblon, a direct protein target for immunomodulatory and antiproliferative activities of REVLIMID and POMALYST.



The *Lights Upon the Mountain* awards will be given annually to recognize scientific, medical and healthcare professionals who in their older years continue to demonstrate leadership in improving health care and innovation in service to patients in Japan.

Research Collaborations

Celgene has fostered a series of research partnerships across the biopharmaceutical ecosystem.

AstraZeneca, through its biologics division **MedImmune**, initiated a development and commercialization agreement with Celgene for MEDI4736, an investigational immune checkpoint inhibitor. The goal of this inhibitor is to counter immune-evasive tactics from programmed death-ligand 1 (PD-L1), which helps tumors avoid detection by the immune system. MEDI4736 will be assessed for hematology applications as a monotherapy and in combination with other AstraZeneca and Celgene cancer therapies.

Through a collaboration agreement, Celgene and **OncoMed Pharmaceuticals** intend to jointly develop and commercialize up to six anti-cancer stem cell product candidates from OncoMed's biologic pipeline, including demcizumab. These candidates are used to block the cancer cell's ability to renew, as well as inhibit tumor growth.

Through a collaboration and license agreement with **Epizyme**, we aim to discover, develop and commercialize novel therapeutic compounds by inhibiting histone methyltransferases, an important epigenetic target class.

Celgene's Distributed Research Model

Our distributed research model illustrates the breadth of Celgene's collaborative strategy, designed to complement Celgene's internal research efforts, while further strengthening our existing Hematology/Oncology and I&I Franchises.



The strategic collaboration we have with ***Acceleron Pharma*** pertains to the development and commercialization of sotatercept (ACE-011) and luspatercept (ACE-536). Sotatercept is currently in Phase II studies for treatment of renal anemia, beta-thalassemia and MDS. Luspatercept is currently in Phase II studies for beta-thalassemia and MDS.

A discovery and development collaboration and license agreement that began in 2010 with ***Agios Pharmaceuticals*** focus on cancer metabolism targets. In June 2014, Celgene exercised the option to license AG-221 from Agios on an exclusive, worldwide basis. AG-221 is currently in a Phase I study in patients that harbor an Isocitrate Dehydrogenase 2 (NADP+), Mitochondrial (IDH2) mutation with advanced malignancies, including acute myeloid leukemia. In January 2015, Celgene extended the collaboration with Agios to include exclusive licensing of AG-120 outside of the US AG-120 is a first-in-class, oral, potent inhibitor of the mutant IDH1 protein. This drug is currently being evaluated in two Phase I dose escalation trials in both advanced hematologic malignancies and advanced solid tumors in patients whose cancer harbors an IDH1 mutation.

The collaboration with ***VentiRx*** is focused on the R&D and commercialization of novel Toll-Like Receptor 8 immunotherapies for the treatment of cancer and respiratory and inflammatory diseases. VTX-2337 is a novel immunotherapy candidate that will augment current cancer treatment regimens and is currently in Phase II clinical trials.

The global collaboration for the development and commercialization of immunotherapies with ***Juno Therapeutics, Inc.*** began in mid-2015. This collaboration will leverage T cell therapeutic strategies to develop treatment for patients with cancer and autoimmune disease with an initial focus on Chimeric Antigen Receptor Technology (CAR-T) and T Cell Receptor technology. The use of CAR-T aims to improve on immunotherapies by removing disease-fighting T cells from blood and re-engineering them to target cancer cells with near laser-like focus and act like a cancer-killing force within the body.

The ***Acetylon Pharmaceuticals*** collaboration is intended to support the development of oral, selective histone deacetylase (HDAC) inhibitors in oncology, hematology, immunology and neurological disease indicators. The four prime therapies within this collaboration are an oral first-in-class selective HDAC inhibitor being developed for hematological malignancies, an inhibitor for neurological diseases, a selective HDAC inhibitor and an unnamed project spanning cancer and non-cancer disease indicators.

Celgene and ***bluebird bio*** have a global collaboration agreement focused on developing product candidates targeting B-cell maturation antigens (BCMA). BCMA is a cell surface protein that is expressed in normal plasma cells and in most multiple myeloma cells, but is absent from other normal tissues. Celgene and bluebird bio will work collaboratively on the initial, lead anti-BCMA product candidate (bb2121), with a Phase I clinical trial expected to begin enrollment in early 2016 along with developing next-generation anti-BCMA product candidates.

Celgene formed a collaboration with ***FORMA Therapeutics Holdings, LLC*** to discover, develop and commercialize therapy candidates to regulate protein homeostasis targets. This has significance for neurodegenerative, oncology and other disorders and involves a regulated network of pathways controlling biogenesis, folding, transport and degradation of proteins.

In 2014, Celgene entered into a second collaboration and license agreement with ***Sutro Biopharma*** to jointly develop up to six prioritized anti-cancer antibody drug conjugates and/or bi-specific antibody constructs directed primarily to immuno-oncology targets.

ZymeWORKS Inc. recently announced a collaboration and licensing agreement with Celgene for the R&D and commercialization of bi-specific antibody therapeutics. The terms of the agreement call for collaboration on the R&D of multiple bi-specific antibodies with the option to advance candidates into clinical development and commercialization. Bi-specific antibodies are designed to bind to two biological targets instead of just one, producing synergistic or additive therapeutic responses. This drug development approach is primarily used in cancer immunotherapy and inflammatory diseases. This collaboration will help Celgene further research in the emerging field of bi-specific antibodies that aim for a specific single molecular target of disease.

Economic Performance

Celgene's 2014 revenue was \$7.67 billion, representing a \$1.18 billion increase from 2013. Economic profiles are presented in the following tables and represent our revenues and certain expenses; our financial contributions to non-profit organizations, research groups and miscellaneous entities are detailed and presented in the *Patients and Communities* chapter. 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 Celgene's [Investor Relations website](#).

2014 Financial Results	
Total Net Product Sales	\$7.56 Billion (+18.9% Y/Y)
Total Revenue	\$7.67 Billion (+18.1% Y/Y)
Adjusted Diluted Earnings per Share	\$3.71 (+24.5% Y/Y)
GAAP Diluted Earnings per Share	\$2.39 (+42.3% Y/Y)

Celgene Economic Performance 2010-2014 (Million Dollars)						
		2010	2011	2012	2013	2014
Product Sales Revenue	REVLIMID	2,469.2	3,208.2	3,766.6	4,280.3	4,980.0
	VIDAZA	534.3	705.3	823.2	803.3	611.9
	ABRAXANE	71.4	385.9	426.7	648.9	848.2
	POMALYST	-	0.6	12.0	305.4	679.7
	THALOMID	389.6	339.1	302.1	244.5	221.2
	OTEZLA	-	-	-	-	69.8
	ISTODAX	15.8	30.9	50.0	54.0	65.6
	Other	28.1	29.7	5.0	25.9	87.4
	Total Product Sales	3,508.4	4,699.7	5,385.6	6,362.3	7,563.8
Regional Revenues	US	2,188.5	2,860.9	3,169.1	3,862.1	4,482.8
	Europe	1,266.8	1,477.5	1,617.7	1,865.7	2,310.8
	All Others	170.4	503.7	719.9	766.1	876.8
	Total	3,625.7	4,842.1	5,506.7	6,493.9	7,670.4
Economic Indicators	Other Revenue	117.3	142.4	121.1	131.6	106.6
	R&D	1,128.5	1,600.3	1,724.2	2,226.2	2,430.6
	Operating Income	989.6	1442.7	1746.4	1808.9	2519.0
	Income Taxes	132.4	102.1	225.3	215.5	327.5
	Net Income	880.5	1318.1	1456.2	1449.9	1999.9
Capitalization Indicators	Total Assets	10,177.2	10,005.9	11,734.3	13,378.2	17,340.1
	Total Equity	5,995.5	5,512.7	5,694.5	5,589.9	6,524.8

All financial information prepared in accordance with US GAAP

Corporate Responsibility

We maintain corporate policies and practices which support Celgene's Corporate Responsibility focus, defines who we are and ensures that we continue to maximize opportunities for patients, our partners, employees and the environment.

Celgene governs and directs its Corporate Responsibility efforts through the Sustainability Committee (described further in the *Governance* chapter) that facilitates direct involvement and engagement with various stakeholders both internally and externally.

Celgene's Corporate Responsibility program aims to synchronize and drive various initiatives in connection with sound economic, social and environmental practices. The program also aims to provide awareness about key Corporate Responsibility issues and practices to all of our affiliates and personnel around the world. Our stakeholder engagement will focus on the challenges and opportunities the company and the people it impacts face in the future. The overall goal of the program is to improve business performance while executing business practices in a highly ethical and responsible manner.

Five Pillars of Responsibility

PATIENTS AND COMMUNITIES

Celgene's mission is to improve the lives of patients around the world through our pioneering patient access programs, significant investment in clinical studies, support for continuing medical education and partnerships with non-profit organizations that share our commitment to patients.

COMMITMENT TO SAFETY

We take special care to promote patients' safe access to our treatments and are committed to effectively minimizing occupational and environmental risks. We strive to provide a safe, healthy and environmentally responsible work environment for all employees in our operations.

GOVERNANCE

We ensure that corporate policies and practices support appropriate governance, transparency and accountability operations. The culture at Celgene is built on integrity, ethics, sound decision-making and behaviors that reflect our values and commitment to patients.

GLOBAL HEALTH

Celgene Global Health collaborates with partners around the globe to find innovative solutions for healthcare challenges in the developing world to help promote long-term progress and prosperity.

ENVIRONMENT AND SUSTAINABILITY

We work to minimize the environmental impact from our business operations and promote environmentally responsible and sustainable practices while integrating sustainability initiatives in our day-to-day operations.

Stakeholders

Celgene's work to discover, develop and deliver our therapies to treat cancer and other severe diseases is accomplished by maintaining a commitment to and dialogue with our key stakeholders. The stakeholders that Celgene actively engages with are identified based on factors related to meeting unmet medical needs around the world and are aligned with Celgene's business goals, values, practices and culture. These factors include (but are not limited to):

- Ability to better help the company define areas of unmet patient needs
- Importance within our global business operations
- Relevance to our current biopharmaceutical operations, including management, manufacturing and R&D
- Relevance to the geopolitical areas where the company operates
- Ability to provide critical information, concerns, advice, feedback and strategies

Through our interactions with stakeholders, we have identified the following topics and concerns that can impact or influence Celgene's global operations:

- Expanding our therapies to treat additional areas of unmet medical needs
- The need for pro-patient and pro-innovation public policies
- Austerity and fiscal challenges and opportunities
- Ethical and transparent business practices
- Broad and immediate patient access to medical innovation worldwide
- Transformational medicines that help patients live longer, healthier and better lives
- Patient impact on healthcare systems and economies
- Impact of company innovative therapies on healthcare systems and economies

Read More about Our Stakeholders

The various stakeholder groups that Celgene interacts with around the world encompass our efforts to enhance economic, social and environmental initiatives and touch upon each of the Five Pillars of Corporate Responsibility. The following chapters of this report present a summation of activities and outcomes that occurred in 2014 and early 2015 that relate to these Five Pillars.

Some examples of these activities focused on stakeholder engagement and involvement include:

- Philanthropic support and employee giving for the [Leukemia and Lymphoma Society's Light the Night event](#).
- Celgene's global accreditation with the [CEO Cancer Gold Standard of the CEO Roundtable on Cancer](#) for promoting better healthy workplaces and attitudes.
- Worldwide engagement with [policy makers](#) concerning governmental direction on biopharmaceutical- and medical-related regulations and policies.
- Celgene's collaboration with [Drugs for Neglected Diseases initiative](#).
- The involvement of [community stakeholders](#) at the corporate headquarters campus with the new infrastructure developments.

Payers

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

- Account-manager interactions
- Publications on therapeutic clinical benefits and health economics and outcomes research
- Interaction with healthcare providers and patients to assist the uninsured and underinsured

Employees

We hold our employees to the highest standards in their work and foster a positive work environment.

- Code of Business Conduct and Ethics
- Employee handbook and management interactions
- Employee resources group
- Electronic newsletters and publications
- Employee surveys and grievance mechanisms
- Global town hall meetings
- Global corporate communications

Suppliers

We engage a wide supply chain to meet the needs of the company through responsible and ethical interactions.

- Supplier risk assessments and qualifications
- Supplier audits on procurement and business management

Stockholders

Business goals include responsibly achieving exceptional financial results year over year. The reporting of these successes is accurate, timely and transparent.

- Quarterly and annual earnings communications
- In-person meetings
- Internet website that contains the Annual Report, 10-K Report and other periodic Security and Exchange Commission filings

Patients and Their Families

Celgene's operations, services and therapies are aimed at benefiting the global patient population. We intend to create innovative therapies and services that meet the health needs of patients and their families.

- Educational material and programs
- Patient advocacy programs and groups
- Online product resources and information
- Celgene Patient Support resources and information

Healthcare Professionals

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

- Online product resources, information and publications
- Interactions at medical conferences
- Award research grants

Business Partners

The selection of business partners is based upon a number of diverse factors, including labor, ethics, diversity and protection of the environment. These companies are expected to operate according to responsible business standards and practices

- Audits for product quality
- Membership in business association, organizations and congresses

Local Communities

We develop strong and lasting relationships with the communities where Celgene conducts its safe and responsible operations.

- Participation in local volunteer opportunities
- Corporate giving and sponsorship
- Advertisement of local activities and community events
- Communication and involvement concerning business developments and expansions



Government

We abide by and endorse the regulatory frameworks in which we operate. Our various business operations and corporate culture are based upon ethical business practices

- Regulatory filings for therapy development processes
- Public policy discussion and direct involvement with elected representatives at state and federal levels
- Responses to requests for information

Patients and Communities

Celgene realizes our mission of improving the lives of patients around the world through pioneering patient access programs, significant investment in clinical studies, support for continuing medical education and partnerships with charities that share our commitment to patients.

Patient Advocacy

The Celgene Patient Advocacy program collaborates with independent patient organizations that support and advocate on behalf of patients and their families. The work with these groups aims to strengthen the support for patients, from diagnosis to chronic treatment and end-of-life care. These collaborations are critical to achieving our common mission of improving the lives of the people we serve around the world.

Celgene's Patients' Partners is an outreach program launched at the end of 2011 and has been continuing since then. Through this program, Celgene's senior management meets with experts on emerging issues and provides a forum for sharing ideas and discussions on how Celgene and advocates can work together to improve the lives of patients worldwide.

The Patients' Partners program works to meet the needs of patients and their families by working toward the following goals:

- Advancing an ongoing discussion and exchange of information about issues important to patients through a series of online and in-person meetings.
- Assessing the knowledge and experiences of patient advocates to ensure that patients get access to critical life-saving therapies.
- Acting through sharing of information, encouraging collaborations and highlighting advocate programs and initiatives that address unmet patient needs.

Patients' Partners works through various activities aimed at education and support of both patients and patient groups, and includes:

- The Pay It Forward Program, where funding is provided for internal capacity building and provides an avenue of shared knowledge and learning for necessary stakeholders.
- The Advocacy Council that supports the Patient Advocacy team and is represented and staffed by members of the community.
- E-newsletters and webinars that provide for education and knowledge for patients and advocacy stakeholders.



The Celgene Innovation Impact award program recognizes and honors patient and professional organizations that show excellence in crafting novel, creative solutions that meet patient, caregiver and/or healthcare providers' needs in hematology, oncology and immune-inflammatory conditions. In 2014, the organizations awarded were:

Cancer101's Prescription to Learn Platform™, designed to help navigate patients and caregivers through the information overload they are often confronted with throughout the cancer journey.

LUNGevity Foundation proposed to initiate, design and execute a study of the benefit and risk assessment that patients undergo when deciding upon the care and/or treatment they wish to receive following a lung cancer diagnosis.

Pancreatic Cancer Action Network's Know Your Tumor initiative, designed to increase the number of pancreatic cancer patients participating in clinical trials by empowering them with information that assists with treatment decisions.

Celgene's commitment to support organizations continues in 2015, and more information can be found on our [website](#).

The Celgene Patient Advocacy team has recently been recognized by the independent 2015 Smith Travel Accommodations Report (STAR) report, a syndicated research report that provides benchmarking data for biopharmaceutical companies' advocacy efforts and better understanding of advocacy and policy initiatives. Celgene's recognition in the 2015 STAR report includes:

- #1 ranking in Hematology advocacy for the third year in a row
- An overall ranking of #8 across all therapeutic advocacy
- #1 ranking in corporate image

A flagship program that Celgene has continued to lead in is the Metastatic Breast Cancer Alliance (MBC Alliance). The Alliance aims to unify efforts of its members to increase awareness and education while advancing research and policy around breast cancer. The formation and direction for the Alliance's work was led by Celgene, including providing resources and knowledge for patients that the Alliance assists. The company's contribution also involved developing the basic concept of the Alliance's mission and goals, finding a permanent residence for the Alliance at the Avon Foundation for Women and incorporating advocacy groups and interested business partners into the various activities supported by the Alliance. More information on the Alliance can be found at www.mbcalliance.org.

Patient Support

Celgene Patient Support is a free US-based service that provides patients a dedicated, central point of contact, working through multiple channels to ensure access to Celgene medications.

No matter what type of insurance patients have, Patient Support helps them access the Celgene therapies their physicians have prescribed. Each Celgene Patient Support specialist is assigned to a physician's office across the entire US in order to provide personal and direct support from a single source. Our assistance services include a full range of programs that help to:

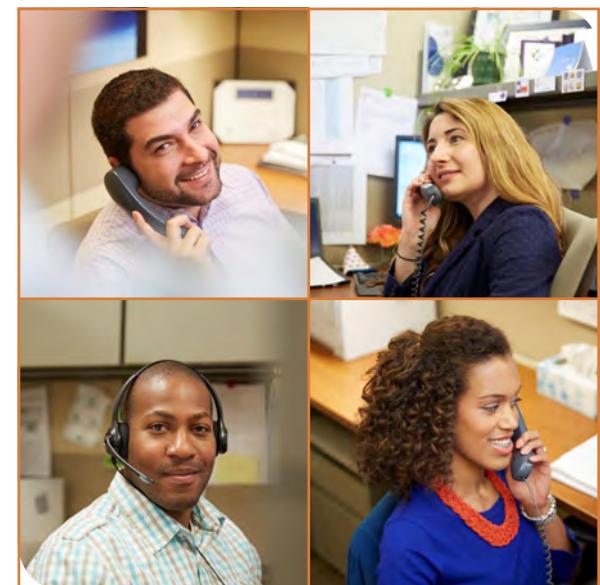
- Reduce co-pay responsibility to \$25 or less for eligible patients
- Connect Medicare patients with third-party organizations to help with the cost of their Celgene medicine
- Locate financial assistance for transportation costs through third-party organizations
- Assess a patient's eligibility for Medicaid and/or alternative coverage if no coverage exists



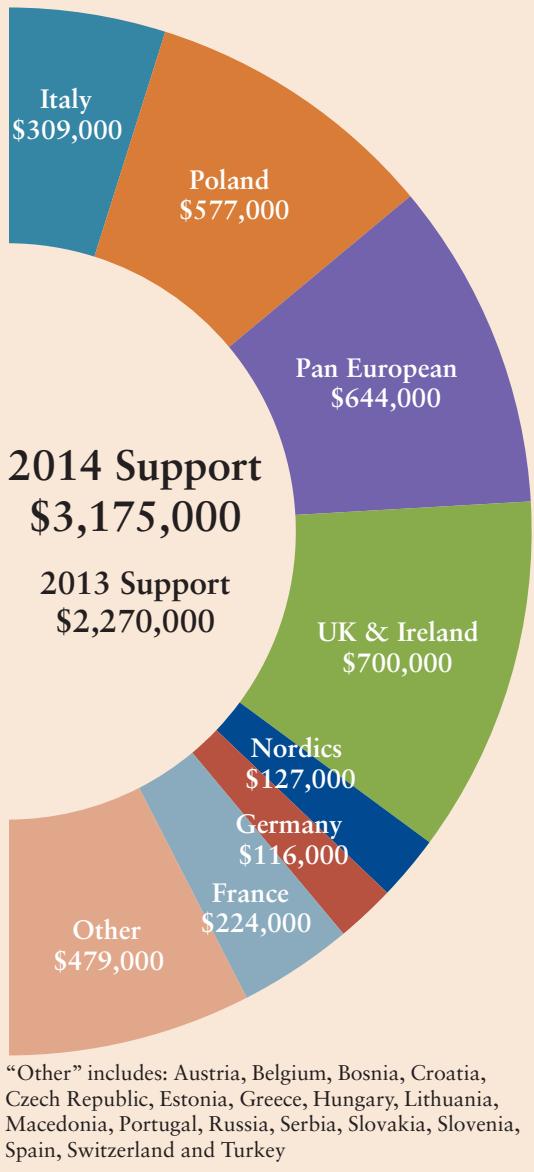
Health Strategies Group has determined that Celgene Patient Support is the #1 rated patient assistance program among oncology companies. The following are key achievements of Celgene Patient Support:

- Four out of five patients who request our help receive their Celgene medication
- More than \$750 million in free medications has been provided since 2007
- More than 50,000 patients have received assistance since 2007
- Fast Track for First Prescription, a program designed to help patients receive their first prescription faster, was launched in 2012

For more information, visit www.celgenepatientsupport.com.



