



Allergan Sustainability Performance Report

March 20, 2009

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 nearly 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 as you will read in the following sections of this report. 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 2008 in the Carbon Disclosure Project Leadership Index, Allergan scored 6th highest compared to 18 pharmaceutical companies polled globally.

When comparing 2008 with 2007, Allergan achieved the following:

- The occupational injury and illness frequency rate was reduced to 0.91¹ — a 3% reduction over 2007 and 35% reduction over the past five years,

- The waste generated was reduced by 17% year over year,
- Nonhazardous waste recycling reached a rate of 69% of total nonhazardous waste generated,
- Total energy consumption reduced by 2% year over year,
- Total water consumption decreased by 3% year over year, and
- Total Greenhouse Gas emissions decreased by 2% 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.

David E. I. Pyott

Chairman of the Board 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.

Introduction

2008 was another successful year for Allergan's sustainability program. We are in the middle of our 2006-2010 strategic planning period and on track to meet all of our 2010 goals. Allergan's specific performance against the current period goals is described following the strategic goals section. Allergan has rapidly grown between 2006 and 2008 through the acquisition of several companies. These include the acquisition of Inamed in 2006 and the acquisition of Groupe Cornéal Laboratoires and EndoArt SA in 2007. These acquisitions have also been factored into the performance data and summaries which follow. These new acquisitions have changed the EHS performance in 2007 and 2008. Six new manufacturing and R&D facilities have significantly impacted the indicators to be discussed further in this report.

Allergan has also included additional sustainability reporting parameters in this report in an effort to increase the transparency of Allergan's performance. Reporting includes economic and social parameters as well as environmental health and safety parameters. Tactical approaches to meeting the desired goals are included. Allergan positions and policies on current sustainability issues are presented. These include global warming, pharmaceuticals in the environment, water curtailment, packaging management, biodiversity, bioethics, energy independence, life cycle and carbon footprint approaches, green chemistry, ethnic and gender diversity, governance and ethics, and community support. A GRI in accordance with G3 statement and index are included along with third party verification statements by reference with copies available on our web site under Responsibility.

Sustainability Policies and Positions

Allergan has strong sustainability policies and positions that are actively adhered to. These can be found at the following links:

- [Policies](#)
- [Foundation](#)
- [Patient Resources](#)
- [Physician Resources](#)
- [Professional Affiliations](#)
- [Educational Grants](#)
- [Product Safety & Animal Testing](#)
- [Corporate Governance and Certificates](#)

Sustainability Indicators and Reporting

Allergan has selected the Global Reporting Initiative (GRI) G3 Guidelines as the basis for its sustainability indicators and reports in accordance with these Guidelines in this report and at various locations on the website as indicated at the following link:

- [Global Reporting Initiative \(GRI\) in accordance Summary](#)
- [Environmental Health and Safety Sustainability Performance Report](#)
- [EHS Sustainability Performance Summary Table](#)
- [Irvine Site EHS Performance Report](#)
- [Santa Barbara Site EHS Performance Report](#)
- [Waco Site EHS Performance Report](#)
- [Westport Site EHS Performance Report](#)
- [Guarulhos Site EHS Performance Report](#)
- [Costa Rica Site EHS Performance Report](#)
- [Arklow Site EHS Performance Report](#)
- [Fremont Site EHS Performance Report](#)
- [Allergan Foundation Annual Report](#)
- [Financial Report](#)
- [Earnings Release](#)
- [Corporate Governance and Certificates](#)
- [Recognizing Excellence](#)
- [Environmental Health and Safety Awards and Recognition](#)
- [Excellence in Research](#)
- [Clinical Trials](#)
- [Research Collaborations](#)
- [Product Pipeline](#)
- [Allergan History](#)
- [Allergan Leadership](#)
- [Allergan Culture](#)
- [Allergan Benefits](#)

Allergan 2006 – 2010 Sustainability Strategic Performance Goals

- Reduce the corporate injury and illness incident frequency rate to 1.00 or less and sustain during the period.
- Reduce hazardous waste going for offsite disposal by 10% from 2006 to 2010 using 2005 as the baseline year.
- Reduce solid waste going for offsite disposal per production unit by 20% from 2006 to 2010 using 2005 as the baseline year and maintain the recycling rate above 50%.
- Eliminate the use of Chlorofluorocarbon (CFC) 11 in Heating, Ventilating and Air Conditioning (HVAC) systems, where opportunities occur.
- Eliminate process-related volatile organic compound (VOC) air emissions from all facilities by 2006.
- Reduce chemical oxygen demand loads in wastewater discharges by 5% during the period.
- Reduce the amount of thimerosal and other mercurial preservatives used by 99% and less than 1 kg/year by 2010 using 1996 as the baseline year.
- Reduce the amount of electrical energy used by 5% from 2006 to 2010 using 2005 as the baseline year both on an absolute and normalized to square footage basis. Implement existing technologies such as cogeneration and photovoltaic systems. Implement new technologies such as fuel cells. Change the fuel types used from fuel oil to natural gas. Increase the fuel efficiency. Increase the use of renewable energy sources.
- Develop and implement a comprehensive greenhouse gas reduction plan. Achieve a 5% reduction in greenhouse gas emissions during the period.
- Develop a water management strategy and policy. Implement water reduction projects during the period. Reduce water consumption by 15% during the period.
- No Notices of Violation (NOV) received during the period.
- No community complaints, which are left, unresolved during the period.
- Evaluate all new products using the Environmental Health and Safety Product Design Criteria (EPDC) during the period.
- Continue internal audit program addressing Allergan manufacturing and R&D facilities; treatment, storage and disposal facilities; suppliers; third party manufacturers; distribution centers; acquisitions and divestitures.
- Continue EHS Communications Plan implementation during the period.

Allergan 2010 – 2020 Sustainability Strategic Vision and Goals

Allergan has also developed a long range sustainability vision with strategic goals that will take Allergan through 2020. The goals of this plan are described below. Achieving these goals will stretch the corporation but are considered attainable.

1. Improve Sustainability Performance

- Establish incident rate goal at ≤ 0.5
- Achieve Allergan overall recycling rate $\geq 80\%$
- Achieve 50% Allergan waste reduction in absolute terms by 2020 using 2000 as the baseline
- Achieve 50% energy and water reductions in absolute and normalized to square footage, production and sales terms by 2020 using 2000 as the baseline
- Achieve 50% GHG emissions reduction in absolute terms by 2020 using 2000 as the baseline
- Purchase 50% green energy by 2020
- Certify all new building construction to LEED
- Increase staffing to appropriate levels as determined by project management planning
- Increase community interaction

2. Integrate Sustainability into Allergan Business

- Integrate sustainable concepts into product research and development (from concept to production)
- Integrate sustainability concepts into Marketing product initiatives

