

# 5

## Better Employee Health



We rely on our diverse workforce of approximately 35,000 to support our mission and help change lives. In return for their commitment, we aim to provide a supportive and safe workplace that cultivates personal and professional development, rewards performance and leadership, and encourages unconventional thinking. We also offer a variety of benefits and programs to meet the needs of our employees around the world.

### Attracting and Retaining Talent

The idea of working for a cause – the proposition that a person can be part of something bigger than themselves – is a key differentiator for Mylan that helps us attract and retain talent.

Each of our people plays an important role in Mylan's mission. In fact, they describe how they help provide 7 billion people access to high quality medicine – something referred to as 7B:1 – by creating individual role statements. This is one of the ways our employees help articulate what the company stands for and the importance of their work.

Additionally, our current and prospective employees also take note of Mylan's successful track record. We are a company that has expanded substantially into new geographies and performed well over the last several years, creating exciting opportunities.

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Our diverse workforce\* of approximately 35,000 can be found on nearly every continent:

- ▶ Europe: 27.4%
  - ▶ North America: 21.2%
  - ▶ Rest of World: 51.4%
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\*Workforce includes employees and temporary workers

# 50%

of Mylan employees have been with the company for 5+ years

# ~40%

of our 2017 U.S. interns continued working at Mylan post-internship

# ~25%

of employees moved into a new role in 2017



# 56%

of our senior-most leaders were promoted from within Mylan

# 14% & 16%

of women

of men

are responsible for managing people\*

\*Based on employee data from Mylan's HR information system

## Measuring and Rewarding Performance

To focus our efforts, employees align their performance objectives with the company's key priorities. We annually evaluate employee performance based not only on what employees achieve related to their performance objectives, but how they demonstrate Mylan's Leadership Expectations of Leading, Learning, Teaching and Performing with the right Attitude in their daily work. In 2017, 94% of employees set objectives in support of Mylan's key priorities.

Throughout 2017 we extended our global performance management process to recently acquired businesses. The process is an important way we encourage managers to provide employees with continuous feedback and hold annual performance discussions. It helps us identify development needs, recognize strong performers and cultivate future leaders through stretch assignments and on-the-job learning.

We drive strong results by taking a pay-for-performance approach to rewarding employees' efforts that balances base pay with short- and long-term incentives. In 2017 we implemented a simplified set of global metrics for our bonus program to unite us as ONE Mylan and clarified the opportunity strong performers have for earning greater compensation.

### Mylan's Leadership Expectations

Attitude Determines Altitude

#### LEAD

Leadership begins with ownership

#### LEARN

Play the role of student

#### TEACH

Cultivate a culture

#### PERFORM

Be team smart

## RECOGNIZING GOOD WORK

Throughout 2017 Mylan organized events and programs to recognize employees for their support and hard work. Highlights included service-award ceremonies, employee-appreciation events and town hall meetings with senior leaders.



## Encouraging Continuous Learning

In 2017 we upgraded our Learning Management System, MyUniversity, to create a stronger foundation for continuous learning. Our Global Learning Office also developed a learning library tailored to our Leadership Expectations to help employees build their skills and understand what is expected of Mylan leaders.

## Supporting Diversity and Inclusion

At Mylan, we know that investing in diversity and truly seeing others' perspectives make our business stronger and more resilient. That is why we are committed to continuing our efforts to cultivate a diverse, inclusive workforce that reflects and understands the communities we serve.

We educate employees on our equal employment opportunity and nondiscrimination policies as part of our mandatory annual Code of Business Conduct and Ethics training. In the U.S. we apply affirmative action plans focused on equal employment opportunity for applicants and employees. These plans are endorsed each year by the head of Human Relations.

Women at Mylan	
Female Employees*	28%
Executive Governance Team**	53%
Board of Directors**	36%

\*Based on employee data from Mylan's HR information System

\*\*Includes CEO Heather Bresch

## Building for the Future

As markets around the world evolve, our leaders routinely rethink the way we do business – both globally and locally – to remain built to last. One way we do this is by ensuring that the right people are in the right roles at the right time.

In 2017 we continued to integrate recently acquired businesses and streamlined our operations by reducing organizational layers. In some instances, this called for us to make the tough decision to restructure our workforce and eliminate roles. We regularly review our business and operating model for effectiveness and efficiency. As a result, we were able to minimize workforce reductions compared to many of our peers.

As Mylan's global presence expands, we continually enhance many of our programs, processes and systems to better respond to and support the changing needs of our workforce. A global data management and governance team works to ensure the integrity of workforce data around the globe. In 2017 the team developed an auditing process to improve data accuracy and enable analytical insight into areas such as diversity, attrition, employee sentiment and performance trends.

In 2017 Mylan's workforce recorded **2.6 million learning activities** in MyUniversity – 1 million more than 2016

Visit [Mylan.com](http://Mylan.com) to view our:

- ▶ Global Policy Prohibiting Discrimination, Harassment and Retaliation
- ▶ Diversity Statement



## Creating an Open and Welcoming Workplace

Mylan strives to create a positive, productive work environment. To this end, in 2017 senior leaders identified several areas of focus, such as employee engagement and company culture. As a follow up, Mylan is conducting an employee survey globally that is scheduled for 2018.

Mylan also piloted an exit survey for departing employees in several countries to collect valuable feedback about their experience at Mylan and improve employee satisfaction. This initiative is continuing in 2018.

