



2017 Corporate Responsibility Review

Science with a Purpose



Our success as a global biopharmaceutical company is predicated on our ability to ask the right questions and to energetically seek answers. How can a new medicine be best designed? How can patient outcomes be improved? How can we structure our company to best serve patients, employees and communities? Our culture of inquiry and collaborative problem-solving strengthens our business and underpins how we approach corporate responsibility. We are dedicated to continuous improvement in both our solutions for patients and our performance as a responsible corporate citizen.



RICHARD F. POPS
Chief Executive Officer

Our Purpose

Great Science

Deep Compassion

Real Impact

Our Values

Collaboration at our core

Sharing success

All is possible

Respect each voice

Value every person

Driven by trust

Unwavering commitment

Do the right thing

Beyond passionate

Patient-Inspired Solutions

Every day, people around the world live with the challenges of central nervous system (CNS) diseases such as schizophrenia, depression, addiction and multiple sclerosis (MS). With these people and their loved ones in mind, we work daily to develop medicines to meaningfully improve the lives of those affected by these diseases.



Medicines

We developed and commercialize ARISTADA® (aripiprazole lauroxil) for the treatment of schizophrenia and VIVITROL® (naltrexone for extended-release injectable suspension) for the treatment of alcohol and opioid dependence in the United States. In addition, we developed proprietary drug delivery technology, which is incorporated into numerous medicines owned and commercialized by third parties, such as Johnson & Johnson, Acorda and AstraZeneca, for patients with mental illness, MS and diabetes.

Product Quality & Safety

We adhere to all applicable quality and safety regulations for our medicines, including Good Clinical Practice regulations, Good Manufacturing Practice regulations, Good Laboratory

Practice regulations and the U.S. Controlled Substances Act. Along with our manufacturing partners, we implement rigorous processes to ensure the quality and safety of our medicines across their lifecycle — from pre-clinical studies to commercial use. As part of these processes, Alkermes employees receive comprehensive safety and quality training.

The U.S. Food and Drug Administration (FDA), the European Medicines Authority (EMA) and other global regulatory agencies routinely inspect our facilities in Athlone, Ireland; Waltham, Massachusetts and Wilmington, Ohio. No significant adverse regulatory findings have been identified.

Research & Development

Our research and development (R&D) builds on our deep expertise in the intricacies of the CNS and the opioid receptor pathway. Our experience in formulation and our proprietary development platforms also allow us to develop new medicines to address unmet needs for people with CNS diseases. Dedication to focused and pioneering R&D is core to our identity, our commitment to great science and the sustainability of our business. In 2017, we invested \$412.9 million in R&D, from pre-clinical work to clinical studies, to advance the development of new medicines.

Development Pipeline

We currently have several medicines in late-stage development, including candidates for patients with major depressive disorder, MS and schizophrenia. We also have an early stage candidate for the treatment of cancer.



Patients

Patients are at the center of everything we do at Alkermes. We regularly engage with patients through a host of channels including interviews, surveys and patient advocacy groups, to ensure that patient and caregiver voices help shape all parts of our work.

To help patients in financial need, the Alkermes Copayment Assistance Program and the Alkermes Patient Assistance Program provide low- and

no-cost access to our medicines for schizophrenia and addiction. In 2017 alone, these programs helped more than 19,600 patients gain access to medication. And since the inception of these programs, more than 66,500 patients have received assistance.

We also work to strengthen the support systems for patients. In 2017, we awarded more than \$2 million in educational grants to help medical professionals and

others learn about mental health conditions and substance use disorders. We also awarded \$1 million in ALKERMES INSPIRATION GRANTS® to support innovative community programs that catalyze positive change for those affected by mental health conditions and substance use disorders.

ALKERMES INSPIRATION GRANTS

In 2017, we supported the work of 10 game-changing organizations through ALKERMES INSPIRATION GRANTS. The below are two of the 2017 grantees.

This is My Brave

[This Is My Brave](#) is an innovative organization dedicated to ending the stigma surrounding mental health issues by sharing stories of individuals living successful, full lives despite mental illness.

With the 2017 ALKERMES INSPIRATION GRANT, This Is My Brave is filming a powerful documentary about the impact of sharing stories of recovery from mental illness and addiction. The project is helmed by award-winning filmmaker Beth Murphy.