European Patient Group Support



Across Europe, Celgene provides support to organizations and initiatives that make a positive impact on patients, communities and the world. Support for patient organizations in Europe is the responsibility of local Celgene affiliates in the countries where the patient organizations are based. This support includes grants for educational events, funding for attendance at patient workshops and conferences, development of patient information materials, sponsorships and donations for various activities for patients and patient organizations.

Some notable European activities that occurred in 2014 with Celgene's support include:

- A grant to support membership development across Europe and support for patient and family seminars across 11 countries totaling more than \$200,000.
- \$80,000 support for the Multiple Myeloma National Day tours in several towns in France.
- \$180,000 grant for Multiple Myeloma UK for support, education and research programs.
- \$160,000 in total support for the Italian Association against Leukemia, Lymphoma and Myeloma.
- Grant support of \$63,000 for Blodcancerförbundet (Blood Cancer Federation) in Sweden.
- Donation and grant support of \$68,000 for Leukemia Help Rhine-Main geV in Germany.

Common Way

The Nationwide Association for CML (chronic myeloid leukemia) Patients Help, together with the Cartia Foundation, founded the educational project Common Way to address multiple myeloma and chronic myeloid leukemia for patients in Poland. The aim of this project is to educate and support patients coping with these rare diseases and integrate the community of blood cancer patients within the country.



Celgene's financial support of Common Way exceeded \$488,000. This funding supported nationwide meetings and seminars in major Polish cities and the creation of the Common Way webpage as a portal for information and assistance.



Community Volunteering

Celgene is committed to creating a positive impact in the global communities where our employees and the patients we serve live and work. Some of the community initiatives and projects that our employees have participated in include:

- Leukemia and Lymphoma Society Light The Night participation at more than 20 events in 2014
- National food drives at each Celgene site in conjunction with Feeding America
- Participation in the first Science Saturday at Rockefeller University, a STEM event
- Volunteering for Stop Hunger Now where over 30,000 meals were packaged for hungry children around the world

“We Care because we’re Celgene” was the first Social Responsibility Program and was initiated by our UK affiliate in September 2013. As part of this program, Celgene employees in the UK participated in various Community Action Days, benefitting various non-profits and community partners.

Celgene community projects in the UK included the following:

2014—At Hillingdon Hospital, a group of Celgene volunteers were responsible for cleaning and readying a garden to be used by physiotherapy patients and their friends and families for summer barbecues and outdoor activities. Another volunteer day was at Chiltern House, a home that provides a wide range of services for adults with physical disabilities. Activities included decorating Christmas trees that are sold at the Christmas Fayre and performing hands-on upkeep in and around the House.

2013—Teams of Celgene volunteers assisted The Dogs Trust with clearing area for dogs to play and socializing with abandoned canines. At Ruislip Woods, a nature reserve in Hillingdon, teams cleared areas of dead wood while learning about the process to make coal from wood resources.

2012—at the Maple Lodge Conservation Society in Rickmansworth, Celgene volunteers created a ramp for wheelchair access and built fences and walls to prevent attrition of the natural environment.

In The Netherlands, Celgene employees spent a day at the nursing home De Miente where they fulfilled small simple requests from residents, including going for walks, shopping, music workshops and excursions. The volunteers also provided a better home for the goats the residents keep in a nearby meadow and performed upkeep duties on the facility garden.

On Assignment in Nepal

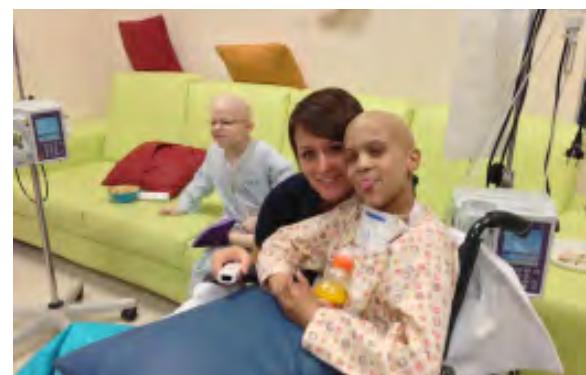
On April 25, 2015, a 7.6 magnitude earthquake struck Nepal, resulting in major destruction throughout the country. A global request for assistance was made and set ISAR (International Search and Rescue) teams into action. ISAR Germany, including Celgene’s Birgit Ostendorf of the Sales department, quickly rushed to the aid of the people in the disaster area to help find people trapped under the rubble and to provide medical care.



With her certified rescue Labrador Retriever Cooper, the team searched collapsed temples at a World Heritage Site and other buildings in Kathmandu and Gorkhan. Birgit functioned as both a dog handler for locating people trapped under rubble and as support for the medical team. The team provided medical assistance where necessary and search and recovery support at other locations, as well as other types of assistance where directed.

The Celgene Spain affiliate used the “We Care because we’re Celgene” program to embark on a multitude of social and charity activities that involve employees’ action, passion and commitment. In 2014, these activities included:

- Celgene funded the Smile Week on behalf of the Theodora Foundation, which included visits of a Smile Doctor in hospitals accompanied by a Celgene employee. Locations of these 16 hospitals included Madrid, Cataluña, Andalucia, Galicia, Canarias, Toledo, Santander and Vizcaya.
- At a Story Telling Contest, employees read stories to children at hospitals with participants competing at the regional and national level for best presentation. The jury for the contest was made up of the children, the Smile Doctor Sonrisa and physicians at the hospitals.



- Celgene has donated activity and entertainment equipment to the Oncology Unit of the Child Jesus Hospital in Madrid on behalf of Fundacion Aladina. The adolescents within the unit also received different thematic workshops (drawing, music, theater, etc.) that included Celgene volunteers.
- Employees supported the Amigos de los Mayores (Friends of the Elderly Foundation) by volunteering their time to accompany seniors during the International Day of Older Persons (October 1). Additionally, the employees raised awareness through various events in Madrid on how to alleviate loneliness and isolation of elderly people.



- The Spanish affiliate is creating employee athletic teams that are sponsored and supported by company funds and fundraising. The affiliates committed to donating funds to Fundacion Adapta2 (Private Foundation for the Promotion of Adapted Athlete) for every kilometer completed by employees in races and events. Several such events included the Race Against Cancer, which benefits the Spanish Association Against Cancer, and the Race for Women in Madrid, which benefits the Foundation Against Cancer.



World Pancreatic Cancer Day

Celgene joined forces with leading international patient advocacy groups for the first-ever World Pancreatic Cancer Day (WPCD) on November 13, 2014. This included participation from 29 patient advocacy organizations from the US, Canada, Europe, Latin America, Australia and Japan. The main goal of WPCD is to raise the general public's awareness of how deadly pancreatic cancer is and provide a call to action for more education and research.

To highlight the dire need for more awareness, Celgene released results from a *Global Pancreatic Cancer Awareness Omnibus Survey* of more than 7,000 adults in the US and Europe. The survey was conducted in early 2014 and was designed to assess the level of awareness and knowledge about pancreatic cancer, the degree of interest in learning more about this deadly cancer and the level of support for expanded research efforts.

Key findings from the survey, which can be found [here](#), include:

- Despite being the fourth leading cause of cancer deaths, pancreatic cancer is virtually unknown by many in Europe and US
- About 70 percent of respondents indicated they would be extremely/very supportive of a public awareness campaign supporting more public education about pancreatic cancer.
- About half of all respondents indicated they would take action to support public awareness and education.



Celgene spread the word about this day through various avenues and a multi-country effort to ensure broad awareness of WPCD and the survey to internal and external stakeholders, including:

- Creating new communications through press releases on numerous online outlets and on Pinterest, Twitter, LinkedIn and Celgene's public website.
- Joining the Thunderclap campaign for WPCD, where people and organizations sign on to automatically send the same social media message at one time through their social media channels. 2,014 people signed up to the campaign with a social reach of 1,173,872 people.



▪ Celgene Boudry employees created a video that was distributed online and through social media to raise awareness of WPCD and pancreatic cancer. Professor Eric Raymond, head of Medical Oncology Service at the University Hospital of Lausanne, was a guest speaker at Boudry and discussed pancreatic cancer impacts on society and prescribed existing treatments and future outlooks on cancer research.



Professor Eric Raymond

World Pancreatic Cancer Day

- A call to action on pancreatic cancer was publicly launched for WPCD. Celgene sponsored a public event organized in the European Parliament where speakers, including Antoni Montserrat (European Commission), Francesco de Lorenzo (European Cancer Patient Coalition), Matthias Löhr (Karolinska Institute, Sweden), Philippe De Backer (Member of European Parliament (MEP)) and Françoise Grossetête (MEP) shared their views on pancreatic cancer's key challenges from awareness to diagnosis and care.
- In Italy, an institutional meeting on WPCD was organized by Insieme Contro il Cancro (Together Against Cancer Foundation) with the support of Celgene at the Chamber of Deputies in Rome that included patients, oncologists, general practitioners, public officials and journalists to raise awareness, find points of discussion and develop future perspectives. Other newswire and internet publicity efforts reached an audience of over 6.1 million.



- Various publicity activities occurred throughout the Nordic regions, including an informational flyer handout at the Central Station in Copenhagen and posters exhibited at area hospitals.
- In the US, more than 1,000 online news outlets ran Celgene's press release and it made 31.6 million impressions in online views or other appearances in media.
- Other awareness and publicity activities occurred at our affiliates in Belgium, France, Greece, Germany, Poland, Portugal, Russia, Slovakia, Slovenia, Spain and Turkey.

For more information on activities around the world and to get involved, please visit www.worldpancreaticcancerday.org.

Education

As a company that is always looking to innovate, Celgene continuously seeks to increase our employee population with individuals who share that same dedication. We are also committed to education throughout the communities where we operate and live.

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

Another example of facilitating development of local emerging life sciences professionals is our participation in the Rutgers Pharmaceutical Industry Fellowship (RPIF) Program. In collaboration with the Ernest Mario School of Pharmacy, a two-year post-doctoral fellowship is offered in Celgene's four 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 post-doctoral fellows have completed the RPIF Program at Celgene and other New Jersey-based pharmaceutical and biopharmaceutical companies, and 28 alumni of the program are currently employed at Celgene.

Celgene is a four-year member of Change the Equation, a collaboration between education and business that aims to ensure that all students are Science, Technology, Engineering and Math (STEM) literate. Change the Equation's members actively take part in advocating STEM policies and practices across the US. Another STEM program that Celgene supports and actively participates in is the Governor's School in New Jersey. This initiative provides funding for workshops, seminars and various opportunities within the STEM fields for more than 50 students a year.

Celgene has continued its support for 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.



Some of the Rutgers Pharmaceutical Industry Fellowship alumni currently employed at Celgene

Corporate Giving

Civic and Philanthropic Support

Celgene civic and philanthropic support is focused on humanitarian and social programs, science education and community giving. Celgene continues to be receptive to strategic corporate giving and contributions, which may be made in response to a funding request or proactively at the discretion of the company.

Celgene's employee giving program includes a unique partnership between Community Health Charities and the United Way. The program provides employees with the opportunity to support both health-related organizations and community initiatives through payroll deduction and other giving channels.

More information on Celgene's charitable and philanthropic contributions as well as the application process for funding requests can be found at our [website](#).

Medical Education for Healthcare Professionals

Celgene considers making grants in support of accredited or non-accredited medical education for healthcare professionals via live programs or enduring materials. Medical educational grants are awarded in support of high-quality, independent educational programs and materials, which demonstrate the potential to improve patient care and health outcomes. Supported programs must be independent, objective, balanced and scientifically rigorous.

Support for Non-Profit Patient and Professional Advocacy Organizations

Quest for CURES, a new collaborative initiative between Celgene and the Leukemia and Lymphoma Society (LLS), aims to find cures and treatment paradigms for hematological malignancies through ground-breaking research. This includes focus areas for non-Hodgkin's lymphoma, chronic lymphocytic leukemia and pre-malignant conditions. In 2014, Celgene awarded 14 winners in the inaugural round of grant funding. These projects will, if successful, have measurable impacts on the diagnosis and treatment of patients over the next 5–10 years.

Celgene has initiated a strategic matching program for employee engagement, beginning with two signature initiatives. Through support of LLS's Light The Night event and the Pancreatic Cancer Action Network's Purple Strides campaign, the company is magnifying the significant impact its employees are making on research for critical cancers. Plans are underway in 2015 to add a third signature initiative in the area of I&I and the company will consider additional programs on a regular basis.

Celgene encourages its employees in the US to create teams and actively fundraise for their local Light The Night and Purple Strides events. If an employee raises a minimum of \$100, Celgene matches the first \$100. Participating in events like this is a great morale booster and team-building activity for employees and a way for them to make meaningful impacts in their communities and strengthen connections with the patient advocacy community.

In the UK, charitable support was structured for 12 charities:

- Breast Cancer Care
- Leukemia and Lymphoma Research
- Myeloma UK
- Myeloma Ireland
- MDS UK Patient Support Group
- National Rheumatoid Arthritis Society
- Pancreatic Cancer UK
- Pancreatic Cancer Action
- The Psoriasis Association
- The Irish Skin Foundation
- Leukemia Care
- World Child Cancer

Leukemia & Lymphoma Society Light the Night

For the fifth year in a row, the Celgene community pledged increasing support for the LLS Light The Night 2014 campaign, collecting another record amount of donations. Over 1,700 Celgene employees, friends and family walked to help LLS raise funds to fight cancer. Across the US, Celgene offices in Summit, Overland Park, San Diego, San Francisco, Phoenix and Boston participated, and more than 65 teams at these locations participated as part of Team Celgene.

Celgene's fundraising exceeded \$500,000, representing a 129 percent increase from 2013 levels. As a national sponsor for the event, Celgene made a direct donation of \$150,000. Celgene is now the #1 biopharmaceutical partner and #3 national partner of this event. Since becoming a national sponsor in 2010, Celgene has raised more than \$1 million for Light The Night.

Corporate support has helped LLS continue major advances toward cures for blood cancer. Since 1949, LLS has invested more than \$1 billion, supporting some of the best researchers in the world and helping to achieve dramatic increases in the survival rates for both childhood and adult leukemias.



There were numerous notable events in 2014 that Celgene employees participated in to raise funds to fight multiple myeloma, pancreatic cancer, lymphoma and other types of cancer. The following describe some of these events.

For the first time, Celgene sponsored a team for the Century for the Cure ride that benefits research at Rutgers Cancer Institute of New Jersey. The team was made up of employees and their friends and family that raised a total of \$6,450 to benefit cancer research. Several of the riders tackled the 100-mile course, while the other members did the “metric century,” riding 62.5 miles.



Miniori-kai, a care center for the mentally and physically disabled, lost their facility in the Miyagi prefecture during the 2011 tsunami and earthquake. During their move into a new building in 2013, Celgene Japan provided the new facility with donated furniture, and in 2014 provided financial donations and holiday decorations. Celgene also provides financial support to Shimada-ryoiku-en, a home for the handicapped in Tokyo.

For the second year in a row, Celgene Canada took part in the 140-mile Défi Cyclo-myelome bike ride and raised just under \$30,000 to benefit the Myeloma Canada Chair of the University of Montreal at the Maisonneuve-Rosemont Hospital.



A team of employees from the Celgene Boudry facility participated in the Broye 21'600" indoor cycling marathon event that raised more than \$12,000 for the Broye Foundation and the Foundation for Research on Cancer of the Child.



Eric Gelber's Run for MMRF

Celgene lap captains volunteered their time and energy to run with businessman and ultra-marathoner Eric Gelber during his 200-mile run around New York City's Central Park.



The 56 hours it took to run 33 laps of the 6.1-mile outer loop raised funds to advance research and awareness for the Multiple Myeloma Research Foundation (MMRF). Although an injury prevented Eric from completing all 200 miles of his goal, he and the 33 lap captains ran a total of 176 miles and raised a total of \$205,000 for MMRF.



Celgene UK employee teams used their skills and talents as part of the WeCare £50 Challenge. This annual event aimed to challenge the teams to invest £50 to generate a larger return in 2014 and 2015. All monies raised were donated to five selected charities. Employees developed some inventive and interactive activities including raffles, cake-baking, cookery book-writing and 24-hour spinning. In total, the affiliate exceeded the annual fund-raising target and raised over £15,500 (approximately \$23,000).

In December, Celgene Italy supported fundraising efforts for Banco Farmaceutico Fondazione Onlus that assists welfare charities. Celgene volunteers helped by selling traditional Italian treats and distributing pamphlets about the foundation. Donations were used to purchase and supply drugs for people in need and additional welfare charities.



In the UK, Celgene employees jointly fundraised for the Macmillan Cancer Support organization and the Psoriasis Association through the annual World's Biggest Coffee Morning held every September. Additional fundraising occurred for Cancer Research UK during Stand Up To Cancer month in October through daily and various fundraising events.

For the third year in a row, Celgene employees participated in the annual Empire State Building Run-Up to benefit the MMRF. The Celgene group raised more than \$21,000, making it the top fundraising healthcare company at the event, as well as earning the Fastest Team in the Pharma Cup.



Eighty Celgene employees and family members participated in the Kosice Peace Marathon in Kosice, Slovakia, which is the oldest marathon in Europe. The marathon, half marathon and mini marathons benefit the League Against Cancer and other patient associations.

Celgene was the title sponsor of the eighth annual Survivor Beach Stand-Up Paddleboarding Festival in San Diego, California. Celgene employees and family, cancer survivors, caregivers, supporters and competitors participated to raise awareness and funds for cancer research at the University of California San Diego Moores Cancer Center.