## Recognizing Freedom of Association

Mylan recognizes and respects employees' right to representation and collective bargaining. We have a significant number of employees in manufacturing, commercial and corporate functions around the world who are represented and covered by collective agreements. We engage with employee representatives globally and strive to maintain productive relationships with them and all employees.

## Supporting Employee Well-Being

As a healthcare company, we also strive to be a model for healthy change and do our part to encourage employee well-being. That is why we invest in globally consistent, locally sensitive programs that help employees take charge of their health.

For example, in India, Mylan provides a number of well-being benefits for employees, including annual health check ups, free meals and transportation, and subsidized interest rates for housing. In addition, the Mylan Employees Welfare Association supports the welfare needs of Mylan's employees and their families. Areas of focus include higher education and healthcare for family members.

In the U.S. Mylan partners with employees to help manage the high cost of healthcare by providing generous incentives for participating in wellness activities and passing through rebates to our employees at the pharmacy counter. The company's strong health benefits also include access to biometric screenings, reminders of annual preventive exams and vaccinations, personal health coaching and telemedicine.

We continually look for new and innovative ways to help our employees and their families live healthier lives around the globe. Additional examples include:

- ▶ Exercise workshops;
- ▶ on-site flu vaccines;
- ▶ step challenges, marathon and cycling sponsorships; and
- ▶ subsidized Employee Assistance Programs to address a range of personal well-being concerns.



Mylan encourages collaboration through our social business intranet, MIKE (Mylan Information Knowledge Exchange). Employees around the globe can better connect, collaborate and communicate by blogging and starting discussions, forming groups to work on projects and sharing status updates.



## Ensuring Employee Health and Safety

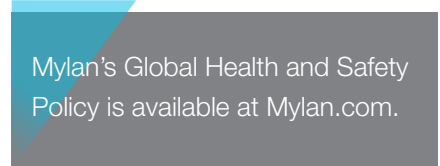
Safety is an integral part of how Mylan does business. A strong commitment to safety starts with our leadership and extends to all employees. We believe there are always improvement opportunities for employee protection, even with good safety performance. We encourage our people to “speak up” when it comes to safety and promote a work environment in which we all accept personal responsibility for our own safety and that of our colleagues.

In parallel with designing and building a safe work environment, Mylan understands the important role human behavior plays in safety. Mylan’s program, “Think Safe Work Safe,” places an emphasis on situational awareness, a well-established technique that promotes safe behavior in changing environments.

## Building a Healthy and Safe Workplace

Mylan’s Global Health and Safety Policy defines the standards and lays out the foundation for Mylan’s conduct with respect to health and safety. Our Environmental, Health and Safety (EHS) management system and our organization aims to ensure appropriate management of risks and regulatory compliance at all levels of the company. The EHS system drives ongoing improvement and manages opportunities to enhance safety across our operations. It is governed by a global EHS Governance Committee comprising cross-functional leaders.

Our EHS management system is based on 13 governing principles (see appendix) that provide a framework to support health and safety across our operations, and for all employees and external partners. Mylan’s EHS technical standards establish global minimum operating requirements for a variety of safety activities. Implementing these standards helps ensure compliance with applicable EHS regulations in all countries where we operate, in addition to filling the gap where certain regulations may not exist. We conduct periodic audits to systematically evaluate our EHS performance. Mylan uses findings from these assessments to drive improvement, promote knowledge transfer across all locations and mitigate risks.



6 of Mylan’s sites have attained OHSAS 18001 certification for health and safety management. 9 additional locations currently are in process.

## BEST IN CLASS

Mylan’s Katsuyama, Japan, team took home championships in an outdoor and indoor firefighting competition for the second year in a row.



## Identifying Risks Before They Happen

We believe in incident prevention. Our risk-management systems work to identify workplace risk and implement controls to reduce hazards.

In 2017 we elevated our injury-prevention strategy. Building on our existing hazard-reporting program, Incident Prevention Opportunity, we identified areas where the potential for a serious or fatal incident (SFI) could result. By understanding SFI potential, Mylan can ensure that the right programs and processes are in place to provide optimal protection of employees and contractors.

Our commitment to safety extends beyond our employees. Across all locations, protecting the safety of our contractors and visitors is part of our EHS management system. Contractors and visitors are covered by EHS policies and procedures applicable at their specific sites. We have established guidelines and expectations for contractor safety management, prescreening and training. Contractor safety performance is tracked and included in our contractor safety metrics.

## Enhancing Safety Through Continuous Learning

Through extensive training, Mylan's employees and contractors receive information and knowledge to assist them in performing activities safely and without harm to themselves or others. We require employees to take safety courses based on job responsibilities and regulatory requirements. Training is administered through our MyUniversity platform.

In 2017 sites continued to enhance global and site-specific e-Learning courses on a variety of topics, such as forklift use, hazardous-waste disposal and fall protection.

## Better Than Industry Average

Mylan's global total incident rate was

**0.51** CASES PER **100**

employees. This is 75% below the industry average of 2 cases per 100 employees.<sup>15</sup>

Mylan's global Days Away, Restricted or Transferred (DART) rate in 2017 equaled

**0.38** CASES PER **100**

employees. This is 68% below industry average of 1.2 cases per 100 employees.<sup>16</sup>

<sup>15, 16</sup>Industry average per U.S. Bureau of Labor Statistics

