Amgen, Inc. - Water Security 2021

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

Amgen is committed to unlocking the potential of biology for patients suffering from serious illnesses by discovering, developing, manufacturing and delivering innovative human therapeutics. This approach begins by using tools like advanced human genetics to unravel the complexities of disease and understand the fundamentals of human biology.

Amgen focuses on areas of high unmet medical need and leverages its expertise to strive for solutions that improve health outcomes and dramatically improve people's lives. A biotechnology pioneer since 1980, Amgen has grown to be one of the world's leading independent biotechnology companies, has reached millions of patients around the world and is developing a pipeline of medicines with breakaway potential.

For more information, visit www.amgen.com and follow us on www.twitter.com/amgen/.

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	January 1 2020	December 31 2020

W0.3

(W0.3) Select the countries/areas for which you will be supplying data.

Brazil
Canada
China
Ireland
Netherlands
Puerto Rico
Singapore
Turkey
United Kingdom of Great Britain and Northern Ireland
United States of America

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

USD

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

Yes

W0.6a

(W0.6a) Please report the exclusions.

Exclusion	Please explain
Water use at small sales offices is excluded.	The scope of our data collection is 17 manufacturing, research and development, and distribution facilities in the United States (including Puerto Rico), Netherlands, U.K., Ireland, Canada, China, Brazil, Singapore and Turkey. These facilities account for approximately 88 percent of our operations based on square footage. Typically, small sales offices are leased and are not under our operational control. Recent acquisitions that have not completed the integration process are not included.

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Vital	Vital	As a raw material, a sustainable good quality water supply is vital for manufacturing our medicines. We respect water as a valuable resource that is essential to our communities and watersheds and to Amgen's business of discovering, developing, and manufacturing innovative medicines. As a result, we strive to optimize our efficient use of water in our operations by annually updating and assessing water balances at our sites. We identify and implement water conservation and reuse strategies where feasible. Similarly, this reliance on sustainable good quality water is vital to our suppliers' and contract manufacturers' ability to produce our raw materials and products. We set expectations with our key suppliers on environmental sustainability through our Supplier Code of Conduct and engage with them through our third-party supplier engagement partner.
Sufficient amounts of recycled, brackish and/or produced water available for use	Important	Important	Due to our reliance on a sustainable supply of good quality water, we strive to optimize our efficient use of water in our operations by annually updating and assessing water balances at our sites. We identify and implement water conservation and reuse strategies into our water intensive systems where feasible. Some examples of these strategies implemented include reuse of reverse osmosis rejected water, return and reuse of steam condensate, and optimizing cycles of concentration on cooling towers. Similarly, this reliance on sustainable good quality water is vital to our suppliers' and contract manufacturers' ability to produce our raw materials and products. We set expectations with our key suppliers on environmental sustainability through our Supplier Code of Conduct and engage with them through our third-party supplier engagement partner.

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	76-99	The scope of our data collection is 17 manufacturing, research and development, and distribution facilities in the United States (including Puerto Rico), Netherlands, U.K., Ireland, Canada, Brazil, China, Singapore and Turkey. These facilities account for approximately 88 percent of our operations based on square footage.
Water withdrawals – volumes by source	76-99	The scope of our data collection is 17 manufacturing, research and development, and distribution facilities in the United States (including Puerto Rico), Netherlands, U.K., Ireland, Canada, Brazil, China, Singapore and Turkey. These facilities account for approximately 88 percent of our operations based on square footage.
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sector]	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>
Water withdrawals quality	26-50	Since high quality water is vital to our manufacturing processes, we monitor the quality of our purchased water supplies at our manufacturing facilities and at other operations where water quality is important.
Water discharges – total volumes	76-99	The scope of our data collection is 17 manufacturing, research and development, and distribution facilities in the United States (including Puerto Rico), Netherlands, U.K., Ireland, Canada, Brazil, China, Singapore and Turkey. These facilities account for approximately 88 percent of our operations based on square footage.
Water discharges – volumes by destination	76-99	The scope of our data collection is 17 manufacturing, research and development, and distribution facilities in the United States (including Puerto Rico), Netherlands, U.K., Ireland, Canada, Brazil, China, Singapore and Turkey. These facilities account for approximately 88 percent of our operations based on square footage.
Water discharges – volumes by treatment method	76-99	The scope of our data collection is 17 manufacturing, research and development, and distribution facilities in the United States (including Puerto Rico), Netherlands, U.K., Ireland, Canada, Brazil, China, Singapore and Turkey. These facilities account for approximately 88 percent of our operations based on square footage.
Water discharge quality – by standard effluent parameters	76-99	The scope of our data collection is 17 manufacturing, research and development, and distribution facilities in the United States (including Puerto Rico), Netherlands, U.K., Ireland, Canada, Brazil, China, Singapore and Turkey. These facilities account for approximately 88 percent of our operations based on square footage.
Water discharge quality – temperature	26-50	We monitor the temperature of our wastewater prior to discharge to municipal sewer systems as required by certain regulatory requirements. We do not discharge directly to surface water bodies.
Water consumption – total volume	76-99	The scope of our data collection is 17 manufacturing, research and development, and distribution facilities in the United States (including Puerto Rico), Netherlands, U.K., Ireland, Canada, Brazil, China, Singapore and Turkey. These facilities account for approximately 88 percent of our operations based on square footage.
Water recycled/reused	76-99	The scope of our data collection is 17 manufacturing, research and development, and distribution facilities in the United States (including Puerto Rico), Netherlands, U.K., Ireland, Canada, Brazil, China, Singapore and Turkey. These facilities account for approximately 88 percent of our operations based on square footage.
The provision of fully-functioning, safely managed WASH services to all workers	100%	At all of our facilities, all personnel are provided with water that is sourced from local drinking water purveyors and that is safe for drinking, sanitation, and hygiene.