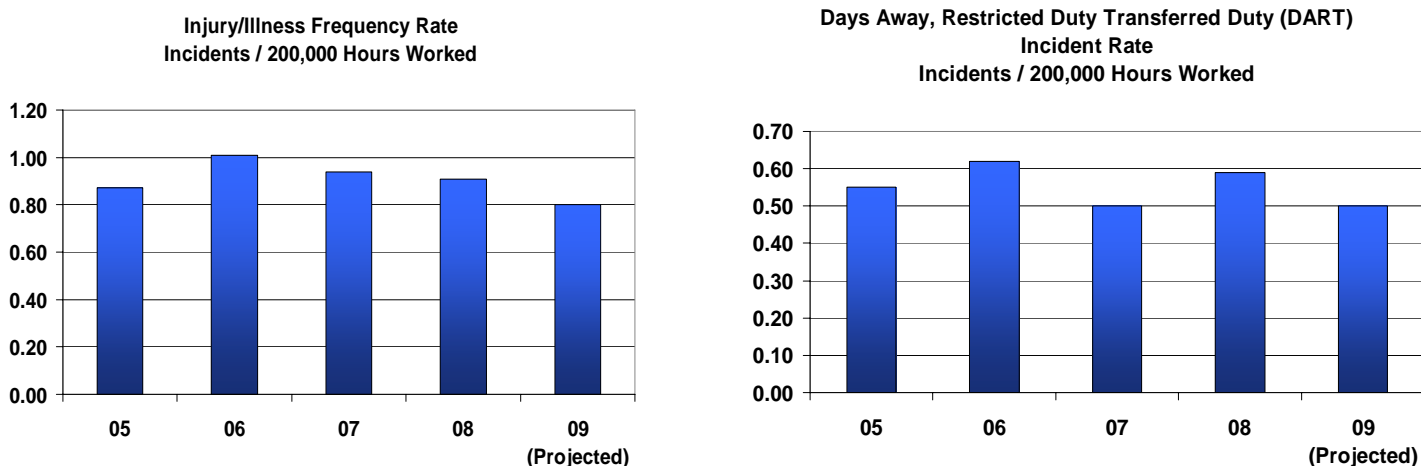
3. Improve Sustainability Communication

- Integrate sustainability objectives into business objectives and accountability
- Integrate sustainability objectives into business review and establish a steering committee
- Establish sustainability communications strategy
- Establish an Sustainability Information Management system – Sustainability “dashboard” to increase accountability and communication of performance

Safety Performance Trend

Allergan's injury and illness frequency rate has dropped steadily since 1991. In 2008, Allergan's injury and illness frequency rate was 0.91 normalized to 200,000 hours worked. Allergan's goal during the period is to reduce and maintain the incident rate to less than 1.00. In order to maintain this extremely low frequency rate, Allergan expanded programs in 2005 and 2006 to include behavior-based safety (Safe Start Program), Kaizen safety events, detailed risk assessments, improved training, and metrics. These programs have helped Allergan maintain the high level of performance in the safety area.

Allergan has a very low Days Away from work-Restricted duty-Transferred duty (DART) case rate of 0.59 normalized to 200,000 hours worked. Allergan continues to work with injured employees to return them to work as soon as possible.



Climate Change and GHG Trends

Allergan has focused on climate change since 1996 directly when we joined the USEPA Climate Wise Program. Previous to this Program involvement, Allergan has always been looking for efficiency improvements regarding energy use. Allergan joined the USEPA Energy Star Program in 2000 after having participated in the USEPA Green Lights Program in 1994. Allergan has participated in the US DOE 1605b Voluntary Greenhouse Gas Reporting since 1998. Allergan has responded to the Carbon Disclosure Project since 2004. Allergan has participated in the California Climate Action Registry between 2006 and 2008 and is now a participant in The Climate Registry in 2008 and forward. Allergan Pharmaceuticals Ltd. In Westport Ireland has had a greenhouse gas permit since 2006 and has successfully been able to meet the commitments of the permit and more in this short time.

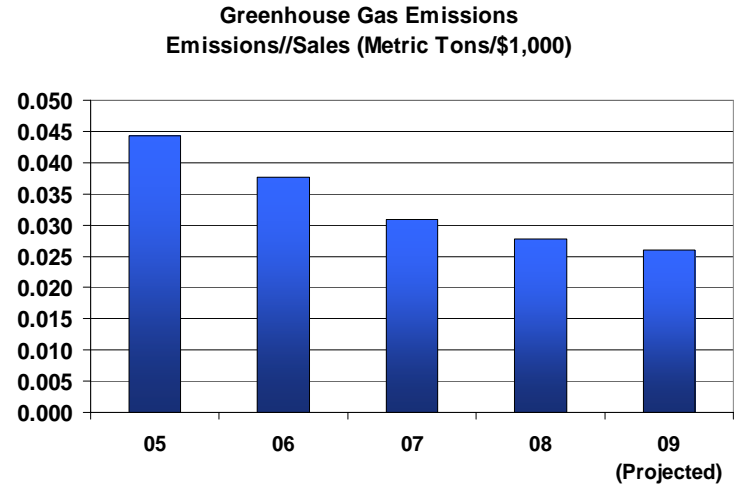
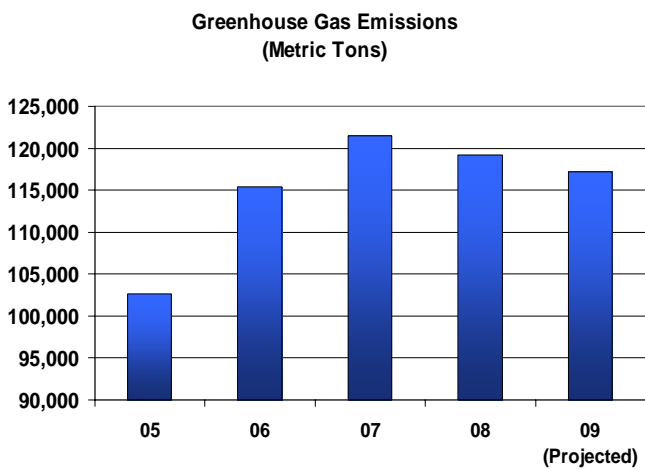
All Allergan facilities are reporting energy consumption. All R&D and manufacturing facilities have targets regarding energy consumption reductions and efficiency improvements. The Allergan vehicle fleets worldwide are reporting energy consumption and have targets being established for improving fuel efficiency. Allergan is beginning to collect information from commercial offices and distribution centers (generally third party operated). Allergan is considering how to work with suppliers and customers to share our successes and methods as well as to encourage energy efficiency and subsequent reductions in greenhouse gas emissions. Allergan is also measuring carbon footprints for its facilities and the corporation as a whole as well as testing how this process would be conducted and developed for specific product lines. This is a challenging endeavor given all the options for supply chains regarding each product.

Allergan sees opportunity in these endeavors and expects that the implementation of these approaches will better position the company versus our competitors for sustainable growth.

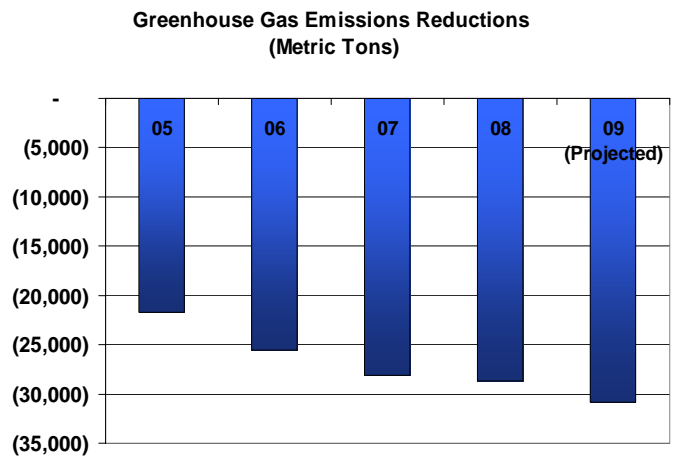
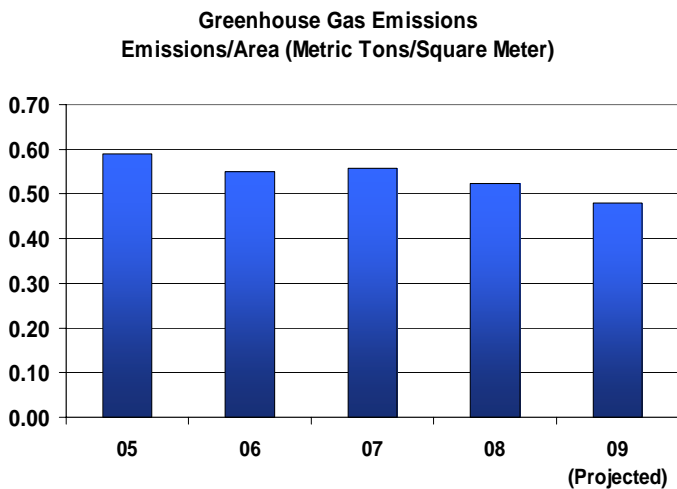
The 2008 projected overall GHG profile for Allergan is presented in the following figure. GHG emissions decreased by 2% vs. 2007 even with the addition of the new facility acquisitions. These acquisitions have significantly changed Allergan's carbon footprint on an absolute basis. Allergan would have been at pre 1998 levels if the recent acquisitions were not included. Projects to reduce energy consumption and consequently Allergan's GHG emissions at these new facilities are already underway at several of the new facilities.