“Mental illness touches all of our lives in some way, and I am in awe of the people who are coming forward to share their stories with the world. ...Something I think is so important to remind ourselves of — is that change is possible. It is possible to break down barriers. End stigmas. Change ourselves. Inspire those around us to do the same.”
- Beth Murphy, This Is My Brave ALKERMES INSPIRATION GRANT Filmmaker

Ten Thousand Beds

[Ten Thousand Beds](#) partners with leading treatment programs across the United States to provide addiction treatment scholarships to people struggling with substance abuse.

The 2017 ALKERMES INSPIRATION GRANT will provide treatment scholarships for people in financial need and support Ten Thousand Beds’ breakthrough #ontheroad4recovery initiative - a national tour to raise awareness and change perceptions of addiction and recovery. The tour will include local events to facilitate real conversations about the issue, forge new partnerships and support more individuals and families in need.

Patient-Inspired Performance

To meaningfully address the most urgent public health and mental illness challenges for patients, it is imperative that we operate a high-performing, sustainable organization.



Employees

Our approximately 2,000 employees around the world are key to our ability to develop and advance treatment options for patients.

We are an equal opportunity employer and, across our sites in Ireland and the United States, we strive to create a work environment that reflects our values of collaboration, respect and commitment. We are proud of our unique culture where employees are encouraged to share their ideas and where teamwork is at the core of all we do. Every day, our employees have the opportunity to make an impact for patients, grow their careers and take care of themselves and their families.

We are honored to have been recognized as a great place to work in rankings including *The Boston Globe's* 2017 Top Places to Work, Ireland's 2016 Great Place To Work, Best Large Workplaces in Ireland and Best Employers in Ohio 2015.

Investing in Our Employees

Across the company, we cultivate a culture of learning and development that motivates employees to reach for their career aspirations and empowers them to take charge of their careers.

Our investment in our employees is what allows us to attract and retain exceptionally talented people. We conduct learning and development programs across our sites to equip employees at all levels with the tools, resources and skills to grow their careers. We offer developmental opportunities aimed at individual contributors, teams and managers at all levels. We also provide tuition benefits to assist employees with college courses.

Wellness at Work

We support the well-being of our employees and their families by providing programs that help employees maintain a healthy lifestyle.

Our programs include:

- Nutrition classes
- Mindfulness programs to help reduce stress, improve sleep and increase productivity
- Speaker programs focused on providing tools to manage one's own well-being
- Weight loss and smoking cessation programs
- On-site gyms and fitness classes and discounts to nearby fitness clubs
- Employee assistance program, which includes free and confidential assessments, counseling and referrals for employees who have personal or work-related issues
- Healthful cooking demonstrations, healthy meal options in our cafeterias and vending machines and, where available, participation in farm share programs that deliver fresh, local produce

For Alkermes employees with particularly ambitious fitness goals, each year we field a team for the triAthlone — a triathlon near our Athlone, Ireland facility. Selected U.S. employees receive flights, accommodation and meals to join their Irish colleagues on the team.



"Through collaboration with passionate and patient-focused business partners, I'm helping shape what the future looks like for the commercial organization."

JULIA ADAM
Field Communications

Communities

Alkermes is committed to giving back to the communities where our employees live and work. We focus on efforts to increase access to health and well-being, as well as those needs unique to our communities. The following are some of the ways Alkermes and our employees contribute.

Ireland

Supporting Restorative Therapy for Local Patients

We support a signature partnership with a therapeutic support center for people living with addiction, mental illness, MS and other conditions. The center provides emotional, mental, physical and spiritual support for its clients through a range of counseling, therapy workshops and other programming. Alkermes employees contribute to the center in a variety of ways. Teams of Alkermes volunteers support the upkeep of the center, helping with gardening, construction, cleaning and painting. Other Alkermes volunteers have received special training to provide support to the center's client programming, such as mindfulness and yoga sessions. Alkermes Allegro, an all-employee choir, has lent its voice to the center's choir competition to raise funds for the center's critical mission.

"To be involved in this project brings us closer to the reality of the lives of patients who suffer from ailments related to the medicines we develop and produce here at Alkermes," said Aaron Russell, an Alkermes Ireland employee. "Knowing the service that this organization provides is a great motivator for me as I feel I can have a positive impact on their lives with my daily work."