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	2353	Higher	Increases in water consumption in 2020 were related to increased manufacturing and clean utilities capabilities in Amgen's US based facilities.
Total discharges	1783	Higher	Increases in water discharges in 2020 were related to increased manufacturing and clean utilities capabilities in Amgen's US based facilities.
Total consumption	570	About the same	Water consumption related to evaporation and irrigation decreased slightly.

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Identification tool	Please explain
Row 1	Yes	26-50	About the same	WWF Water Risk Filter	Using the WWF Water Risk Filter, we assessed our facilities and identified several water stressed areas where water is withdrawn, especially related to physical scarcity. Sites that were indicated as having a Physical Scarcity/Quantity score of >2.5 was considered water stressed.

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Not relevant	<Not Applicable>	<Not Applicable>	We do not withdraw fresh surface water.
Brackish surface water/Seawater	Not relevant	<Not Applicable>	<Not Applicable>	We do not withdraw brackish surface water/seawater.
Groundwater – renewable	Relevant	17.7	Higher	Water is withdrawn from renewable groundwater at two Amgen manufacturing facilities. This water makes up <1% of Amgen's total water withdrawn . In 2019, ~17.2 megaliters were withdrawn from renewable groundwater. The volumes indicated are directly measured.
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	We do not withdraw non-renewable groundwater.
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	We do not have produced/entrained water.
Third party sources	Relevant	2338	Higher	Most of the water we use is purchased from third party municipal sources and these volumes are directly measured. Increases in water consumption in 2020 from third party sources were related to increased manufacturing and clean utilities capabilities in Amgen's US based facilities. In 2021, Amgen set a new 40% water reduction target by 2027. We therefore expect this water withdrawal trend to decrease in the coming years by implementing water efficiency improvements.

W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Not relevant	<Not Applicable>	<Not Applicable>	We do not discharge directly to fresh surface water.
Brackish surface water/seawater	Not relevant	<Not Applicable>	<Not Applicable>	We do not discharge directly to brackish surface water/seawater.
Groundwater	Relevant	162	Lower	Landscape irrigation is discharged directly to the environment. Most of these volumes are directly measured, but some are estimated. The trend is decreasing amounts of irrigation water used due to increasing the efficiency of our irrigation systems and transitioning to more native and drought tolerant landscape vegetation.
Third-party destinations	Relevant	1621	Higher	The majority of our discharged water is treated at municipal Publicly Owned Treatment Works. We used more water in the current reporting period due to increased manufacturing and clean utilities capabilities in Amgen's US based facilities.