Commitment to Safety

At Celgene, we take special care to provide patients safe access to our treatments. We have developed unique, industry-leading programs under which hundreds of thousands of patients worldwide have accessed the clinical benefits of our therapies.

Patient Safety

Celgene has been a leader in effective safety surveillance systems as a component of its broader risk management programs. The safety of the patients we serve is of paramount importance. 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.

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.

The most critical part of our labeling effort is conveying how to safely access our therapies, and includes:

- Approved indication for such therapy
- Therapy description and information
- Therapy clinical pharmacology
- Functions and mechanisms
- Dosage quantity
- Proper administration of therapy
- Warnings and precautions
- Adverse reaction information
- Therapy interactions
- Use in specific patient populations
- Supply of therapy and proper storage

Counterfeiting medicines is a serious criminal offense and a growing public health risk. Counterfeit medicines may be too strong or too weak, missing key ingredients or even made with dangerous contaminants that can lead to serious health issues. When patients consume medicine that is a fake or counterfeit, trust in the quality of medicines is destroyed and hope for successful treatment of their disease is undermined. Celgene believes there is no higher priority than providing patients 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.



Our experts continuously implement 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 Celgene therapies are securely distributed within our authorized markets.

Celgene works closely with regulatory bodies, law enforcement agencies, our industry peers and consumer protection authorities worldwide to strengthen, enact and enforce anti-counterfeiting laws as well as raise awareness of counterfeiting. Celgene also supports law enforcement and industry initiatives to combat counterfeiting. In 2013, Celgene and 28 of the world's largest pharmaceutical and biopharmaceutical companies partnered with INTERPOL to take action against the manufacturers and distributors of counterfeit medicines. In addition, Celgene remains deeply engaged through the Pharmaceutical Security Institute and similar organizations to prevent all types of pharmaceutical crime, including counterfeiting, theft and diversion.

Risk Minimization and Management

Celgene is a world leader in pioneering risk minimization techniques to deliver safe use of medicinal products. The Global Risk Management Oversight Committee (GRMOC) works to minimize risks related to any of our commercial or development products are identified, assessed and managed effectively. The GRMOC is responsible for directing our corporate risk management strategy and approving all Risk Management Plans (RMPs) for both commercially authorized and developmental products. The GRMOC operates across functional heads with standing members comprising Celgene's Chief Medical Officer, Regulatory Affairs, Global Drug Safety and Risk Management, Medical Affairs, Legal, Clinical Research and Development and US Risk Management Strategies. The GRMOC is chaired by the Global Drug Safety & Risk Management (GDSRM) Head of Global Risk Management.

The GDSRM department is involved in every step of the clinical development process—from inception to marketing—making sure Celgene's therapies are safe and patients are well informed. GDSRM personnel are embedded within clinical development and project teams to increase continuity of safety assessment at every stage from pre- to post-marketing.

Celgene currently has a unique and comprehensive RMP for each product, including a risk mitigation strategy. The overall aim of risk management is to confirm that the benefits of a particular product outweigh the risks by the greatest achievable margin for the patient. This risk management

process has three stages that are interrelated. First, the safety profile of the medicinal product is characterized, including what is known and what is not known. Second, pharmacovigilance activities are planned 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. Third, once the risk minimization and mitigation planning and implementation occurs, the effectiveness of these activities is assessed.

For risk management activities conducted in the US through our Risk Evaluation and Mitigation Strategy (REMS) programs, Celgene introduced a number of innovative features to support prescribers, pharmacies and patients. Upgrades to our internal call center technologies reduced the time taken to complete REMS enrollments and surveys, and the successful launch of a pharmacy web portal has resulted in more than 80 percent of all Celgene pharmacy REMS tasks being fulfilled online. We have an unrelenting passion to provide world-class customer service to those completing Celgene REMS tasks, and in 2015 we launched additional innovative technologies, such as a REMS mobile application, to achieve this goal.

Teratogenicity, the development of physiological abnormalities or fetal malformation, is a well identified risk for Celgene products REVLIMID®, THALOMID® and POMALYST®. In order to minimize and mitigate this risk, global pregnancy prevention programs (PPPs) are in place with the overall aim of preventing the risk of embryo-fetal exposure to these products. A secondary goal of the PPP is to inform prescribers, patients and pharmacists about the serious risks and safe-use conditions for these products. PPP standards to mitigate these risks are implemented in each country where these products are available through clinical studies or commercialization. The program design is adapted to the local regulatory and healthcare system environment. Celgene is one of the leaders in developing effective RMPs and our programs worldwide have been effective in mitigating the risk of embryo-fetal exposure.

The screenshot shows the Revlimid REMS website. At the top, there is a yellow header bar with the Celgene logo. Below it, the main navigation menu includes "REVЛИMID REMS™ Home", "About REVЛИMID REMS™", "Important Safety Information", "Full Prescribing Information", "Patient Medication Guide", "Prescriber Resources", "Patient Resources", and "Pharmacist Resources". A sidebar on the left provides contact information for the Celgene Customer Care Center at 1-888-423-5436. The central content area is titled "Welcome to the REVЛИMID REMS™ program" and contains text about the indication for treatment of patients with transfusion-dependent anemia due to low- or intermediate-1-risk myelodysplastic syndromes (MDS) associated with a deletion 5q cytogenetic abnormality, and for mantle cell lymphoma (MCL). It also lists the goals of the REMS program, which include preventing embryo-fetal exposure and informing prescribers, patients, and pharmacists about the serious risks and safe-use conditions for REVЛИMID.

Employee Safety

At Celgene, our employees are our most important resource. We strive to provide a safe, healthy and environmentally responsible work environment for our employees and visitors to our facilities. We are dedicated to worldwide leadership in our Global Environmental, Health and Safety (EHS) programs in order to effectively minimize occupational and environmental risks. We ensure the health and safety of all employees so we can maintain this extraordinary level of commitment and continue to attract the best employees at every level of our organization.

Celgene monitors, tracks and routinely reports on the company's health and safety performance, and continually reviews risks to better protect our people. This is particularly important for personnel who are involved in occupational activities where there is 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. For these employees, there are educational, counseling, prevention and risk training, and, if necessary, treatment programs available with a focus on potential serious diseases.

Global EHS Mission

Celgene is committed to global leadership in our EHS programs in order to effectively minimize occupational and environmental risks. We will strive to provide a safe, healthy and environmentally responsible work environment for all employees and visitors to our facilities.



- Integrate environmental, health and safety objectives and targets into our business strategies and plans.
- Comply with environmental, health and safety laws, regulations, standards and ordinances in each of the countries in which we do business.
- Educate employees with respect to environmental, health and safety performance and provide training to assist employees in performing their responsibilities.
- Strive for an injury-free and environmentally sustainable workplace by building on the belief that incidents, injuries and environmental releases are potentially preventable and by implementing appropriate risk control measures.
- Act responsibly and communicate openly with our customers, neighbors, employees, government officials and other stakeholders relative to the safety profile of our products and operations.
- Foster environmental, health and safety ethics among management by setting management performance targets into our business strategies.

EHS key initiatives have helped create a culture that encourages staff to do the right thing and feel empowered to report and correct any safety incidents as well as unsafe conditions and behaviors. Some key global EHS initiatives in 2014 included:

- **Process Safety** – Integrate requirements early on in the technology transfer process of both manufacturing and R&D processes.
- **Hazard Prevention** – Minimize risk through hazard prevention awareness, comprehensive training and accident/ incident management and follow up.
- **Biosafety** – Focus on biosafety in the manufacturing arena and cultivate a proactive view to mitigating risk.
- **Health and Safety Training** – Provide required training cross-functionally on a global basis. Continue to heighten EHS awareness with programs that fit the needs of the business based on identified risks.
- **Injury/Illness/Incident Management** – Proactively manage risk. Conduct root cause analysis. Encourage reporting and correction of near misses.
- **Ergonomics** – Provide a global program while focusing on regional requirements and regulations and risk management.

To enhance the EHS culture, management systems focus on the highest potential safety risks to staff in our R&D, manufacturing, field and administrative offices.

Early reporting of any unsafe conditions or potential hazards is highly encouraged as earlier reporting consistently generates less severe outcomes, a trend that is reflected in our low ratios of Lost Day Case Rate.



US Safety Metrics	2011	2012	2013	2014
Injury and Illness Rate ¹ (Per 100 Employees)	0.54	0.44	0.62	0.56
Occupational Disease Rate (Per 100 Employees)	0.00	0.04	0.11	0.02
Lost Day Case Rate ² (Per 100 Employees)	0.19	0.14	0.10	0.14
Ergonomic Injury Cases	13	9	19	3
Fatalities	0	0	0	0

Data is from all US manufacturing, R&D, warehouse, distribution centers, office buildings and field employees. The data do not include any international (Europe and Japan) data.

¹Injury and illnesses beyond first aid

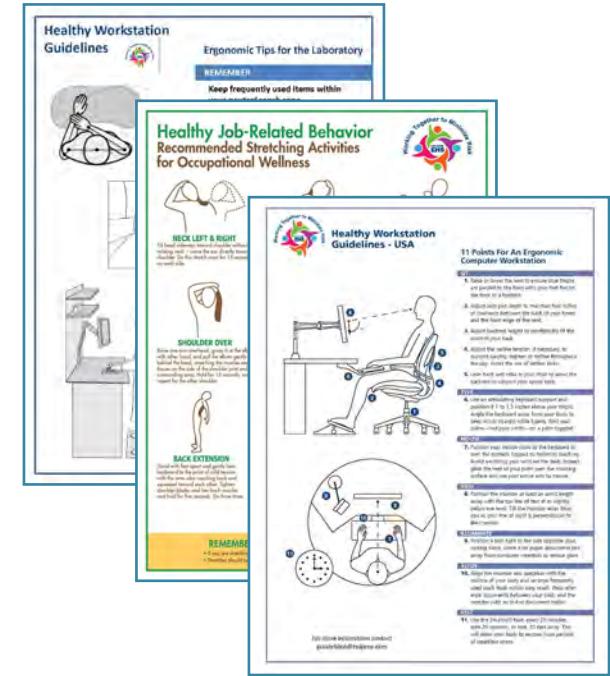
²Rate is based on number of injury and illness cases with days away from work

In 2014, Celgene adopted a robust Ergonomics program and made it available to all employees and directly supervised contractors. Ergonomics is the applied science of fitting the task to the worker to maximize productivity while reducing operator discomfort, fatigue and injury. The goal of this program is to fit work environments to personnel to make jobs safer, more comfortable and more efficient. We provide workers with practical ergonomic information on work techniques, equipment, injury prevention and exercises. As our Ergonomic program has matured, we have seen a significant reduction in ergonomic injuries.

In Boudry and other Swiss facilities, priorities have focused on emergency preparedness and associated response plans, improvement of medical support and providing assistance to other departments at Swiss facilities. This includes providing EHS support to the Celgene Chemicals operation in Zofingen. In 2014, all colleagues from these facilities were involved in the implementation of and trained on five Cardinal Rules that promote safe behavior and avoidance of injuries and/or property damage.



Ergonomic information sheets were used as a pivotal part of the Ergonomics program



New emergency information plans for the Swiss facilities



Cardinal Rules

- #1** We know the required Personal Protection Equipment (PPE) and use them consistently
- #2** We perform work only after we have completed the required safety training
- #3** We safeguard against falling down when working above 2 meters
- #4** Before starting any maintenance work we lock out the system and secure it
- #5** We do not tolerate removal, manipulation or by-passing of safety devices

Employee Wellness

Investment in our employees extends to their health and well-being, and as such Celgene offers a myriad of readily available healthy living programs, services and educational opportunities.

Food and Exercise Programs

- Food For Thought initiative that champions nutrition and healthy eating options at facility cafeterias
- Health club reimbursement available to eligible employees in the US and Europe.
- Fitness centers available at select Celgene facilities
- Healthy food alternatives provided in workspaces and at meetings
- Weight Watchers® at Work program
- National webinars that focus on various topics including organic foods, healthy heart programs, stress reduction and the flu season
- Meetings in Europe accompanied by active team-building activities
- Support (education or monetary) for employees that participate in running, cycling and other sporting events
- Support for soccer, softball and other teams of employees that participate in local and community sporting leagues

Health Programs

- We lead by example in the US by implementing oral oncology co-pay parity and low cost-sharing for cancer treatments and other prescription drugs for our employees
- Blood pressure screenings
- National flu vaccinations
- Benefits plans that offers US employees and their dependents access to quality healthcare and include no- to low-cost tobacco cessation treatments
- Wellness incentives for annual exam, colonoscopy, mammography, healthy numbers and healthy pregnancy, healthy babies
- Onsite mammography screenings at Celgene facilities in New Jersey
- Access to the Quit for Life® Program from the American Cancer Society® that helps participants gain knowledge, skills and behavior strategies to quit smoking for life through customized plans and a supportive online community
- Annual US health fairs that include free health screening and assessments, educational resources and in-person representatives from various health-related departments and area societies

CEO Cancer Gold Standard

In December 2014, Celgene became one of only three biopharmaceutical companies to earn the *CEO Cancer Gold Standard* accreditation in the US as well as globally. This award recognizes our commitment to cancer prevention, early detection and treatment for our employees around the world. The *Gold Standard* provides an easy-to-follow framework for employers of all sizes, from any industry, to make a difference in the health of their employees and families. To achieve *Gold Standard* status employers must examine and evaluate their commitment to the health of their employees, take definitive actions to ensure health and wellness in the workplace and reduce cancer risks in the workplace.

The *Gold Standard* is overseen by the CEO Roundtable on Cancer, a nonprofit agency made up of CEOs that was founded by former President George H. W. Bush and was created in collaboration with the National Cancer Institute, leading cancer centers and prominent health organizations.



Health and wellness are addressed in the UK through monthly events that focus on safety and balancing work with personal life. These include a “New Year Resolution” Health-check Summer Awareness activities and events to coincide with national campaigns, such as Breast and Prostate Cancer Awareness months. Celgene field teams are provided mailings on these various initiatives as well and all employees receive gifts and incentives for healthier living, including pedometers, reusable water bottles and kits for cleaning work and personal spaces.

In addition, work-life balance is a primary focus in the UK to ensure that our employees manage time effectively and create a non-stressful work environment. The Resilience Workshop encourages and helps our employees create this balance via education on how to respond to stress and discuss best practices and proper collaboration in a team environment. Through this ongoing Workshop, we aim to create resilient and proactive employees and feedback is used to determine how to constantly improve the work-life balance for our employee population on individual and team levels. Work-life balance was also discussed in the Culture Enquiry, a group discussion and collaboration on setting a clear and concise mindset for the culture employees desire in the workplace. The discussions also focus on proper communication, work-place environments, codes of conduct and other related topics.

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



Employee in the gym at the Celgene Poland facility



The Europe, Middle East and Africa (EMEA) soccer tournament was a sporting initiative that promoted both wellness and charitable giving (see *Global Health* chapter)

Smoke and Tobacco Free Environments

One of the important pillars of the CEO *Cancer Gold Standard* (see previous page) is tobacco cessation in the workplace. Tobacco use is one of the leading preventable causes of premature death and disease. Currently, approximately 5.4 million people worldwide die each year due to tobacco-related illnesses—a figure expected to increase to more than 8 million a year by 2030.

To support a healthy work environment for all of our employees, contractors and visitors, all global Celgene campuses and facilities have become tobacco-free environments. The Smoke & Tobacco-Free Environment Policy prohibits the use of tobacco products at all company locations, including property, buildings, leased buildings, company vehicles and company-sponsored meetings. There are no designated smoking areas, since no level of tobacco use is considered to be safe. In addition, Celgene provides access to coverage of over-the-counter smoking cessation products and online smoking cessation programs for US and Canada facilities.

Governance

Celgene Corporation is proactive in specifying that its policies and practices support strong corporate governance, transparency and accountability, and are built on integrity, ethics, sound decision-making and behaviors that reflect our values and commitment to patients.

Company Leadership

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.

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 monitoring the effectiveness of policy and decision making both at the Board and the management level, with a goal to maximize stockholder value over the long term. Stockholders are encouraged to direct all communications with the Board or any Board member to the Corporate Secretary at the corporate headquarters.

- 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* is responsible for assisting the Board in the discharge of 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 identification and consideration of qualified individuals and candidates to become Board members is the responsibility of the *Nominating, Governance and Compliance Committee*. 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. This committee also oversees the periodic evaluation of the performance of the Board and its committees, including itself.

Expansion in Summit, NJ

Celgene entered into an agreement in July 2015 to buy the former Merck facility that is located two miles from corporate headquarters in Summit, New Jersey. The campus has 12 buildings that include R&D facilities, laboratory and support buildings, storage, manufacturing capabilities, warehouses and administrative offices. The site has approximately 850,000 square feet of administrative office space and 450,000 square feet of R&D space.

The acquisition of this property complements our expansion at the corporate headquarters in order to bring most of the New Jersey workforce into Summit, in addition to having better access to mass transportation. This close proximity for our workforce will enhance productivity and connectivity as we work to develop new therapies for patients in need.

The agreement closed in October 2015, with occupation and transition from other facilities in New Jersey beginning in the fourth quarter and continuing through the next one to two years.



Sustainability Governance

The Sustainability Committee is Celgene's cross-departmental leadership group that is responsible for decision making on corporate responsibility-related topics and reviewing the progress of environmental initiatives, stakeholder engagement, reporting and other items as deemed appropriate. The Committee members are directly appointed by the Chairman and CEO, and represent the Corporate Services, Finance, Technical Operations, Human Resources, Celgene Global Health, Corporate Affairs and EHS departments.

The Sustainability Committee reviews and approves Celgene's annual Corporate Responsibility Report and serves as the liaison to outside organizations and programs focused on corporate responsibility, such as the CDP and GRI. The Committee is also in charge of approving any updates to the Sustainability and Environmental Compliance policy, which directs sustainability-related initiatives. Specific information related to Celgene's Sustainability and Environmental Compliance policy can be found [here](#).

The Committee provides direct oversight of various topics related to the initiatives focused on corporate responsibility that Celgene has interest in or has in the planning or implementation phases. This includes proactive outreach to stakeholders, environmental data collection and reporting results from discussions with executive-level management. The Committee provides twice-a-year updates on sustainability issues and activities to the Celgene Executive Committee, the company's senior most management team.

The approved policies, actions and strategies from the Committee are delegated to respective departments to execute them. Employees are informed through internal communications and, depending upon the department, are also included in training on the Sustainability and Environmental Compliance 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. 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. 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.

As a means of improving and enhancing the Committee members' knowledge of various topics related to sustainability and corporate responsibility, members are encouraged to participate in external education sessions and conferences focused on these topics. Members also participate in educational sessions that cover numerous and various topics during internal meetings. Most common topics include corporate giving strategies, stakeholder engagement, health and safety performance and access to medicine projects.

