

Amgen 2014 Environmental Sustainability Highlights



Leadership Message



Robert A. Bradway

I am pleased to provide you with Amgen's 2014 Environmental Sustainability report. Amgen is at a very exciting time in its history. We are preparing to launch new medicines for patients suffering from serious illness and expanding the reach of our existing medicines as we enter new geographies. We are innovating new ways to manufacture medicines, and we are introducing new technologies to deliver these medicines to patients. This is important work for Amgen, our shareholders, and the patients we serve. We also believe it is important that we engage in these activities while remaining committed to sustainability.

Amgen's Next-Generation Biomanufacturing facility in Singapore is an excellent example of the strides we are making. Once licensed, this site will deploy new processes and technologies which conserve substantial amounts of water, curb carbon emissions, reduce the amount of solid waste generated and operate with a dramatically smaller footprint than conventional facilities. In a setting of new technology, we are building upon our established sustainability practices including green biology and green chemistry.

Our sustainability achievements would not be possible without the efforts of staff members who have dedicated

themselves to the company's targets. Part of our commitment to all Amgen staff members is the creation of a work environment that stresses safety and wellness.

Consistent with our commitment, Amgen received a number of important sustainability acknowledgements in 2014. We were named to the Dow Jones Sustainability World Index for the first time, and we maintained our position on the North America Index. The U.S. Green Building Council recognized our building design strategy by certifying our innovative drug product research center in Thousand Oaks, California, at the highest level—LEED (Leadership in Energy and Environmental Design) Platinum. The Association of Energy Engineers recognized Amgen's energy management strategy with its top honor, the Corporate Energy Management Award.

Thank you for engaging with us as we continue to improve Amgen's sustainability performance. We value your input and invite you to share your thoughts through the feedback link on the report website.

A handwritten signature in black ink that reads "Robert A. Bradway". The signature is written in a cursive, flowing style.

Robert A. Bradway
Chairman and Chief Executive Officer

This brochure, a supplement to Amgen's 2014 Environmental Sustainability Report found at environment.amgen.com, highlights how the company is successfully implementing an environmental sustainability plan—including conservation targets—and delivering results. We've proven that sustainable operations are a wise investment, improving efficiency and creating value.

Our Targets



The overall aim of our 2020 targets is to protect the environment, improve efficiency, and increase stakeholder value. Our targets are designed to track our progress through deliberate efforts—without influence from growth or contraction in our business. We created a portfolio of projects and initiatives that we specifically execute to bring results in our target areas. We track the performance of those projects and initiatives against a 2012 baseline, counting results of projects and initiatives confirmed through a formal measurement process.

2020 Target

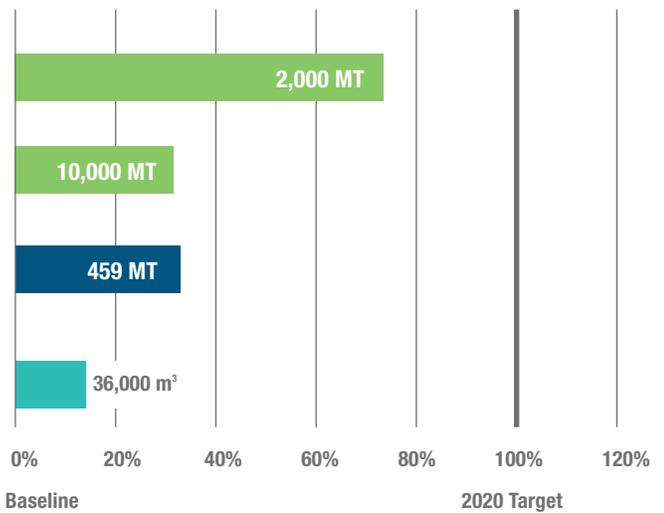
Progress Through 2014

Carbon Reduce 3,000 metric tons (MT) of fleet* carbon
20% of 2012 baseline

Carbon Reduce 38,500 metric tons (MT) of facility carbon
10% of 2012 baseline

Waste Reduce 1,490 metric tons (MT) of waste to landfill
or incineration
35% of 2012 baseline

Water[†] Reduce 269,000 cubic meters (m³)
10% of 2012 baseline



*Currently showing progress for US sales fleet. Baseline is being established for sales fleet outside the US, which will be integrated into target.

[†]Amgen set a 10% water target during 2014. Projects are now established to accelerate water conservation in alignment with achieving the target.

We are integrating environmental sustainability practices throughout our company's operations —from research and manufacturing practices to the design and construction of facilities. A mix of facility and process optimization combined with carefully selected technology creates results.

Sustainability in Action



Above: Sustainable building design, along with pioneering new practices for biomanufacturing, are advancing Amgen's ability to conserve water and energy, reduce waste, and limit carbon emissions.

Driving Sustainable Practices throughout the Value Chain

Amgen's 2020 plan for environmental sustainability is focused on driving sustainable practices in the areas of research, development, and manufacturing; transportation and distribution; commercial operations; sourcing; and products and packaging. By integrating sustainability practices during the design process, we are achieving further efficiencies in our business while continuing to reduce our impact on the environment.

The Environmental Benefits of Next-Generation Biomanufacturing

Amgen has pioneered Next-Generation Biomanufacturing technologies and improvements capable of producing the same output of drug substance as conventional facilities in a footprint that is one eighth the size. We plan to use this approach for the first time commercially following licensure at our new manufacturing center in Singapore, which opened in 2014. Next-Generation Biomanufacturing is expected to conserve water and energy by approximately 80 percent, reduce carbon emissions by approximately 75 percent, and significantly reduce the amount of solid waste produced compared with conventional biomanufacturing. Even though Next-Generation Biomanufacturing uses disposable technology, it is more environmentally friendly because it eliminates the need to repeatedly clean and sterilize equipment after use.

Harnessing Data to Improve Energy Efficiency

Buildings can be expensive to construct, but they cost even more to operate and maintain. Over time, wear and tear can compromise a building's utilities with negative conservation impacts. In 2014, Amgen began to pilot the use of an integrated data management system at the corporate headquarters in Thousand Oaks, California, to harness data in the service of better building performance. The system monitors the utilities of all of the site's buildings in near real time, collecting more than 60,000 data points, and conducts full diagnostics tests hourly. The system can even generate a work order if it identifies a problem. Ultimately, the system can help the company improve conservation, reduce carbon emissions, and save money while also extending the life span of our facilities.

Drug-Product Development Building Earns LEED Platinum

The U.S. Green Building Council recognized Amgen's building design strategy by certifying our innovative drug-product development building at our Thousand Oaks, California, campus at the highest level—LEED (Leadership in Energy and Environmental Design) Platinum. This is our third LEED certification in recent years and follows LEED-Certified designation for a drug-product manufacturing facility and LEED Gold rating for an office building in Thousand Oaks. Amgen's building practice sets a high bar for sustainability, taking into account practices that work optimally for our biotechnology company.