W1.2j

(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	Relevant	303	Higher	1-10	Our Puerto Rico facility has biological and reverse osmosis wastewater treatment capability and these treated volumes are directly measured. Tertiary treatment volumes are expected to increase in the coming years as we add biological and reverse osmosis treatment capability to our Singapore manufacturing facility.
Secondary treatment	Relevant	304	Higher	1-10	Our Rhode Island facility has biological treatment capability and these treated volumes are directly measured. Wastewater volumes at our Rhode Island facility increased as we added new and efficient manufacturing capability at the facility.
Primary treatment only	Relevant	1000	Higher	61-70	Many of our facilities have equalization tanks with neutralization capabilities that allows for some settleable solids removal. These systems discharge to municipal wastewater treatment plants.
Discharge to the natural environment without treatment	Relevant	162	Lower	41-50	Landscape irrigation is discharged directly to the environment. Most of these volumes are directly measured, but some are estimated. The trend is decreasing amounts of irrigation water used due to increasing the efficiency of our irrigation systems and transitioning to more native and drought tolerant landscape vegetation.
Discharge to a third party without treatment	Relevant	13	About the same	21-30	Some of our administrative and distribution facilities do not require pre-treatment prior to discharge to POTW.
Other	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	

W1.4

(W1.4) Do you engage with your value chain on water-related issues?

Yes, our suppliers

W1.4a

(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

Row 1

% of suppliers by number

26-50

% of total procurement spend

51-75

Rationale for this coverage

Amgen expects our suppliers to conduct their business in alignment with our mission and values. Amgen's Supplier Sustainability Program is focused on our suppliers' commitment to sustainability and social responsibility in line with our Supplier Code of Conduct. Amgen, through a third-party supplier engagement service, annually assesses and monitors sustainability performance of key suppliers prioritized by procurement spend and continues to expand the program. This annual assessment provides Amgen insights into our key suppliers' sustainability-related activities and facilitates a dialogue with suppliers about opportunities to further enhance or focus their sustainability activities. This includes that they operate in an environmentally responsible and efficient manner to minimize adverse impacts on the environment. These key suppliers are encouraged to conserve natural resources, to engage in reuse and recycling programs, and where possible, to avoid the use of hazardous materials.

Impact of the engagement and measures of success

The Supplier Sustainability Performance Assessment, conducted by an independent third party, provides the basis for increased understanding of suppliers' performance across a wide range of issues, including management of water issues, while ensuring that these key suppliers are aware of our sustainability performance expectations. Results of the Assessment facilitate a dialogue with suppliers about areas where performance improvement should be focused. The long-term goal is to improve the sustainability performance of our strategic suppliers, including their management of water.

Comment

W1.4b

(W1.4b) Provide details of any other water-related supplier engagement activity.

Type of engagement
Onboarding & compliance

Details of engagement
Requirement to adhere to our code of conduct regarding water stewardship and management

% of suppliers by number
76-100

% of total procurement spend
76-100

Rationale for the coverage of your engagement
Amgen's global network of suppliers is not only important to our ability to provide high-quality medicines reliably and efficiently, it also represents an opportunity to extend our ability to positively impact the communities and environments in which we operate. Recognizing the importance of our relationships with suppliers to achieve our mission, we have a Supplier Sustainability Program that is designed to monitor our key suppliers' sustainability performance against a wide range of sustainability and Corporate Social Responsibility considerations, in such areas as business ethics, labor and human rights, and environmental impacts, as outlined in our Supplier Code of Conduct.

Impact of the engagement and measures of success
Amgen requires all suppliers to adhere to Amgen's Supplier Code of Conduct. This requirement is incorporated into our sourcing processes, contracts and onboarding of suppliers. Amgen's Supplier Code of Conduct states that suppliers shall reduce their environmental footprint through minimizing their use of natural resources and the environmental impact of their activities. In addition, suppliers shall comply with all applicable environmental regulations, laws, codes, and other governmental requirements and authorizations. Suppliers shall obtain and follow all associated operational and reporting requirements of required environmental permits, licenses, registrations and restrictions.

Comment

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?
No

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?
No

W3. Procedures

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?
Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Direct operations

Coverage
Partial

Risk assessment procedure
Water risks are assessed as part of an enterprise risk management framework

Frequency of assessment
Annually

How far into the future are risks considered?
1 to 3 years

Type of tools and methods used
Tools on the market
Enterprise Risk Management
Other

Tools and methods used
WRI Aqueduct
WWF Water Risk Filter
Other, please specify (Internal enterprise risk management assessments are performed annually using internal processes and procedures. In addition, we perform risk assessments on new and existing water supply, wastewater treatment, and chemical handling systems.)

