

POLICY

Sustainability and Environmental Compliance Policy

1. PURPOSE

One purpose of this policy is to promote sustainability and to minimize effects on the environment as Celgene fulfills its mission to deliver truly innovative and life-changing drugs for patients.

Another purpose of this policy is to establish a better understanding of environmental and climate-related opportunities and risks throughout our supply chain and to develop appropriate management plans that are integrated throughout the company.

Celgene defines sustainability as “promoting environmentally responsible, safe and sustainable business practices in our day-to-day operations.” Celgene recognizes that manufacturing processes can affect the environment through energy use, water consumption, and hazardous and non-hazardous waste streams. The company’s goal is to continuously improve operations while reducing environmental impacts in a cost-effective, deliberate manner to create a safe and healthy environment for patients today and for future generations. Celgene also promotes measureable and pragmatic strategies to reduce our energy, water, and material consumption.

At Celgene, we support the principles of good environmental practices and sustainability in all aspects of our operations and in the welfare of the communities and people that our business affects. We are committed to reducing our environmental impact while enhancing our business performance and investments in our personnel and the patients we serve. Celgene wishes to attain a standard of excellence for environmental sustainability and governance in the pharmaceutical industry, for our own operations and our business associates.

Sustainability is woven into Celgene’s core values of passion, courage, trust, and excellence. Through passion for the patient, we believe that what we do matters to the world. With courage, we face the challenges of future uncertainties, enabling us to create new standards in the broader world of human health. With trust in each other, we assume the best and treat one another with dignity and respect. By fostering excellence, we pursue transparency in communications and data-driven results to take our work to the highest standards. We apply these values to sustainability by putting patients first, caring for the environment, and growing a healthy company.

Celgene will consider how our company, supply chain, and the communities we rely on are vulnerable to the impacts of climate change. We will also investigate solutions for managing climate risks while creating positive benefits for the company, communities, and the environment.

2. SCOPE

The scope of this policy includes the following aspects:

- Sustainability aspects of Celgene's mission
- Regulatory compliance with environmental laws
- Pollution prevention and waste minimization
- Energy and fuel conservation
- Water conservation
- Climate change opportunities and risks
- Risk management process
- Biodiversity consideration
- Employee awareness
- Supply chain impacts
- Performance management and improvement
- Reporting and disclosure

3. ROLES AND RESPONSIBILITIES

It is the joint responsibility of Corporate Services and Environmental Health and Safety to administer this policy. Managers, assisted by staff and designees, are responsible for the development and implementation of Celgene's Sustainability Program. Employees and contractors are responsible for performing their jobs in accordance with this policy and all other applicable Celgene policies.

A cross-departmental sustainability committee shall receive and meet to review, on at least a quarterly basis, a joint written report from Corporate Services and Environmental Health and Safety as to (a) the establishment and/or progress and/or optimization of significant corporate environmental initiatives; (b) any open investigations or significant actions by regulatory agencies related to Celgene's environmental practices; (c) stakeholder engagement and media or other public reports relating to Celgene's sustainability efforts; and (d) such other items as Corporate Services, Environmental Health and Safety, or any member of the cross-departmental sustainability committee deems appropriate. In addition, the cross-departmental sustainability committee shall serve as the official liaison to outside organizations and programs focused on sustainability, for example, the Investor Carbon Disclosure Project (CDP) and the Global Reporting Initiative (GRI).

The cross-departmental sustainability committee, appointed by the Chairman and Chief Executive Officer, shall comprise no fewer than six people. At least one person from each of Corporate Services, Finance, Tech Ops, Human Resources, Corporate Affairs, and Environmental Health and Safety will sit on the committee.

The Senior VP of Corporate Affairs & Market Access, who reports to the Chairman and Chief Executive Officer and is a member of the Executive Committee, shall chair the cross-departmental sustainability committee and provide reports on a biannual basis detailing activities and matters arising under this policy to the Chairman and Chief Executive Officer and to the Executive Committee.