This trend is expected to continue into the future. Allergan continues to plan to meet the planning period goal of reducing GHG emissions by 5% using 2005 as the baseline year.

On a normalized to sales basis, the GHG emissions decreased by 10% in 2008 vs. 2007 and 37% in 2008 vs. 2005. The effect of the new facilities when normalized to sales demonstrates Allergan's success at GHG emissions reduction.



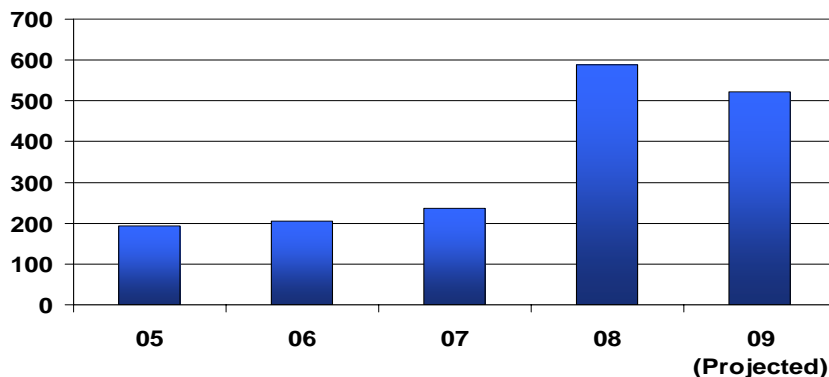
On a normalized to square footage basis, the GHG emissions decreased by 6% in 2008 vs. 2007 and 10% in 2008 vs. 2005. The effect of the new facilities when normalized to square footage demonstrates Allergan's success at GHG emissions reductions. Allergan has aggressively improved the energy efficiency of existing systems and designed energy efficiency into new projects. The company has also consolidated operations. The energy efficiency improvements translated into avoided GHG emissions based on carbon dioxide equivalence, which cumulatively total more than 63 million lbs in 2008 and a projected 2% reduction in GHG emissions in 2008 versus 2007 on a project basis.



Hazardous Waste Performance Trend

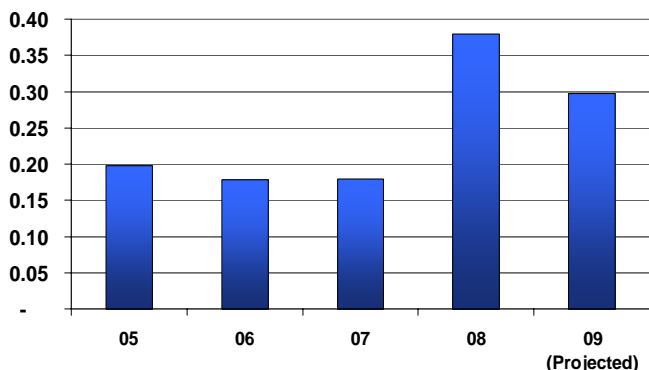
On an absolute basis, the hazardous waste increased by 149% in 2008. The primary reason for the increase in hazardous waste was due to the inclusion of Allergan Medical in France and the startup of the new Allergan Medical facility in Costa Rica. The increase can also partly be attributed to the increase in quality assurance testing requirements by regulatory agencies such as the US FDA and EMEA. Allergan has developed plans for reducing these wastes to the greatest extent feasible and expect to meet the five year strategic goal of 10% reduction by 2010 vs. 2005.

**Hazardous Waste Trend
Waste (Metric Tons)**

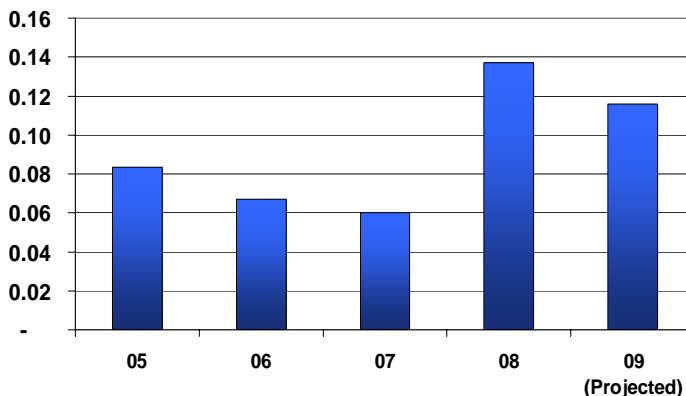


The hazardous waste generation is also normalized to production quantities for purposes of showing efficiencies. A 111% increase was seen in 2008 versus 2007 also when normalized to production units. The hazardous waste generation is also normalized to Allergan sales for purposes of showing efficiencies. The reduction in hazardous waste generated by the corporation and sent off site for disposal versus sales between 1997 and 2008 was 89%. These normalized measures demonstrate that Allergan continues to become more efficient in its R&D and manufacturing operations.

**Hazardous Waste Trend
Waste/Units (KG/1,000 Units)**



**Hazardous Waste Trend
Waste/Sales (KG/\$1,000)**



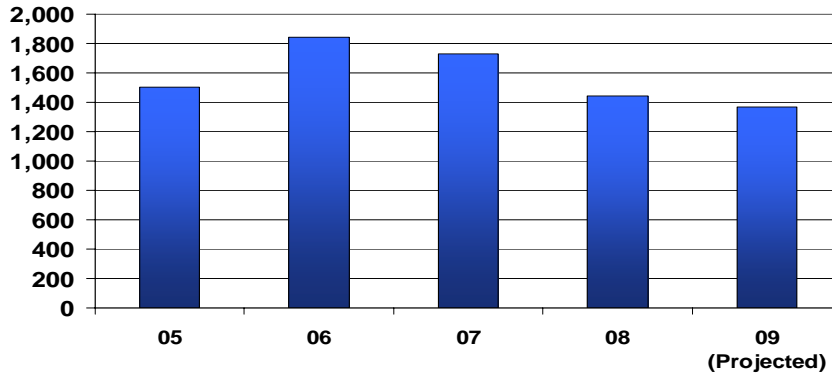
Nonhazardous Waste Performance Trend

The goal for 2008 was to reduce the waste generated per unit by 5%. The waste generated per unit decreased by approximately 29% in 2008 versus 2007. The strategic goal for the period is to reduce the waste going to landfill by 20%. Allergan is achieving a 4% reduction 2008 versus 2005. The goal is attainable by 2010 with the implementation of waste reduction programs at the Allergan Medical facilities.

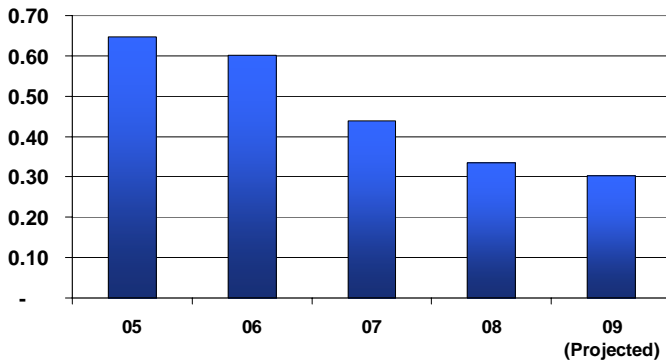
Nonhazardous waste reduction is accomplished in two ways: 1) waste prevention through improved production yields and minimization of packaging, and 2) recycling. As indicated below under the recycling section, the quantity of material recycled is tremendous. The amount of waste generated that is recycled is currently more than 69%.

