



2020 CORPORATE RESPONSIBILITY REPORT

Delivering Innovation for Major Medical Needs

Prepared November 30, 2021

Nasdaq: LGND

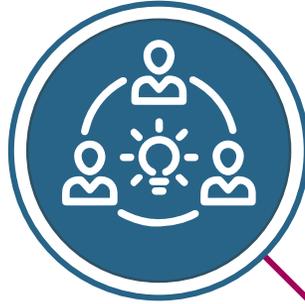
MESSAGE FROM OUR CEO

“At Ligand, we aim to deliver long-term sustainable value to our stakeholders by promoting a diverse, inclusive and supportive culture; inspiring innovation; and fostering trust throughout our organization and within the communities we serve. Our corporate sustainability program continually identifies, assesses and manages the environmental, social and governance (ESG) factors that are relevant to our long-term performance. Our sustainability program takes into account the interests of our key stakeholders including employees, partners, our communities and our shareholders. I am pleased to share in this report an update on the work our employees are doing to advance the human health, to help our communities, to protect the environment and to continue growing our business. We welcome your support on this journey.”

–John Higgins, Chief Executive Officer of Ligand Pharmaceuticals

ABOUT LIGAND

Medical research and technology company discovering medicines, improving safety and reducing manufacturing costs

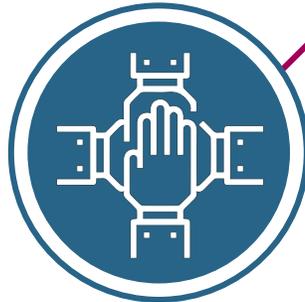


PEOPLE & INNOVATION



TECHNOLOGY

Robust platform of discovery tools and technologies needed to solve industry challenges



PARTNERS

Superior support and engagement with pharmaceutical partners for a wide range of medical and health needs



FINANCIALS

High growth and strong cash flow driven by diverse and growing portfolio of partnerships

LIGAND ADDS VALUE . . .

. . . JUST ASK OUR MORE THAN 140 PARTNERS

Our research and technology help partners...



Discover medicines



Improve safety



Reduce costs

Ligand's technology and R&D support entitles us to **share in revenue of partners through royalties**