Comment

Supply chain

Coverage
Partial

Risk assessment procedure
Water risks are assessed as part of other company-wide risk assessment system

Frequency of assessment
Annually

How far into the future are risks considered?
1 to 3 years

Type of tools and methods used
Other

Tools and methods used
Internal company methods

Comment
Amgen assesses water related risks of our key supplier's operations through our third party supplier engagement service provider.

Other stages of the value chain

Coverage
None

Risk assessment procedure
<Not Applicable>

Frequency of assessment
<Not Applicable>

How far into the future are risks considered?
<Not Applicable>

Type of tools and methods used
<Not Applicable>

Tools and methods used
<Not Applicable>

Comment

W3.3b

(W3.3b) Which of the following contextual issues are considered in your organization's water-related risk assessments?

	Relevance & inclusion	Please explain
Water availability at a basin/catchment level	Relevant, always included	We consider water availability to be a highly contextual issue for our operations because water availability is critical to our operations. Water availability at the basin/catchment level is assessed using the WWF Water Risk Filter and WRI Aqueduct tools. It is important for us to understand how our operations impact the local water basin and how our water conservation efforts can benefit the water basin.
Water quality at a basin/catchment level	Relevant, always included	We consider water quality to be a highly contextual issue for our operations because high quality water is critical to our operations. Incoming water quality can impact our production processes and wastewater effluent quality. We monitor our wastewater effluent and maintain wastewater treatment processes to ensure that the water we discharge does not impact the water quality of the basin. Water quality at the basin/catchment level is assessed using the WWF Water Risk Filter and WRI Aqueduct tools.
Stakeholder conflicts concerning water resources at a basin/catchment level	Relevant, sometimes included	Location specific stakeholder conflicts, where applicable, concerning water resources at a basin/catchment level are monitored and considered. For example, some locations have agricultural industry stakeholders that are sensitive to chlorides because they draw water supply from watersheds that are fed partially by the POTW effluent. Also, in water stressed basins, Amgen focuses water conservation efforts at our sites located in those stressed basins.
Implications of water on your key commodities/raw materials	Relevant, always included	Sustainable sources of good quality water are critical to our manufacturing operations and medicinal products. We monitor our water supplies in our assessments for emerging contaminants and potential water supply concerns.
Water-related regulatory frameworks	Relevant, always included	We monitor water-related regulatory frameworks globally for proposed changes, regulatory trends, technology trends, and emerging public concerns. We stay informed and participate in pharmaceutical industry environmental working groups.
Status of ecosystems and habitats	Relevant, always included	We monitor our wastewater effluent characteristics to ensure that we meet local effluent limits. Beyond that, we also work to understand how our wastewater effluent is treated by the local POTW and whether residual constituents could negatively impact the watershed ecosystems and habitats.
Access to fully-functioning, safely managed WASH services for all employees	Relevant, always included	Staff are provided with safe water for drinking, sanitation and hygiene and this water is sourced from local drinking water purveyors. We assess the water availability and quality of the water withdrawn from basins in which we operate.
Other contextual issues, please specify	Relevant, sometimes included	We are aware that our operations have an impact on the water basins that we operate within and that we need to understand the interconnectedness of the other stakeholders that rely on the water basin. We have begun to engage with stakeholders in our water stressed basins that we operate within and plan to increase that engagement in the coming years. We hope to work collectively to protect these important water resources.

W3.3c

(W3.3c) Which of the following stakeholders are considered in your organization's water-related risk assessments?

