



## 2012 Allergan's UN Global Compact Communication on Progress

Allergan committed to the UN Global Compact in May 2009. The following statements and links to the Allergan Sustainability Performance Report including the [GRI G3 Reporting Guidelines Conformance analysis](#) will substantiate Allergan's commitment to the Compact. This report represents Allergan's second UN Global Compact report and will cover the period from January 2011 through December 2011. Subsequent reports will cover the calendar-year commitments and performance for that period.

### Message from David Pyott, Chairman and Chief Executive Officer

Allergan, Inc. is a multi-specialty health care company focused on discovering, developing and commercializing innovative pharmaceuticals, biologics and medical devices that enable people to live life to its greatest potential — to see more clearly, move more freely, express themselves more fully.

Our focus fosters deep engagement with medical specialists and we make it our business to listen closely to their needs so that together we can advance patient care. We combine this strategic focus with a diversified approach that enables us to follow our research and development into new specialty areas where unmet needs are significant.

In partnership with the medical community, we bring scientific excellence and rigor to deliver leading products that improve patient outcomes. And, we go above and beyond this to provide education and information, with the highest level of integrity, that helps patients to fully understand the choices available to them and make well-informed treatment decisions with their doctors. We know we are successful when doctors and patients place their trust in our products and our company, when our employees excel and when our efforts make a meaningful difference in the lives of the patients and communities we serve.

For over 60 years, Allergan has been committed to the health, safety, and well-being of the people who put their trust in our products. Every day, we strive to better people's lives in a wide range of ways — from developing new treatments for complex and disabling medical conditions to offering science-based medical aesthetic solutions. Our determination to make a positive contribution extends to not only the people who benefit from our products, but also to our employees and to the global community in which we live and work. It remains our goal to ensure that our contribution to science reflects our commitment to safe, healthful workplaces, strong communities and responsible, ethical business practices in everything we do, from research and development to sales and marketing.

In this introduction, I am highlighting some of our key achievements and challenges relating to our corporate responsibility. More information about these and other areas of our commitment is provided throughout this Responsibility section of our website. You can also read more about our business environment, strategy, goals and performance in our Annual [Report](#) and Form 10-K and about the philanthropic ventures of the Allergan Foundation in its Annual [Report](#).

Allergan defines **Sustainability** as the balance between the competing priorities of economic, social and environmental responsibilities. As stated above, Allergan has been in business for over 60 years and plans to ensure that its business continues to be strong. To ensure this, Allergan has established short, medium and long term corporate responsibility goals. Allergan has and will continue to commit resources and measure performance against achieving these goals.

Allergan has achieved great success with the previous corporate responsibility goals set forth in its past three five year plans and has set some very challenging long term goals in its 2020 Sustainability Vision. I am proud to report that Allergan is achieving these goals as it has consistently in the past and will continue to do in the future – this is sustainability to Allergan! In 2011, regarding the Carbon Disclosure Project Leadership Index, Allergan was included for the third year. Allergan was ranked #20 against the S&P 500 companies and #4 for S&P 500 Healthcare companies



according to the Newsweek Green Business rankings. Allergan Energy Star certified the Allergan Pharmaceuticals facility located in Waco Texas for the fourth year in a row. Allergan was included in the Dow Jones Sustainability Indexes as well as the FTSE4Good Index for the 2010-2011 period.

When comparing 2011 with 2010, Allergan achieved the following:

- The occupational injury and illness frequency rate was 0.96<sup>1</sup>,
- The hazardous waste generated was reduced by 59% and non-hazardous waste was reduced by 9% year over year,
- Recycling reached a rate of more than 75% of total nonhazardous waste generated,
- Total energy consumption reduced by 3.5% year over year when normalized to production,
- Total water consumption increased by 9% year over year primarily due to more accurate measurement of water consumption rather than actual increased consumption, and
- Total Greenhouse Gas emissions decreased by 1.3% year over year.

Allergan remains focused on sustainable business practices including:

- Offering needed products that have environmental health and safety design considerations,
- Managing climate change through energy efficiency and carbon footprint reduction,
- Continuing to improve operational efficiency, reduce waste and increase recycling,
- Providing a safe and healthy workplace for our employees,
- Working with our supply chains to improve corporate responsibility performance, and
- Enhancing positive community interaction.