Raising Awareness and Funds for Homelessness

Given the strong connection between homelessness and mental health and substance use, addressing homelessness is a priority for Alkermes. In October 2017, a team of Alkermes employees joined others across Ireland to sleep outside and raise funds to help end homelessness. The intrepid team spent the night in the Alkermes parking lot and raised more than \$6,000 for the cause.

Providing Care and Respite for MS Patients

We also partner with an organization that provides information, support and advocacy services to the MS patient community across Ireland. Alkermes employees have helped fundraise for the organization through its "9000 steps" event and have tended to the garden in its patient care center.

"We all felt like we had made a small but significant difference in the lives of others and that feeling was immense," said Carol McNelis, an Alkermes Ireland employee, of her volunteer experience. "The garden in Rathgar is very important to the serenity of the care center, and the results of the day were clearly visible to the staff and patients, and their response was overwhelming."



Alkermes volunteers sleep overnight in the parking lot to raise funds and awareness for homelessness.

United States

Raising Critical Funds to Support People Living with Mental Illness

Each year, Alkermes sponsors walks across the United States to raise funds for the millions of Americans affected by mental illness. Alkermes employees participate in the walks each year and, along with their fellow walkers, raise millions to support mental health advocacy, awareness and patient support programs.

Volunteering through Alkermes in Action

Through Alkermes in Action, our signature U.S. employee volunteer program, our employees come together to serve their communities' most pressing needs.

In 2017, Alkermes employees in Waltham, MA:

- Landscaped shelters serving patients in recovery, creating more welcoming spaces
- Built a swing set, and landscaped and cleaned the backyard of a shelter serving young survivors of domestic violence
- Participated in clean-ups for community gardens, farms, historic sites and parks in the greater Boston area
- Provided support for patients, including individuals waiting for placement in detox and recovery services
- Prepared and served meals for homeless people with mental illness

In 2017, Alkermes employees in Wilmington, OH:

- Coordinated an office “Giving Tree” that delighted more than 50 local foster children with Christmas gifts
- Helped to build homes for local families in need
- Supported a local food pantry
- Sponsored honor flights for veterans to travel to memorials for the wars in which they served
- Held office fundraisers to support local charities, including a homeless shelter that serves people with mental illness and addiction



Alkermes volunteer team getting ready for a playground build.



Alkermes volunteers preparing more than 20,000 meals for people in need.



Alkermes volunteer helping out in the garden of a historic site.

Health, Safety and Environment

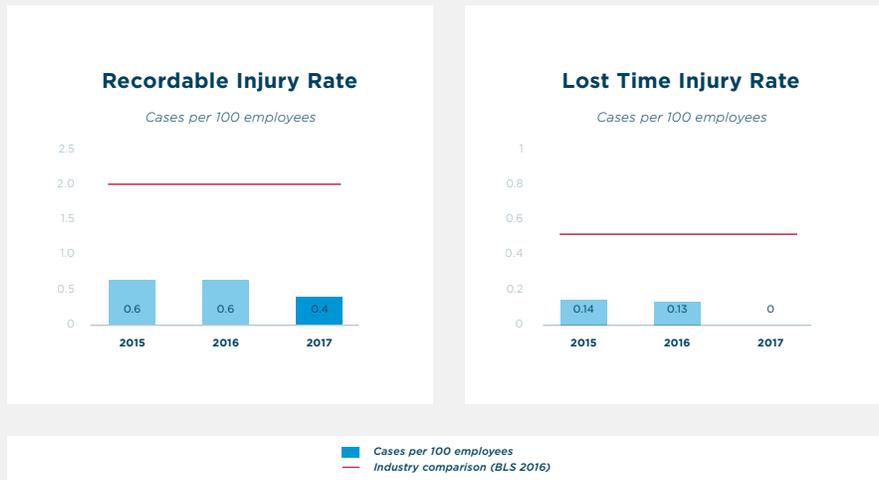
Alkermes is committed to operating in a way that is protective of our patients, our people, our environment and our communities. We practice our commitment through a global Environmental, Health, Safety and Security (EHSS) Management System that helps us institute processes to meet or exceed environmental, health and safety regulations and industry best practices. We have a strong history of regulatory compliance. Through committed leadership and an engaged workforce, we are relentlessly focused on continually improving our performance and mitigating EHSS risks arising from our operations.