Allergan continues to participate in the US Environmental Protection Agency (US EPA) Waste Wise Program. Waste prevention, reduction, recycling, and purchase of recycled-content products are reported annually to the US EPA. Allergan has been recognized as a Waste Wise Program Champion in 1998, 1999, 2000, 2001 and 2005, and received EPA commendations in 2002, 2003, 2004, 2006, 2007 and 2008.

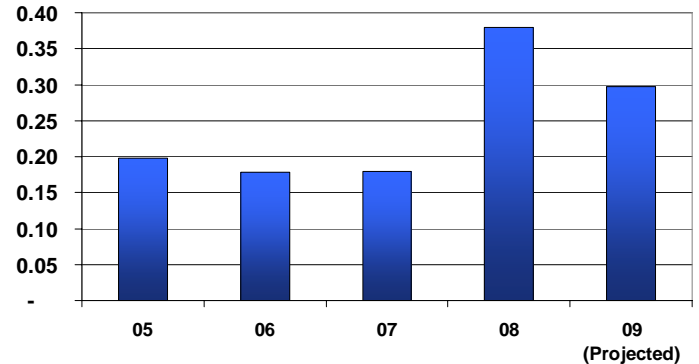
**Non-Hazardous Waste Trend
Waste (Metric Tons)**



**Non-Hazardous Waste Trend
Waste/Sales (KG/\$1,000)**



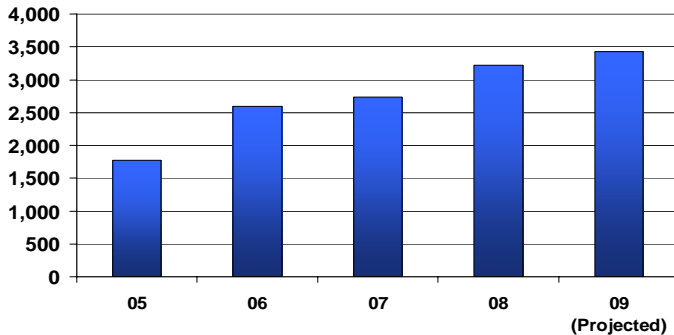
**Non-Hazardous Waste Trend
Waste/Units (KG/1,000 Units)**



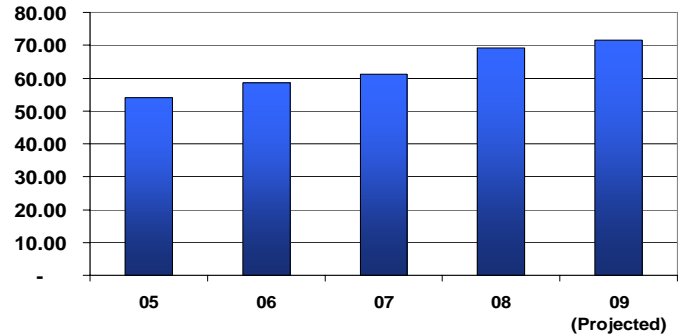
Recycling Trend

Allergan increased its recycling rate from 29% in 1995 to 69% in 2008. The goal in 2008 was to increase the recycling rate to greater than 60%. The absolute quantity of recycled materials was greater in 2008 versus 2007 by 18%. Recycling rate is derived from the total recycled materials quantity divided by the total nonhazardous waste generated including waste going to offsite disposal and waste being recycled.

**Recycling Trend
Material Recycled (Metric Tons)**



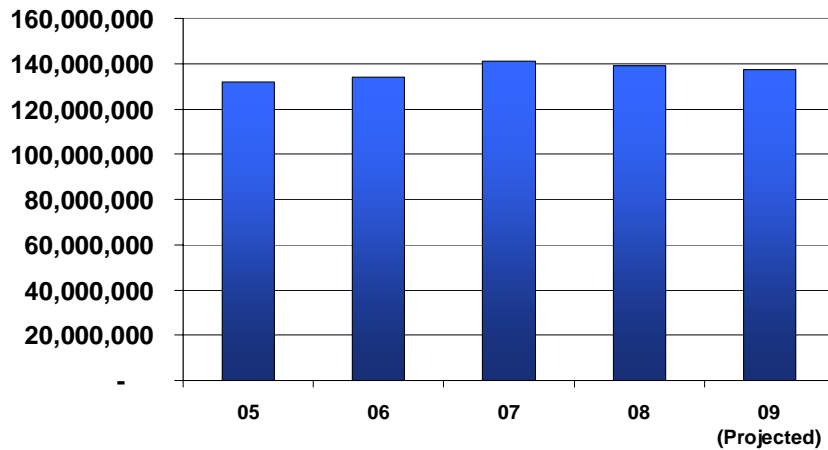
**Recycling Trend
% Waste Recycled**



Energy Consumption Trend

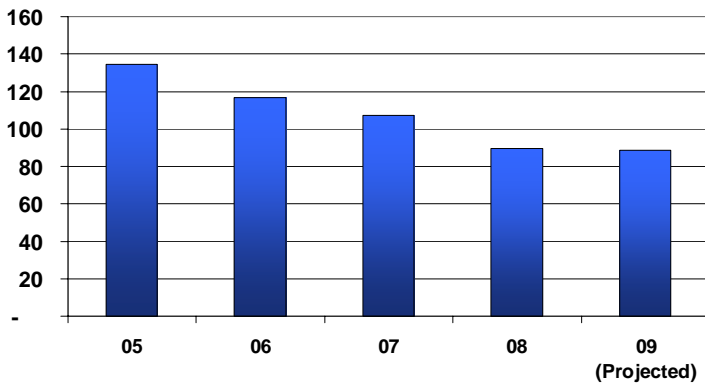
Allergan began a decrease in electrical energy consumption in 2000 due to upgrading manufacturing equipment, energy efficiency in renovations and new buildings, and consolidation of facilities. This trend in reduction had reversed between 2002 and 2005 due to major expansions at all major locations. The acquisition of Inamed Inc. also added a new base to the utility and waste aspects of Allergan performance in 2006. The acquisition of Allergan Laboratoire Corneal and EndoArt SA in 2007 also increased the overall electrical consumption. In 2008 versus 2007, electrical energy consumption decreased 1% on an absolute basis. Allergan has used tools such as Lean 6 Sigma, DMAIC approach, metering and sub-metering, and Energy Star performance indicators to ensure that energy efficiency is maintained. The Inamed locations have several energy efficiency opportunities being implemented.

**Electricity Consumption Trend
Energy (KWH)**

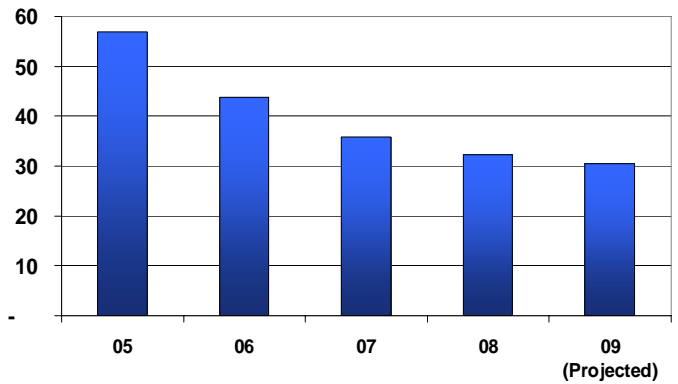


On a per production unit basis, the electrical energy consumption has decreased since 2005 in spite of the Inamed acquisition. The decrease in 2008 versus 2007 was 16%. The acquisition of Inamed, Laboratoire Corneal, and EndoArt SA has changed the profile of Allergan's consumption. On a per sales basis, the electrical energy consumption has decreased steadily since 1998. A 10% improvement in normalized electrical energy consumption efficiency occurred in 2008 versus 2007.