In conclusion, Allergan has had a long commitment to sustainable business values. We must keep these core values in mind in all aspects of our business so that we can maintain the excellent reputation and respect that we enjoy with our stakeholders and the communities in which we operate.

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David E. I. Pyott

Chairman of the Board, President and Chief Executive Officer

Allergan, Inc.

1. The occupational injury and illness rate is determined by multiplying the total number of injury and illness incidents by 200,000 hours and dividing this by the total number of hours worked, i.e. an incident rate of 1.00 would be equivalent to 1 incident per 200,000 hours worked.



## UN Global Compact Commitments and Performance

The following narrative and links will demonstrate how Allergan is addressing each of these Principles and plans for improving performance in each of these areas.

### Principle 1 Protection of Human Rights

Allergan approaches the Protection of Human Rights as it does any other personal freedom and has articulated this support through its [Code of Ethics](#). The Code of Ethics applies to all Allergan employees and directly in all of Allergan's business dealings. The Code of Ethics requires that employees respect human rights and do not discriminate against anyone based on race, color, religion, ethnic or national origin, gender, sexual orientation, age, disability, veteran status, marital status, or other characteristics protected by law will not be allowed. Harassment is not tolerated in any form. Violence or threats of violence in the workplace are not tolerated. This code applies to persons or entities representing or working on behalf of Allergan as well. Allergan aggressively pursues employees and other company representatives that violate the Code of Ethics.

In 2011, Allergan committed to [three charters and principles](#) that provide for the protection of Human Rights including UN Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, and the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Society. These three sets of Principles deals with protecting Human Rights. Allergan is in alignment with each of these sets of Principles and found this commitment as a natural method to strengthen its resolve in the area of Human Rights.

### Principle 2 Complicity in Human Rights Abuses

Allergan will not be complicit in Human Rights abuses as stated in its [Code of Ethics](#). In 2011, Allergan committed to [three charters and principles](#) that provide for the protection of Human Rights including UN Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, and the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Society. These three sets of Principles deals with protecting Human Rights and stopping Human Rights abuses. Allergan is in alignment with each of these sets of Principles and found this commitment as a natural method to strengthen its resolve in the area of stopping Human Rights abuses.

### Principle 3 Freedom of Association and Collective Bargaining

Allergan approaches the right to freedom of association and collective bargaining as it does any other personal freedom and has articulated this support through its [Code of Ethics](#). The Code of Ethics applies to all Allergan employees and directly in all of Allergan's business dealings. In 2011, Allergan committed to [three charters and principles](#) that provide for the protection of Human Rights including UN Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, and the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Society. These three sets of Principles deals with protecting Human Rights. Allergan is in alignment with each of these sets of Principles and found this commitment as a natural method to strengthen its resolve in the area of Human Rights.



## **Principle 4 Forced and Compulsory Labor**

Allergan will not be complicit in forced or compulsory labor per Allergan's [Code of Ethics](#). In 2011, Allergan committed to [three charters and principles](#) that provide for the protection of Human Rights including UN Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, and the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Society. These three sets of Principles deals with protecting Human Rights and stopping forced and compulsory labor. Allergan is in alignment with each of these sets of Principles and found this commitment as a natural method to strengthen its resolve in the area of Human Rights.

## **Principle 5 Child Labor**

Allergan will not be complicit in the use of child labor per Allergan's [Code of Ethics](#). In 2011, Allergan committed to [three charters and principles](#) that provide for the protection of Human Rights including UN Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, and the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Society. These three sets of Principles deals with protecting Human Rights and Child Labor prevention. Allergan is in alignment with each of these sets of Principles and found this commitment as a natural method to strengthen its resolve in the area of Human Rights.

## **Principle 6 Discrimination**

Allergan approaches the Protection of Human Rights as it does any other personal freedom and has articulated this support through its [Code of Ethics](#). The Code of Ethics applies to all Allergan employees and directly in all of Allergan's business dealings. The Code of Ethics requires that employees respect human rights and do not discriminate against anyone based on race, color, religion, ethnic or national origin, gender, sexual orientation, age, disability, veteran status, marital status, or other characteristics protected by law will not be allowed. Harassment is not tolerated in any form. Violence or threats of violence in the workplace are not tolerated. This code applies to persons or entities representing or working on behalf of Allergan as well. Allergan aggressively pursues employees and other company representatives that violate the Code of Ethics.