	Relevance & inclusion	Please explain
Customers	Relevant, always included	We monitor water supplies to ensure that we source safe drinking water which is a key raw material in the manufacture of our human therapeutic products.
Employees	Relevant, always included	We monitor water supplies to ensure that we provide safe drinking water and WASH services. We engage our employees through environmental outreach communications and activities to encourage environmental stewardship including water conservation.
Investors	Relevant, always included	We are keenly aware that investor stakeholders are concerned about ensuring a safe and sustainable supply of drinking water. To that end, we recently set a 2027 target to reduce water consumption by 40% and are executing plans to achieve those targets. We also assess and design robust wastewater treatment systems to ensure compliant wastewater effluent.
Local communities	Relevant, always included	We have water conservation strategies in place to limit our impact on local communities where we operate. We engage with our local communities by leading environmental conservation outreach activities through events such as Earth Day and International Coastal Cleanup Day.
NGOs	Relevant, sometimes included	We are keenly aware that NGO stakeholders are concerned about ensuring a safe and sustainable supply of drinking water. To that end, we recently set a 2027 target to reduce water consumption by 40% and are executing plans to achieve those targets. We also assess and design robust wastewater treatment systems to ensure compliant wastewater effluent.
Other water users at a basin/catchment level	Relevant, always included	We are aware that we share the watersheds in which we operate with our communities and that we have a responsibility to use water efficiently and do our part to preserve water quality in the watershed. We have begun to engage with local water purveyors and water users to explore water reduction and water treatment opportunities together.
Regulators	Relevant, always included	We value our relationships with our local water regulatory agencies and work together with them to achieve safe and compliant wastewater effluent. We monitor emerging contaminants and proposed regulation changes, as well as innovative water treatment technologies.
River basin management authorities	Relevant, sometimes included	Some of our operating locations draw on water from or discharge to river basins managed by river basin management authorities. We value our relationships with our local water regulatory agencies and work together with them to achieve safe and compliant wastewater effluent. We monitor emerging contaminants and proposed regulations, as well as innovative water treatment technologies.
Statutory special interest groups at a local level	Not relevant, included	To the extent that statutory special interest groups raise concern about water, we integrate that into our decision-making and analyses.
Suppliers	Relevant, always included	Our Supplier Sustainability Program is designed to establish our expectations that our key suppliers not only address quality, cost and reliability requirements, but also a wide range of sustainability considerations, including environmental impacts.
Water utilities at a local level	Relevant, always included	We value our relationships with our local water utilities and work together with them to ensure that we achieve safe and compliant wastewater effluent. We monitor emerging contaminants and proposed regulation changes, as well as innovative water treatment technologies. We have also begun to engage with local water purveyors to explore water reduction and water treatment opportunities together.
Other stakeholder, please specify	Not relevant, included	The stakeholders listed above are our key stakeholders, however, we continue to consider other stakeholders as they are identified.

W3.3d

(W3.3d) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

Amgen determines water-related risks by assessing the availability of sufficient water supply and water quality necessary to support our long-term direct business operations and the beneficial uses of the watersheds in which we operate. Amgen utilizes water risk assessment tools including World Resources Institute (WRI) Aqueduct and World Wildlife Fund (WWF) Water Risk Filter to assess water-related risks. Based upon the results of these risk assessments, we prioritize and develop water reduction plans in those locations indicating the highest risk. In January 2021, we announced a 2027 global target to reduce water consumption by 40% from a 2019 baseline. We are focusing those reduction efforts in the most water stressed regions where we operate. We communicate expectations to our key suppliers' water risks through our Supplier Code of Conduct, and engagement through our relationship with a third party service provider. On an annual basis we identify and assess water-related risks to our operations such as droughts and impacts to water quality. Identified risks are evaluated based on their potential for financial and operational impact, their probability and the expected time horizon and compared cross-functionally through Amgen's Enterprise Risk Management process. The impact severity can be inferred from the estimation of magnitude, frequency and duration of adverse events. The estimated impact of each risk drives corresponding action which may include risk management activities ranging from water infrastructure efficiency initiatives, water supply monitoring, and water conserving operational controls. As appropriate, water-related risks and their financial or operational impact are included in our annual 10-K statement.

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

No

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

Amgen transforms new ideas and discoveries into medicines for patients with serious illnesses and our mission is to supply every patient, every time. To deliver on this mission we rely on functions working together to bring molecules from the R&D pipeline into process development then the manufacturing supply chain and to market where continued product safety and surveillance is done while ensuring value and access. Some risks that negatively impact our ability to perform these steps in our core business could be substantive.

Annually, functions are asked to perform a bottom-up exercise to identify the risks that could impede their key deliverables. Risks are evaluated based on the potential severity of impact in dollars and likelihood of occurrence. Risks above an identified impact threshold are aggregated across functions and consolidated into major themes. This roll-up constitutes the enterprise-wide risks that are mitigated and monitored to support our ability to continue to deliver on our mission.

W4.2b

(W4.2b) Why does your organization not consider itself exposed to water risks in its direct operations with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	As we evaluate water risk at our facilities through our enterprise risk management process, we have not currently identified water-related risks that meet the threshold that could potentially cause a substantive impact. This is, in part, due to the resiliency Amgen has built into our manufacturing network. Our potential risk is monitored annually. Although water related risks do not currently meet our substantive impact threshold, we take these risks very seriously and have set aggressive targets to reduce water consumption by an additional 40% by 2027 from our 2019 baseline year.