Celgene Sustainability Committee

Richard Bagger

Senior Vice President of Corporate Affairs
and Market Access

Zeba Khan

Vice President of Corporate Responsibility

Carol Thompson

Senior Director of Human Resources

Anne Coogan

Director of Environmental, Health and Safety

Bernard Gianola

Associate Director of Environmental,
Health and Safety

Lisa Hayes

Director of Investor Relations

Vikram Khetani

Executive Director of Drug Development

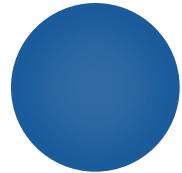
Douglas MacGorman

Senior Director of Engineering, Construction
and Carbon Management

Thomas Perone

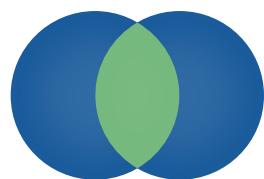
Vice President of Legal

Our Culture



Our Values

The qualities we look for in our people



Our Behaviors

How we treat each other

PASSION FOR THE PATIENT We share a belief that what we do matters to the world—that it is essential to the advancement of healthcare. And that how we do it is what sets us apart from those who have come before us. Our Sustainability and Environmental policies support our commitment to helping the planet as we help patients.

COURAGE TO FACE OUR CHALLENGES AND THE UNKNOWN We face the challenges of the past and the uncertainties of the future. We embrace the unknown, pioneering new science and new ways of doing business. Our willingness to challenge the status quo and take on risk is what enables us to create new standards in medicine and the broader world of human health. Climate change and other uncertainties face the world and our business. Our Risk Management policy and environmental reporting explain what we are doing as we look towards the future.

TRUST IN OUR WORDS AND OUR ACTIONS 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 always do what's best for Celgene. We value each individual for the integrity they bring to their work and their relationships, both internal and external. We trust one another and build trusting relationships with the communities where we work.

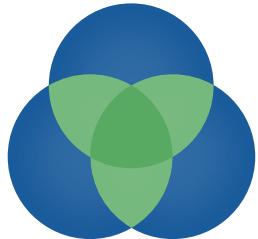
EXCELLENCE IN DELIVERING EXCEPTIONAL RESULTS We hold our work to the highest of standards—quality, scientific and ethical. We also hold each other to equally high standards in the way we work, encouraging creativity and simplicity in problem solving, transparency in communicating and results that are data driven. Our facilities and operations are managed for resource efficiency and state-of-the-art performance.

WE ASSUME THE BEST We start from a place of inquiry, seeking to understand each other and giving everyone a chance to be heard. We honor diverse points of view from our stakeholders, patients, investors and communities.

WE DEBATE OPENLY, HONESTLY AND COMPLETELY We share our views and disagreements in conversations to encourage the best ideas to emerge. As we choose what initiatives to undertake, we collaborate with employees and other stakeholders about our impacts and opportunities.

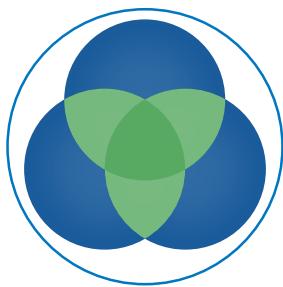
WE MAKE DECISIONS OBJECTIVELY AND TRANSPARENTLY We are clear about our roles, include the right people in the conversation, consider the facts and share our reasoning. We pledge to objectively and transparently communicate the results of our sustainability initiatives through our various disclosures.

WE ALIGN AND FOLLOW THROUGH We carry out the decisions we make as a team and agree to a process for changing and communicating them. By consistently measuring our work year over year, we assess our progress against our environmental objectives.



Our Community

The environment we create together



Our Purpose

Why we come to work every day

A GLOBAL MINDSET We engage our global colleagues in the discussions and decisions that shape who we are and how we behave—within Celgene and throughout the world. We honor the decisions that affect our daily work and respect the process for making them.

CLEAR OBJECTIVES We prioritize our work according to the stated vision and goals of the company. We take ownership of our role in contributing to the success of Celgene—adjusting timelines, budgets and people—to reflect changes in our corporate priorities.

AN ALIGNED ORGANIZATION We coordinate our resources and make trade-offs in ways that benefit the whole. We understand that our decisions and our work have an impact on others and we act accordingly, sharing responsibility for outcomes and avoiding working in silos. We embrace processes that allow us the freedom to create and the ability to solve problems together.

AN ENGAGED WORKFORCE We honor the contribution of every person—on the front lines, at the bench or in the back office. We encourage each other to take on new responsibilities and explore new areas of growth. We respect that people have full lives and do what we can to create work-life balance.

GOOD COMMUNICATION We are accessible to each other and communicate mindfully, respecting cultural norms of tone, time zone and responsiveness. We make the information people need to do their job available and accessible.



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



We focus on the world's most devastating diseases—providing life-changing alternatives for the unmet medical needs of today, while continuing to explore and invest in the promise of tomorrow.

We bravely pursue the path of possibility, and we openly question—and challenge—every assumption, standard and convention that gets in our way.

We do whatever it takes to deliver our products in a manner that is safe and accessible to those who need them most.

Business Conduct and Ethics

Everything we do at Celgene is focused on a singular mission of improving the lives of patients worldwide. In order to fulfill that promise, we understand that we must instill trust in our colleagues, our patients, our partners and the public at large through our words and actions.

Celgene is strongly committed to the principles of honesty, integrity and accountability. These important concepts have provided the framework for our Corporate Vision, Mission and Values, and form the foundation of our **Code of Business Conduct and Ethics**. This Code applies to all employees and anyone acting on the Celgene's behalf.

Celgene's Board of Directors has oversight responsibility for the company's Global Compliance Program, and the Chief Compliance Officer provides the full Board, the Nominating, Governance and Compliance Committee and/or the Audit Committee with regular compliance updates.

Celgene's Global Compliance Program is designed to support 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. As such, there are various avenues to both seek advice on ethical behavior and report concerns related to violations of such behavior, including:

- Obtaining advice from and reporting misconduct to the Global Compliance Group
- Using the Compliance and Ethics Hotline
- Using the Compliance and Ethics Hotline website
- Seeking guidance on compliance issues and questions from the Legal or Compliance departments

Diversity

Diversity is seen as one of the strengths of Celgene. We have a culture in which we assume the best in others and recognize the value of diverse points of view, as we work to do what is best for Celgene and patients. We honor the contribution that each employee makes. We recognize that differences in life experiences, cultural backgrounds, and work and life styles contribute to our business. Above all, our employees are united in their commitment to discover, develop and market life-enhancing therapies that make a measurable difference in the lives of patients all around the world.

We understand the importance of appreciating the uniqueness of each individual and supporting diversity within the communities in which our employees reside and 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 so key to innovation and growth.

We value differences of perspectives, thoughts and ideas as well as gender, race and ethnicity. With all of these factors combined, we believe that diversity contributes to driving better business results.

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 30 percent of US-based management positions. Celgene's global workforce includes employees in 38 countries.

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.

This applies to all phases of employment, including the hiring of new employees, training, development, compensation, promotions, demotions, transfers and terminations. 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.

The company does not tolerate unlawful discrimination or harassment of any kind. Celgene's **Anti-Harassment Policy**, which applies to all employees, provides education about behavior that is deemed appropriate and acceptable, as well as unacceptable practices that will not be tolerated. Such unacceptable actions include discrimination, sexual harassment and retaliation. All employees, regardless of their position, are covered by and are expected to comply with this policy and to take appropriate measures to ensure that prohibited conduct does not occur.

Bribery and 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 a 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.

Our **Anti-Bribery and Anti-Corruption Policy** supplements the Code 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, including:

- Illegal payments and gifts for government officials for the purpose of influencing or securing an improper advantage to assist Celgene.
- Indirect payments through a third party to other third parties or government officials.
- Permissible and non-permissible payments to government officials and third parties.
- Facilitation payments to expedite or secure performance of routine governmental actions.
- Financial and accounting controls for reporting of transactions and assets.
- Contracts with third parties that are approved by the Legal Department and appropriately documented.

Conflicts of Interest

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.

The policy is predicated on the notion that no one, whether an employee or other individual, a commercial entity, or a company with a relationship to a Celgene employee, may improperly benefit from Celgene through their relationship with the employee, as a result of the employee's position in the company or through the use of privileged or confidential information gained as a result of employment by the company.



CELGENE CODE OF
BUSINESS CONDUCT
AND ETHICS

Social Media

We recognize that the use of social media has become widely used for the exchange of both personal and business information. The **Social Media Policy** establishes the position of Celgene on the use of social media by those acting on its behalf. Designated individuals are permitted to provide business-relevant communication related to Celgene (or any of its affiliates/subsidiaries) on social media sites and forums.

Employees engaged in personal social media communications do not represent or communicate on behalf of Celgene, its current or potential products, employees, partners, customers, services or competitors. This policy is not intended to infringe upon personal, non-business interactions or online commentary unrelated to Celgene business.

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.

Human Rights

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.

One example of Celgene's focus on demonstrating good corporate citizenship for human rights is our participation in the Human Rights Campaign Foundation's Corporate Equality Index, which serves as a "roadmap" for a corporation's adoption of inclusive policies, practices and benefits for lesbian, gay, bisexual and transgender (LGBT) employees. This benchmark report shows the various levels of inclusiveness within industries based on scaled survey criteria and responses. Our submittal for the 2016 Index includes all of the benefit plans for LGBT employees and detailed information about our sustained diversity and cultural attitudes.

Clinical Trial Data Sharing

We believe that responsibly sharing information with patients, healthcare practitioners and researchers will increase scientific understanding of disease, diagnosis and treatment options. Celgene's **Clinical Trial Data Sharing Policy** is consistent with the new European Federation of Pharmaceutical Industries and Associations (EFPIA) and Pharmaceutical Research and Manufacturers of America (PhRMA) Principles for Responsible Clinical Trial Data Sharing. This policy, implemented in 2014, applies to data-sharing from studies supporting indications approved in both the US and the EU. Key elements of the policy include the following:

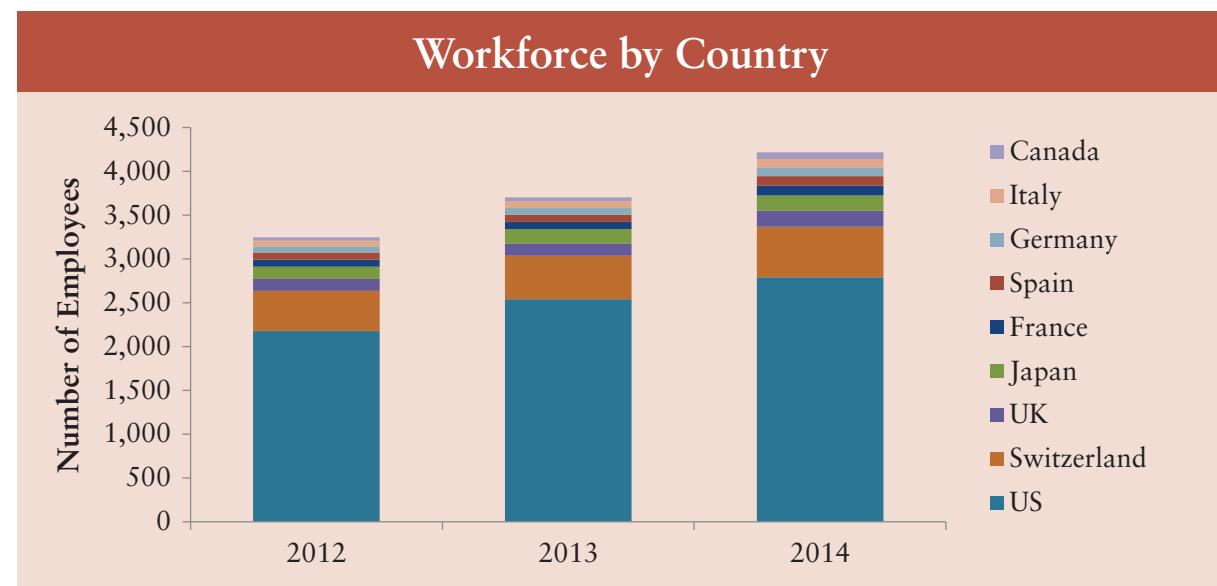
- Accepting requests from qualified researchers for access to data from Celgene clinical studies for compounds and indications approved on or after 1 January 2014 in both the US and EU.
- Providing lay summaries of results from all Celgene-sponsored interventional studies to the patients involved in the studies via their physicians, to inform and educate them about their clinical trial participation.
- Registering all Celgene-sponsored clinical studies with patients on the public repository ClinicalTrials.gov in the US and the EU clinical trials registry in the EU and on national registries as required at the country level.
- Confirming that clinical trial results of all Phase III clinical trials and any trial results of significant importance are submitted for consideration as abstracts during congresses and for publication in peer-reviewed journals, regardless of the results of the study and including studies that were discontinued.

Workforce

Most fundamentally, Celgene is its employees, who are focused on the single mission of delivering innovative therapies to patients with unmet medical needs in cancer and inflammatory diseases. They are a varied group of talented people, including PhD bench scientists, sales representatives, manufacturing engineers, information technology professionals, clinical research physicians, lab technicians, marketing professionals, regulatory experts, accounting and finance personnel, clinical coordinators, senior executives, human resource managers, nurses and pharmacists.

As different as each of these positions and the individuals who hold them are, they are united in their commitment to discover, develop and market life-enhancing drugs 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 the company's scientific and commercial achievements.

By the end of 2014, Celgene had **6,379 employees worldwide** with a diverse range of roles and responsibilities and a focused goal of achieving optimal yields and performance for our patients and for the company. The workforce data and charts presented within this section apply only to the 4,218 employees in the 22 facilities within the reporting scope and not to the entire Celgene employee population.



Workforce by Country	2012	2013	2014
Canada	38	43	77
Italy	67	79	96
Germany	67	78	98
Spain	81	80	108
France	81	82	113
Japan	141	166	173
UK	136	140	185
Switzerland	459	496	577
US	2,178	2,541	2,791
Reporting Total	3,248	3,705	4,218
Company Total	4,912	5,100	6,379

Workforce Statistics	2012	2013	2014	
Gender	Male	1,525	1,773	2,035
	Female	1,723	1,932	2,183
Region	North America	2,216	2,584	2,868
	Europe	891	955	1,177
	Japan	141	166	173
Type	Full-Time	3,193	3,647	4,144
	Part-Time	55	58	74

North America Region includes US and Canada
Europe Region includes Switzerland, Spain, France, UK, Italy and Germany

Workforce Statistics		2012	2013	2014
New Hires	Japan	21	10	19
	Europe	207	181	323
	North America	333	361	444
Turnovers	Japan	8	12	7
	Europe	69	106	99
	North America	176	153	136



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. Some of the employee benefits include the following:

- Group Insurance (including Medical, Dental, Vision, Disability, Life)
- Retirement Savings 401(k) Plan
- Vacation, Sick and Personal Days
- Flexible Spending Account
- Transportation and Parking Plan
- Employee Assistance Plan
- Access to Financial Services (Banking, Credit Union, Mortgage, Insurance)
- Access to Health Incentive Programs
- Health Club Reimbursement Plan
- Employee Discount Programs
- Adoption Assistance Program
- Smoking Cessation Program

Celgene employees outside the US are offered competitive benefits packages. These competitive benefits packages consider local legal requirements and local pharmaceutical market practice, all of which align to Celgene's global philosophy of total rewards.

The European group benefits scheme includes:

- Sickness benefit
- Permanent ill health insurance
- Private medical insurance
- Death in service benefit
- Private health cash plan cover
- Employee Assistance Program
- Educational Assistance Program
- Vacations and Leave of Absence
- Flexible Working Policy
- Fitness Membership Reimbursement
- Tax-free Bikes for Work
- Childcare Vouchers

Celgene sponsors savings and retirement plans, which qualify under Section 401(k) of the Internal Revenue Code, as amended, for its US employees. Our contributions to the US savings plan are discretionary and have historically been made in the form of Celgene common stock. Such contributions are based on specified percentages of employee contributions up to a certain percentage of eligible compensation or a maximum permitted by law. Celgene also sponsors defined contribution plans in certain international locations. Participation in these plans is subject to the laws in effect for each country and may include statutorily imposed minimum contributions.

Professional Development

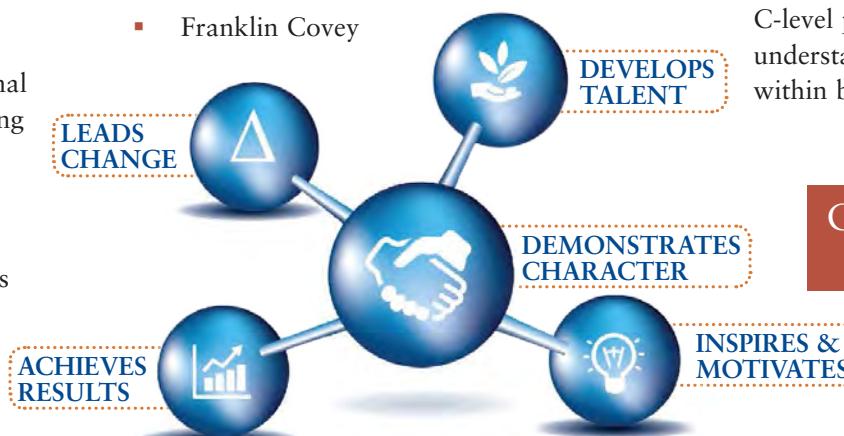
The success of Celgene in achieving its business objectives depends on the contributions of each of its employees. Celgene is committed to the professional and managerial development of our employees to meet both the changing demands of positions and to assist employees in achieving their personal and professional goals. Our guiding principles for employee development can be found on the Professional Development section of Celgene's [Career](#) website.

Celgene encourages our employees to take part in courses of study that enhance their general development and satisfy requirements of Continuous Professional Development. This supports the Celgene philosophy on learning and development by advancing personal and technical development of all employees to assist achieving individual goals and corporate objectives.

Various opportunities exist for employees to expand their knowledge base and background to enhance their current and future performance capabilities. These opportunities also contribute to making our employees embrace and place Celgene's Leadership Success Behaviors, five practices of individuals who produce exceptional results, into every day operations. These learning and educational programs include:

- Celgene Leadership Foundation Program that is designed to enhance the core capabilities of Celgene's first-line managers of individual contributors.

- Celgene Growth Essentials Program that is designed to equip a manager of managers with the practices and competencies to lead successfully at various levels.
- Partnership with Drexel University for access to 100+ collegiate-level programs, including business, information sciences, education and professional studies.
- The Catalyst Program prepares future leaders to meet business challenges of today and tomorrow. The program encompasses various modules that analyze leadership and business development topics aimed at accelerating leadership behaviors necessary for driving the company. The program emphasizes a "One Celgene" culture by deepening trust and alignment among future leaders.
- Workshops through a number of organizations, including:
 - Institute for Management Studies
 - American Management Association
 - National Training Laboratories Institute
 - Franklin Covey



Celgene's Leadership Success Behaviors

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 enhances the promise of medical innovation. Our public policy advocacy reflects our commitment to improving the lives of patients and advancing the course of human health through innovation and bold pursuits of science.

Government policies directly impact healthcare access and innovation. These policies affect 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 to share our perspectives and experience as an innovative biopharmaceutical company committed to advancing therapies for patients with unmet medical needs. Throughout the year, Celgene representatives engage in public policy discussions and activities both in the US, the EU and elsewhere.

US Engagement

Celgene employee ambassadors participated in over 70 congressional meetings in both the US House of Representatives and the US Senate at the annual Celgene Washington Legislative Summit. Seven members of Congress, including Representatives Leonard Lance (R-NJ), Scott Peters (D-CA) and Katherine Clark (D-MA), participated in plenary sessions to share insights on public policy developments concerning healthcare issues.