The success of our environmental sustainability plan depends on the creativity and resourcefulness of our staff who demonstrate their commitment to the environment both at work and in their communities.



Left: Amgen participates each year in the International Coastal Cleanup.

Middle and right: Amgen staff drive Amgen's environmental sustainability efforts.

Amgen staff approach opportunities to make environmental improvements with the same enthusiasm and rigor they apply to scientific challenges. Staff-supported improvements in technology and processes have created significant conservation benefits, saved financial resources, and earned many awards over the years. Amgen maintains a yearly Environmental Champions program, which honors numerous staff from around the company for their green actions.

Reaching Out in the Community

Amgen staff are avid volunteers, contributing to a number of environmentally beneficial events throughout the year. Amgen participates annually in the International Coastal Cleanup, a global volunteering opportunity in which participants clear waterways and beaches of trash while collecting data that supports the Ocean Conservancy in its goal of trash-free seas. Other environmental volunteering events that staff organize include Clean Up Australia Day and work parties at the Charles River and at Kendall Square in Massachusetts.

The Amgen Foundation is deeply committed to fostering the next generation of scientific innovators, including our support of important initiatives that advance environmental education in our local communities. We also help to further staff contributions of personal time, energy, and talents to these important causes through Amgen Volunteers and the Amgen Foundation Matching Gift Program.

Sustainable Commuting

Staff commitment to alternative commuting modes at six North American worksites helped Amgen avoid approximately 536 metric tons of greenhouse gas emissions in 2014. Amgen supports carpools, vanpools, public transportation vouchers, bicycle commuting, and electric car charging where possible.

Education for the Environment

Amgen celebrated Earth Day at most of its US-based locations in 2014. Events encouraged staff to develop environmentally friendly habits both at work and at home in the areas of recycling, composting, waste reduction, energy efficiency, water conservation, and alternative commuting. Amgen's Thousand Oaks, California, campus also held events in support of America Recycles Day. A special focus for 2014 was the promotion of greener practices in the labs such as the use of more environmentally friendly supplies and increased recycling.

Performance



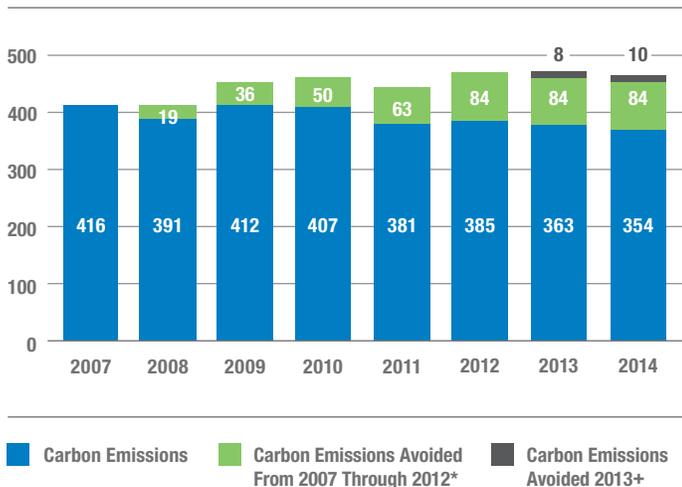
Conserving Resources

Conserving energy allows us to retain more financial resources for our core business of discovering, developing, manufacturing, and delivering innovative human therapeutics while helping us to reduce our environmental impact. Our strategy has been to complete utilities projects that provide substantial returns for both energy savings and carbon reduction across our network of facilities around the world. We also mitigate environmental impacts using sustainable practices and technology in the design and construction of manufacturing and office facilities. We have realized more than \$21 million in cost savings and reduced carbon emissions by 94,000 metric tons from 2008 through 2014 by implementing specific energy conservation and carbon reduction projects.

We are making progress towards our sales fleet carbon-reduction target, raising the minimum fuel efficiency standard for vehicles year by year. We continue to expand the range of fuel-efficient vehicle choices available for mobile staff—and to rotate out less fuel-efficient vehicles.

Carbon

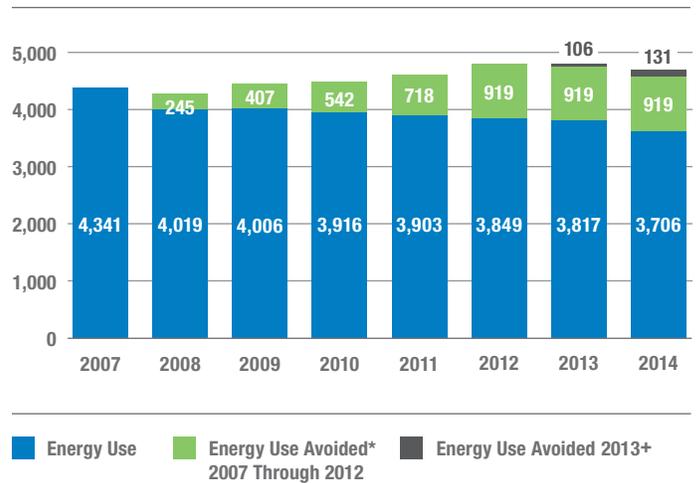
2007–2014 Carbon Emissions and Carbon Emissions Avoided* Through Conservation Efforts (1,000 MT)



*Value represents year-over-year, cumulative and continuing avoidance.

Energy

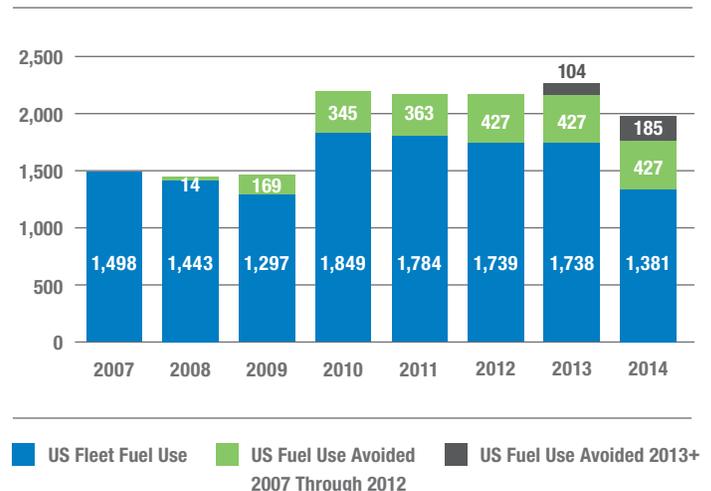
2007–2014 Energy Use and Energy Use Avoided* Through Conservation Efforts (1,000 GJ)



*Value represents year-over-year, cumulative, and continuing avoidance.