**Electricity Consumption Trend
Energy/Units (KWH/1,000 Units)**



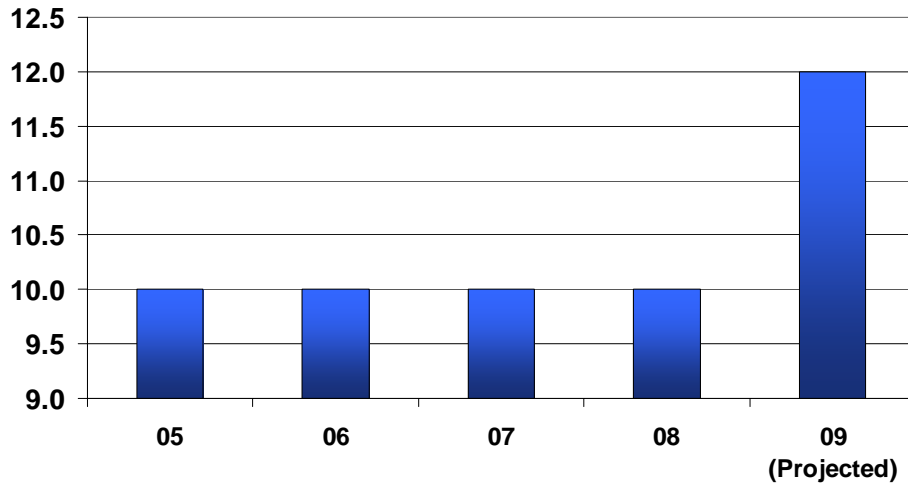
**Energy Consumption
Energy/ \$ (KWH/\$1,000 Sales)**



Allergan has consumed a percentage of its electrical energy produced by green power sources such as wind, solar, geothermal, biomass and small hydroelectric.

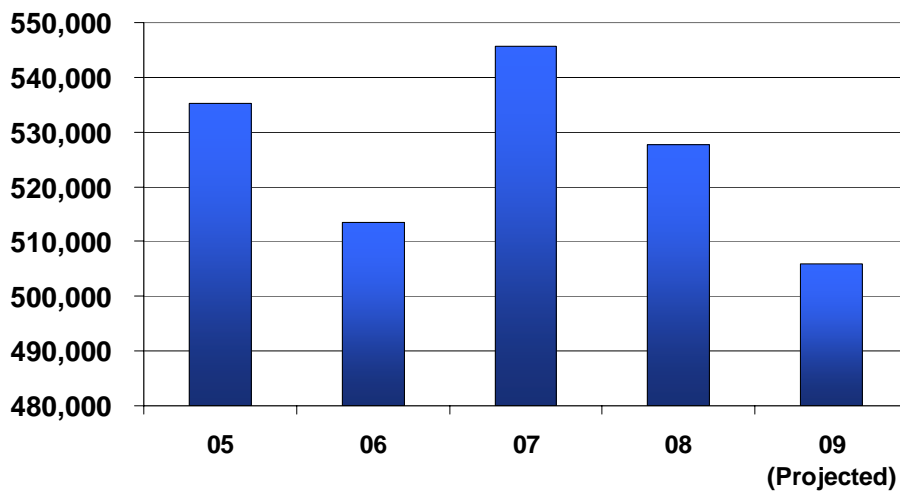
The figure below represents the percentage by year. Allergan has purchased green power directly through its utilities. All acquisitions through 2008 have been included in the data presented.

**Green Power Electrical Consumption
(% Green Power)**



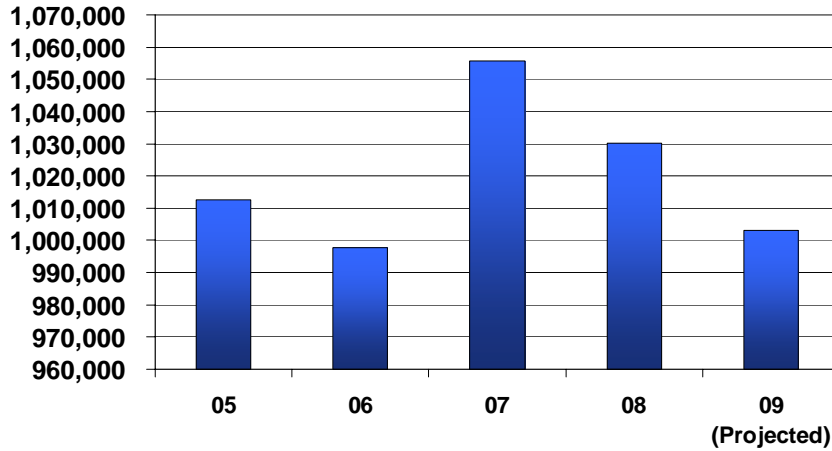
Allergan’s fuel consumption trend increased dramatically in 1995 due to the upgrading of a central utility plant at our Westport, Ireland facility. A second increase occurred with the same upgrades at the Guarulhos Brazil facility in 1999. A third expansion occurred at both Irvine (two new R&D buildings) and Waco facilities in 2004/2005. This was done to satisfy numerous expansion projects and increased manufacturing requirements from the Food and Drug Administration (FDA) and other Ministries of Health. In 2006, Allergan acquired Inamed Inc. The impacts of this acquisition and the expansions ongoing at each of the facilities have been fully integrated. Conservation projects were implemented in order to reverse the trend in fuel consumption at these and existing facilities. Allergan decreased fuel consumption in 2008 by 3% versus 2007.

**Fuel Consumption Trend
(Gigajoules)**



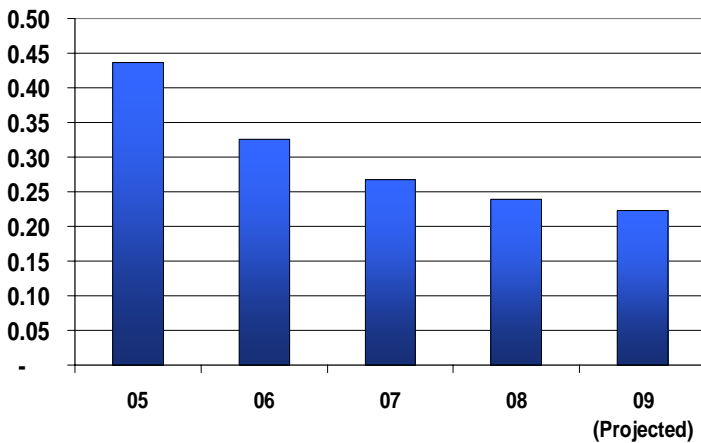
Overall, Allergan's total energy consumption decreased by 2% in 2008 versus 2007. Allergan is implementing projects in order to reduce the total energy consumption by 5% by 2010 per our strategic goals. Allergan is currently consuming 2% more energy than in 2005. The impacts of the acquisitions are demonstrating why this effort is so critical.

**Energy Consumption Trend
(GJ)**

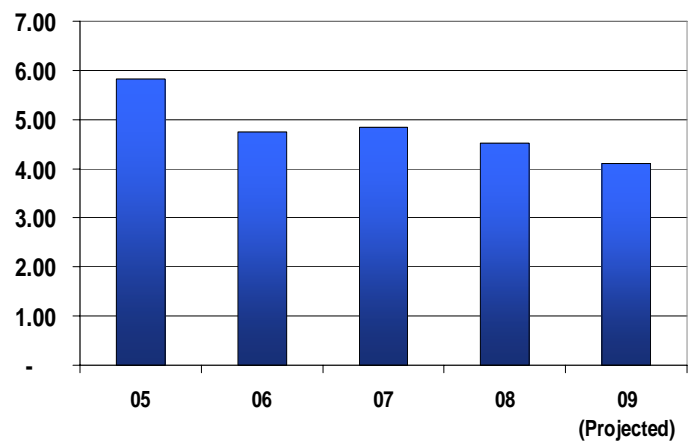


Allergan has seen generally a decline in total energy consumption on a per square foot basis since 2000. This trend demonstrates Allergan's effective energy program. The reduction in 2008 versus 2007 was approximately 6% on a per square footage basis. Using 2000 as a baseline, the decrease was 20% in 2008. When energy consumption is normalized per sales, in 2008 a decrease of 11% in energy consumption occurred versus 2007. The normalized trend demonstrates Allergan's commitment and results regarding energy conservation and management.