W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	As we evaluate water risk in our supply chain through our enterprise risk management process, we have not currently identified water-related risks that meet the threshold that could potentially cause a substantive impact. We continue to assess our suppliers through our third party supplier engagement partner and review our potential risk annually.

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity
Efficiency

Primary water-related opportunity
Improved water efficiency in operations

Company-specific description & strategy to realize opportunity
We seek opportunities to use new technologies and approaches to use water more efficiently company-wide, such as: •Installing water-efficient fixtures for restrooms, breakrooms and other facilities. •Planting drought tolerant landscaping. •Integrating smart irrigation technology and water-wise irrigation. •Upgrading equipment and systems in central utilities. A highlight in 2020 includes implementation of a new reverse osmosis system that has reduced water consumption by approximately 30% as compared to the older reverse osmosis system that it replaced. •Recycling water at selected sites. Our facility in Puerto Rico has a wastewater treatment and reuse plant on site. •Pioneering Next-Generation Biomanufacturing technologies and facilities that conserve significant amounts of water. Our next-generation biomanufacturing plant in Singapore uses a fraction of the energy and water in manufacturing when compared with the manufacture of the same amount of product in a traditional facility. In 2020, we completed construction of our second such plant in Rhode Island. As a further example, we completed an exhaustive water assessment at several of our sites including our headquarters in Southern California to seek greater opportunities for conservation in our drought-prone locations. In addition to assessing data from water meters, we also walked down and visually inspected water use systems throughout our sites and identified many opportunities to conserve water. In January 2021, we communicated a plan to achieve an additional 40% reduction in water consumed by 2027.

Estimated timeframe for realization
4 to 6 years

Magnitude of potential financial impact
Low-medium

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact
This figure represents approximate cost savings (USD) from water reduction projects during the course of our 2020 to 2027 environmental sustainability plan.

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?
Yes, we have a documented water policy, but it is not publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	Description of business dependency on water Description of business impact on water Description of water-related performance standards for direct operations Company water targets and goals Commitments beyond regulatory compliance Commitment to water-related innovation Commitment to stakeholder awareness and education Commitment to water stewardship and/or collective action	While our water policy focuses mainly on water management and compliance, our Environmental Sustainability Policy includes a commitment to setting water targets, commitments beyond regulatory compliance, incorporating innovation and efficiency, awareness and education and commitment to water stewardship.

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual	Please explain
Board-level committee	The Corporate Responsibility and Compliance Committee of Amgen's Board of Directors oversees Amgen's Environmental, Social, and Governance (ESG) activities and receives briefings on the company's environmental sustainability plan and activities. Chief Executive Officer direct reports have overall responsibility for review of company activities related to our 2027 Environmental Sustainability Plan.
Chief Executive Officer (CEO)	Amgen's 2027 Environmental Sustainability Plan is endorsed and reviewed by Amgen's Chief Executive Officer (CEO) and CEO's direct reports.

W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - all meetings	Monitoring implementation and performance Reviewing and guiding major plans of action Reviewing and guiding strategy Reviewing and guiding corporate responsibility strategy	The Corporate Responsibility and Compliance Committee of the Board conducts an annual review of the company's sustainability progress, plans and initiatives. This includes review of the progress towards meeting our 2027 water reduction target, as well as broader sustainability strategy.

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)
Other committee, please specify (Environmental, Social, and Governance (ESG) Council)

Responsibility
Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues
More frequently than quarterly

Please explain
The ESG Council brings together senior executives from various functions to review ESG opportunities and progress, including toward Amgen's 2027 environmental sustainability plan. The ESG Council meets every two months.

Name of the position(s) and/or committee(s)
Sustainability committee

Responsibility
Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues
Quarterly

Please explain
The Environmental Sustainability Initiative Steering Committee (ISC) includes representation by leaders from a wide cross section of company functions and provides guidance on the implementation of Amgen's 2027 environmental sustainability plan.

Name of the position(s) and/or committee(s)
Other, please specify (Vice President of Engineering)

Responsibility
Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues
More frequently than quarterly

Please explain
Amgen's Vice President of Engineering has overall responsibility for our environmental sustainability strategy and execution.

Name of the position(s) and/or committee(s)
Other, please specify (Operations Management review led by senior vice president of operations)

Responsibility
Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues
Quarterly

Please explain
This team monitors progress toward the 2027 Environmental Sustainability (ES) Plan and external commitments such as environmental targets and makes decisions regarding the 2027 ES Plan.