Fuel Efficiency

2007–2014 US Fleet Fuel Use and Fuel Use Avoided Through Conservation (per 1,000 Gal)*

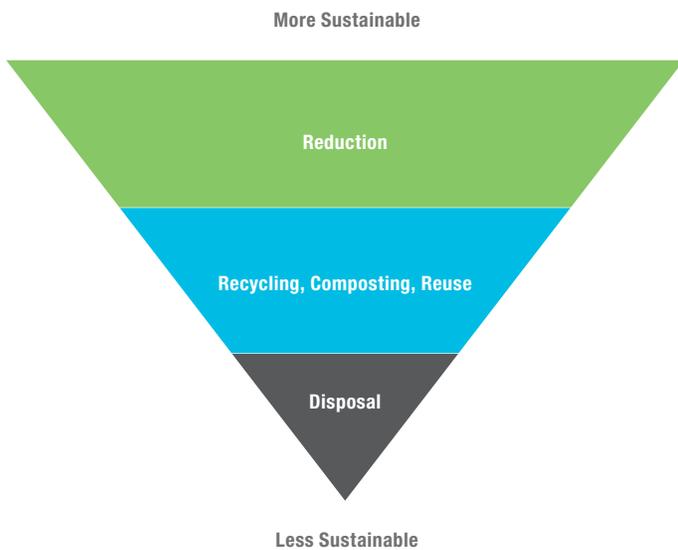


*Value represents continued avoidance based on fleet efficiency improvements

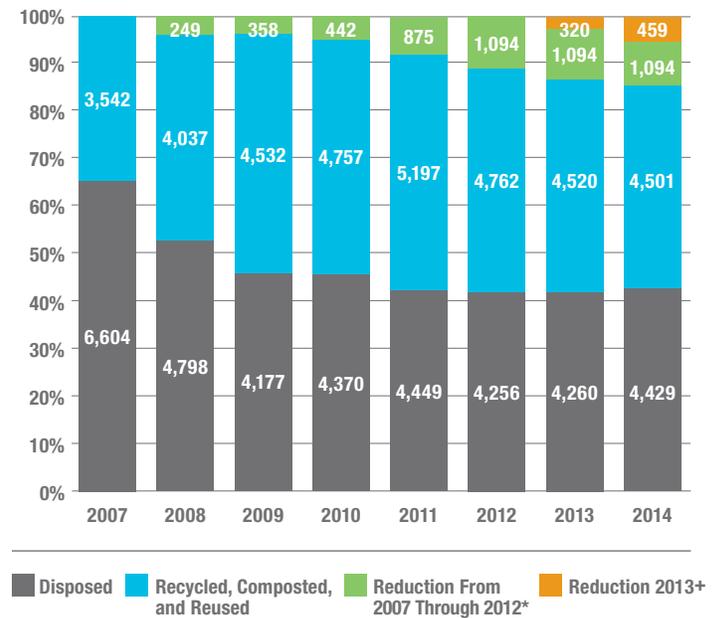


Waste

The Waste Hierarchy as a Model for Our Waste-Reduction Goals

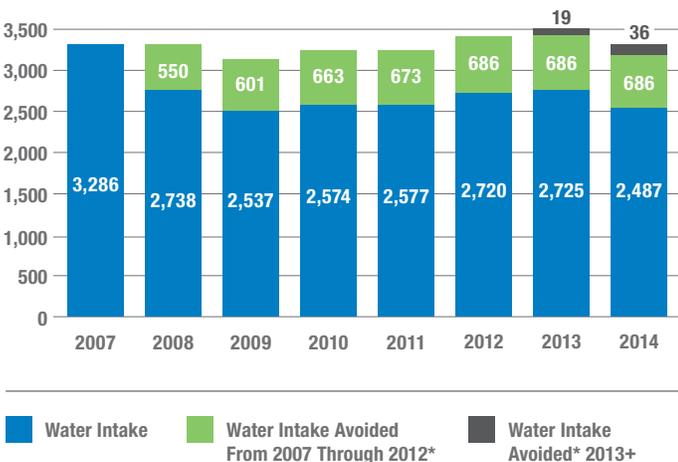


2007—2014 Routine Waste Categorized by Waste Hierarchy



Water

2007—2014 Water Intake and Intake Avoided* Through Conservation Efforts (1,000 m³)



*Value represents year-over-year, cumulative and continuing avoidance.

Reducing Waste; Saving Water

Amgen has reduced waste by more than 1,500 metric tons from 2007 through 2014. We continue to analyze data from waste audits conducted at our largest sites to shape initiatives for recycling and waste reduction. These initiatives have helped us to increase our rate of recycling from 35 percent to 50 percent from 2007 through 2014.

We use data from water maps developed for each of our sites to understand our most significant water users and identify new opportunities for conservation. A key component of Amgen's water conservation program is a wastewater treatment plant at our manufacturing plant in Puerto Rico that has enabled an average of 74 percent of the treated wastewater to be recycled on-site each year. We also integrate low-water landscaping and smart-irrigation controls at a variety of facilities. Energy conservation projects lead to water conservation benefits.

Amgen reports in alignment with the Global Reporting Initiative (GRI) G3.1 guidelines. The GRI guidelines offer a useful framework to help companies standardize their sustainability reporting. We are reporting on our 2014 performance at a self-declared application level C+.

The scope of the environmental data in our report includes 15 manufacturing, research and development, and distribution facilities in North America and Europe. These facilities represent approximately 94 percent of our operations, based on the square footage of our facilities. The remaining square footage primarily includes administrative offices.

Our 2014 environmental data for this report have undergone limited assurance by Bureau Veritas.

In 2013, Amgen acquired Onyx Pharmaceuticals. No data will be included for this facility in this report, as we are still working through the integration process.

The index summarizes Amgen's disclosures in relation to the GRI G3.1 indicators.

Strategy and Analysis

Number	Disclosure	Reported	Response
1.1	Statement from CEO	●	environment.amgen.com (<i>Leadership Message</i>)

Organizational Profile

Number	Disclosure	Reported	Response
2.1	Name of organization	●	Amgen
2.2	Primary brands, products, and/or services	●	www.amgen.com (<i>Product websites</i>)
2.3	Operational structure	●	www.amgen.com (<i>Amgen Fact Sheet</i>)
2.4	Location of headquarters	●	Thousand Oaks, CA
2.5	Countries of operation	●	www.amgen.com (<i>Amgen Fact Sheet</i>)
2.6	Nature of ownership	●	www.amgen.com (<i>Amgen Fact Sheet</i>)
2.7	Markets served	●	www.amgen.com (<i>Amgen Fact Sheet</i>)
2.8	Scale of the reporting organization	●	www.amgen.com (<i>Amgen Fact Sheet</i>)
2.9	Significant changes during the reporting period	●	None
2.10	Awards	●	<i>Awards and Recognition</i>