**Energy Consumption
Energy/Sales (GJ/ \$1,000 Sales)**



**Energy Consumption
Energy/Area (GJ/ Square Meter)**

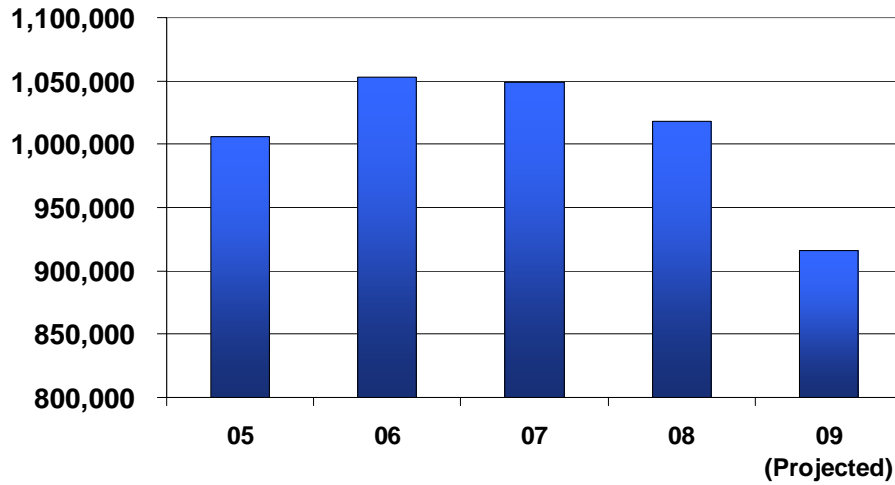


Water Consumption Trend

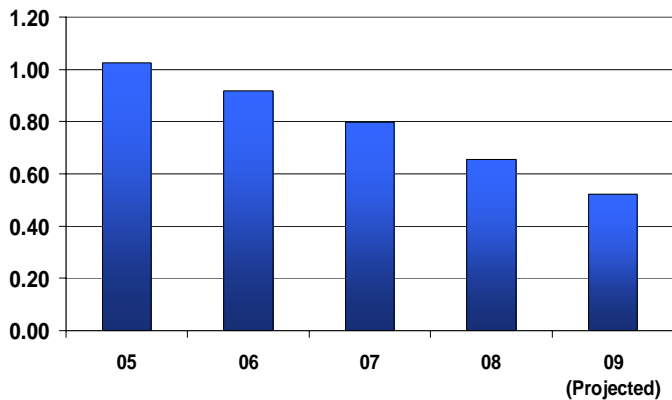
In 2008, the water consumption decreased by 3% versus 2007 in absolute terms. It is also expected with the major expansions and construction completed at all facilities that the water consumption will be more efficiently managed. Reclaimed water has been used at the Irvine location for many years for irrigation purposes. On a per unit basis, water consumption continues to decline.

Water consumption normalized to facility area demonstrates the effectiveness of Allergan's water conservation programs. The use of lean 6 sigma processes to focus on water use and potential water conservation opportunities has yielded excellent results.

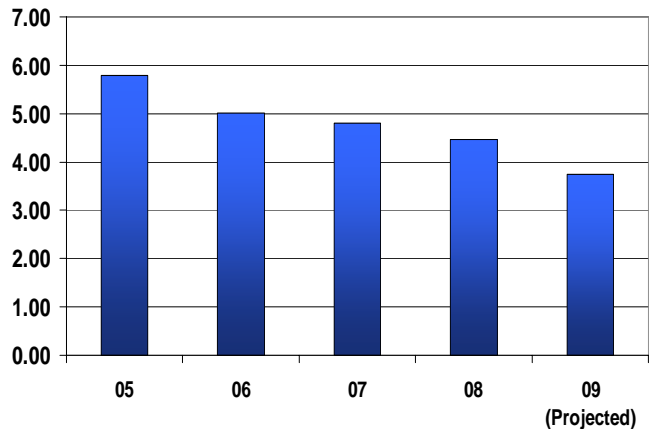
Water Consumption Trend (Cubic Meters)



Water Consumption Trend Quantity/Production Unit (Cubic Meters/1,000 Units)

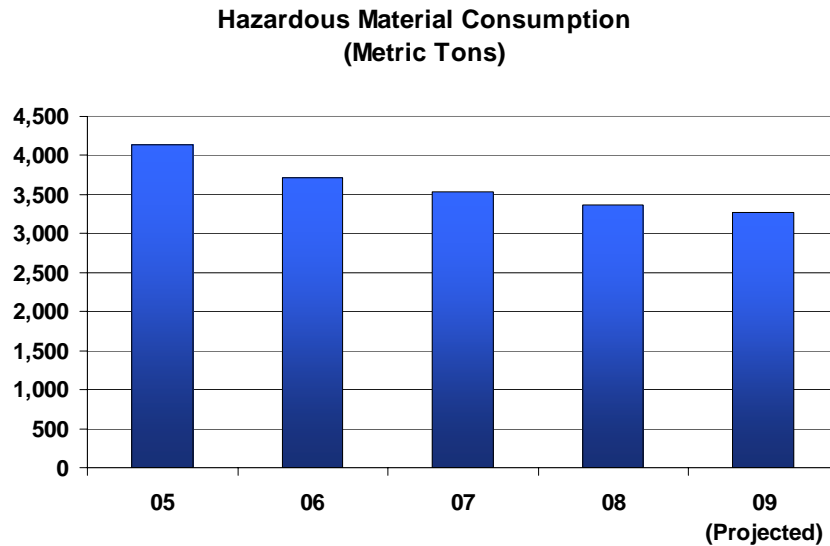


Water Consumption Trend Quantity/Area (Cubic Meters /Square Meters)



Hazardous Materials Consumption Trend

Allergan consumption of hazardous materials, as defined by US Occupational Health and Safety Administration (OSHA), during production continues to be measured. The 2008 hazardous material consumption decreased by 5% versus 2007. The impact of Allergan Medical has not been incorporated into the system at this point.

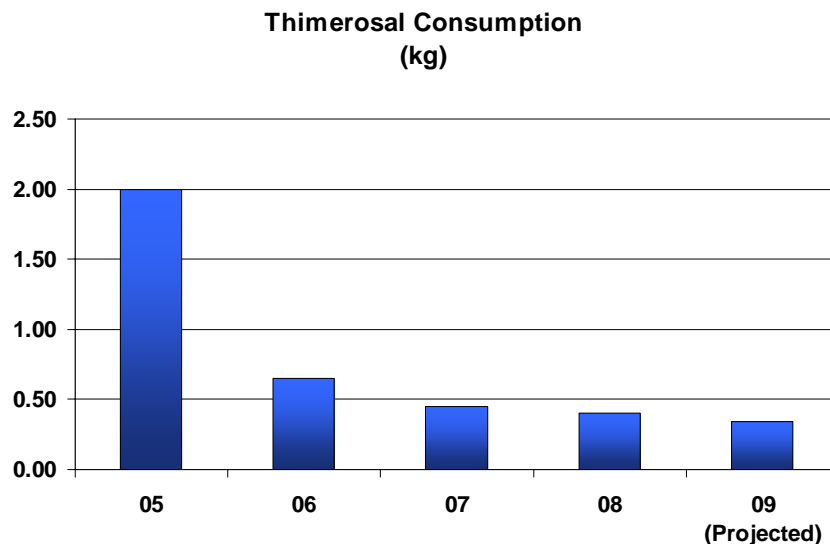


Packaging Metals Reduction Trend

Toxic metals (cadmium, hexavalent chromium, lead and mercury) in packaging components were eliminated in 1996 through a company-wide effort.