US Congresswoman Katherine Clark (D-MA) and US Congressman Scott Peters (D-CA) at the Celgene Washington Legislative Summit

As a member of the State Patients Equal Access Coalition, Celgene works 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 help patients, advocates and healthcare providers better understand the benefits of newly enacted state laws relating to oral oncology parity. These efforts include virtual town hall meetings, webinars, educational fact sheets and other resources to ensure that these laws are positively impacting cancer patients.

On January 1, 2015, Wisconsin, Missouri, Ohio and Kentucky were the most recent states to have Oral Oncology parity laws go into effect. To date, 40 states and the District of Columbia have passed oral oncology parity laws. Oral oncology parity laws are intended to address the problem of inequitable coverage between oral and IV anti-cancer medications by requiring health plans to equalize a patient's out-of-pocket costs between oral and IV therapies. Celgene works with its partners in the patient, healthcare provider and life sciences communities to advance this important public policy goal.



US Congressman Leonard Lance (R-NJ) at a roundtable discussion at Celgene on biomedical innovation

Celgene hosted a congressional roundtable led by Congressman Leonard Lance, who represents New Jersey's Seventh Congressional District, which includes Celgene's locations in Summit, Warren and Berkeley Heights. The roundtable was held as part of The 21st Century Cures Initiative, a bipartisan initiative launched by the Committee on Energy and Commerce, which aims to create a comprehensive roadmap to accelerate the pace of cures in the US by exploring advancements in technology, the role of federal programming, regulation and research and how to best contribute to medical breakthroughs. The roundtable was well attended by Celgene employees, patient advocacy groups and associations such as BioNJ, Healthcare Institute of NJ and Rare New Jersey.

Roundtable discussions were focused on regulation, intellectual property and patient access policies that would accelerate and provide faster treatments for patients with unmet medical needs. The participants agreed that the government needs to help reduce costs, quicken the pace of clinical trials and provide adequate incentives which give patients faster access to therapies. Other items noted include more collaboration, target validation, investment in innovation and statutory support for a streamlined approval process.

In November 2014, Celgene welcomed legislators from 11 states to the San Diego research facility as part of the Council of State Governments (CSG) Policy Academy on Innovations in Health Care. During the visit to the Celgene facility, the legislators explored the clinical development process and its important role in bringing life-changing treatments to patients. Legislators also shared best practices for expanding access to innovative medicines through the policymaking process. Other topics presented included an overview of patient access issues across the country including a perspective from Representative Sheila Solon (R-MO), who discussed how she passed an oral treatment parity bill in her state in 2014.



US state legislators learn about the drug research and discovery process at Celgene San Diego

Engagement in EU and Japan

In the EU, Celgene strives to support a continuous dialogue with policy-makers and other relevant stakeholder to create a mutual understanding of shared concerns and find solutions to ensure sustainable patient access to therapies. As part of this engagement, Tuomo Patsi, Celgene's EMEA President, exchanged views with representatives of European institutions (mainly the European Commission and the European Parliament). Discussions included topics related to patient access, such as the Orphan Drug Regulation and the Clinical Trials Regulation and Celgene's insights on policy issues that are high on the European Commission's agenda.

Celgene is also actively engaging externally in current debates around pricing and reimbursements of medicines. Tsveta Milanova, Celgene's Vice President for Corporate Pricing and Market Access, chaired a briefing session for advisors to Members of the European Parliament on the pharmaceutical innovation process and how medicines are reimbursed. This was a first step toward a wider platform for dialogue with European policymakers, in collaboration with other biopharmaceutical companies, to help different stakeholders better understand each other's concerns and identify potential solutions to ensure sustainable patient access to therapies.

The EMEA Government Relations team also works with Celgene national affiliates across Europe to voice their country's issues with European politicians. In September 2014, the Celgene EU team and affiliates from the Czech Republic, Slovakia, the UK, Italy, Belgium, The Netherlands, Germany, Turkey, Switzerland and Sweden met together with a number of Members of the European Parliament. Discussion was based around issues related to rare diseases, preparations for the World Pancreatic Cancer Day, articulating the value of medical innovation in Europe and Celgene's position on the consistent values assessment and sustainable funding of orphan drugs in Europe. The overarching goal of these meetings was to integrate European and national activities to ensure knowledge sharing occurred between Celgene and policymakers.

The Building the Health Environment of the 21st Century roundtable

Celgene affiliates are also actively building platforms of dialogue with their national governments.

- Celgene Spain organized a roundtable debate on "Building the Health of the 21st Century: Innovation and Sustainability" with 30 of the most reputed Spanish health experts and issued a set of policy recommendations on that topic.
- Celgene Italy supported the organization of an institutional meeting at the Chamber of Deputies to celebrate the first World Pancreatic Cancer Day.
- Celgene Germany launched an informative website with key data and facts about the pharmaceutical industry (see Pharma Fakten box).

In Japan, Jackie Fouse, President of Hematology & Oncology, met with lawmakers from both the upper and lower houses of the Diet. These lawmakers are working to improve the state of healthcare for Japanese citizens, as well as education and women's issues.



Pharma Fakten

Pharma Fakten (Pharma Facts) is an initiative by biopharmaceutical companies in Germany that serves as an information channel that provides facts, figures and perspectives on the global pharmaceutical industry mainly targeted towards journalists. This includes developments in the medical, scientific, economic and political area affecting the whole pharmaceutical industry. The [website](#) does not advertise for companies or the industry as a whole and the editorial staff that supervises the website production is independent of the companies that support the initiative.

Celgene's involvement with Pharma Fakten includes:

- Being one of the founding members of the initiative, along with GlaxoSmithKline.
- Current financial supporter of the organization.
- A Celgene representative from the Government Relations department is a member of the advisory board which consults the editorial staff.

Celgene's Positions on US Public Policy

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 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 purchasing health insurance through the new state and federal marketplaces created by the Patient Protection and Affordable Care Act have access to information about coverage and cost-sharing for the plans they purchase and that the plans offered provide adequate coverage and reasonable cost-sharing for prescription drugs.

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 product risks related to any of our commercial or development products are identified, assessed and managed effectively to ensure patient safety, prevent risk and minimize the occurrence of adverse events. REMS play an important role in our commitment to patient safety (see section on REMS in the *Commitment to Safety* chapter). 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 health plans require patients to pay for innovative therapies. These pro-patient policies include oral oncology parity legislation, which equalizes the out-of-pocket costs that patients must pay for IV and oral anticancer therapies and specialty tier legislation which reduces the high cost-sharing that patients with diseases like cancer, psoriatic arthritis, multiple sclerosis and human immunodeficiency virus (HIV) currently must pay for innovative oral therapies.

Strengthening the Drug Discovery and Development Regulatory Framework

Efficiency, predictability, flexibility and collaboration are all key elements to 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, 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.

Celgene's Positions on European Public Policy

European Cooperation on Pricing and Reimbursement

Due to the considerable variations in healthcare systems across Europe, Celgene considers that 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 which aim 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 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 EU levels 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 8 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 employees at the EU Government Relations Training in Brussels

Celgene's Political Action Committee (PAC) is dedicated to representing the interests of Celgene and its employees with elected officials and candidates for public office in Washington, DC and state capitals across the US. The PAC supports these officials and candidates who share our core principles of innovation and access in health and are champions for these issues. The Celgene PAC is an opportunity for eligible employees to pool resources with those of their peers, having a greater impact than one individual acting alone.

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 the healthcare.



Celgene 2014
First Half Political
Contributions Report



Celgene 2014
Second Half Political
Contributions Report



Innovation through Advocacy



Political Contributions at Federal and State Levels 2012–2014

Contribution Location	By Celgene Corporation			By Celgene PAC		
	2012	2013	2014	2012	2013	2014
Federal Candidates	N/A	N/A	N/A	\$28,000	\$21,500	\$62,000
State Candidates	\$4,950	\$27,450	\$44,400	\$1,350	\$4,950	\$15,050
Political Committees	\$97,000	\$88,400	\$91,150	\$2,500	\$14,500	\$51,000
Total	\$101,950	\$115,850	\$135,550	\$31,850	\$40,950	\$128,050

The Celgene PAC Board of Directors, which is comprised of a cross-functional group of Celgene employees, considers recommendations for PAC support and approves contributions to candidates and political committees. The Celgene PAC Board also reviews and approves any political contributions made by Celgene Corporation in states and to entities where contributions with corporate funds are permitted.

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. These reports can be found [here](#). During 2014, Celgene Corporation and Celgene PAC made contributions totaling \$135,550 and \$128,050, respectively. These contributions went to 158 candidates in 33 states from both political parties at the federal and state levels, as well 12 political party and PAC organizations and associations.

Supply Chain

We expect our 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 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)
- Woman Owned Businesses (Small/Large)
- Small Disadvantaged Businesses (SDB)
- Historically Underutilized Business Zone Businesses
- Veteran and Service-Disabled Veteran Owned Businesses (Small/Large)

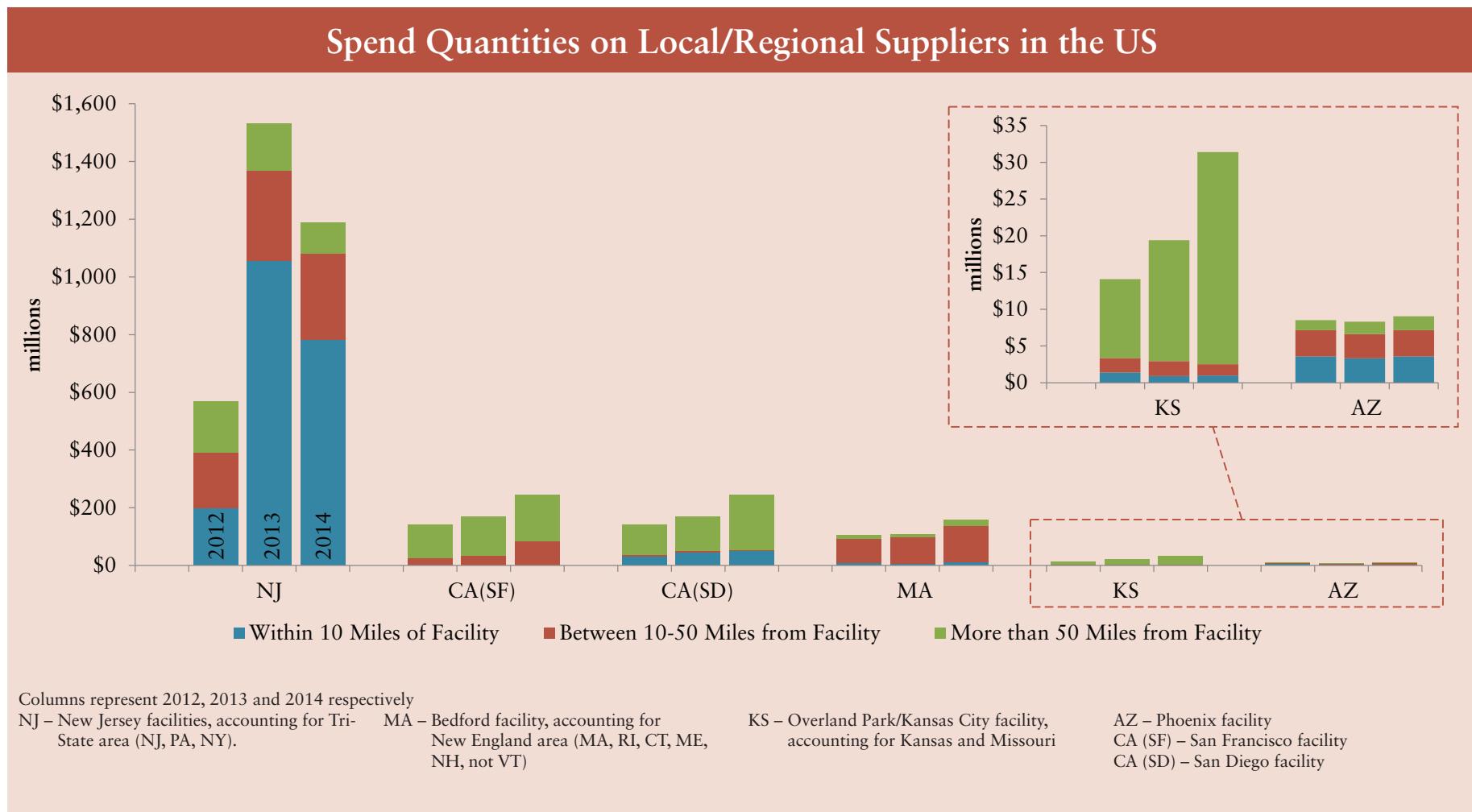


Celgene had business relations with 254 SBA suppliers in 2014, which represents about 3.8 percent of the suppliers used through US general sourcing. This also represents approximately 2.1 percent of the spend through US general sourcing (this does not include products and services related to our therapeutic manufacturing and development activities). Many of these suppliers represent more than one type of SBA category and further assist our goal of developing our business partnerships with diverse suppliers.

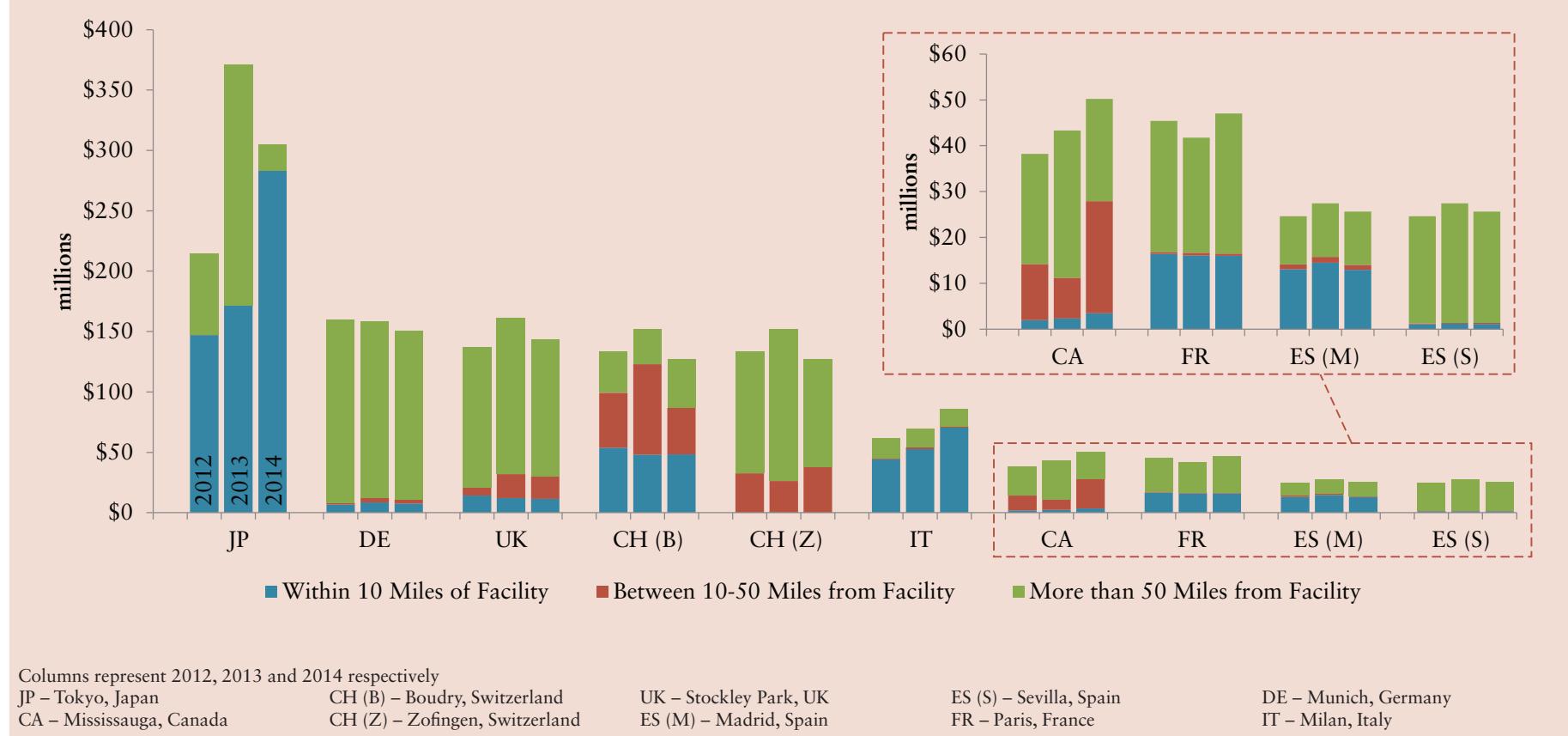
Celgene is a member of the Supplier Diversity Pharmaceutical Forum, a sub-committee of the Pharmaceutical Forum of the Institute for Supply Management. The Forum is a collaborative group of supply chain professionals with the goals of expanding supply base diversity in the pharmaceutical industry, developing best and next practices in supplier diversity and professional development.

In addition to the SBA program, Celgene also uses suppliers for major operations within the local and regional areas where we have major operations for general, non-product related purposes. We realize that supporting these suppliers can have a positive, direct impact on regional economies through employment and local sustainable development.

The following graphs highlight the spend quantities we invest in local and regional businesses and generate direct impacts upon these economics. Our general, non-product related purchasing in the US is focused in New Jersey to support our major research and corporate operations. This is also true for the operations in Japan and at our major operations in the UK and Switzerland.



Spend Quantities on Local/Regional Suppliers in Europe and Japan



Supply Chain Security

Celgene joined the Customs-Trade Partnership Against Terrorism (C-TPAT) program as an importer in 2006. This voluntary initiative between US Customs and Border Protection (CBP) and private business aims to build relationships that strengthen the international supply chains and improve US border security.

In 2013, CBP selected Celgene to participate in a C-TPAT revalidation, which included an on-site review of our security procedures and the overall supply chain system for the company in both the US and in Europe.

In 2014, Celgene's system attained the highest rating possible by the CBP for this revalidation. It was noted that management was engaged in supporting the C-TPAT program and was focused on monitoring and improving security procedures through periodic self-assessments.

Global Health

At Celgene, we believe patients should have the opportunity, regardless of their location or financial resources, to benefit from advances in prevention, diagnosis and treatment of disease. Celgene Global Health (CGH), founded in 2009, collaborates with partners around the globe to find innovative solutions for healthcare challenges in the developing world. This work is based on our belief that innovative therapies and healthcare partnerships are essential components to long-term progress and prosperity around the globe.

Neglected Diseases

CGH is screening our diverse chemical library against the pathogens for neglected diseases of the developing world, including:

- **Viral Hemorrhagic Fevers** are caused by multiple families of viruses, many of which cause severe, life-threatening disease. The majority of these viruses pose a serious risk as biological weapons and have been classified as Category A agents by the Centers for Disease Control and Prevention.
- **Leishmaniasis** occurs in 98 countries with 350 million people living at risk of infection worldwide. This complex and diverse disease causes severe disfigurement, disability and death and is usually found in poor populations living in remote areas.
- **Chagas disease** results in significant disability with great social and economic impact and is endemic in 21 countries across Latin America. This parasitic disease causes chronic pain, organ failure and death, and has been growing in non-endemic, developed countries.
- **Malaria**, the leading parasitic cause of morbidity and mortality worldwide, is present in over 100 countries and threatens half of the world's population. In Sub-Saharan Africa, it is the single largest cause of death for children under the age of 5 and costs an estimated \$12 billion every year.
- **Lymphatic Filariasis** is a parasitic infection that leads to the disease commonly known as elephantiasis that can result in an altered lymphatic system and abnormal enlargement of body parts. Filarial diseases are the most devastating of the NTDs in terms of social and economic impact; the disease causes disability and disfiguring effects for infected individuals and leads to social stigmatization and isolation.