Report Parameters

Number	Disclosure	Reported	Response
3.1	Reporting period	●	January 1, 2014, to December 31, 2014
3.2	Date of most recent report	●	May 2014
3.3	Reporting cycle	●	Annual
3.4	Contact point	●	esfeedback@amgen.com
3.5	Process for defining report content	●	environment.amgen.com (<i>Amgen's Environmental Sustainability Plan</i>) environment.amgen.com (<i>Stakeholder Engagement</i>)
3.6	Boundary of the report	●	Amgen facilities within the scope of this report are as follows: United States: Thousand Oaks, California; Cambridge, Massachusetts; Woburn, Massachusetts; Greenwich, Rhode Island; Louisville, Kentucky; South San Francisco, California; Boulder and Longmont, Colorado; Juncos, Puerto Rico; Seattle and Bothell, Washington; Field Sales US Fleet Canada: Burnaby, British Columbia Europe: Breda, Netherlands; Uxbridge, Abingdon, and Cambridge, United Kingdom; Dun Laoghaire, Ireland

Report Parameters (continued)

Number	Disclosure	Reported	Response
3.7	Limitations on the scope and boundary of the report	●	Items that are out of scope for this report include global sales and administrative offices with minimal environmental impact; outsourced activities, such as contract manufacturers; Onyx Pharmaceuticals, which was acquired in 2013; companies acquired in 2012, including Micromet, KAI Pharmaceuticals, deCODE genetics, and Mustafa Nevzat Pharmaceuticals; and Amgen's facility in São Paulo, Brazil, acquired in 2011.
3.8	Basis for reporting	●	The in-scope facilities listed in indicator 3.6 represent our 15 manufacturing, research and development, and distribution facilities in North America, Europe, and Puerto Rico. These facilities represent 94 percent of our operations, based on the square footage of our facilities. The remaining square footage primarily includes administrative offices. We do not include environmental data from outsourced activities in this report.
3.9	Data measurement techniques and basis of calculations and assumptions	●	environment.amgen.com (<i>Summary of Data Notes</i>)
3.10	Explanation of the effect of any restatements	●	No restatements
3.11	Significant changes from previous reporting periods	●	None
3.12	GRI content index table	●	environment.amgen.com (<i>GRI Index</i>)

Governance, Commitments, and Engagement

Number	Disclosure	Reported	Response
4.1	Governance structure including committees	●	environment.amgen.com (<i>Governance</i>) www.amgen.com (<i>Corporate Governance</i>)
4.2	Indicate whether the chair of the highest governance body is also an executive officer	●	Robert Bradway is both CEO and Chairman of the Board. For more information on Amgen's Board, <i>see amgen.com (Corporate Governance)</i>
4.3	Unitary board structure	●	www.amgen.com (<i>Corporate Governance</i>)
4.4	Mechanisms for shareholders and employees to provide recommendations/direction to highest governance board	●	www.amgen.com (<i>Corporate Governance</i>)
4.14	List of stakeholder groups engaged by the organization	●	environment.amgen.com (<i>Stakeholder Engagement</i>)
4.15	Basis for identification and selection of stakeholders with whom to engage	●	environment.amgen.com (<i>Stakeholder Engagement</i>)

Economic Performance Indicators

Number	Disclosure	Reported	Response
EC1	Economic Performance: Direct economic value generated and distributed	◐	environment.amgen.com (<i>Summary of Data and Data Notes</i>) www.amgen.com (<i>2014 Annual Report and Financial Summary</i>)
EC2	Economic Performance: Financial implications and other risks and opportunities due to climate change	●	We're actively working to conserve energy and reduce greenhouse gas emissions that result from our operations. We have also considered potential risks to our business associated with climate change such as extreme weather events and increasing regulation. Financial impact is considered as part of our risk management processes. Having plans in place to mitigate these risks increases the overall sustainability of the business.
EC9	Indirect Economic Impacts: Understanding and describing significant indirect economic impacts, including the extent of impacts	◐	www.amgen.com (<i>AmgenAssist</i>)

Environmental Performance Indicators

Number	Disclosure	Reported	Response
EN3	Energy: Direct energy consumption by primary energy source	●	environment.amgen.com (Energy Performance) environment.amgen.com (Summary of Data)
EN4	Energy: Indirect energy consumption by primary source	●	environment.amgen.com (Energy Performance) environment.amgen.com (Summary of Data)
EN5	Energy: Energy saved due to conservation and efficiency improvements	●	environment.amgen.com (Energy Approach) environment.amgen.com (Summary of Data) environment.amgen.com (Targets)
EN7	Energy: Initiatives to reduce indirect energy consumption and reductions achieved	●	environment.amgen.com (Energy and Carbon Approach) environment.amgen.com (Targets)
EN8	Water: Total water withdrawal by source	●	environment.amgen.com (Water Approach) environment.amgen.com (Summary of Data)
EN10	Water: Percentage and total volume of water recycled and reused	●	environment.amgen.com (Water Approach) environment.amgen.com (Summary of Data)
EN16	Emissions, Effluents and Waste: Total direct and indirect greenhouse gas emissions by weight	●	environment.amgen.com (Carbon Performance) environment.amgen.com (Summary of Data)
EN17	Other relevant indirect greenhouse gas emissions by weight	◐	environment.amgen.com (Carbon Approach)
EN18	Emissions, Effluents and Waste: Initiatives to reduce greenhouse gas emissions and reductions achieved	●	environment.amgen.com (Energy and Carbon Performance) environment.amgen.com (Summary of Data) environment.amgen.com (Targets)
EN22	Emissions, Effluents and Waste: Total weight of waste by type and disposal method	●	environment.amgen.com (Summary of Data)
EN23	Emissions, Effluents and Waste: Total number and volume of significant spills	●	There were no significant spills in 2014.
EN27	Products and Services: Percentage of products sold and their packaging materials that are reclaimed by category	◐	environment.amgen.com (Products and Packaging)
EN28	Compliance: Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	●	1,000
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce	◐	environment.amgen.com (Carbon Approach) environment.amgen.com (Summary of Data)

Labor Practices and Decent Work Performance Indicators

Number	Disclosure	Reported	Response
LA7	Occupational Health and Safety: Health and safety rates	◐	environment.amgen.com (Safe Workplace)
LA8	Occupational Health and Safety: Programs in place to assist workforce, families and communities regarding serious diseases	●	environment.amgen.com (Staff Wellness)

Society Performance Indicators

Number	Disclosure	Reported	Response
S06	Total value of financial and in-kind contributions to political parties, politicians, and related institutions	●	www.amgen.com (Corporate Governance) environment.amgen.com (Summary of Data)

Product Responsibility Performance Indicators

Number	Disclosure	Reported	Response
PR1	Customer Health and Safety: Life cycle stages in which health and safety impacts of products are assessed for improvement, and percentage of products subject to such procedures	◐	www.amgen.com (Medicine Safety)

Energy (a)