Name of the position(s) and/or committee(s)
Other, please specify (Manufacturing Leadership Team led by Senior Vice President of Manufacturing)

Responsibility
Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues
Quarterly

Please explain
This team monitors progress toward the 2027 Environmental Sustainability (ES) Plan and external commitments, such as environmental targets and makes decisions regarding the 2027 ES Plan.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	Yes	Environmental, Social, and Governance goals are part of our Global Management Incentive Program with award opportunities available to named executive officers.

W6.4a

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

	Role(s) entitled to incentive	Performance indicator	Please explain
Monetary reward	Corporate executive team	Reduction in consumption volumes	Our Corporate executive team is incentivized on attainment of annual environmental sustainability targets, including water reduction, carbon reduction, and waste reduction.
Non-monetary reward	Other, please specify (All Amgen employees)	Reduction of water withdrawals Reduction in consumption volumes Improvements in efficiency - direct operations Improvements in waste water quality - direct operations Implementation of water-related community project	Amgen annually selects both Excellence in Operations award recipients and Global Environmental Champion award recipients. These two programs recognize individuals and teams whose projects, initiatives, and behaviors represent exceptional efforts toward improving environmental sustainability at Amgen and in their personal lives.

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

Yes, trade associations

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

The Director of Environment and Sustainability and the Global Water Program Manager own Amgen's water policy and water commitments. They are also the responsible individuals who engage directly with trade organizations who at times may seek to influence water related policy.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

No, but we plan to do so in the next two years

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	5-10	As part of our 2027 Environmental Sustainability Plan, we have set a 2027 target to reduce water usage by 40% of our 2019 baseline.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	5-10	As part of our 2027 Environmental Sustainability Plan, we have set a 2027 target to reduce water usage by 40% of our 2019 baseline. In 2017, the U.S. Food and Drug Administration licensed Amgen's pioneering next-generation biomanufacturing plant in Singapore for commercial production of biologic drug substance. The plant's modular, flexible design fits in a smaller footprint than a conventional plant and boasts more environmentally friendly technology. Compared with the manufacture of the same amount of product in a traditional facility, the plant has so far demonstrated annualized water reductions of approximately 54%. This plant supports the consistent supply of safe and effective medicines to patients who need them. In 2020, Amgen completed construction of our second such plant in Rhode Island.
Financial planning	Yes, water-related issues are integrated	5-10	As part of our 2027 Environmental Sustainability Plan, we have set a 2027 target to reduce water usage by 40% of our 2019 baseline. A Capital and Operating expense budget is included in Amgen's approved 2027 Environmental Sustainability plan.

W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)
20

Anticipated forward trend for CAPEX (+/- % change)
50

Water-related OPEX (+/- % change)
20

Anticipated forward trend for OPEX (+/- % change)
50

Please explain
In 2020, Amgen was completing our 2020 water reduction targets and beginning to develop projects for our 2027 water target to reduce water consumption by 40% from our 2019 baseline. Financial budgets related to achieving this target have been allocated and we anticipate that CAPEX and OPEX will increase fairly substantially in the next reporting year and throughout the 2027 Environmental Sustainability Plan.

W7.3

(W7.3) Does your organization use climate-related scenario analysis to inform its business strategy?

	Use of climate-related scenario analysis	Comment
Row 1	No, but we anticipate doing so within the next two years	Amgen currently employs a robust enterprise risk management process to assess physical and transitional risks and opportunities associated with climate change. In the next two years, we anticipate the formal use of scenario analysis to enhance our understanding of transitional risk and inform our business strategy.

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?
No, but we are currently exploring water valuation practices

Please explain
We understand that water supplies are becoming more scarce around the world. We also know that currently the direct cost of purchasing water at our facilities is relatively inexpensive, but when factoring the cost of processing and pumping high purity water, it becomes much more costly. By reducing water consumption and increasing water efficiency in our operations, we can manage risks associated with increasing costs of water and water scarcity issues.

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and goals	Targets are monitored at the corporate level	We have set a 2027 company-wide water target to reduce water consumption by 40% from our 2019 baseline. To support achieving this, annual and facility-specific targets are set. At the corporate level, we monitor progress toward achieving those targets on a quarterly basis using an internal electronic tracking system and we communicate that progress up through and across the organization.