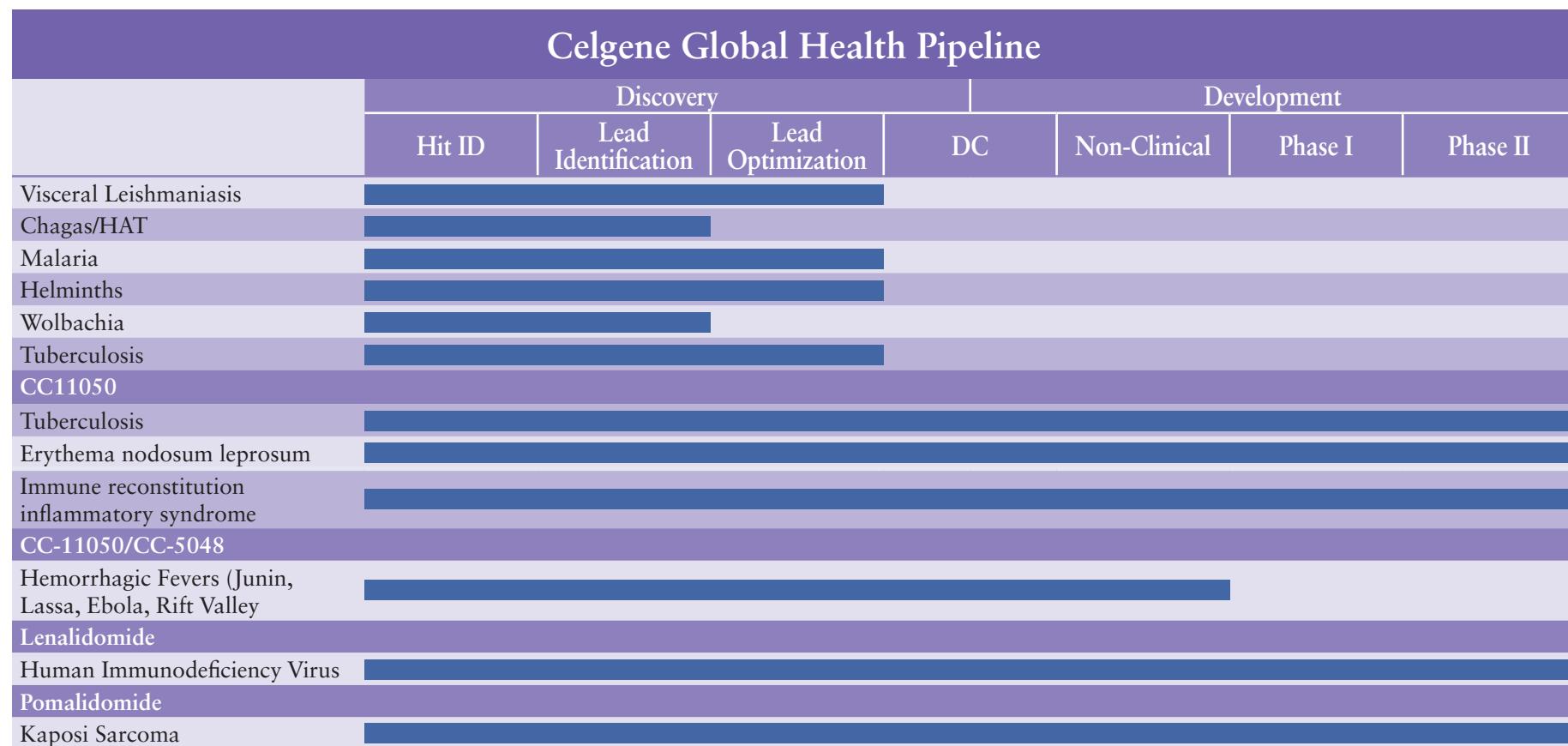
Research Collaborations

CGH is collaborating with global Product Development Partnerships, academic institutions, non-government organizations, public/private funding organizations, contract research organizations and other pharmaceutical organizations to evaluate our proprietary compounds for activity in neglected diseases. CGH programs are in various stages of development from screening to lead optimization to clinical trials.

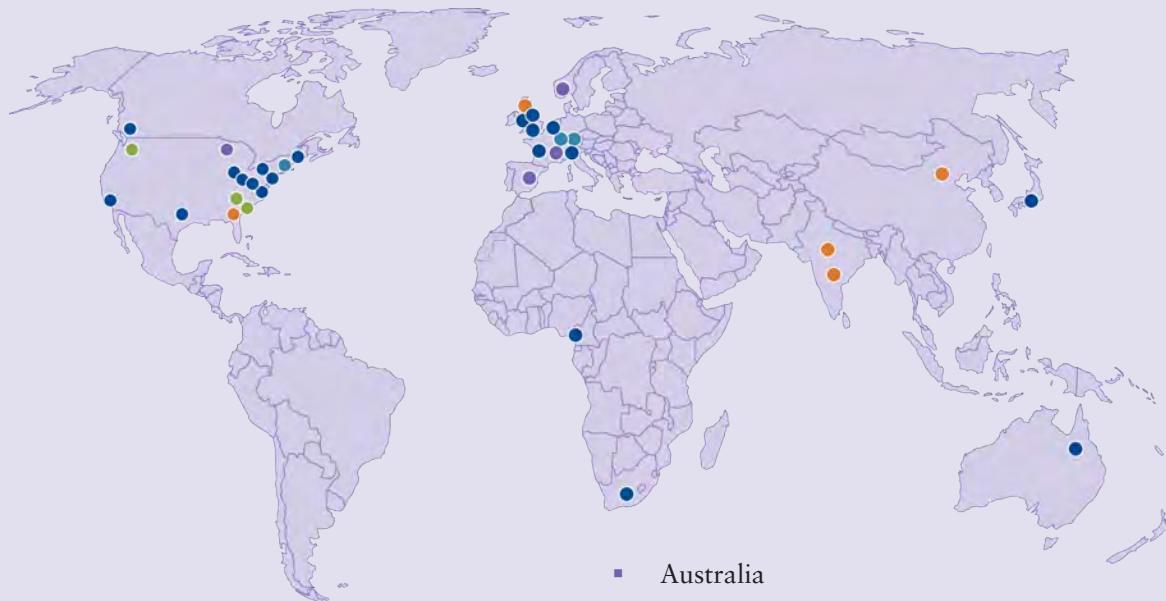
Recently, CGH expanded its collaboration with Drugs for Neglected Diseases initiative (DNDi) to identify and optimize new therapy candidates for the treatment of NTDs. Since 2011, CGH and DNDi have collaborated on the screening of CGH's compound library of over 400,000 compounds for activity against NTDs. With this expanded collaboration, CGH and DNDi will work together to identify and optimize potential therapeutic candidates for leishmaniasis, HAT, chagas disease and lymphatic filariasis.

This Research Collaboration Agreement will focus on the lead optimization stage of pre-clinical research. CGH will provide novel compounds of interest for the targeted diseases and use its target-identification and therapy-discovery technology platforms to progress these compounds and to identify clinical candidates. Celgene will partner with DNDi to confirm screening hits and coordinate hit-to-lead compound work and subsequent lead optimization efforts.

Celgene Global Health Pipeline



CGH Neglected Diseases Collaboration Locations



- Product Development Partners
- Academic Collaborator
- Funding Organization
- Contract Research Organization
- Other Pharmaceutical Company

- Australia
- Belgium
- Cameroon
- China
- France
- India
- Japan
- Nepal
- Norway
- South Africa
- Spain
- Switzerland
- UK
- US

CGH is actively applying modern discovery efforts in a collaboration with Medicines for Malaria Venture (MMV) to identify novel therapies for blood and liver-stage malaria. The worldwide disease burden for malaria is enormous, with more than half the world at risk and with the development of resistance to existing therapies.

In collaboration with MMV, we have discovered several novel classes of anti-malarial compounds from an erythrocyte whole cell phenotypic screen against the major pathogen, *Plasmodium falciparum*. The direct measure of cell activity from this blood-stage phenotypic screen has allowed us to simultaneously optimize potency and physicochemical properties. Our malaria therapy discovery efforts are currently focused on identifying a proof-of-concept compound from these chemical series and profiling the chemical series against various strains of malaria.

CGH has also teamed with the H3-D Drug Discovery and Development Center at the University of Cape Town in South Africa to identify and develop next generation therapies for patients with TB. This joint therapy discovery program will identify novel therapies for the treatment of TB. Under the collaborative agreement, Celgene will partner with H3-D scientists to optimize active compounds identified from the Celgene chemical library. The joint, global team plans to deliver pre-clinical candidates suitable for testing in humans.

A CGH discovery and development collaboration with Advinus Therapeutics Ltd. and the London School of Hygiene and Tropical Medicine focuses on therapies for visceral leishmaniasis, the second-largest parasitic killer in the world, with an estimated 500,000 cases per year. The collaboration was formed to address patient needs that are not met with the current treatments available and highlights the experience and expertise of both organizations including medicinal chemistry, adsorption, distribution metabolism and excretion, drug metabolism and pharmacokinetics expertise and design of *in vivo* proof-of-concept models. The partnership reaffirms the commitment of CGH to develop therapies to treat neglected diseases.

In 2015, CGH and GALVmed, the leading not-for-profit global alliance to protect livestock and improve human lives, initiated a joint drug discovery program after identifying a Celgene compound that exhibited very potent activity against two strains of African Animal Trypanosomiasis (AAT). The team, working on the bovine disease to help ease the economic burden of the sick and unproductive animals, has dual objectives: to test the active compound for *in vivo* efficacy and to conduct research to identify other active agents that can address complete cure of the disease coupled with ease of administration.

For more information, visit [www.celgene.com/
responsibility/global-health/](http://www.celgene.com/responsibility/global-health/).

Capacity Building Collaborations

During the past several years, Celgene has been working with the Indiana University School of Medicine and Moi University Teaching and Referral Hospital in Eldoret, Kenya. Since 1989, Moi University School of Medicine, Moi Teaching and Referral Hospital and a consortium of North American academic health centers led by Indiana University have worked together to deliver health services, conduct health research and develop leaders in healthcare for both North America and Africa. The institutional partners are collectively named the **Academic Model Providing Access to Healthcare (AMPATH)**. In 2001, in the face of the deadliest pandemic in human history, the partners joined forces to create one of Africa's largest, most comprehensive and effective HIV and acquired immunodeficiency syndrome (AIDS) control systems.

Today, in partnership with the Kenyan Ministry of Health and the US Government, AMPATH is expanding from an HIV focus to address critical needs for primary healthcare, chronic disease care and specialty care. In the area of oncology, AMPATH has formed the AMPATH-Oncology Institute (AOI) consisting of hematologists and oncologists. The focus of this effort is to develop a sustainable and comprehensive academic clinical care cancer program serving the 20 million citizens of western Kenya and neighboring areas.

Their mission is to be the premier cancer center in Sub-Saharan Africa with the vision that one day the AOI will become the model for international collaboration in cancer care, education and research in resource constrained settings. To date, the support of Celgene and other key donors has allowed a dramatic expansion of services through the AMPATH-Oncology Program. More specifically, Celgene is providing support to AMPATH through expanded support for their pharmacy infrastructure and novel patient care strategies, which include education for patients with hematologic disorders, expansion into Tanzania, which includes pharmacy supply chain enhancement, and infrastructure support and continued development of the AMPATH-Oncology Program.

Celgene is also providing support to the **University of Colorado (CU)**. Under the auspices of the Colorado School of Public Health, the Center for Global Health at CU has built valuable relationships with universities and clinics in several low and middle income settings including Peru, Guatemala, Vietnam and Indonesia. These relationships will enable health professionals from these developing countries to participate in Global Health Fellowships at the Anschutz Medical Campus at CU. The vision of the Center for Global Health is to work with impoverished communities throughout the world for better healthcare, better health and a better future for children and their families with the goal to innovate and create advances in the global standard of health.

World Child Cancer

Under the umbrella of the WeCare program, Celgene has become a corporate sponsor of [World Child Cancer](#), whose mission is to improve cancer diagnosis, treatment and care for children across the developing world. This organization treats children with cancer in developing countries through its network of international hospitals and volunteer specialists with teams on the ground. World Child Cancer is one of the few organizations involved in the twinning of international hospitals and volunteer specialists with teams on the ground. Current projects exist in Bangladesh, Malawi, Colombia, Ghana, Philippines and Cameroon.

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. Celgene has been recognized by World Child Cancer as its official corporate sponsor, and was featured in the Financial Times newspaper advertisement as its charity of choice during the Annual Seasonal Appeal in December 2013.



Celgene employees at Boudry with donated bears and toys

The WeCare program includes a specific initiative for World Child Cancer called Box-a-Bear, where Celgene collects teddy bears/soft toys and sends them to children's hospitals in developing countries. These countries include:

- Malawi
- Bangladesh
- El Salvador
- Honduras
- Dominican Republic
- Panama
- Zambia
- Colombia
- Myanmar
- Costa Rica
- Philippines
- Nicaragua
- Tanzania
- Guatemala
- Kenya
- Ghana

This initiative and the quantities of donations are continuously advertised to the employees at the UK affiliate, and to date more than 3,200 bears have been donated.



World Child Cancer No child should suffer



The map showing locations of bear and toy donations at the Celgene UK affiliate

World Child Cancer

To support World Child Cancer, the Celgene UK/Ireland affiliates convened “Celgene Malawi 7,” an all-female team of seven staff bicyclists plus a support team. The team cycled across Malawi from the capital city, Lilongwe, to the second largest city, Blantyre, covering over 310 miles on dirt roads in just 5 days.

The Celgene Malawi 7 members visited two of World Child Cancer hospitals at the beginning and end of their ride. This gave them an opportunity to see firsthand the critical work the team there provides, and allowed them to deliver greatly needed medical provisions and supplies. A total of \$88,877 was raised from this cycling event.

In June 2014, the first EMEA Soccer Event was held in Amsterdam to raise funds for World Child Cancer. A total of 16 teams and more than 150 participants from 25 countries enjoyed the sporting challenge as well as the networking and camaraderie between employees across Europe. The donations raised for World Child Cancer from this event exceeded \$20,000 and there are plans to continue this event on a biennial basis.

Left Column: The Celgene Malawi 7 Team cycling event

Right Column: Employee teams at the EMEA Soccer Event



Environment and Sustainability

Celgene's global operations require valuable natural resources to fulfill the expectations of all of our stakeholders. These resources include natural gas for heating, water for consumption and cooling and various consumer goods for general operations. Our strategies include policies and practices to reduce the company's impact on these natural resources to contribute positively to our natural world.

Environmental Management

Our environmental management approach incorporates best practices and programs related to energy, water, waste, transportation and supply chain operations within our company. With the advent of our Sustainability Committee, Celgene is encouraging employee participation and enhancing education with the goal of reducing the company's carbon footprint. Accounting and measurement strategies are outlined in our 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.

The collection and disclosure of our GHG emissions, water management and climate change strategies are helping the company prioritize efforts that revolve around environmental stewardship and our commitment to environmental conservation. Celgene strives to address the following environmental aspects:

- Employee awareness
- Pollution prevention
- Waste minimization
- Supply chain analysis
- Energy and fuel conservation
- Performance improvement
- Water conservation
- Reporting and disclosure
- Regulatory compliance

The developed environmental management 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 has promoted and endorsed pragmatic strategies to reduce our environmental impact at our facilities and within the communities where we are located. Some of these strategies include the following:

- Purchasing electricity derived from certified renewable energy sources (solar and/or wind from utilities).
- Enhanced monitoring of utility resources, including natural gas, electricity and municipal water supply.
- Collection of organic/biodegradable waste for compost creation and continued expansion for collection of recyclable waste.
- Various energy-efficient lighting retrofits and inclusion of similar fixtures in renovations and new projects.
- Continued replacement and optimization of heating, ventilation and air conditioning (HVAC) and infrastructure systems with more modern and efficient systems.

Celgene provides education to personnel and ongoing awareness-building activities through proactive internal communication on environmental programs and initiatives. This awareness builds upon and supports the various programs that our employee population has a direct impact on, such as waste recycling in offices and daily use of electronic devices for business operations.

Environmental Management Goals



Begin accounting for other indirect GHG emissions – *Accomplished*

2015

Reduce direct GHG emissions –
Accomplished

2020

Reduce indirect GHG emissions -
Accomplished

2025

Assess emission sources from company facilities and operation after future scope expansion



Increase renewable energy purchasing at facilities –
Accomplished

Decrease electricity purchasing at all facilities

Invest in clean and renewable technologies directly at our facilities



Increase the quantity of recycling waste from facilities – *Accomplished*
Reduce the volume of general trash from facilities

Invest in precycling and reuse strategies for additional trash reductions
Purchase all paper-based products with recycled content

Determine potential of investments in waste-to-energy or similar projects for facilities as well as external endeavors



Evaluate hybrid, electric and biofuel vehicle inclusion into fleet vehicles

Reduce emissions from fleet vehicles

Consider conversion of all fleet vehicles to hybrid and electric vehicles



Reduce the impact of water disposal on communities and surrounding areas near our facilities

Increase water recovery (recycling and reuse) activities

Reduce water consumption levels at all facilities
Implement water recovery projects at facilities

The Celgene Sustainability and Environmental Compliance policy outlines environmental- and climate-related opportunities and risks and how we consider them within our global operations and supply chains. Celgene defines these risks as situations requiring expedited strategic decisions from senior management and opportunities that can have a meaningful impact upon the company as a whole.

We use these perspectives to continue to develop appropriate management and action plans to address issues related to regulatory, physical and other types of risks and opportunities. The scope of the policy includes situations that arise at Celgene locations and the corporation's contractors, partners and other important parties within its supply chain. In addition, Celgene's Business Continuity Plan outlines how Celgene and its facilities respond to disasters and methods to support all critical business groups.

Each facility and business unit is responsible for continual awareness of potential situations that could impact the site and/or business unit. Possible situations can include a wide range of issues, such as (but not limited to) regulatory mandates, natural disasters (for example, earthquakes, hurricanes, floods), public service interruption (for example, electricity, water, air travel, roads, railways) and public health threats. The comprehensive list of identified risks and opportunities, as well as the potential financial implications, can be found in [Celgene's CDP Carbon and Water reports](#).

Environmental Risks and Opportunities

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.

Environmental Investment in New Infrastructure

The expansion of our Corporate Headquarters in Summit is an opportunity to better coordinate employee operations and enhance inter-connectivity and efficiency across our franchises. This expansion includes a new building that will have enough capacity for an additional 900 employees, a basement parking infrastructure and an efficient and modern interior for workspaces and a food service area. This new infrastructure development is expected to have a positive impact on the local Summit community, which was a chief stakeholder in the project's plans and development. Our communications with local neighbors and the municipality ensured that construction activities minimized impacts on residential living. Construction began in the second quarter of 2014, progressed quickly through the design-build process and will be completed in December 2015.

To fulfill Celgene's commitment to environmental responsibility, the project's goal is to earn LEED certification. To attain this recognition, certain environmentally-focused attributes have been integrated into its design and construction. These include the following:

- Approximately 60 preferred parking spaces will be provided for low-emitting and fuel-efficient vehicles and carpooling.
- Installation of efficient water fixtures, water closets and urinals that generate a 40 percent 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, has generated a theoretical annual energy savings of approximately 15 percent.
- Installation of landscaping that does not require a permanent irrigation system.