Type	Unit	2007	2011	2012	2013	2014
Total Combustion On-site (Direct) (d)	1,000 GJ	2,151	1,897	1,790	1,828	1,744
Natural Gas	1,000 GJ	1,848	1,462	1,390	1,400	1,322
Diesel	1,000 GJ	303	425	390	416	411
Propane	1,000 GJ	-	10	10	11	11
Total Purchased Energy (Indirect) (e)	1,000 GJ	2,190	2,006	2,059	1,990	1,962
Fossil Fuel	1,000 GJ	1,541	1,497	1,545	1,435	1,418
Hydro	1,000 GJ	287	196	191	210	200
Nuclear	1,000 GJ	240	194	195	185	185
Nonspecified Renewables	1,000 GJ	106	107	114	152	144
Nonspecified	1,000 GJ	16	13	13	8	14
Total Energy	1,000 GJ	4,341	3,903	3,849	3,817	3,706
Total Energy Normalized to Net Sales	1,000 GJ/\$B net sales	303	255	231	210	192
Confirmed Results of Energy Reduction Projects (b,c)	1,000 GJ	-	718	919	106	131

Carbon (a)

Type	Unit	2007	2011	2012	2013	2014
Total Carbon Combustion On-site (Scope 1) (f)	1,000 MT CO ₂ Eq	126	104	98	101	96
Natural Gas	1,000 MT CO ₂ Eq	104	74	70	71	67
Diesel	1,000 MT CO ₂ Eq	22	30	27	29	29
Propane	1,000 MT CO ₂ Eq	-	0.60	0.63	1	1
Total Carbon Purchased Energy (Scope 2) (g)	1,000 MT CO ₂ Eq	290	277	287	263	258
Electricity	1,000 MT CO ₂ Eq	284	273	283	259	254
Steam	1,000 MT CO ₂ Eq	6	4	4	4	4
Total Carbon from Energy	1,000 MT CO ₂ Eq	416	381	385	363	354
Total Carbon Normalized to Net Sales	1,000 MT CO ₂ Eq/ \$B net sales	29.1	24.9	23.1	20	18
Total Carbon Normalized to Total Energy	MTCO ₂ Eq/GJ	0.095	0.098	0.100	0.095	0.10
Confirmed Results of CO ₂ Reduction Projects (b,c)	1,000 MT CO ₂	0	63	83	8	10

Other Carbon (h)

Type	Unit	2007	2011	2012	2013	2014
Carbon US Sales Fleet (Scope 1)	1,000 MT CO ₂ Eq	13	16	15	16	13
Carbon US Sales Fleet Emissions Avoided (Scope 1) (o)	1,000 MT CO ₂ Eq	0	3	4	1	2
Carbon Executive Air Fleet (Scope 1)	1,000 MT CO ₂ Eq	5	7	6	5	5
Carbon from Fugitive Refrigerant Emissions (Scope 1)	MT CO ₂ Eq	-	-	-	4,231	5,499
Carbon Business Travel - Commercial (Scope 3) (i,j)	1,000 MT CO ₂ Eq	-	50	65	67	65
Carbon from Amgen Materials Transportation (Scope 3) (i,j)	1,000 MT CO ₂ Eq	-	-	25	27	25

Water (a)

Type	Unit	2007	2011	2012	2013	2014
Total Water Withdrawal (k,c)	1,000 CM	3,286	2,577	2,720	2,725	2,487
Municipal	1,000 CM	3,249	2,560	2,707	2,712	2,482
Other - (Reservoir) Trucked In	1,000 CM	8	-	-	-	-
Ground	1,000 CM	29	17	13	13	5
Total Water Withdrawal Normalized to Net Sales	1,000 CM/\$B net sales	230	169	163	150	129
Water Fate	1,000 CM	-	2,584	2,720	2,739	2,487
Consumed Into Products	1,000 CM	-	20	21	21	28
Lost to Evaporation	1,000 CM	-	633	713	684	657
Discharged to Treatment	1,000 CM	-	1,663	1,662	1,758	1,551
Discharged Directly to Environment	1,000 CM	-	267	324	276	250
Recycled	1,000 CM	-	533	535	655	525
Percentage of Water Recycled per Total Water Withdrawal	%	-	21	20	24	21
Confirmed Results of Water Reduction Projects (b)	1,000 CM	-	673	690	19	36

Waste (a, c)

Type	Unit	2007	2011	2012	2013	2014
Diversion from Landfill Rate (l)	%	38	59	59	-	-
Recycling Rate (l)	%	34.9	53.9	52.8	51.3	50.4
Total Routine Waste	MT	10,146	9,645	9,018	8,780	8,929
Hazardous Waste	MT	1,343	1,116	1,180	1,157	1,113
Recycled	MT	251	235	245	105	84
Incinerated for Energy Recovery	MT	375	284	347	402	387
Incinerated Not for Energy Recovery	MT	523	424	422	468	473
Landfilled	MT	118	153	126	147	132
Treated (m)	MT	76	20	40	36	38
Nonhazardous Waste	MT	8,803	8,529	7,838	7,623	7,816
Composted	MT	260	485	583	532	628
Reused	MT	32	60	44	274	178
Recycled	MT	2,999	4,418	3,890	3,583	3,610
Incinerated for Energy Recovery	MT	432	397	576	604	605
Incinerated Not for Energy Recovery	MT	194	176	79	48	88
Landfilled	MT	4,885	2,985	2,662	2,530	2,661
Treated (m)	MT	-	8	3.8	52	47
Total Routine Waste Normalized to Net Sales	MT/\$B net sales	709	631	542	483	462
Total Nonroutine Waste (n)	MT	31,415	12,458	16,902	8,452	3,722
Confirmed Results of Routine Waste Reduction Projects (b)	MT	-	875	1,094	320	459

Fleet

Type	Unit	2007	2011	2012	2013	2014
US Sales Fleet Fuel Efficiency	MPG-US	18.7	22.6	23.3	25	26
US Sales Fleet Fuel Use Avoided (o)	1,000 GL	-	363	427	104	185
US Sales Fleet Fuel Use	1,000 GL	1,498	1,784	1,739	1,738	1,381

Business Profile

Type	Unit	2007	2011	2012	2013	2014
Net Sales	\$B	14.311	15.295	16.639	18.192	19.327
"Adjusted" Net Income (q)	\$B	4.804	4.858	5.119	5.814	6.700
"Adjusted" R&D Investment (q)	\$B	3.064	3.116	3.296	3.929	4.121
Corporate Political Contributions (US) (p)	\$Mil	0.584	0.704	0.532	0.449	0.509
Staff	# FTE	17,500	17,800	17,900	20,000	17,900

Health and Safety

Type	Unit	2007	2011	2012	2013	2014
Absenteeism (r)	Percent days away	2.4	2.1	1.9	1.8	2.0
Injury and Illness Rate (Beyond First Aid) (s,c)	Number of injuries and illnesses per 100 staff members	0.81	0.68	0.56	0.57	0.40
Lost Day Case Rate (t)	Injuries with days away from work per 100 staff members	0.25	0.18	0.16	0.11	0.10
Severity Rate (u,c)	Number of days away from work per 100 staff members	8.20	5.45	6.26	3.26	2.23
Fatalities	# Fatalities	0	0	0	0	0
Contractor Injury and Illness Rate (Beyond First Aid) (v)	Incidents per 100 contractors	0.53	1.27	1.62	0.89	0.98
Contractor Lost Day Case Rate (v)	Incidents per 100 contractors	0.07	0.61	0.75	0.25	0.29
Contractor Fatalities	# Fatalities	0	0	0	0	0