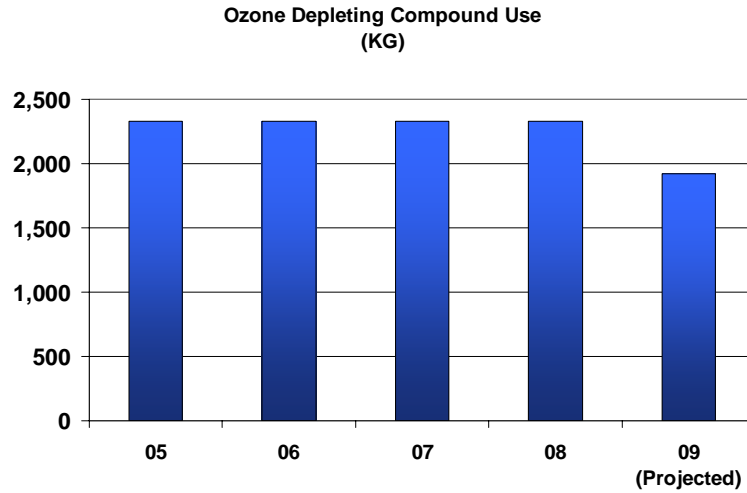
Thimerosal Consumption Trend

Thimerosal consumption has declined steadily since 1996. Product reformulations, new product introductions without thimerosal, and product attrition have accounted for this decline. In 2008, the thimerosal consumption declined by 11% versus 2007, by 96% versus 2000, and by 98% versus 1996. The strategic goal is to achieve a 99% reduction by 2010 versus 1996.



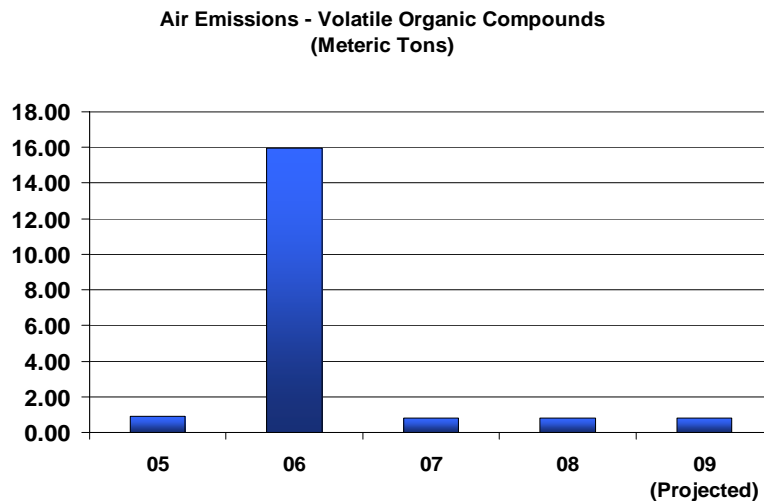
Ozone-Depleting Compounds Use Trend

Allergan has eliminated 99% of the usage of ozone depleting compounds (ODC) at its facilities. In 2009, the use of CFC-11 in two chillers at Allergan Pharmaceuticals in Waco, an ozone depleting substance, will be discontinued resulting in a 26% reduction in CFC-11 use at Allergan as compared to 2008. Allergan is in the process of accounting for the Allergan Medical impact to this goal.



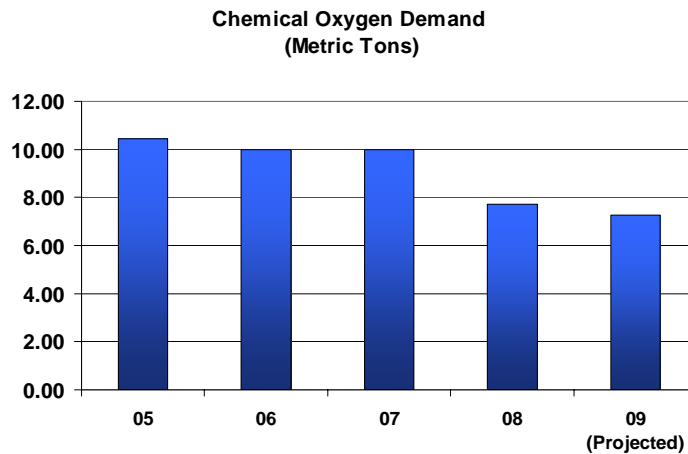
Air Emissions Trend

Allergan instituted controls to minimize the emissions of acetone from its Westport Ireland tablet coating operation in the early 1990s. Allergan developed and implemented new processes for tablet manufacturing and coating at its Guarulhos, Brazil facility in 1998. These process changes eliminated chloroform, methylene chloride, acetone, isopropanol, and ethanol emissions. The air emissions have been reduced to approximately 1 ton/year and reduced by greater than 99% as compared to 1999 emissions figures. In 2006, due to the “spin off” of the AMO manufacturing from the Westport facility, Allergan tablet coating emissions were eliminated from all Allergan facilities. This action met the intent of the goal to eliminate process-related volatile organic compound (VOC) air emissions from all facilities by 2006. When Allergan acquired Inamed, now known as Allergan Medical, xylene emissions associated with implant manufacturing operations in Arklow, Ireland added another emissions source to the Allergan inventory. An emission control system employing a rotary concentrator and a thermal oxidizer was implemented in 2007 to reduce these emissions. Allergan has again reduced air emissions to approximately 1 ton/year for all point sources.



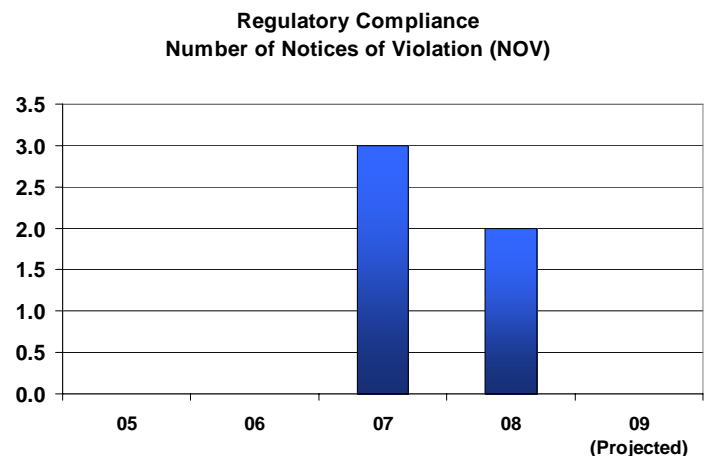
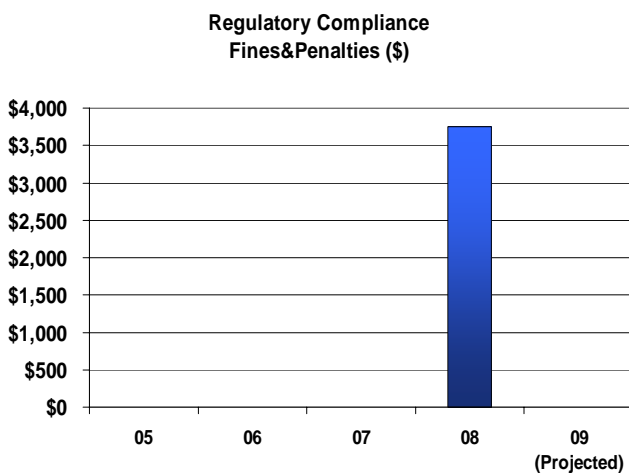
COD Emissions Trend

Chemical Oxygen Demand (COD), a measure of oxygen demanding chemicals in wastewater, has been reduced significantly due to wastewater equalization, neutralization and aeration facilities at the core manufacturing facilities. The improvement in materials use efficiency has also helped to reduce the COD levels. The projected COD emissions reduced to approximately 8.5 tons/year and reduced by greater than 82% as compared to 1999 COD emissions figures. Allergan COD emissions have reduced 26% during the current planning period and are far exceeding the 5% reduction goal for the same period. Allergan is currently well below permitted discharge levels for COD at all facilities.