Health & Safety

We protect and promote the health, safety and welfare of our employees by:

- Providing a safe working environment and supporting employee well-being
- Implementing processes for reporting potentially unsafe conditions or practices, so that corrective or preventative actions can be taken
- Minimizing hazardous practices and processes

Alkermes has also received awards from the National Irish Safety Organization for the past seven years recognizing our consistent achievement of a high safety standard.



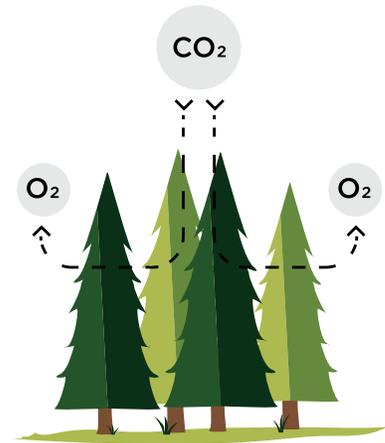
Environment

Alkermes takes proactive steps to improve air and water quality, reduce waste and optimize the use of energy and other natural resources. Examples include:

- Integrating environmental considerations into our site selections, designs and builds
- Using building monitoring systems to collect data and make real-time adjustments
- Conducting systematic reviews of building operations and utilities to ensure systems and facilities are operating correctly and efficiently.

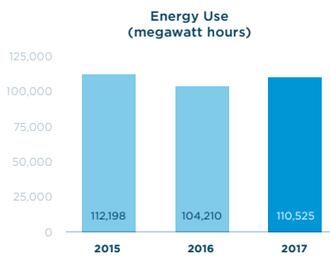
We also deploy operational excellence teams to identify potential improvements in critical areas, such as energy demand and waste stream management. In 2017, as a result of an operational excellence team review, a site replaced its existing lighting with high efficiency LED lighting. This change is expected to result in an annual savings of 107 megawatt hours — the carbon-sequestered equivalent of 1,500 trees.

As a result of these and other efforts, we have made significant strides, including attaining an energy use intensity below the

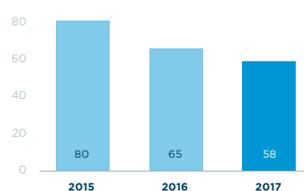


average pharmaceutical facility (1.26 megawatt hour / square meters in 2017 compared to industry average of 3.81) and achieving LEED and ISO14001 certification of select facilities.

Energy Usage



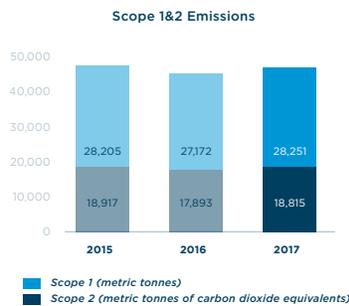
Energy Use per Employee



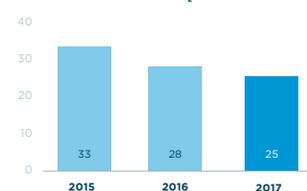
Energy Use per Revenue



Greenhouse Gas Emissions



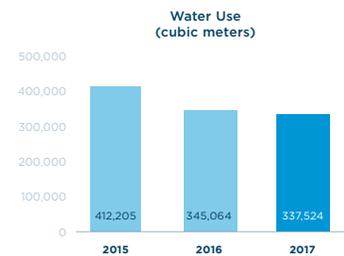
Scope 1&2 Emissions per Employee



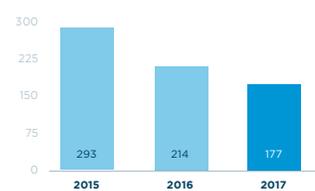
Scope 1&2 Emissions per Revenue



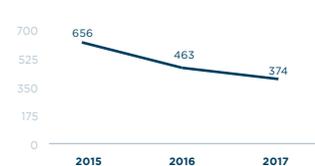
Water Usage



Water Use per Employee



Water Use per Revenue



CaRE®

As part of our efforts to create a strong EHSS culture, we developed and implemented an in-house proprietary program that engages the Alkermes workforce in identifying and reducing everyday risk in the workplace. This program, CaRE® (Collaborative and Risk-focused Engagement) has become core to our EHSS approach across the enterprise, encouraging risk awareness, accountability and continuous improvement. The CaRE model includes the following elements:

- **Ownership Risk Assessments:** Easy-to-use tools help guide employees in evaluating whether work areas, equipment and tasks are safe before starting work.
- **Good Save Awards:** Monthly and quarterly awards are given to employees who flag a potential workplace hazard and take ownership of the process to address it.
- **Walkthroughs:** Monthly visits by randomly-selected groups of site leaders to different areas of the site to have honest and collaborative discussions about the area's work, potential risks and potential improvements. The groupings of leaders, along with the areas they visit, are changed regularly so as to maximize participation, knowledge sharing and collaboration. This also encourages interactions between colleagues who might not ordinarily meet through their daily work.