Compliance (a)

Type	Unit	2007	2011	2012	2013	2014
Environmental Notices of Violation (NOVs) (w)	# NOV	8	2	2	2	6

General

- (a) Amgen has included data from 15 facilities covering energy and carbon, water, and waste. The facilities represent approximately 94 percent of Amgen's worldwide facility space based on total square feet. Included facilities are in Thousand Oaks, California, US; Greenwich, Rhode Island, US; Boulder and Longmont, Colorado, US; Seattle and Bothell, Washington, US; Juncos, Puerto Rico, US; Louisville, Kentucky, US; South San Francisco, California, US; Cambridge and Woburn, Massachusetts, US; Burnaby, Canada; Breda, Netherlands; Dun Laoghaire, Ireland; and Uxbridge, Abingdon, and Cambridge, United Kingdom. This includes leased buildings where we have operational control over building infrastructure, including utilities. In 2011, Amgen acquired a facility in São Paulo. In 2012, Amgen acquired four companies: Micromet, KAI Pharmaceuticals, deCODE genetics, and Mustafa Nevzat Pharmaceuticals. In 2013 Amgen acquired Onyx Pharmaceuticals. No data will be included for our São Paulo facility or for Micromet, KAI Pharmaceuticals, deCODE genetics, Mustafa Nevzat Pharmaceuticals, or Onyx Pharmaceuticals in this report, as we are still working through the integration process for these facilities.
- (b) Measurement and verification of conservation and reduction projects for energy and carbon, water, and waste are based on adaptation of the International Performance Measurement and Verification Protocol (IPMVP), Concepts and Options for Determining Energy and Water Savings Volume 1, EVO 10000-1.2007, April 2007. Project measurements are conducted using reasonable means, including direct measurements and scientific estimations as appropriate. Values for conservation and reduction projects represent year-over-year, cumulative and continuing avoidance based on a 2007 baseline, then rebaselined in 2012 to match the next generation 2020 Target design.
- (c) Immaterial changes to 2007–14 data may have occurred due to refinements in calculations. All changes have been confirmed through a documented change control process.

Energy

- (d) Direct energy use results from the operation of equipment that is owned or controlled by Amgen at the facilities listed in note (a). Data on the use of natural gas, propane, and diesel in boilers, furnaces, and HVAC are recorded from utility bills or purchase records. Data on the use of diesel in emergency generators are recorded from purchase records or meter readings and, in some cases, estimated from run-hours. Utility bills recorded in units of volume are converted to energy by using the Global Reporting Initiative Version 3.1, EN3 table, to convert volumes of primary sources (natural gas, diesel), or from specific fuel analysis data (diesel used in Juncos, Puerto Rico), and the US Energy Information Administration/Annual Energy Review Table A1 (propane). Energy from emergency generators recorded as run-hours is estimated using the manufacturer's specified fuel-feed rate for each generator.
- (e) Indirect energy use results from purchased energy in the forms of electricity and steam at the Amgen facilities listed in note (a). Data on the use of electricity and steam are recorded from utility bills. Utility bills for purchased steam that are recorded in units of mass (i.e., 'lb steam') are converted to energy by using the latent heat of evaporation from the saturated steam tables, then dividing by the efficiency of the supplier's steam generator.

Carbon

- (f) Scope 1 carbon emissions result from direct energy sources defined in note (d). Additional Scope 1 Carbon emissions from our US sales fleet, executive air fleet, and fugitive emissions from chillers, coolers, and HVAC are found in the Other Carbon category in this data summary. Carbon data from natural gas sources are calculated using regional specific emission factors from US EPA Rule Part 98A Table C-3 (US weighted average) for all US sites; from the Ireland UFGCC for Amgen's facility in Dun Laoghaire, Ireland; from U.K. Defra/DECC's 110819 Guidelines for Amgen's facilities in the United Kingdom (Uxbridge, Abingdon, and Cambridge); from the NL Agency standard CO2 emission factors for Amgen's facility in the Netherlands (Breda); and from the Methodology for Reporting 2013 /Ministry of Environment Victoria, BC, 2013, for Amgen's facility in Burnaby, Canada. Carbon emissions data from propane and diesel fuel sources (except Amgen's facility in Juncos, Puerto Rico) are calculated using the Greenhouse Gas Protocol Cross-Sector Tools-Stationary Combustion-V.1.0 (August 2012). Carbon from diesel use in Amgen's Juncos, Puerto Rico, facility are calculated using specific fuel analysis information and from US EPA Rule Part 98A Table C-1. Carbon data from direct energy sources prior to 2011 were calculated using emission factors from the Greenhouse Gas Protocol Cross-Sector Tools-Stationary Combustion-V.1.0 (Jul 2009). Scope 1 emissions that are not included in this data summary include process-related emissions from cell respiration (carbon as a by-product) and pH adjustments (CO2 injection). Analysis of these sources in 2013 showed that cell respiration and emissions from pH adjustments are negligible (less than 0.1 percent of our total carbon emissions).
- (g) Scope 2 carbon emissions result from indirect energy sources defined in note (e). Carbon data from purchased electricity are calculated using emission factors from US EPA eGRID 9th Edition Version 1 (2010 data: eGRID subregion annual carbon output emission rate) for all US locations except Amgen's facility in Puerto Rico, which has been determined using EPA GHG Report YE 2012 for Power Suppliers in Puerto Rico; from the Greenhouse Gas Division, Environment Canada (2006 data)-V.1.0 (April 2009) for Amgen's facility in Burnaby, Canada; and from specific utility annual providers' reports for Amgen facilities in the United Kingdom (Uxbridge, Abingdon, and Cambridge), the Netherlands (Breda), and Dun Laoghaire, Ireland. Carbon data from purchased steam are calculated using the Emission Factor for Natural Gas as identified in US EPA Rule Part 98A Table C-3 (US weighted average) for Amgen's facility in Cambridge, Massachusetts. Carbon data from indirect energy sources prior to 2011 were calculated using emission factors from US EPA eGRID2007 Version 1.1 for US facilities.