W8.1a

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

Target reference number
Target 1

Category of target
Water consumption

Level
Company-wide

Primary motivation
Reduced environmental impact

Description of target
As part of our 2027 Environmental Sustainability Plan, we have set a 2027 target to reduce water consumption by 40% of our 2019 baseline. This equates to a water reduction of 858,500 cubic meters.

Quantitative metric
% reduction in total water consumption

Baseline year
2019

Start year
2021

Target year
2027

% of target achieved
1

Please explain
In January 2021, Amgen announced our 2027 Environmental Sustainability Plan. This plan includes a 40% water reduction target by 2027 from our 2019 baseline. We plan to achieve this ambitious water reduction target through water efficiency initiatives and application of innovative technologies.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?
Yes

W9.1a

(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

Disclosure module	Data verified	Verification standard	Please explain
W1 Current state	Water withdrawal, water fate and percentage of water recycled. Water fate includes: consumed into products, lost to evaporation, discharged to treatment, discharged to environment and recycled.	ISAE 3000	Amgen annually engages a third party to conduct an independent assurance of selected environmental data. The statement regarding 2020 data is available on amgen.com at: https://wwwext.amgen.com/-/media/Themes/CorporateAffairs/amgen-com/amgen-com/downloads/responsibility-report/amgen-env-data-assurance-statement-2020.pdf?la=en&hash=F0CA9F9A77C55D1069566E541ED5FE8A

W10. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

This response contains forward-looking statements that are based on the current expectations and beliefs of Amgen. All statements, other than statements of historical fact, are statements that

could be deemed forward-looking statements, including estimates of revenues, operating margins, capital expenditures, cash, other financial metrics, expected legal, arbitration, political,

regulatory or clinical results or practices, customer and prescriber patterns or practices, reimbursement activities and outcomes and other such estimates and results. Forward-looking

statements involve significant risks and uncertainties, including those discussed below and more fully described in the Securities and Exchange Commission reports filed by Amgen, including our

most recent annual report on Form 10-K and any subsequent periodic reports on Form 10-Q and current reports on Form 8-K. Unless otherwise noted, Amgen is providing this information as of the date of

this response and does not undertake any obligation to update any forward-looking statements contained in this document 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. Our results may be affected by our ability to successfully market both new and existing

products domestically and internationally, clinical and regulatory developments involving current and future products, sales growth of recently launched products, competition from other products

including biosimilars, difficulties or delays in manufacturing our products and global economic conditions. In addition, sales of our products are affected by pricing pressure, political and

public scrutiny and 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. 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, including

our devices, after they are on the market. Our business may be impacted by government investigations, litigation and product liability claims. In addition, our business may be impacted

by the adoption of new tax legislation or exposure to additional tax liabilities. 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 routinely obtain patents for our products and technology, the protection offered by our patents and patent

applications may be challenged, invalidated or circumvented by our competitors, or we may fail to prevail in present and future intellectual property litigation. We perform a substantial amount of

our commercial manufacturing activities at a few key facilities, including in Puerto Rico, and also depend on third parties for a portion of our manufacturing activities, and limits on supply may

constrain sales of certain of our current products and product candidate development. We rely on collaborations with third parties for the development of some of our product candidates and for the

commercialization and sales of some of our commercial products. In addition, we compete with other companies with respect to many of our marketed products as well as for the discovery and

development of new products. Discovery or identification of new product candidates or development of new indications for existing products cannot be guaranteed and movement from concept to product

is uncertain; consequently, there can be no guarantee that any particular product candidate or development of a new indication for an existing product 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. Certain of our distributors, customers and payers have

substantial purchasing leverage in their dealings with us. The discovery of significant problems with a product similar to one of our products that implicate an entire class of products could have

a material adverse effect on sales of the affected products and on our business and results of operations. Our efforts to acquire other companies or products and to integrate the operations of

companies we have acquired may not be successful. A breakdown, cyberattack or information security breach could compromise the confidentiality, integrity and availability of our systems and our

data. Our stock price is volatile and may be affected by a number of events. Our business performance could affect or limit the ability of our Board of Directors to declare a dividend or

our ability to pay a dividend or repurchase our common stock. We may not be able to access the capital and credit markets on terms that are favorable to us, or at all.

W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Director Environment, Health, Safety, and Sustainability	Environment/Sustainability manager

W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

No

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission
I am submitting my response	Investors	Public

Please confirm below

I have read and accept the applicable Terms