In 2011, Allergan committed to [three charters and principles](#) that provide for the protection of Human Rights including UN Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, and the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Society. These three sets of Principles deals with protecting against discrimination. Allergan is in alignment with each of these sets of Principles and found this commitment as a natural method to strengthen its resolve in the area of discrimination.

## **Principle 7 Precautionary Approach**

Allergan has adopted the Precautionary Approach in all its business dealings and articulates this in its [Annual Sustainability Performance Reports](#) located on page 6. Allergan has always practiced the precautionary principle with regard to its products and operations. The inherent nature of researching and developing drug products for human use demonstrates the precautionary principle in action. Allergan considers the impacts of actions undertaken through a rigorous risk assessment process with multiple gates through which the company proceeds when the multitude of risks are determined to be acceptable to Allergan and the various stakeholders in the process including patients, physicians, employees, government officials, investors, and others.



## **Principle 8 Environmental Responsibility**

Allergan has a very strong stand on environmental responsibility as indicated by its EHS [policy](#), [programs](#) and various [performance reports](#). Specifically as part of its commitment to the UN Global Compact, Allergan has committed to the UN Global Compact Caring for Climate Program and the CEO Water Mandate. Allergan participates in meetings and offers suggestions and examples of strategies and projects that have worked for Allergan. Allergan contributes to policy and framework development. Ultimately, Allergan has been very successful at reducing energy and water consumption at its facilities and has aggressive [goals](#) to continue this performance. Allergan will continue to contribute to these efforts and looks forward to achieving its goals in the timeframes stated.

In 2011, Allergan actively participated in the CEO Water Mandate Steering Committee and Water Disclosure Working Group and has contributed its [first testimonial](#) which was posted on the UN Global Compact website. Allergan also posted a statement by David Pyott, CEO, Chairman and President, Allergan, Inc. describing why this initiative is important to Allergan and should be important to everyone. Allergan also provided comments and guidance on the memoranda of understanding developed between the Carbon Disclosure Project (CDP) and the World Resource Institute (WRI) regarding water consumption reduction and management technology.

In 2011, Allergan participated in the Caring for Climate C4C group and provided guidance and an example energy/greenhouse gas reduction project for the Committee to use in support of the Rio+20 Conference.

## **Principle 9 Environmentally Friendly Technologies**

Allergan has made its [approaches and technologies](#) used to achieve the results captured in Principle 8 available to the public through various initiatives such as the US EPA Energy Star and WasteWise Programs as well as through the [Allergan website](#), trade publications and speaking engagements.

In 2011, Allergan posted a testimonial and supplied guidance to the CEO Water Mandate Steering Committee and Water Disclosure Working Group as to how Allergan has tackled water consumption reduction at its facilities worldwide. Allergan participated in the Water Action Hub survey conducted by Deloitte Global Services, Ltd. in conjunction with the CEO Water Mandate. The survey was designed to determine which water sheds CEO Water Mandate endorsers were interested in as part of their business operations. Allergan participated in the drafting of a Communiqué to be delivered to the Rio+20 Dignitaries at the upcoming Conference emphasizing the importance of water in all our lives.

In 2011, Allergan participated in the Caring for Climate C4C group and provided guidance and an example energy/greenhouse gas reduction project for the Committee to use in support of the Rio+20 Conference. Allergan also provided a profile of industrial energy efficiency to the US EPA Energy Star Program regarding its boiler system conversion and upgrade project at its Westport Ireland facility.

## **Principle 10 Corruption**

Allergan has established positions against corruption including bribery in its [Code of Ethics](#). Allergan has also committed to the UN Global Compact Anti-Corruption and Bribery Principle by becoming a signatory to the CEO Letter on Anti-Corruption. In 2011, Allergan committed to [three charters and principles](#) that provide for the protection of Human Rights including UN Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises, and the ILO Tripartite Declaration of Principles concerning



Multinational Enterprises and Society. Allergan is in alignment with each of these sets of Principles and found this commitment as a natural method to strengthen its resolve in the area of corruption.

Allergan will continue to look for opportunities to improve its performance in this area.

### **Conclusion**

Allergan will continue to enhance support of the UN Global Compact Principles. Allergan will collaborate with the UN Global Compact on methods and means to improve its performance and the performance of all entities regarding these Principles.