



# SUPPLIER SUSTAINABILITY PROGRAM GUIDE

Partners in a Healthier Tomorrow



# AMGEN'S MISSION IS TO SERVE PATIENTS

Our aspiration is to be the world's best human therapeutics company.



**25,000+**

**EMPLOYEES**



**~100**

**MARKETS**



**MILLIONS**

**PATIENTS REACHED ANNUALLY**

Making a positive difference in the world is at the heart of what we do at Amgen – and it goes beyond making vital medicines. We are working to help build a better world by focusing on environmental, social, and governance (ESG) topics that matter most to our business and to our stakeholders.



Our suppliers play an important role in helping us deliver on our mission while improving our collective environmental and social impact to strengthen the communities we serve.



# ESG AT AMGEN

Amgen's approach to corporate responsibility starts with our mission to serve patients and is executed through our ESG framework. Amgen's ESG framework is built on four strategic pillars that address the interconnectivity of issues across our business, helping us integrate these activities more closely with our long-term strategy.



## Healthy PEOPLE

We focus on removing barriers that limit access to healthcare so that people can live their healthiest lives.

Access to Medicines

Health Equity

Corporate Philanthropy



## Healthy SOCIETY

We work toward a more just society for our employees and the people we serve.

Diversity, Inclusion & Belonging

Supplier Diversity



## Healthy PLANET

We prioritize sustainability and aim to minimize our environmental impact to preserve natural resources for generations to come.

 Environmental Sustainability

### RESPONSIBLE SOURCING:

 Supplier Sustainability

Ethical Research



## A Healthy AMGEN

We hold ourselves to high standards in our operations and continually strive to reflect Amgen values in our culture, products, and strategy.

Business Ethics

Governance

While **Environmental Sustainability** assesses and monitors the sustainability efforts of Amgen's operations,

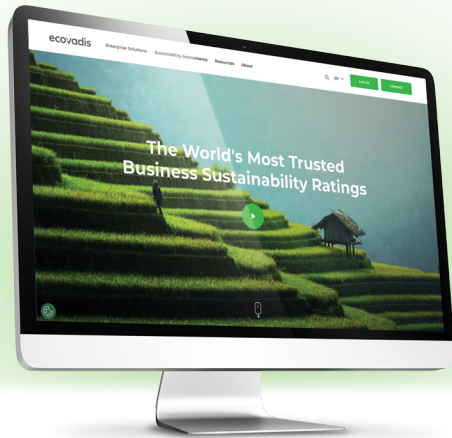


**Supplier Sustainability** focuses on the sustainability efforts of **our supply chain—which is where you, our valued supplier, come in.**

# Healthy Planet

## SUPPLIER SUSTAINABILITY

A global program designed to ensure that our suppliers not only address quality, cost, and reliability requirements, but also ethical, environmental, and social considerations aligned with our [Supplier Code of Conduct](#).



Amgen uses EcoVadis, a leading global sustainability ratings provider, to evaluate our suppliers' commitment to sustainability across four key topics:



Business Ethics



Labor & Human Rights



Environment



Sustainable Procurement

**EcoVadis membership provides suppliers with:**

- A scorecard detailing sustainability strengths and opportunities for improvement
- Ability to share scorecard with unlimited number of customers
- Training and tools to manage and improve sustainability performance

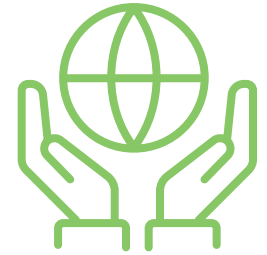


Supplier Sustainability and Environmental Sustainability are working in partnership to deliver on Amgen's 2027 Environmental Sustainability goals.



# Healthy Planet

# ENVIRONMENTAL SUSTAINABILITY



Amgen is committed to environmentally responsible operations, striving to reduce our environmental impact for future generations by setting regular improvement targets. **By 2027, our goals include:**



Investing in sustainability can enhance efficiency, create value, and lower costs, increasing overall resilience.

\*In our operations; based on 2019 baseline



## Healthy Planet

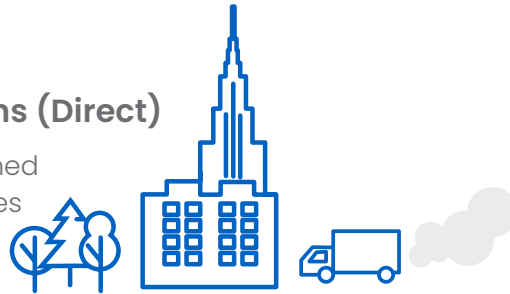
# REDUCING CARBON EMISSIONS

We have targets approved by the **Science Based Targets initiative (SBTi)** to reduce our Scopes 1 and 2 Greenhouse Gas (GHG) emissions in alignment with climate science and a Scope 3 supplier engagement target.