"Since CaRE was introduced on site here, it has been very successful from a Warehouse perspective; it is the mechanism that we use to look out for each other in the day-to-day running of our pharmaceutical site. Through the CaRE walkthroughs, it's great for us to have people from other departments walk our area, who may see things from a different perspective, who hear from us about the work that we do and provide feedback accordingly. I was fortunate to have one of my Good Saves picked as a site Good Save of the Month and subsequently the Good Save of that quarter. As recognition of this achievement, I got to attend the Annual NISO Safety Awards with other Good Save Award colleagues, where we got to listen to people from all walks of life speak about the role that safety plays in the workplace."



DECLAN LENNON
Supply Chain

Responsibility in the Supply Chain

Beyond our own facilities, we have initiated a program to ensure that our strategic supply chain partners meet expected EHSS standards. If a vendor does not meet our expectations, we work with that vendor to improve its performance or, if necessary, consider alternative supply options.

Ethics & Compliance

Through our comprehensive compliance program, Alkermes is dedicated to upholding legal, regulatory and ethical standards in every aspect of our business and in every market in which we operate. Our [code of business conduct and ethics](#), our comprehensive healthcare compliance program and our quality program require honest and ethical conduct and compliance with all applicable laws and regulations in the conduct of our activities, which span pre-clinical research, clinical trials, manufacturing, commercialization and many other areas. We train our directors, officers and employees in our comprehensive compliance program.

Each operating function within Alkermes monitors and audits for compliance with policies under the oversight of the legal department and the Chief Compliance Officer.

Information Security

The Alkermes Information Security Management System governs the confidentiality, integrity and availability of Alkermes information. Protection of data — patient, employee and all varieties of sensitive information — is essential to our ability to conduct business, maintain stakeholder trust and comply with local and national regulations. In addition, we possess distinct privacy policies and IT policies to ensure we comply with applicable privacy laws and regulations, including the Health Insurance Portability and Accountability Act of 1996.

To ensure we have the proper tools to carry out effective information security, Alkermes invests in technology services and solutions that enable us to keep pace with evolving threats. Our goal is to prevent threats from entering our systems and to limit exposure of data and limit damage should any threats ever breach our secure perimeter. To date, Alkermes has not experienced any reportable breaches.

The Alkermes Information Security Governance Framework is responsible for management and oversight of our Information Security Management System. This framework also details the processes to be followed in order to address and resolve security risks and incidents. Ultimate responsibility for information security rests with the Audit and Risk Committee of our Board of Directors and the Information Security Governing Body, comprised of our CEO and other members of our executive team.

All Alkermes employees also have a responsibility to safeguard data. Employees receive mandatory training on IT and data security.

Forward-Looking Statements

Certain statements set forth in this report constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. In some cases, these statements can be identified by the use of forward-looking terminology such as “may,” “will,” “could,” “should,” “would,” “expect,” “anticipate,” “continue,” “believe,” “plan,” “estimate,” “intend,” or other similar words. You are cautioned that forward-looking statements are inherently uncertain. Although the company believes that such statements are based on reasonable assumptions within the bounds of its knowledge of its business and operations, the forward-looking statements are neither promises nor guarantees and they are necessarily subject to a high degree of uncertainty and risk. Actual performance and results may differ materially from those expressed or implied in the forward-looking statements due to various risks and uncertainties, including those described under the heading “Risk Factors” in the company’s most recent Annual Report on Form 10-K and in subsequent filings made by the company with the U.S. Securities and Exchange Commission (SEC), which are available on the SEC’s website at www.sec.gov. Existing and prospective investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this report. Except as required by law, the company disclaims any intention or responsibility for updating or revising any forward-looking statements contained in this report.