Other Carbon

- (h) The Other Carbon category contains additional Scope 1 and Scope 3 carbon emissions that are tracked. Carbon emissions from our executive air fleet are calculated using emission factors from the Greenhouse Gas Protocol Cross-Sector Tools-Transport-Fuel-Use (August 2012). Carbon emissions from our US sales fleet are calculated using emission factors from the GHG Protocol Emission Factors for Petrol passenger cars (volume) (GHG Protocol) = 8.81 kg/gal. Fuel use and mileage data are collected at the pump for each vehicle. Carbon emissions from our commercial business travel are calculated by Amgen's travel provider using the Defra tool. Carbon emissions from Amgen's material transportation have been provided by the carrier using its own specific methods. Fugitive emissions from process equipment (e.g., refrigerant from refrigeration and HVAC equipment) are calculated using emission factors from the Greenhouse Gas Protocol Cross-Sector Tools-Transport-Fuel-Use (August 2012). Processes are in place to maintain chillers, coolers, and HVAC equipment to prevent unintended emissions.
- (i) Scope 3 carbon emissions are a consequence of the activities of the company but occur from sources not owned or controlled by the company. Scope 3 carbon emissions that are currently tracked include emissions from Amgen's commercial business travel (air and rail) and material transportation.
- (j) Commercial business travel was not tracked in 2007 or 2008. Material transportation was not tracked from 2007 to 2011. The accuracy of carbon emissions tracking from chillers, coolers, and HVAC improved in 2013 and will now be reported going forward.

Water

- (k) Immaterial discrepancy between values for total water fate and total water withdrawal is due to rounding and compilation of individual facility totals.

Waste

- (l) Recycling rate is the proportion of waste that is recycled, composted, and reused compared with the total volume of routine, nonhazardous and hazardous waste generated. Diversion from landfill is the proportion of waste that is incinerated (both for energy recovery and not), landfilled, and treated compared with the total routine, nonhazardous waste generated.
- (m) Treatment means the physical, thermal, chemical, or biological processes that change the characteristics of the waste in order to reduce its volume or hazardous nature, facilitate its handling, or enhance recovery.
- (n) Nonroutine waste constitutes waste generated outside the normal operations of our facilities and consists mainly of construction and demolition waste.

Fleet

- (o) Emissions and fuel use avoided are the result of improvements in fleet efficiency from years 2007 through 2012 based on a 2007 baseline, and 2013+ based on a 2012 baseline.

Business Profile

(p) Corporate political contributions represent Amgen Inc.'s US aggregate contributions among those states where these are permissible. Corporate political contributions to certain candidates for state and local elected offices are permissible in accordance with applicable laws and Amgen policy. Outside the US, the rules governing corporate contributions to political parties and/or organizations vary by country. Amgen complies with all applicable laws and regulations in countries in which it has or intends to have a corporate presence or does business. Amgen adheres to a corporate policy that requires internal legal review before any contribution is made. Amgen considers making such contributions, where they are legally permissible, if the funds will be used to support education and engagement on science, technology, and innovation issues. Additional information may be found in the Corporate Governance section at www.amgen.com.

Amgen Inc.**Reconciliation of GAAP Net Income to “Adjusted” Net Income (Unaudited) (\$ in billions)**

Results for the years ended December 31,	2007	2011	2012	2013	2014
GAAP net income	\$3.078	\$3.683	\$4.345	\$5.081	\$5.158
Adjustments to GAAP net income:					
Acquisition-related expenses (a)	0.402	0.342	0.470	1.008	1.546
Restructuring and cost savings initiatives	0.739	0.162	0.347	0.071	0.596
Expense resulting from clarified guidance on branded prescription drug fee (b)					0.129
Stock option expense	0.181	0.085	0.059	0.034	0.016
Expense/(benefit) related to various legal proceedings	0.034	0.786	0.064	0.014	(0.003)
Non-cash interest expense associated with our convertible notes	0.219	0.143	0.140	0.012	-
Write-off of acquired in-process R&D	0.590	-	-	-	-
Write-off of inventory (c)	0.090	-	-	-	-
Other	0.054	-	-	-	-
	2.309	1.518	1.080	1.139	2.284
Tax effect of the above adjustments (d)	(0.491)	(0.331)	(0.329)	(0.376)	(0.717)
Other tax adjustments (e)	(0.092)	(0.012)	0.023	(0.030)	(0.025)
“Adjusted” net income	\$4.804	\$4.858	\$5.119	\$5.814	\$6.700

(q)

Reconciliation of GAAP R&D Expense to “Adjusted” R&D (Unaudited) (\$ in billions)

Results for the years ended December 31,	2007	2011	2012	2013	2014
GAAP R&D expense	\$3.266	\$3.167	\$3.380	\$4.083	\$4.297
Adjustments to GAAP R&D expense:					
Acquisition-related expenses (a)	(0.100)	(0.028)	(0.050)	(0.142)	(0.124)
Stock option expense	(0.083)	(0.035)	(0.022)	(0.012)	(0.003)
Restructuring and cost savings initiatives	(0.019)	(0.012)	(0.012)	-	(0.049)
“Adjusted” R&D expense	\$3.064	\$3.116	\$3.296	\$3.929	\$4.121

Notes

- (a) The expenses related primarily to non-cash amortization of intangible assets acquired in business combinations.
- (b) The adjustment related to the Internal Revenue Service issuing final regulations that required us to recognize an additional year of the non-tax deductible branded prescription drug fee.
- (c) The adjustment related primarily to changing regulatory and reimbursement environments.
- (d) The tax effect of the adjustments between our GAAP and Adjusted results takes into account the tax treatment and related tax rate(s) that apply to each adjustment in the applicable tax jurisdiction(s). Generally, this results in a tax impact at the U.S. marginal tax rate for certain adjustments, including the majority of amortization of intangible assets and non-cash interest expense associated with our convertible notes, whereas the tax impact of other adjustments, including the various legal proceedings, stock option expense and restructuring expense, depends on whether the amounts are deductible in the respective tax jurisdictions and the applicable tax rate(s) in those jurisdictions.
- (e) The adjustments related to resolving certain non-routine transfer-pricing and acquisition-related issues with tax authorities as well as the impact related to certain prior period items excluded from adjusted earnings.

Health and Safety

(r)	Absentee rate is based on US staff members, including full-time, part-time, management, and nonmanagement. Hours recorded for family medical leave are divided by hours staff members were expected to work to calculate the absenteeism rate (percent).
(s)	Injury and illness rate is calculated based on the number of reported Amgen staff member injuries and illnesses beyond first aid. The rate is based on the number of injuries and illnesses per 100 Amgen staff members. Data as of March 2014.
(t)	Lost day case rate is the number of injury and illness cases involving days away from work per 100 Amgen staff members. Data as of March 2014.
(u)	Severity rate is the actual number of days away from work due to injury or illness per 100 Amgen staff members. Data as of March 2014.
(v)	In 2009, we expanded our data tracking to include all contractors that work at our facilities. Previously the 2007 and 2008 data only included contractors working on large capital construction projects.

Compliance

(w)	Environmental notices of violation (NOVs) reported that resulted from agency inspections.
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INDEPENDENT ASSURANCE STATEMENT

Introduction and objectives of work

Bureau Veritas North America, Inc. (BVNA) has been engaged by Amgen to conduct an independent assurance of selected environmental health and safety data included in Amgen's 2014 Environmental Sustainability Report.