## SCOPE 1

### Scope 1 Emissions (Direct)

Emissions from owned or controlled sources (combustion of fuels onsite)



### What is the SBTi?

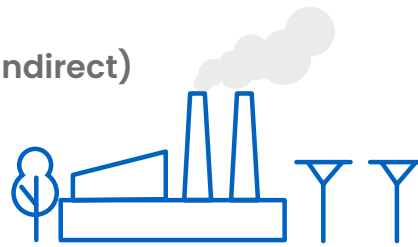
The SBTi is a partnership between the CDP (formerly, Carbon Disclosure Project), the United Nations Global Compact, World Resources Institute (WRI), and the World Wide Fund for Nature (WWF).

SBTi drives ambitious climate action in the private sector by enabling organizations to set science-based emission reduction targets.

## SCOPE 2

### Scope 2 Emissions (Indirect)

Emissions from the generation of energy (purchased electricity or steam)



### What are Science-Based Targets (SBTs)?

SBTs are carbon emission reduction targets that are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement—**limiting global warming to 1.5°C above pre-industrial levels.**

## SCOPE 3

### Scope 3 Emissions (Supplemental)

Emissions from supplemental sources such as purchased goods and services and commercial business travel



## Healthy Planet

# DRIVING CLIMATE ACTION

Our SBTi commitment includes a Scope 3 supplier engagement target.

# SCOPE 3



(Supplemental)

### Our Approach

- Addressing our Scope 3 emissions by engaging with **73% of our suppliers by spend representing upstream purchased goods and services and capital goods to set SBTs by 2027**
- Working through our supplier sustainability program and with our industry peers to encourage, educate, and support suppliers in setting science-based targets
- Participating in **Energize**, a program which aims to accelerate the adoption of renewable energy and reduce GHG emissions among pharmaceutical suppliers  
[Learn more about Energize here](#)
- Participating in **Converge**, a My Green Lab initiative to leverage the combined influence of the pharmaceutical industry in realizing the vision of a sustainable culture within every supplier lab.  
[Explore further details about Converge here](#)
- Tracking suppliers' SBTs and commitment to the SBTi



Scope 3 emissions from our value chain represent the majority of Amgen's total carbon emissions.



## Healthy Planet

# WHAT DOES OUR SBTi COMMITMENT MEAN FOR OUR SUPPLIERS?

We expect you to set Science-Based Targets (SBTs).

### What qualifies as SBTs?

- A public commitment or statement to reduce carbon emissions, and,
- Percent annual carbon reductions (Scopes 1 & 2) aligned with climate science, and,
- If Scope 3 emissions represent 40% or more of supplier's total carbon footprint, a Scope 3 commitment is also recommended

### What makes an SBT climate-science aligned?

- To keep global warming temperatures below 1.5°C**, suppliers will commit to a 4.2% linear reduction rate for carbon emissions (minimum requirement for Scopes 1 & 2)
- A company's Scope 3 strategy via supplier engagement or absolute carbon reduction must **cover 67% of total Scope 3 carbon footprint**





## Healthy Planet

# WHAT ABOUT SMALL AND MEDIUM SIZED ENTERPRISES (SMEs)?

We expect SMEs to set targets using the SBTi's process for SMEs.

### What qualifies as an SME?

- A nonsubsidiary, independent company with fewer than 500 employees, not including financial institutions oil and gas companies

### What is the streamlined target validation route?

The SBTi has established a streamlined route that enables SMEs to bypass initial stages and immediately set science-based targets by choosing from predefined target options. Unlike larger companies, the near-term option does not require SMEs to set targets for their Scope 3 emissions; however, SMEs must commit to measure and reduce their Scope 3 emissions

### What are target options for SMEs?

- Near-term science-based targets are absolute Scope 1 and 2 GHG emissions reduction or maintenance targets that should be achieved by 2030, from a predefined base year

