



# GLOBAL LABOR AND HUMAN RIGHTS POLICY

Adopted on September 30, 2021

## Background, Guiding Principles and References

Ligand Pharmaceuticals Incorporated (“Ligand” or the “Company”) is a biopharmaceutical company focused on developing or acquiring technologies that help pharmaceutical companies discover and develop medicines. We respect the rights of all people. We strive to promote the labor rights of our employees and to promote human rights where we operate to make sure that people are treated with regard and consideration. We support the principles outlined in the United Nations Universal Declaration of Human Rights as they are consistent with our values and business practices. We are dedicated to operating as a strong corporate citizen and to conduct our daily business in alignment with the principles set forth in this Global Labor and Human Rights Policy. We earn our reputation every day by nurturing our relationships with our employees, suppliers, partners, stakeholders, and the communities that we serve and operate in.

This Global Labor and Human Rights Policy applies to Ligand and its subsidiaries, the facilities that it manages and all employees (full-time or part-time), and directors. Elements of this policy may also be found in the Ligand Code of Business Conduct and Ethics, which applies to all Ligand employees and directors.

We are committed to working with and supporting our suppliers, partners, and contractors to uphold the principles stated in this policy and to adopt similar policies within their own global operations.

We are dedicated to engaging with our stakeholders and to the continuous improvement of this policy. For example, we may modify this policy following any change in law or regulation impacting our operations, or in such cases where we believe an opportunity exists to further our efforts regarding Labor and Human Rights.

The Nominating and Corporate Governance Committee of our Board of Directors oversees our global labor and human rights policy. Senior management periodically briefs the Nominating and Corporate Governance Committee on our efforts regarding to the implementation of the policy (in no case less than annually).

## Diversity and Inclusion

We seek to provide our workforce with an inclusive environment where diversity of thought is valued and respected. We help our employees reach their full potential in helping to push the boundaries of science. One of the foundations of our corporate culture is that consideration, mutual respect, and diversity are fundamental elements for success. We are dedicated to protecting the rights of women and minority groups, as well as advocating for the equal treatment and protection of rights for all of our employees, directors, contractors, customers, and stakeholders, without regard to sex, race, color, religion, creed, gender identity, sexual orientation, marital status, age, national origin, citizenship, genetic information, physical or mental disability, or membership or application for membership in a uniformed service.



We maintain an Alliance for Social Equality (ASE), which is a committee of our employee volunteers with representatives at all of operating sites to promote education, awareness and involvement in social equality and diversity.

## **Equal Opportunity and Non-Discrimination**

As an equal opportunity employer, we maintain a steadfast policy of non-discrimination with respect to all employees and applicants for employment. Employment and promotion decisions are based solely on an applicant's qualifications, merit, and performance and abide by the same principles that guide our vision of diversity and inclusion.

We have zero tolerance towards acts of discrimination or harassment. No penalty may be imposed on an employee, director, contractor, or other stakeholder, as punishment for filing a good faith complaint of discrimination or harassment. This includes responding to a complaint, appearing as a witness, service as an investigator or otherwise cooperating in a workplace investigation related to a discrimination or harassment complaint. Retaliation (or attempted retaliation) is a violation of this policy and any person(s) engaging in such conduct will be subject to disciplinary action.

## **Coerced Labor**

We do not and will not employ coerced, forced or child labor. In addition, we will not tolerate the involvement of our suppliers in child labor, forced labor, human trafficking or slavery, nor will we knowingly engage with a supplier, distributor, or enter into any venture with any organization that, directly or indirectly employs persons who were trafficked into employment or children. We generally define child labor as services performed by individuals under the age of 16.

## **Workplace Security**

We are committed to protecting our employees by providing a workplace that is free from violence, intimidation, harassment, and other unsafe conditions due to internal or external threats. Safeguards for employees are provided as needed and will be maintained and updated with regard for employee security and privacy in accordance with the Code of Business Conduct and Ethics.

## **Communities**

We are dedicated to proactive involvement with foundations and local organizations in our communities. We encourage our employees to give back in their communities and offer two paid days off per year to volunteer. We also encourage our employees to take advantage of company-sponsored volunteer events and platforms that provide support to local charities.

We operate a robust shareholder engagement platform with multiple wide-reaching initiatives each quarter in the form of earnings calls and webcasts and/or healthcare conferences and dedicated investor/analyst days. All these initiatives, coupled with annual shareholder meetings and access to the executive leadership team for our shareholders, foster an environment of high engagement and transparency.

We realize that access to clean air, water and healthy environment and prudent management of the usage is essential to the wellbeing of the communities in which we operate, the environment, and to our ability to manufacture our products. We identify the right to clean water as a fundamental human right and actively



implement systems to minimize its use. We maintain an internal group called the Ligand Environmental Action Force (LEAF), which is a committee of employee volunteers with representatives at all of our operating sites that manages corporate conservation initiatives and promotes awareness and involvement in environmental and conservation programs.

## **Compensation and Working Hours**

We comply with all applicable federal and local wage regulations, including minimum wage and overtime. In addition, we look to compensate at a wage that provides an adequate standard of living for all employees.

We believe that excessive working hours may pose a threat to the safety and health of our employees and that adequate time off for relaxation and recuperation is necessary for high levels of productivity. We support the health of our employees by encouraging regulated/normalized hours of work, rest periods, sick pay, paid vacations, and paid holidays.

## **Training and Continuing Education**

We believe in the development of internal talent and that the growth of human capital is essential for the success of our company. Our continuing education and training programs are designed to create opportunities for advancement, empower our employees with the tools necessary to succeed in their roles, improve or introduce new relevant skills sets and foster an environment of inclusion, mutual respect and safety.

## **Respect for Employee and Customer Privacy**

We are committed to protecting our employee and customer privacy by investing in our information technology systems that support our business processes as well as internal and external communications. A security breach in any one of these systems could expose our customers, partners and employees to risks of misuse of confidential information, impair our ability to effectively and timely operate our business and manufacturing activities, and cause other disruptions, which could result in legal claims or proceedings, disrupt our operations and the supply of our products to our customers, damage our reputation, and cause a loss of confidence in our products and services, any of which could adversely affect our results of operations, financial condition and competitive positioning in the marketplace.

The Audit Committee of our Board of Directors oversees our information security program. Senior management periodically briefs the Audit Committee on our efforts regarding information security (in no case less than annually).

To our knowledge, we have not experienced a material information security breach nor incurred any penalties or settlements regarding information security. We carry a Cyber Insurance policy to help cover investigation and mitigation expenses.

We enhance our information security through a training framework that includes all employees and encompasses targeted training for specialized personnel and continuing education for our executives and employees with access to vital systems or sensitive data.



## Reporting

We have a toll-free hotline 24 hours a day, seven days a week for employees and third parties to confidentially and, if desired, anonymously raise concerns or report to the Board of Directors any violations of law, this global labor and human rights policy or other company policies by company employees or management: Telephone 1-866-292-4858 or visit <http://www.ethicspoint.com>.

Upon discovery of a potential or suspected violation of law or Ligand policy, an appropriate investigation is promptly undertaken. Ligand's goal is vigorous, efficient investigation and response to all potential or suspected violations, including proper discipline, which can include reprimand, demotion, reduction in pay, suspension, and/or termination.