4. STANDARDS

4.1 Sustainability Aspects of Celgene's Mission

At Celgene, we are committed to improving the lives of patients and the communities in which we live. We promise to always put patients first, by providing patients worldwide with safe, well-controlled access to life-enhancing therapies and by improving patient care globally through education, innovation and bold pursuits in science. We respect our environment and conduct our business every day based on integrity, ethics, sound decision making, and behaviors that reflect our values.

Our Celgene Responsibility initiatives, reflected in this policy, include Patients & Communities, Commitment to Safety, Governance, Global Health, and Environment & Sustainability, define who we are and enable us to continue to provide the best solution possible for our patients, our partners, our employees, and all our stakeholders.

- To put patients and communities first, Celgene will:
 - Partner with patient advocates in supporting disease awareness and education, patient access and patient and caregiver services.
 - Support organizations that connect patients to treatment.
 - Uphold industry-leading patient safety and ethical standards.

- To carry out our commitment to safety, Celgene will:
 - Ensure comprehensive safety monitoring by involving itself in every step of clinical development processes.
 - Involve every employee in the monitoring and reporting on the safe use of our products.
 - Continuously maintain and upgrade state-of-the-art risk management systems for our products.
 - Monitor, track, and routinely report on our health and safety performance, and continually review risks to better protect our people.

- To foster good governance, Celgene will:
 - Establish policies and practices that support world class corporate governance and transparency in reporting.
 - Monitor compliance with our own internal policies and guidelines, including policies and guidelines that relate to sustainability and protection of the environment.
 - Provide periodic and publicly available reports that demonstrate our commitment to transparency, ethical conduct, and stewardship of our natural resources.

- To address global health issues, Celgene will:
 - Engage and support academic institutions and other stakeholders in building health care capacity to help address unmet medical needs of the developing world.
 - Work in partnerships to discover and develop new treatments to address unmet medical needs of the developing world.

- To care for the environment and to foster sustainability, Celgene will:
 - Seek opportunities to minimize our global carbon footprint
 - Develop programs that reduce waste, conserve energy, and maintain our compliance with environmental regulations.
 - Monitor our water consumption and maintain water quality.

4.2 Regulatory Compliance through Global Environmental Health and Safety

Celgene is committed to global leadership in our environmental, health, and safety 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.

Celgene's environmental, health, and safety management principles are as follows:

- 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.
- Foster environmental, health and safety ethics among management by setting management performance targets into our business strategies.
- 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.

Each Celgene business function is responsible for understanding and complying with national, regional, and local environmental, occupational health and safety regulations. If potential gaps are identified, they will be communicated to Environmental Health and Safety and actions plans will be developed to mitigate as appropriate. Additional notification to regulatory authorities may potentially be required depending upon the nature of the observation made. It is Celgene's policy to require that adequate operational controls be put in place to maintain regulatory compliance.

4.3 Pollution Prevention and Waste Minimization

Manufacturing processes and research laboratories have the potential to generate waste in the form of air emissions, hazardous chemicals, non-hazardous waste (such as packaging and other trash), wastewater, and by-products. Celgene strives to minimize waste generation through reduction, reuse and recycling practices. To minimize product to waste ratio and costs associated with landfilled waste, hazardous waste handling, and water treatment, Celgene will seek improvements in manufacturing and research processes that minimize waste and use more environmentally friendly chemicals where feasible. Such improvements, when identified, will be evaluated for benefit to the environment, simple payback, and life-cycle costs before implementation.

4.4 Energy and Fuel Conservation

Celgene seeks to optimize the use of valuable natural resources in manufacturing facilities, research laboratories, fleet vehicles, and office facilities by conserving energy and reducing fuel consumption. Energy conservation can often be achieved through no- to low-cost facility adjustments, such as modifying HVAC settings or changing the types of bulbs used in light fixtures. These adjustments will be implemented as opportunities for improvement are identified by facility managers where feasible. Long-term, high-value capital investments (for example, renewable energy, equipment, and other strategies) will be evaluated for benefit to the environment, simple payback, and life-cycle costs before implementation.