**Streamlined Target Validation Route**

Transparency

Report



## How to get started

# OUR PATHWAY TO SUCCESS

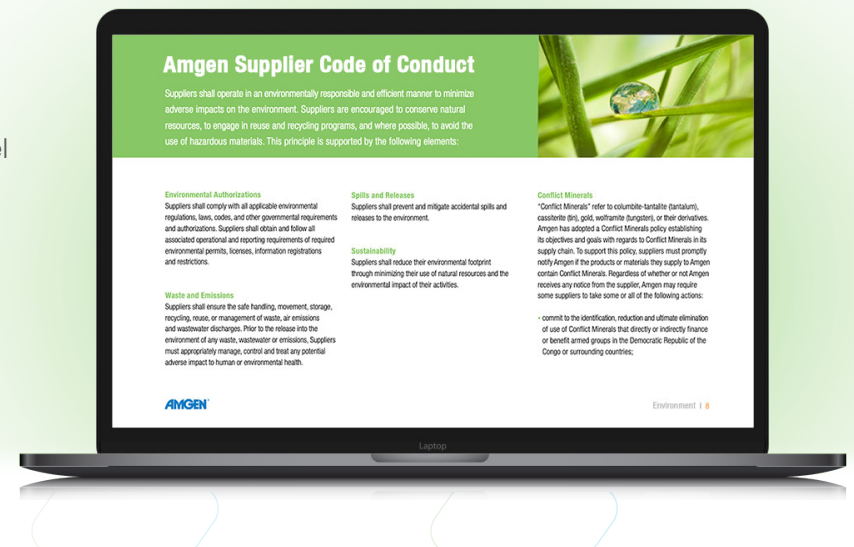
## STEP 1

### Review, share, and adhere to Amgen's Supplier Code of Conduct

Compliance with Amgen's Supplier Code of Conduct (SCOC) is required from all Amgen suppliers. It aligns with the Principles of the Pharmaceutical Supply Chain Initiative (PSCI) and global regulations, establishing high-level performance expectations for our suppliers globally.

The SCOC is embedded into Amgen's Source to Pay Process and included in:

- Purchase Order Terms & Conditions
- Contract templates



**Familiarize yourself with Amgen's SCOC by reviewing it [here](#)**

Then, review and share the SCOC, available in 10+ languages, with your business stakeholders, leaders, and key team members to ensure understanding of expectations.



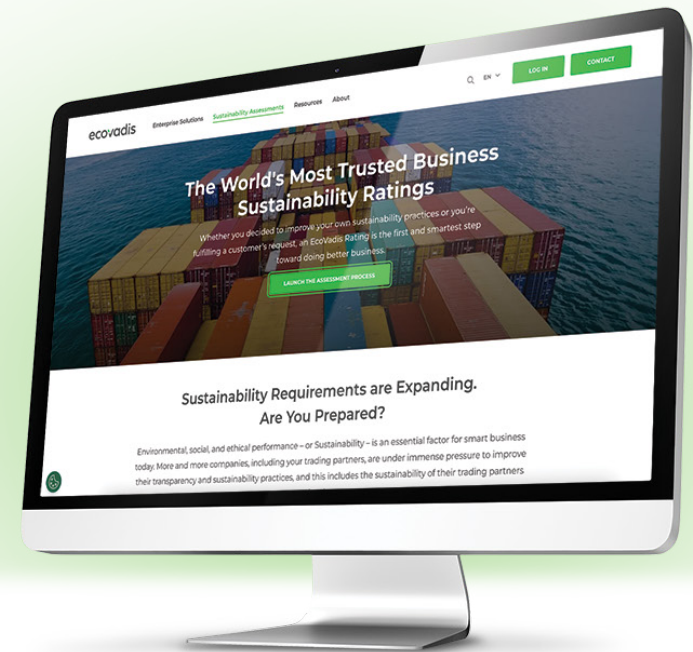
## How to get started

# OUR PATHWAY TO SUCCESS

## STEP 2

Register with EcoVadis, complete an annual assessment, and share your sustainability scorecard

- Register** your company with EcoVadis\*
- Complete a sustainability assessment and carbon questionnaire customized to your company's size, industry, and geographical location
- Achieve an overall score of 45 or better
  - Suppliers scoring below 45 are expected to address high priority improvement areas identified in the scorecard and increase their score to 45 or better on their next assessment (following year)
  - Suppliers scoring 45 or better should leverage their scorecard to prioritize areas for continuous improvement
- Explore the e-learning tools available on the EcoVadis platform
- Share your EcoVadis scorecard with Amgen
- Reach out to [EcoVadis Help Center](#)



\* EcoVadis charges a nominal membership fee based on your company size.