- The roofing system will be comprised of a white thermoplastic polyolefin membrane to maximize solar reflectance and reduce the heat island effect associated with conventional roof systems.

- More than 80 percent of parking is located under cover, further reducing the heat island effect and minimizing the impact on the area's microclimate.

- Utilization of a cistern tank that will collect rainwater that will be 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 will be installed within the building enclosure to promote occupant well-being.



Energy

Our facilities across the world continue to invest in technologies that represent the forefront of modern advancements in efficient energy consumption for our various operations. These strategies include purchasing of efficient lighting and infrastructure upgrades and replacements to minimize our direct energy consumption. Indirectly, our facilities continue to purchase electricity that is derived from certified renewable energy sources supplied by utilities.

At the Summit facility, the primary focus for energy-efficiency utilization was the new office building and integration of efficient and modern HVAC systems, lighting systems that are influenced by daylight harvesting and energy consumption modeling and tracking. In addition, the antiquated existing area lights in the parking lots and exterior facades were replaced with high-efficiency light-emitting diode (LED) lighting systems that are estimated to save 40 megawatt hours of electricity per year.

At the Boudry facility, the major capital project was the optimization of the chilled water distribution system. This project aimed to reduce water consumption and the necessary energy for the chilling and distribution operations by an estimated 93 megawatt hours per year. In addition, purchasing of electricity derived from renewable energy sources at Boudry increased another eight percent from 2013 levels, the fourth consecutive yearly increase in this type of electricity purchasing.

Fuel Consumption (GJ)	2012	2013	2014	
Non-Renewable Fuels	Natural Gas	164,868	165,127	166,412
	Diesel	1,085	304	219
	Gasoline	145	158	182
	Propane	10.6	7.8	3.0
	Steam	-	-	1,303
Wood Pellets (Biomass)	9,316	9,456	9,592	
Total Fuel Consumption	175,424	175,054	177,710	

Electricity Consumption (GJ)	2012	2013	2014
Non-Renewable Electricity	202,777	134,712	140,554
Renewable Electricity	151	72,905	70,972
Total Electricity Consumption	202,928	207,617	211,526

Total Energy Consumption	2012	2013	2014
Total Energy Consumption (GJ)	378,351	382,671	389,236
Consumption per Employee	117	86.3	81.7
Consumption per Facility Area	0.203	0.198	0.185
Consumption per Company Revenue (x10 ⁻⁵)	6.87	5.89	5.07

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 personnel 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.

We continue 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 our conservation and management efforts could have the greatest positive impact. This tool has shown that a number of Celgene's operations are in water-stressed regions where there is potential risk for tightening of regulations related to limited water sources. However, 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.

The San Diego facility's new expansion space included the installation of low-flow faucets, fixtures, water closets and urinals in line with LEED green building program standards. This standard use of more efficient water features mirrors the use of similar features incorporated within the original design of the LEED-certified building.

Water Withdrawal by Source (m ³)	2012	2013	2014
Municipal Water Suppliers and Utilities ¹	392,988	531,286	390,356
Rainwater Consumption	1,370	565	1,187
External Wastewater	25,576	0	0
Total Water Withdrawal ¹	419,935	531,851	391,543

¹ Some withdrawal quantities are based on estimates from US EPA and AQUASTAT data for average water withdrawal rate per person per day for respective countries.

Water Discharge (m ³)	2012	2013	2014
Sanitary Wastewater ¹	274,661	414,865	321,9692

¹ Some discharge quantities are based on estimates from US EPA and AQUASTAT data for average water withdrawal rate per person per day for respective countries.

² This quantity includes 1,510 m³ of water that was reused at the San Francisco facility.

Water Consumption (m ³)	2012	2013	2014
Total Water Consumption	145,274	116,986	69,584

Water Sources at Levels of Stress:	Scarce Level Tejo Basin (Madrid) GHAASBasin2117 (Sevilla)
	Stress Level GHAASBasin947 (Tokyo) St. Lawrence (Mississauga)
	Medium Level Colorado (Ari) (Phoenix) GHAASBasin1513 (Bedford) Thames (London)

Level of Stress based on Mean Annual Relative Water Stress Index, University of New Hampshire (2000).

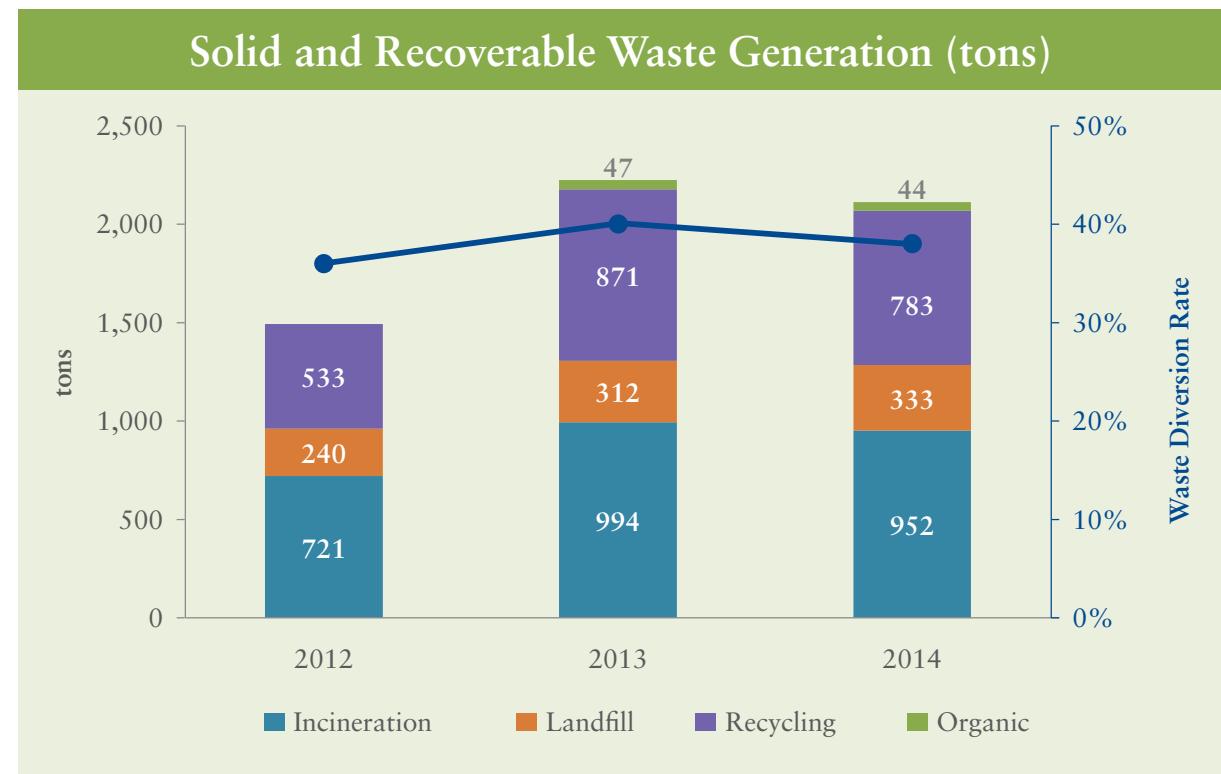
Mean Annual Relative Water Stress Index does not include evaluation data for California locations; it is easily assumed, due to the significant drought throughout California since 2014, that water sources at these locations are at the Scarce Level.

Waste and Recycling

Celgene's manufacturing, research, office and all other activities generate waste in the form of hazardous, non-hazardous and byproducts. Our processes for reducing these physical types of waste aim to improve our environmental and economic bottom line through cost and emission savings by using alternative forms of waste collection and disposal.

Waste management efforts throughout the company in 2014 focused on more efficient and streamlined efforts to redirect non-hazardous solid waste (trash) to recoverable waste streams, such as recycling and organic waste collection. Particular attention was paid to the education and motivation of employees, as they are the final line in diverting recoverable waste from solid waste streams.

Recycling streams are now available in the majority of our facilities; these recycling streams focus on common waste types (plastics, paper, metals, etc.). Collection of organic (or biodegradable) waste has been incorporated at the Summit and Boudry facilities, with more facilities expected to integrate similar programs by 2020, depending upon availability. The employees at these two facilities 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, scanners, etc.



Biodiversity

As we look to expand our operations worldwide, Celgene will hold itself to protecting and preserving biodiversity and respecting nature on and around our facilities. This includes evaluating our operations to comply with international, national and local regulations concerning preservation of natural places, promoting open spaces where possible and assessing land use compliance.

There are plans in place to include consideration of facility impact on biodiversity and land in the design of new buildings and the renovation of existing facilities in the future. Some of these plans include:

- The Stormwater Pollution Prevention Plan that establishes and communicates awareness of appropriate practices associated with pollution prevention techniques and materials to divert or prevent stormwater contamination.

- The spill response procedures that are used in the event of a hazardous chemical spill.
- The waste disposal program that outlines the procedures for disposing of hazardous wastes in compliance with the federal Resource Conservation and Recovery Act.

The 24-acre Summit campus is adjacent to several areas of biodiversity such as Hidden Valley Park and the Houdaille 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 it is located within the California Floristic Province. This area is home to a number of threatened endemic species, according to Conservation International.

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

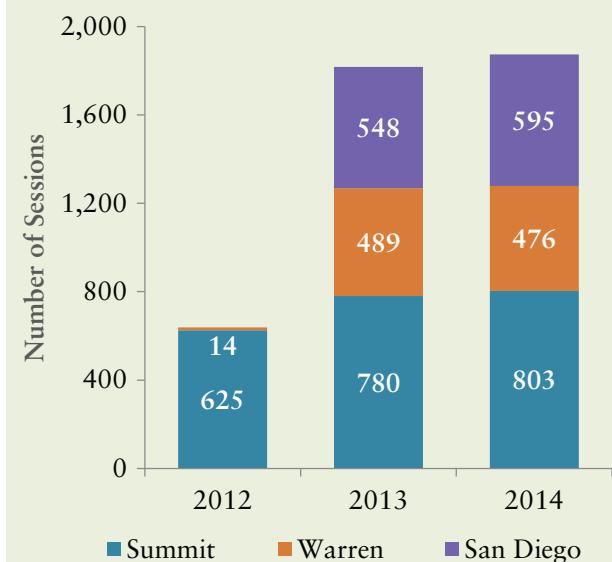
Transportation

The use of modern and efficient transportation technologies aims to reduce the quantity of emissions from both business operations and personal use.

Electric and hybrid vehicle charging stations are one example of how Celgene has embraced such technology. The use of these stations by our employees decreases fossil fuel consumption, reduces commuting emissions and provides the employees a monetary savings incentive for utilization of both the stations and these types of vehicles. By the end of 2014 there were a total of 11 stations at Celgene facilities that were used 1,874 times by employees and the Security department, a rate of 156 sessions per month. The charging station program surpassed both the 3,000 and 4,000 cumulative sessions' milestones in 2014, logging a grand total of 4,365 sessions since the program's inception in 2011.

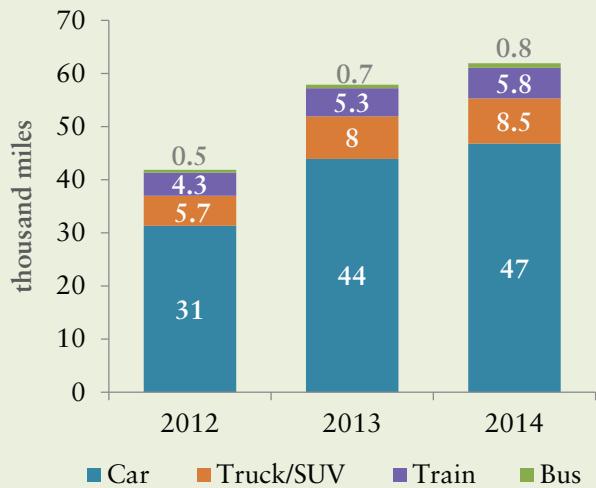
The carpooling program has continued at the New Jersey facilities with participation varying between 20 to 30 active groups in 2014 due to changes in departmental locations throughout the year. Similar to the charging station program, this program is aimed at reducing traveling emissions while providing carpool groups a monthly monetary incentive and overall decrease in commuting expenses.

Charging Sessions at Facilities



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.

Annual Commuting Distances per Mode (thousand miles)



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

Employee commuting statistics and trends from scoped facilities were determined from the annual commuting survey, which asked the type of vehicle employees typically use and the average commuting distance. Results from the survey were extrapolated to represent the entire population of the scoped facilities as well as estimate commuting statistics for previous

years. The results indicate that individual vehicle ownership and usage take precedence over mass transportation with total commuting distance steadily increasing over the past three years.

Air travel is also considered within our transportation footprint. We have yet to implement programs related to reducing this footprint due to the necessity for this type of business 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.

Annual Employee Commuting Distance, All Modes (thousand miles)	2012	2013	2014
Canada	582	806	1,149
France	181	199	242
Germany	775	936	1,064
Italy	451	471	673
Japan	1,528	1,899	1,899
Spain	544	578	757
Switzerland	8,023	8,527	9,918
UK	2,436	3,618	3,313
US	27,412	40,952	43,060
Total	41,931	57,986	62,075

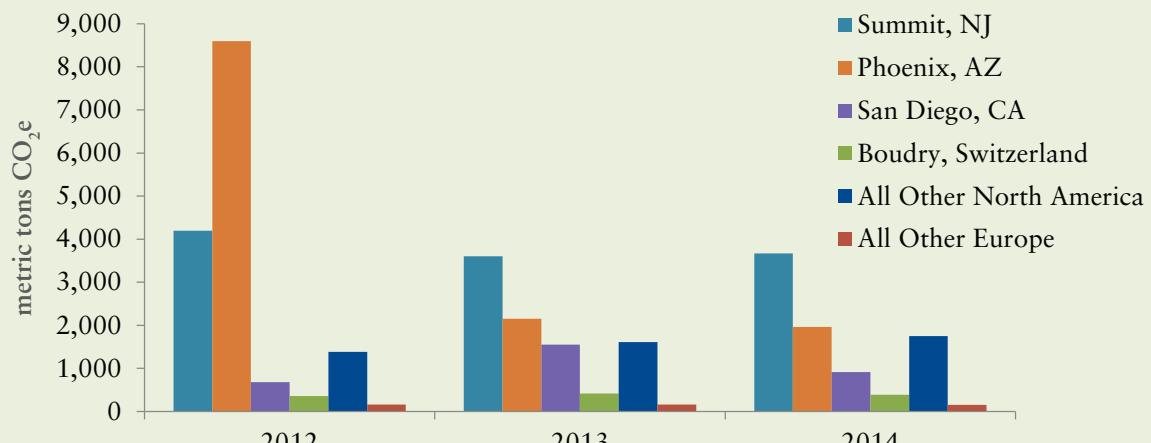
	Air Travel (million miles)	2012	2013	2014
Travel Distance	Short Haul (<300 miles)	0.16	0.14	0.03
	Medium Haul (300-2,300 miles)	11.6	11.8	3.96
	Long Haul (>2,300 miles)	35.8	43.2	70.7
Origin Country	Canada	0.96	1.25	2.49
	France	1.26	1.58	1.74
	Germany	0.96	1.58	3.29
	Italy	1.06	1.45	1.07
	Japan	0.05	0.05	0.02
	Spain	1.08	1.37	1.10
	Switzerland	8.08	9.50	10.5
	UK	3.74	3.48	3.54
	US	30.4	34.8	51.0
Total		47.6	55.1	74.7

Carbon Footprint

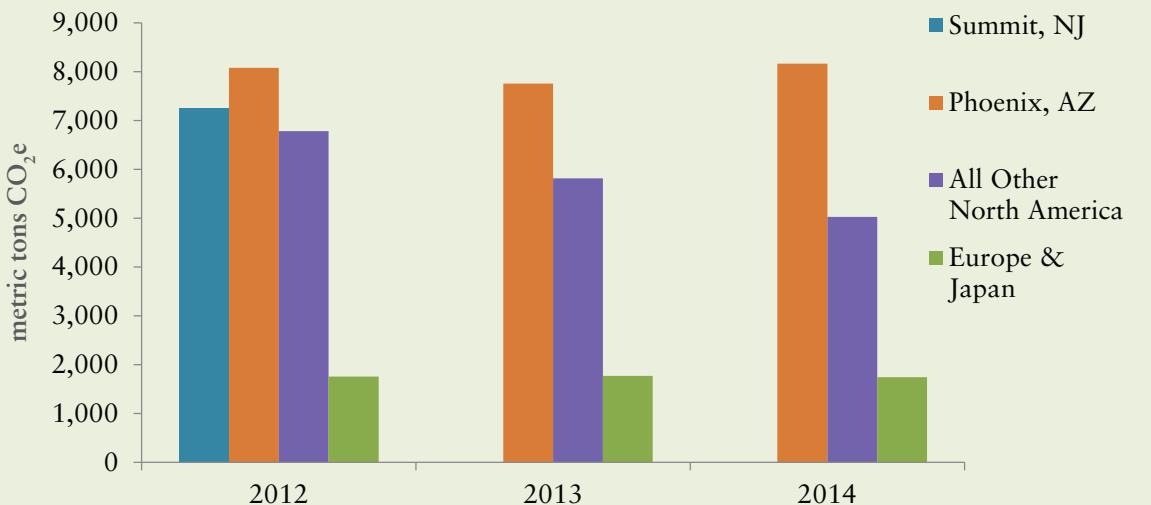
Celgene's carbon footprint represents all of the energy, waste and transportation activities presented in the previous sections. Celgene's carbon footprint assessment includes Scope 1 activities from directly controlled or owned sources (stationary combustion, mobile combustion, refrigeration, fire suppression 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. Our base year emissions of 2012 and for 2013 were recalculated due to the extensive change of reporting scope and boundary.

The various efforts across our facilities worldwide, as well as more accurate accounting, have reduced our Scope 1 and Scope 2 emissions since 2012. The largest reduction of emissions in 2014 came from the utilization of LED lighting at the Summit campus, which resulted in a reduction of approximately 43 metric tons of carbon dioxide equivalent (CO₂e). Of prominence in our emission reduction efforts is the purchase of electricity from certified renewable electricity sources, which reduce Scope 2 emissions to zero at several US facilities and by 10 percent at the Boudry facility from baseline. In addition, the Boudry facility continued to use wood pellets for heating, which generated only 969 metric tons of CO₂e emissions in 2014.

