

**RESOLVED:** Shareholders request that the Board of Directors commission and publish a third party review within the next year (at reasonable cost, omitting proprietary information) of whether Amgen’s lobbying activities (direct and through trade associations) align with the company’s Position on Access to Medicines, and in particular its provision stating that “Amgen’s medicines make a difference for those facing serious illnesses and we believe patients should have access to them regardless of their ability to pay.” The Board of Directors should report on how it addresses the risks presented by any misaligned lobbying and the company’s plans, if any, to mitigate these risks.

**SUPPORTING STATEMENT:** The company’s Position on Access to Medicines indicates their products should be available to all who need them. Yet prices for needed medication continue to be a barrier to access for many patients in the US. Efforts to reform the pricing system to improve access have been systematically opposed by the industry’s leading lobbying organization, Pharmaceutical Research and Manufacturers of America (PhRMA).

Amgen’s Chief Executive Officer, Robert A. Bradway, sits on the PhRMA board of directors, is a past Chairman, and the company spent nearly \$2 million on PhRMA lobbying costs in 2020.

PhRMA raised nearly \$527 million in 2020 and spent roughly \$506 million, including making multi-million-dollar donations to numerous other organizations like the American Action Network for use in opposing congressional efforts to address drug pricing<sup>1</sup>. PhRMA also launched a vigorous lobbying effort against a proposal to waive intellectual property rights for Covid-19 vaccines designed to boost production of vaccines in developing countries (the TRIPS waiver). PhRMA also sits on the board of the American Legislative Exchange Council (ALEC) which has been involved in highly controversial lobbying activity including advocating for the privatization of Medicare and Medicaid and opposition to drug pricing reforms and prescription drug importation<sup>2</sup>.

The positions the company adopts should not be undermined by lobbying efforts undertaken by organizations the company supports financially. While a company may not support every position taken by the trade associations to which it belongs, proper risk management requires that the board at least be aware of inconsistencies and evaluate whether they are salient to the company and therefore require mitigation.

The company’s own lobbying – which was \$4,720,000 in the first two quarters of 2021, focused on drug pricing legislation, amongst other things<sup>3</sup> – indicates that a similar review of alignment is in order. Amgen also gave Sen. Krysten Sinema, whose stance in Congress has stalled the passage of drug pricing reform, \$25,500 and is one of her largest financial backers<sup>4</sup>.

Shareholders have an interest in the use of company funds to support lobbying efforts that may have negative effects on the company’s reputation, its stated positions on public policy and regulatory concerns, and on matters of public interest such as COVID-19 recovery efforts which affect our global economy. For these reasons, we urge shareholders to support the proposal.

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<sup>1</sup> <https://www.opensecrets.org/news/2020/12/pharma-lobby-poured-millions-into-darkmoney-groups>

<sup>2</sup> [https://www.alecexposed.org/w/images/3/38/5V0-Access\\_to\\_Medicaid\\_Act\\_Exposed.pdf](https://www.alecexposed.org/w/images/3/38/5V0-Access_to_Medicaid_Act_Exposed.pdf) AND <https://www.alecaction.org/advocacy/ipi>

<sup>3</sup> <https://www.opensecrets.org/orgs/amgen-inc/lobbying?id=D000000391>

<sup>4</sup> <https://www.businessinsider.com/krysten-sinema-pharmaceutical-giants-campaign-donations-drug-price-reform-2021-9>