4.5 Water Conservation

Water and wastewater handling, treatment, and disposal will be conducted in accordance with regulations, as identified in Section 4.2, Regulatory Compliance through Global Environmental Health and Safety. Additionally, Celgene will seek opportunities to reduce water use in manufacturing processes and research laboratories, and to reuse or recycle non-potable water in other consumptive facility processes where feasible. Water discharged from Celgene facilities will be returned to the environment (rivers, lakes, or other water bodies) in a manner consistent with environmental regulations.

4.6 Climate Change Opportunities and Risks

Celgene recognizes that the following areas of our value chain are potentially affected by climate change:

- Investor Expectations
 - Investors are integrating climate risk into their decision making and requiring climate disclosure, including transparency around risk management.
 - Investors expect our company to investigate and develop plans to address risk to maintain business operations, and minimize impacts from climate change.
- Regulatory Requirements
 - Changes in climate related regulations represent potential risks to Celgene. These include cap-and-trade schemes, state-level greenhouse gas emissions limits, as well as carbon taxes on our international operations that can lead to additional compliance requirements and increased capital and operating costs.
 - Regulatory requirements also represent opportunities for Celgene to reap cost savings through reduced energy consumption.
- Community
 - Climate change can impact local communities that can affect patients, workforce, suppliers, and other stakeholders.
- Raw Material Sourcing
 - Climate change can affect availability of raw materials, commodity price volatility, and new sources of supply.

- Distribution
 - Climate induced disruptions to distribution networks can affect delivery schedules to patients and cause production interruptions or sales losses.
- Production and Operations
 - Energy reliability, availability, and costs can impact manufacturing and production capabilities and expenses.
 - Energy efficiency improvements and on-site renewable energy infrastructure can potentially mitigate impacts related to off-site energy production and distribution.
 - Production capacities at manufacturing facilities could be adversely affected by natural disasters, changes in environmental regulations, and disruptions to supplies of critical raw materials.

4.7 Risk Management Process

Risk management is already a part of Celgene's corporate policy and risk management efforts will be expanded to develop appropriate sustainability efforts and to enhance environmental compliance. Opportunity management at Celgene is based on observation and analysis of individual markets and the early recognition and evaluation of trends from which opportunities can be identified. Effective management of environmental opportunities and risks is a factor in sustainably protecting Celgene's assets. At Celgene, opportunities and risks are systematically identified, analyzed, and documented. Risk-relevant information is compiled and reviewed on a regular basis. Celgene has taken an approach to develop appropriate sustainability efforts and to enhance environmental compliance that includes the following steps:

1. Identify opportunities and risks to our business and operations related to sustainability and environmental compliance.
2. Analyze the identified opportunities and risks.
3. Plan and prioritize actions that are needed to address these opportunities and risks.
4. Implement appropriate actions and evaluate the progress of these actions.

4.8 Biodiversity Consideration

Celgene has facilities located in major metropolitan, rural, and suburban areas in more than 40 countries. 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 and promoting open green spaces. Land use information will be recorded and filed on a regular basis to assess compliance. Risks will be identified that are associated with both operations and land use before, during, and after occupation. Facility impact on biodiversity will be included in the design of new buildings and the renovation of existing facilities.

4.9 Employee Awareness

Celgene provides education to personnel and ongoing awareness building activities through proactive internal communication programs on environmental programs and strategies. Employee environmental awareness supports energy efficiency, waste minimization and water conservation. Employees are encouraged to consider alternatives to business travel, mass transportation options for commuting, and low-emission or electric vehicles.

4.10 Supply Chain Impacts

In support of Celgene's environmental practices and sustainability efforts, Celgene will evaluate supply chain impacts where feasible.

4.11 Performance Management and Improvement

Celgene's policy is to improve environmental performance by putting systems in place to periodically measure environmental impacts and to improve processes where feasible. In addition, Celgene incorporates into the compensation incentives of its Corporate Services and Environmental Health and Safety teams goals related to responsible management of Celgene's impacts upon the environment.

4.12 Reporting and Disclosure

Celgene reports environmental performance through programs such as the Investor Carbon Disclosure Project (CDP), Water CDP, and Global Reporting Initiative (GRI). In addition, Celgene provides a Corporate Responsibility Report on an annual basis which is made available to all stakeholders on its external website at www.celgene.com.