Scope 1 GHG Emissions by Facility/Region



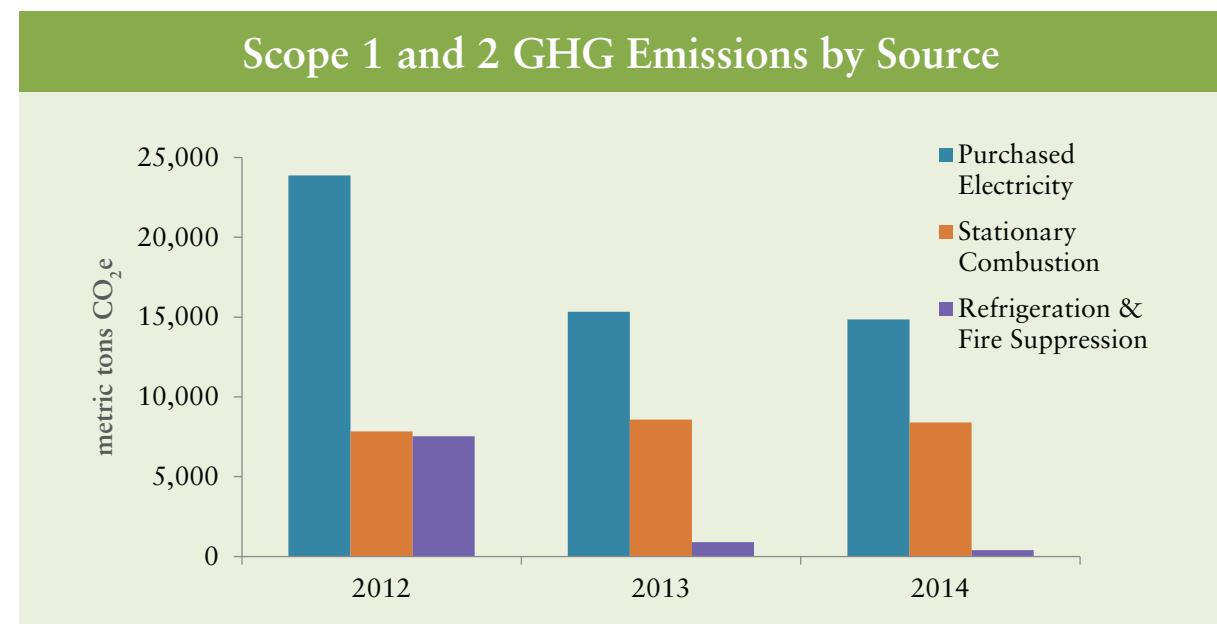
Scope 2 GHG Emissions by Facility/Region



None of our facilities are regulated based on regional or industry-wide emission limits. However, the company has identified potential indirect impacts from some regulations, including:

- Assembly Bill 32 (AB32) California Cap and Trade Program, which puts limits on emission from large sources, such as utilities, and could impact the electricity and/or natural gas purchasing expenses for our San Diego and San Francisco facilities.
- The New Jersey Global Warming Response Act, which sets statewide limits on emissions and goals for 2020 to 2050 and, similar to AB32, could impact the electricity and/or natural gas purchasing expenses for our New Jersey facilities.
- The Boudry facility voluntarily participates in an energy savings programs with the Swiss Private Sector Energy Agency, which includes committing to the active reduction of emissions through energy-efficiency.

Our facilities did not consume or release any ozone depleting substances for refrigeration and air conditioning operations in 2014. These operations do consume refrigerants that have high global warming potential (the measure of how much heat can be trapped in the atmosphere) and do represent a potential environmental hazard, but contribute only approximately one percent to Celgene's carbon footprint. A primary part of Celgene's Refrigerant Management Plan's Mission includes preference for equipment that uses hydrofluorocarbons, which contain minimal ozone depletion potential, as alternatives.



Emission Statistics	2012	2013	2014	
Total Scope 1 Emissions (metric tons CO ₂ e)	15,385	9,495	8,831	
Total Scope 2 Emissions (metric tons CO ₂ e)	23,874	15,340	14,939	
Total Scope 1 and 2 Emissions (metric tons CO ₂ e)	39,259	24,835	23,770	
Emission Intensity Ratios (metric tons CO ₂ e per unit)	Employee Headcount ¹	12.1	5.6	5.0
	Facility Area (sq. ft.)	0.021	0.013	0.011
	Company Revenue (x10 ⁻⁶)	7.13	3.82	3.10

¹ Employee Headcount Intensity Ratio is based on both employee and contractor populations.

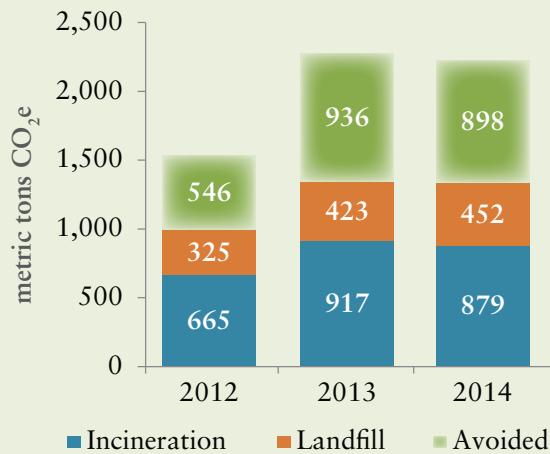
Upstream and Downstream Activities

The activities that occur within the company's upstream and downstream value chains are a result of necessary 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 2015, the operations we include for energy, resource and emission performance assessment within our value chains include:

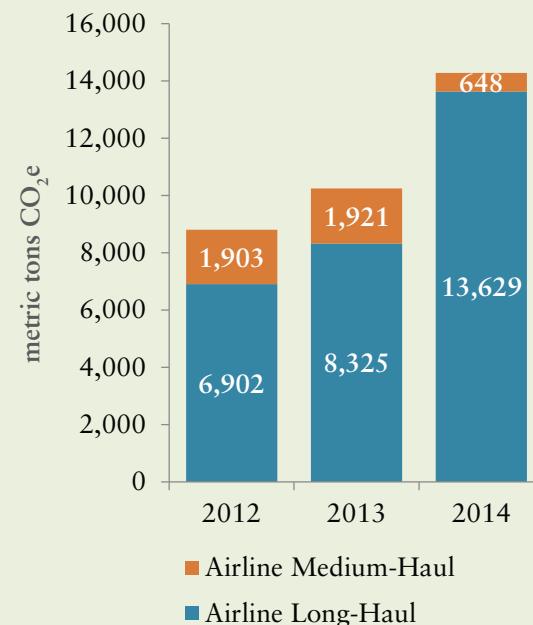
- Trash disposal of municipal solid waste (see *Waste and Recycling* section for quantities).
- Employee commuting (see *Transportation* section for quantities).
- Employee commuting levels of the local shuttle services in New Jersey and Switzerland.
- Business travel of the regional shuttle service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

The emissions from waste (trash) generation via incineration and land-filling do not contribute a large quantity to the Scope 3 emissions footprint. However, this amount would be larger if waste recycling and diversion activities at the facilities were not in place (this difference is shown in the chart as "Avoided").

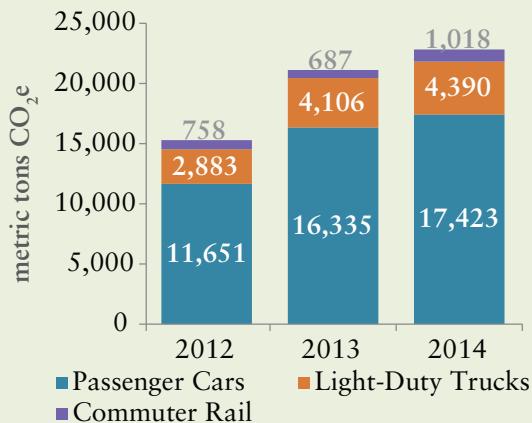
Scope 3 Emissions from Waste Disposal



Scope 3 Emissions from Business Travel



Scope 3 Emissions from Employee Commuting



Values for emissions from shuttle services and airline short-haul travel are less than 50 metric tons CO₂e each.

Other Scope 3 emission sources and activities not currently included in this inventory require more intense research into our operations and, in some cases, thorough communications and transparency from business or goods providers within our supply chain. The eventual expansion of additional Scope 3 emission sources will help create a more transparent carbon footprint of the company's global operations.

Compliance

At Celgene, we are committed to conforming to the standards set forth by environmental rules and regulations. Celgene EHS professionals routinely complete environmental self-audits at our facilities, including manufacturing, R&D and administrative offices (as applicable) in order to ensure compliance and that best practices are in use. Audits include reviews of air quality, water treatment and waste, both hazardous and non-hazardous, handling permits and processes to minimize environmental risk.

In 2014, Celgene received no fines or sanctions for non-compliance with environmental laws and regulations at any facility, nor did any types of significant spills associated with any type of fuel, waste or chemicals used at our facilities occur. Celgene continues to adhere to local, regional and country regulations concerning environmental compliance and has numerous management best practices in place should a situation arise concerning non-compliance.

Environmental Footprint Summary		2012	2013	2014
Energy (GJ)	Direct Energy Consumption	186,550	175,054	177,710
	Non-Renewable Electricity Consumption	202,777	134,712	140,554
	Renewable Electricity Consumption	151	72,905	70,972
Water (m ³)	Water Withdrawal	419,935	531,851	391,553
	Water Discharge	274,661	414,865	321,969
	Water Consumption	145,274	116,986	69,584
Waste (tons)	Solid Waste	961	1306	1285
	Recoverable Waste	533	918	828
Transportation (miles)	Employee Commuting	41,955,919	58,050,380	62,185,246
	Business Travel	47,674,119	55,163,102	74,775,080
Carbon Footprint (metric tons CO ₂ e)	Scope 1 GHG Emissions	15,385	9,494	8,831
	Scope 2 GHG Emissions	23,874	15,340	14,939
	Scope 3 GHG Emissions	25,230	32,855	38,574
	Total GHG Emissions	64,489	57,689	62,344

Environmental Footprint Summary

The table provides an overview of the quantitative performance of the company's scoped facilities over the past three years. We aspire to enhance the quality of the data we regularly report on in order to provide a transparent perspective on our company and the environmental elements we seek to improve upon year over year.

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 2015 report, Celgene is following the G4 In Accordance – Core guidelines.

GENERAL STANDARD DISCLOSURES			
General Standard Disclosure	Description	Pages	Document Section
STRATEGY AND ANALYSIS			
G4-1	Statement from the most senior decision maker of the organization about the relevance of sustainability to the organization and its strategy	2-3	Message from the Chairman and Chief Executive Officer
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	All	About Our Company, Patients and Communities, Commitment to Safety, Governance, Global Health, Environment and Sustainability
ORGANIZATIONAL PROFILE			
G4-3	Name of the organization	4	About This Report
G4-4	Primary brands, products and/or services	7	Therapeutic Areas
G4-5	Location of the company's headquarters	5	About This Report
G4-6	Number and names of countries where the organization operates	4	About This Report
G4-7	Nature of ownership and legal form	7	A History
G4-8	Markets served	7	Therapeutic Areas
G4-9	Scale of the organization	4, 19, 49	About Our Company, Economic Profile and Performance, Workforce

GENERAL STANDARD DISCLOSURES			
General Standard Disclosure	Description	Pages	Document Section
G4-10	Workforce statistics	49-50	Workforce
G4-11	Employees covered by collective bargaining agreements	N/A	There are no unions within Celgene and no bargaining agreements
G4-12	The company's supply chain	58-60	Supply Chain
G4-13	Significant changes during the reporting period regarding size, structure, ownership, or supply chain	7-13	About Our Company
G4-14	Whether and how the precautionary approach or principle is addressed	N/A	The precautionary approach is not addressed
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which is endorsed or subscribed to by the company	N/A	Celgene does not subscribe to or endorse any external charters, principles or other initiatives for economic, environmental or social aspects.
G4-16	Memberships of associations	15-16	Global Relationships
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES			
G4-17	Entities included in financial statements or equivalent	5	About This Report
G4-18	Process for defining report content and aspects	6	Materiality
G4-19	List of material aspects identified	6	Materiality
G4-20	Material aspect boundaries within the organization	6	Materiality
G4-21	Material aspect boundaries outside of the organization	6	Materiality
G4-22	Restatements in previous reports	N/A	No restatements. Revisions to previous years are accounted for due to reporting boundary expansion where applicable.
G4-23	Significant changes from previous reporting periods	4-6	About This Report, Materiality
STAKEHOLDER ENGAGEMENT			
G4-24	List of stakeholder groups engaged	21-22	Stakeholders

GENERAL STANDARD DISCLOSURES			
General Standard Disclosure	Description	Pages	Document Section
G4-25	Basis for identification and selection of stakeholders engaged	21-22	Stakeholders
G4-26	Stakeholder engagement processes and frequency	21-22	Stakeholders
G4-27	Key topics and concerns raised through stakeholder engagement and how the company has responded to them	21-22	Stakeholders
REPORT PROFILE			
G4-28	Reporting period	5	About This Report
G4-29	Date of most recent previous report	5	About This Report
G4-30	Reporting cycle	5	About This Report
G4-31	Contact information	5	About This Report
G4-32	GRI content index and “in accordance” option	80-87	GRI Index
G4-33	Policy for external assurance and scope and basis for external assurance provided	N/A	There is no external assurance provided for this report
GOVERNANCE			
G4-34	Governance structure of the organization	42	Company Leadership
G4-35	Process for delegating economic, environmental and social topics from the highest governance body to executives and employees	43	Sustainability Governance
G4-36	Executive-level position with responsibility for economic, environmental and social topics	43	Sustainability Governance
G4-37	Process between stakeholders and highest governance body on economic, environmental and social topics	43	Sustainability Governance
G4-38	Composition of the highest governance body and its committees	42-43	Company Leadership, Sustainability Governance
G4-39	Indication of whether the chair of the highest governance body is also an executive officer	42-43	Company Leadership, Sustainability Governance

GENERAL STANDARD DISCLOSURES			
General Standard Disclosure	Description	Pages	Document Section
G4-40	Nomination and selection process for the highest governance body and its committees and nomination criteria	42-43	Company Leadership, Sustainability Governance
G4-41	Process in place for the highest governance body to ensure conflicts of interest are avoided	47	Business Conduct and Ethics
G4-42	Highest governance body's roles in development and updating of economic, environmental and social statements, strategies and goals	43	Sustainability Governance
G4-43	Measures taken to enhance the highest governance body's collective knowledge of economic, environmental and social topics	43	Sustainability Governance
G4-45	Highest governance body's role in identification and management of economic, environmental and social risks and opportunities and use of stakeholder consultation	43	Sustainability Governance
G4-46	Highest governance body's role in review the effectiveness of the risk management process for economic, environmental and social topics	43	Sustainability Governance
G4-47	Frequency of the highest governance body's review of economic, environmental and social impacts, risks and opportunities	43	Sustainability Governance
G4-48	Highest committee or position that formally review and approves the sustainability report	42-43	Company Leadership, Sustainability Governance
G4-49	Process for communicating critical concerns to the highest governance body	42	Company Leadership
G4-50	Nature and number of critical concerns communicated to the highest governance body and how they are addressed	42	Company Leadership
ETHICS AND INTEGRITY			
G4-56	Describe the organization's values, principles, standards and norms of behavior	44-45	Our Culture
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behavior	46-48	Business Conduct and Ethics
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behavior and matters related to organizational integrity	46-48	Business Conduct and Ethics

SPECIFIC STANDARD DISCLOSURES					
Material Aspect	Disclosure	Description	Boundary	Pages	Document Section
CATEGORY: ECONOMIC					
Economic Performance	DMA	Management Approach overview	●	19	Economic Profile and Performance
	EC1	Direct economic value generated and distributed	◆	19, 31	Economic Profile and Performance, Corporate Giving
	EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change	●	69	Environmental Management
	EC3	Coverage of the organization's defined benefit plan obligations	●	50	Workforce
Procurement Practices	DMA	Management approach overview	◆	58-60	Supply Chain
	EC9	Policy, practices and proportion of spending on locally based suppliers at significant locations of operation	◆	58-60	Supply Chain
CATEGORY: ENVIRONMENTAL					
Energy	DMA	Management approach overview	●	71	Energy
	EN3	Energy consumption within the organization	●	71	Energy
	EN5	Energy intensity and metrics	●	71	Energy
	EN6	Reduction of energy consumption	●	71	Energy
Water	DMA	Management Approach overview	●	72	Water
	EN8	Total water withdrawal by source	●	72	Water
	EN9	Water sources significantly affected by withdrawal of water	■	72	Water
	EN10	Volume of water recycled and reused	●	72	Water

SPECIFIC STANDARD DISCLOSURES					
Material Aspect	Disclosure	Description	Boundary	Pages	Document Section
Biodiversity	DMA	Management approach overview	●	73-74	Biodiversity
	EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	●	74	Biodiversity
	EN12	Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	◆	73-74	Biodiversity
Emissions	DMA	Management approach overview	●	76-77	Carbon Footprint
	EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	●	76-77	Carbon Footprint
	EN16	Indirect GHG emissions (Scope 2)	●	76-77	Carbon Footprint
Emissions	EN17	Other indirect GHG emissions (Scope 3)	◆	78	Upstream and Downstream Activities
	EN18	GHG emissions intensity	◆	77	Carbon Footprint
	EN19	Reduction in GHG emissions	●	76	Carbon Footprint
	EN20	Emissions of ozone-depleting substances	●	77	Carbon Footprint
Effluents and Waste	DMA	Management approach overview	●	72-73, 79	Waste and Recycling, Water, Compliance
	EN22	Total water discharge by quality and destination	◆	72	Water
	EN23	Total weight of waste by type and disposal method	◆	73	Waste and Recycling
	EN24	Total number and volume of significant spills	◆	79	Compliance
	EN26	Identity, size, protected status and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff	◆	72	Water

SPECIFIC STANDARD DISCLOSURES					
Material Aspect	Disclosure	Description	Boundary	Pages	Document Section
Compliance	DMA	Management approach overview	●	79	Compliance
	EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	◆	79	Compliance
Transport	DMA	Management approach overview	●	74-75	Transportation
	EN30	Significant environmental impacts of members of the workforce	●	74-75	Transportation
CATEGORY: SOCIAL—LABOR PRACTICES AND DECENT WORK					
Employment	DMA	Management approach overview	●	49-51	Workforce, Professional Development
	LA1	Total number and rates of new employee hires	●	50	Workforce
	LA2	Benefits provided to full-time employees	●	50	Workforce
Occupational Health and Safety	DMA	Management approach overview	●	37	Employee Safety
	LA6	Rates of injury, occupational diseases, lost days and absenteeism and number of work-related fatalities	●	39	Employee Safety
	LA7	Workers with high incidence or high risk of diseases related to their occupation	●	37	Employee Safety
CATEGORY: SOCIETY—HUMAN RIGHTS					
Child Labor	DMA	Management approach overview	◆	48	Business Conduct and Ethics
	HR5	Operations and suppliers identified as having significant risk for incidents of child labor	◆	48	Business Conduct and Ethics

SPECIFIC STANDARD DISCLOSURES					
Material Aspect	Disclosure	Description	Boundary	Pages	Document Section
Forced or Compulsory Labor	DMA	Management approach overview	◆	48	Business Conduct and Ethics
	HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor	◆	48	Business Conduct and Ethics
CATEGORY: SOCIAL—SOCIETY					
Anti-Corruption	DMA	Management approach overview	●	47	Business Conduct and Ethics
	SO4	Communication and training on anti-corruption policies and procedures	●	47	Business Conduct and Ethics
Public Policy	DMA	Management approach overview	●	52-57	Public Policy
	SO6	Total value of political contributions by country and recipient/beneficiary	◆	57	Public Policy
CATEGORY: SOCIAL—PRODUCT RESPONSIBILITY					
Customer Health and Safety	DMA	Management approach overview	◆	34-36	Patient Safety, Clinical Development Process, Risk Minimization and Management
	PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	◆	34-36	Patient Safety, Clinical Development Process, Risk Minimization and Management
Product and Service Labeling	DMA	Management approach overview	◆	34-36	Patient Safety
	PR3	Type of product and service information required by procedures and percentage of significant products and services subject to such information requirements	◆	34-36	Patient Safety



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