## How to get started

# OUR PATHWAY TO SUCCESS

## STEP 3

### Set Science-Based Targets (SBTs)

How to develop SBTs:

1. **Register** with the SBTi and submit a letter to commit to setting science-based targets, or to having your existing targets independently verified
2. **Develop** targets in line with current [science-based criteria](#)
3. **Submit** your targets for validation by the SBTi
4. **Communicate** your targets and inform your stakeholders (including Amgen)
5. **Disclose** progress made towards your science-based targets (upon request)



Get started with setting your SBTs!

Review the **step-by-step process for setting your SBTs** [here](#)

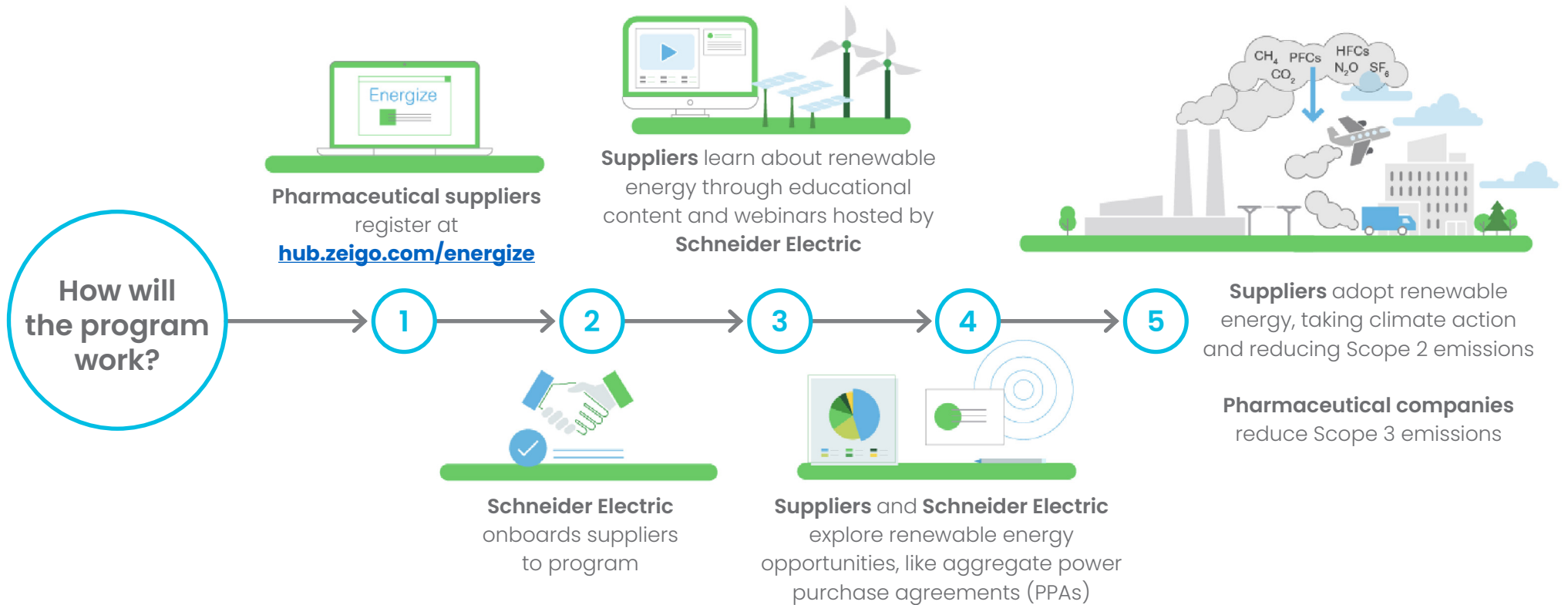


# APPENDIX



# ENERGIZE

A program to increase access to renewable energy for pharmaceutical supply chains.



Scan the QR code to visit the [Energize website](http://hub.zeigo.com/energize)

Life Is On



# CONVERGE

## What is Converge?

Converge is a My Green Lab initiative harnessing the collective power of the pharmaceutical industry, rallying suppliers to reduce the ecological impact of their labs through My Green Lab Certification. [Learn more here](#)

## The Converge Vision

The pharmaceutical sector leads the world on supply chain engagement and inspires other sectors to follow in their footsteps.