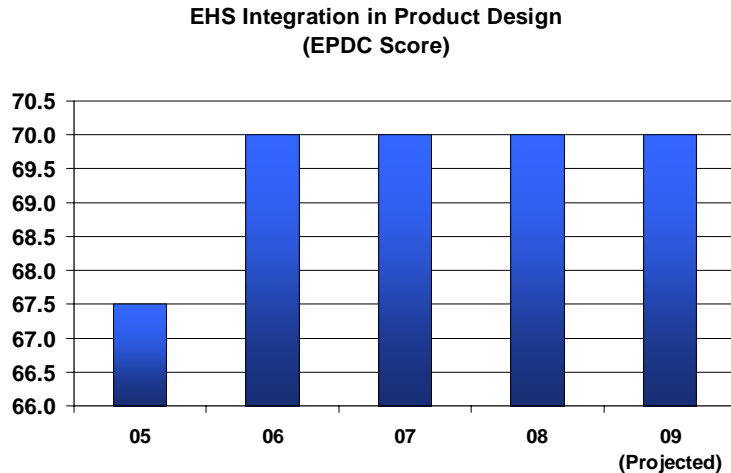
EHS Regulatory Compliance

Allergan Pharmaceutical Ltd. Ireland received a monetary fine of 2,500 Euros for EHS permit excursion in 2008. Allergan rectified the issue immediately related to a failure in a wastewater tank level controlling system and timely reporting of the issue to the Irish EPA. Allergan continues to be viewed by local regulators as a model business from an EHS perspective and Allergan has served as a demonstration example at its Waco, Texas manufacturing location for US EPA auditors auditing the City of Waco environmental permit compliance program. The Allergan Medical facilities have had no impact on Allergan's regulatory performance. Allergan has maintained very low levels of notices of violation for exceeding permitted limits at all its R&D and manufacturing locations over the past fourteen years. In 2008, this trend continued. Allergan has taken corrective action steps to ensure that it returns to the 2005/2006 performance level.



Allergan EHS Product Design

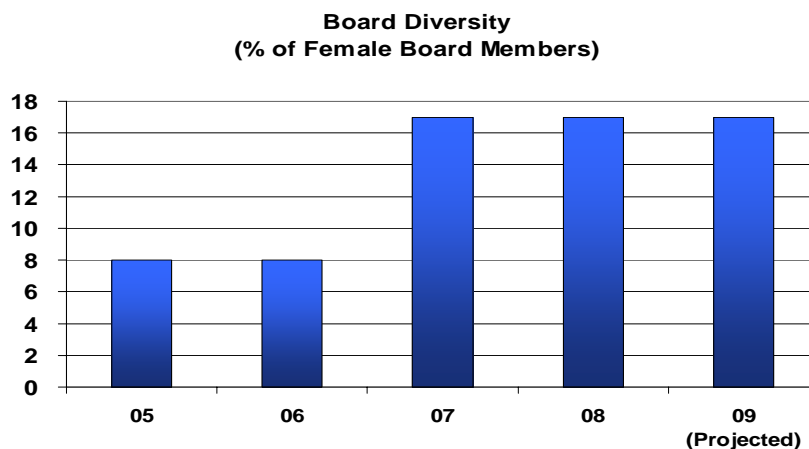
Allergan developed an Environmental Product Design Criteria (EPDC) in 1994. One product was evaluated against these Criteria in 1994. Over the preceding years, the Criteria have been modified three times with the latest revision including health and safety parameters as well as environmental parameters.



The Criteria has a set of worksheets that are completed by both EHS and R&D representatives. One worksheet evaluates the new product formulations considering use of restricted materials (toxic metals such as cadmium, hexavalent chromium, lead, or mercury), threshold limit values (TLV), lethal dose measurements (LD50), threshold planning quantities, reportable quantities, generation of hazardous waste, use of carcinogens (including mutagens and terratogens), generate hazardous air emissions, generate toxic water discharges, or require any other governmental reporting. The second worksheet evaluates the packaging design for the new product and considers use of restricted materials (toxic metals such as cadmium, hexavalent chromium, lead, or mercury), packaging weight reductions as compared to existing similar products or alternative packaging options, recycled-content materials use, reusable by Allergan, packaging material recyclability, and level of packaging elimination versus existing packaging or other packaging options. A third worksheet totals the scores for each new product optional formulation and/or packaging. A fourth worksheet requires a justification for not selecting the options with the best EHS performance. The maximum score achievable is 100. Allergan evaluated existing products prior to 1994 to develop a baseline. The figure demonstrates that Allergan has consistently improved EHS product design over the period since 1994. The improvement in EPDC score has increased 65% when comparing pre-1994 EPDC scores to current average new product EPDC scores.

Diversity and Training

Allergan has two women serving as members of the Board of Directors in 2008. The Board numbered of twelve members in 2008.



In 2008, Allergan's employee population averaged approximately 9,200. Allergan's US population had a 54% female employee population. The Allergan US population had a 32% minority employee population. Within Allergan's Latin America region, the employee population averaged 45% female employees. In the Allergan Asia Pacific region, the employee population had a 41% female population. Allergan has a diversified population based on age also. The retention of employees is a strong point for Allergan. At our other locations worldwide, the employee population gender mix is similar and representative of the local populations.

Allergan has training programs for all employees that are company-specific and job-specific as well as general training on Allergan systems and internal requirements.

Biodiversity

Allergan has facilities and offices located in major cities and in rural locations. Allergan has established a position to preserve biodiversity on an ongoing basis at our operations. Allergan assures that risks associated with land use, operations and impacts to biodiversity are identified and mitigated. Allergan assures compliance with international, national and local regulations and guidelines regarding biodiversity protection and preservation. Allergan assures open space and green areas are included in land use planning at our operations. Allergan assures consistency between Allergan sites regarding land use. Allergan also continues to evaluate our existing practices against current state of the art practices. Allergan has had extensive involvement in onsite activities to preserve green space and encourage community preservation of open green space such as the Lake Waco Wetlands Habitat Preservation project supported by Allergan Pharmaceuticals Waco Texas volunteers with support from Allergan. As well as the Newport Back Bay Conservancy supported located in Irvine California and the Allergan Pharmaceuticals Ltd Westport Ireland volunteers that support rainforest preservation and local biodiversity preservation

Conclusion

Allergan is successfully continuing in its third five-year Sustainability Strategic Plan and is well on the way to accomplishing its goals during the current period. Allergan has been evaluated by many organizations and through these assessments is a two-time consecutive member of the Dow Jones Sustainability Index North America and USA as well as a member of the FTSE4Good Index for the fourth year in a row. Allergan is also a member of the Domini 400 Indexes and has been for several years. Allergan also received the US EPA Energy Star Partner of the Year Award for Energy efficiency and the Waste Reduction Award Program (WRAP) Award in California in 2008. Allergan Pharmaceuticals Ireland has recently received the 2008 National Irish Safety Organization (NISO) Safety Award for 2007. Allergan Pharmaceuticals Brazil received the Pharma Union Safety Award in 2008. Allergan also completed the Carbon Disclosure Project [survey](#) establishing Allergan's positions regarding climate change. Allergan California facilities also certified greenhouse gas emissions through the California Climate Action Registry verified by TUV SUD, Inc. Allergan looks forward to achieving even greater success during the current strategic period.