This Assurance Statement applies to the related information included within the scope of work described below.

The data presented in Amgen's 2014 Environmental Sustainability Report is the sole responsibility of the management of Amgen. BVNA was not involved in the drafting of the Report. Our sole responsibility was to provide independent verification of the accuracy of selected information included in the Report.

Scope of work

Amgen requested BVNA to verify the accuracy of the following environmental health and safety data summarized in Amgen's Environmental Sustainability Report for the Calendar Year 2014 reporting period:

- Energy Use (Total, Direct and Indirect)
- Greenhouse Gas Emissions (Direct Scope 1 and Indirect Scope 2)
- Water Withdrawal and Fate
- Waste Quantities and Disposition
- Injury and Illness Rate (Number of injuries and illnesses per 100 staff members)
- Lost Day Rate (Number of injuries with days away from work per 100 staff members)
- Severity Rate (Number of days away from work per 100 staff members)
- Number of Environmental Violations

Excluded from the scope of our work is any verification of information relating to:

- Text or other written statements associated with Amgen's 2014 Environmental Sustainability Report
- Activities outside the defined verification period of Calendar Year 2014

Methodology

As part of its independent verification, BVNA undertook the following activities:

1. Interviews with relevant personnel of Amgen regarding data collection and reporting systems;
2. Review of Amgen's data and information systems and methodology for collection, aggregation, analysis and internal audit of information used to determine the environmental data;
3. Review of documentary evidence produced by Amgen;
4. Audit of Amgen's data traced back to the source for facilities located in Cambridge, Massachusetts and Thousand Oaks, California during site visits; and
5. Review of the centralized data, methods for consolidation of site data and site data available in the centralized data management system during a visit to Amgen's headquarters location in Thousand Oaks, California.



Amgen

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Our assurance work was conducted in accordance with the International Standard on Assurance Engagements (ISAE) 3000 and ISO Standard 14064-3 Greenhouse Gases - Part 3: Specification with Guidance for the Validation and Verification of Greenhouse Gas Assertions. In accordance with our internal procedures for limited assurance, we use these as our reference standards.

The work was planned and carried out to provide data verification to a limited assurance level and we believe it provides an appropriate basis for our conclusions.

Our findings

On the basis of our methodology and the activities described above:

- Nothing has come to our attention to indicate that the reviewed information within the scope of our verification is not materially correct.
- Nothing has come to our attention to indicate that the reviewed information is not a fair representation of the actual environmental and health and safety data for calendar year 2014.
- It is our opinion that Amgen has established appropriate systems for the collection, aggregation and analysis of quantitative data, including energy use, direct and indirect GHG emissions, water withdrawal and fate, waste quantities and disposition, injury and illness rate, lost day rate, severity rate and number of environmental violations.
- A summary of data within the scope of assurance for 2014 is attached.

Statement of independence, impartiality and competence

BVNA is part of The Bureau Veritas Group, an independent professional services company that specializes in Quality, Health, Safety, Social and Environmental management with almost 180 years of history in providing independent assurance services, and an annual 2014 revenue of 4.2 Billion Euros.

No member of the verification team has a business relationship with Amgen, its Directors or Managers beyond that required of this assignment. We have conducted this verification independently, and there has been no conflict of interest.

BVNA has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day to day business activities.

Attestation:

Lisa S. Barnes, Lead Verifier
 Technical Director, Climate Change Services
 Bureau Veritas North America, Inc.
 Denver, Colorado

Trevor Donaghu, Project Reviewer
 Senior Project Manager
 Bureau Veritas North America, Inc.
 San Ramon, California

March 31, 2015

Note: See Amgen live site under Performance, Summary of Data, Assurance to review a summary of the data assured.



“As we prepare to launch new medicines for patients suffering from serious illness while expanding the reach of our existing medicines by entering new geographies, we believe it is important that we engage in these activities while remaining committed to sustainability.”

— Robert A. Bradway, Chairman and CEO, Amgen

To view Amgen's full 2014 Environmental Sustainability Report, see environment.amgen.com. We welcome your feedback.

Forward-Looking Statements

This report contains forward-looking statements that involve significant risks and uncertainties, including those related to our environmental sustainability program design; expected environmental sustainability goals, targets, plans, focus areas, savings or progress towards any of the same; current and future R&D, manufacturing, commercialization, infrastructure or other workplace-related processes, improvements or practices; as well as those discussed below and others that can be found in our Form 10-K for the year ended December 31, 2014, and in any subsequent periodic reports on Form 10-Q and Form 8-K. Amgen is providing this information as of March 9, 2015 and does not undertake any obligation to update any forward-looking statements contained in this report as a result of new information, future events or otherwise.

No forward-looking statement can be guaranteed and actual results may differ materially from those we project. The Company's results may be affected by our ability to successfully market both new and existing products domestically and internationally, clinical and regulatory developments (domestic or foreign) involving current and future products, sales growth of recently launched products, competition from other products (domestic or foreign) and difficulties or delays in manufacturing our products. In addition, sales of our products (including products of our wholly-owned subsidiaries) are affected by reimbursement policies imposed by third-party payers, including governments, private insurance plans and managed care providers and may be affected by regulatory, clinical and guideline developments and domestic and international trends toward managed care and healthcare cost containment as well as U.S. legislation affecting pharmaceutical pricing and reimbursement. Government and others' regulations and reimbursement policies may affect the development, usage and pricing of our products. Furthermore, our research, testing, pricing, marketing and other operations are subject to extensive regulation by domestic and foreign government regulatory authorities. We or others could identify safety, side effects or manufacturing problems with our products after they are on the market. Our business may be impacted by government investigations, litigation and product liability claims. If we fail to meet the compliance obligations in the corporate integrity agreement between us and the U.S. government, we could become subject to significant sanctions. Further, while we and our partners routinely obtain patents for our and their products and technology, the protection of our products offered by our patents and patent applications may be challenged, invalidated or circumvented by our or our partners' competitors. We depend on third parties for a significant portion of our manufacturing capacity for the supply of certain of our current and future products and limits on supply may constrain sales of certain of our current products and product candidate development. In addition, we compete with other companies with respect to some of our marketed products as well as for the discovery and development of new products. Discovery or identification of new product candidates cannot be guaranteed and movement from concept to product is uncertain; consequently, there can be no guarantee that any particular product candidate will be successful and become a commercial product. Further, some raw materials, medical devices and component parts for our products are supplied by sole third-party suppliers. Our efforts to integrate the operations of companies we have acquired may not be successful. We may experience difficulties, delays or unexpected costs and not achieve anticipated benefits and savings from our recently announced restructuring plan. Our business performance could affect or limit the ability of the Amgen Inc. Board of Directors to declare a dividend or our ability to pay a dividend or repurchase our common stock.



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In Collaboration with RobecoSAM 



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