## Supplier Benefits

- Reductions in energy, water, and waste, leading to cost reductions
- Organization-level Supplier Dashboard allowing suppliers to track progress on their green lab certification
- Impact Estimator tool to measure environmental impact
- Employee/scientist engagement in sustainability

## The Converge Results

- Every supplier lab has a thriving culture of sustainability
- Every scientist in the pharmaceutical supply chain understands the impactful role they play in fostering lab sustainability through their actions. Impact Estimator tool to measure environmental impact  
Employee/scientist engagement in sustainability – retain and attract talent



## Science-Based Targets Initiative (SBTi)

What is Science-Based Targets Initiative (SBTi)?	<ul style="list-style-type: none"><li>• A collaboration between NGOs (World Wide Fund for Nature (WWF), United Nations (UN) and others)</li><li>• Designed to help companies set targets in line with climate science and the Paris Agreement goals</li><li>• Provides framework and tools for companies to set science-based net-zero targets in line with the 1.5°C pathway</li><li>• Industry accepted best in class standard</li><li>• 4,000+ companies have made public commitments to set science-based targets; ~1900 have already been approved</li></ul>
How can I set targets with SBTi? How do I get started?	Follow this five-step process to set Science-Based Targets and demonstrate your climate leadership by cutting your company's GHGs. See detailed guidance <a href="https://sciencebasedtargets.org/step-by-step-process">sciencebasedtargets.org/step-by-step-process</a> . There is a separate streamlined pathway for Small and Medium-Sized Enterprises (SMEs) - <a href="#">Learn more here</a> .
Do I have to pay for the SBTi service in setting targets?	Yes, based on the type of target(s) you are committing to. <a href="#">Learn more here</a>

## Energize Program

What is ENERGIZE?	A collaboration between Schneider Electric and other pharmaceutical companies, including Amgen, to enable suppliers to source renewable electricity through Schneider Electric's Neo Network-sourced PPAs
Who can participate in ENERGIZE?	Any pharmaceutical supplier
How can I register and is there a deadline?	Please visit <a href="https://hub.zeigo.com/energize">hub.zeigo.com/energize</a> to register—there is no deadline to register
What happens after registration?	<p>Shortly after registration, you will be contacted by a member of the Schneider Electric Energize team. After the Schneider Electric team verifies your status as a supplier with the participating pharmaceutical companies, you will receive an invitation to a short onboarding call. During the call, a member of the Schneider Electric team will learn more about your organization's energy profile and objectives. This information will be kept confidential.</p> <p>You will then be provided access to the Energize Knowledge base. This portal contains materials designed to help you and your organization learn more about your renewable energy options and to answer questions such as: What are the fundamentals of renewable energy procurement? How can suppliers unify to secure competitive energy prices while demonstrating climate leadership? In addition to online educational resources, the Schneider Electric team will deliver a series of curated educational webinars covering key internal considerations and market factors relevant to renewable energy adoption.</p>





EcoVadis	
Do I have to pay for the EcoVadis assessment?	Yes. Once you complete the EcoVadis assessment, you must pay a nominal fee to access your scorecard, which you can then share with an unlimited number of clients. Pricing information can be found <a href="#">here</a>
What is the value of an EcoVadis assessment?	The EcoVadis assessment provides you with an overview of your sustainability performance, identifying areas of strength and opportunities for improvement. You can share your scorecard with other customers, reducing the number of individual CSR/sustainability assessments you must undergo and also leverage your EcoVadis rating as a competitive advantage and part of your value proposition.
How do I get in touch with EcoVadis for support?	You can connect with EcoVadis via email or chat by going to <a href="https://support.ecovadis.com">support.ecovadis.com</a>
Supplier Training	
Responsible Health Initiative (RHI)	Amgen is a member of EcoVadis Responsible Health Initiative where we partner with other industry peers to provide educational resources to our suppliers. Once your company is a member of EcoVadis, you have access to learning pathways, tools, and resources accessible through the EcoVadis platform.
Pharmaceutical Supply Chain Initiative (PSCI)	Amgen is a member of Pharmaceutical Supply Chain Initiative, where we partner with our life science peers to develop sustainability standards for our suppliers. Pharmaceutical suppliers are eligible to participate in supplier webinars, conferences, and other educational activities to support your sustainability journey, learn more here: <a href="https://pscinitiative.org/home">pscinitiative.org/home</a>
Definitions	
ESG	<b>Environmental Social Governance</b>
CDP	<b>CDP, formerly known as the Carbon Disclosure Project</b> , is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states, and regions to manage their environmental impacts. Learn more <a href="#">here</a>

# THE TIME TO DO RIGHT IS RIGHT NOW!



Want more specifics about Amgen's Environmental Sustainability commitments and Supplier Sustainability program? Visit [amgen.com/responsibility](https://www.amgen.com/responsibility)



Have specific questions? Reach out to [responsible\\_sourcing@amgen.com](mailto:responsible_sourcing@amgen.com)