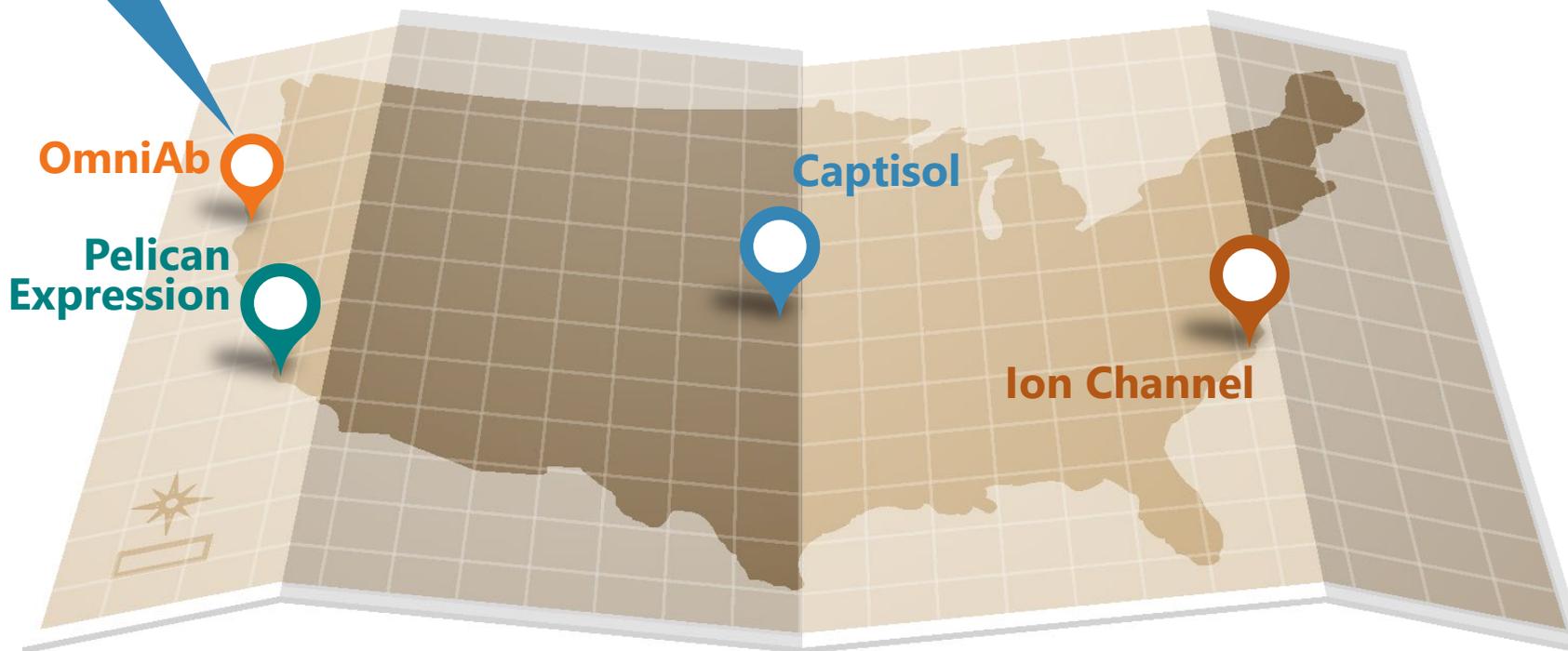
LIGAND'S OPERATIONS

Bay Area Location
- **OmniAb**

154 employees
52 with PhDs

4 regions where major
tech platforms operate

Recent R&D expansion
to support the **OmniAb, Ion
Channel, and Captisol**
businesses



Company footprint has evolved with 4 U.S. acquisitions
in 2020 and investment in the business

LIGAND INDEPENDENT DIRECTORS



John Kozarich, PhD Chairman
Merck Research Executive
CEO, ActivX Biosciences
Alkermes, Chemistry Professor



John LaMattina, PhD
Former President of Research,
Pfizer, Inc.
Biotech Advisor and Board
Member



Sunil Patel
Public & Private Biotech Executive
Past companies include: Abgenix,
Gilead, BiPar and OncoMed
Protein/mAb Researcher



Sarah Boyce
CEO, Avidity Biosciences
Past companies include:
Akcea Therapeutics, Ionis
Pharmaceuticals, Forest
Labs



Jennifer Cochran, PhD
Professor of Bioengineering,
Stanford University
Founder of multiple tech
companies



Jason Aryeh
Life-Sciences Fund Manager
Biotech Advisor and Board
Member



Todd Davis
Biotech / Restructuring CEO, Benuvia
Therapeutics
Private Equity Executive
Biopharmaceutical Board Member



Nancy Gray, PhD
CEO, Gordon Research
Conferences
Executive at American Chemical
Society and
Researcher at Exxon



Stephen Sabba, MD
Institutional Investor
BioTech Fund Manager
Gastroenterologist

2020-2021 ENVIRONMENTAL UPDATE



Policy Update

- We finalized our *Environmental Health and Safety (EHS) Policy*



Environmental Impact

- We implemented green initiatives that reduce our overall carbon footprint, reduce water requirements in our contractor's manufacturing processes, minimized packaging to reduce waste and fuel for shipping
- We implemented employee programs to educate and provide incentives for conservation, expanded recycling and disposal programs for corporate and laboratory materials and electronic waste, and began a program installing low-voltage lighting



Waste and Surplus Material Management

- Our employees are encouraged through company messaging and are very diligent about recycling
- We donated surplus equipment and materials obtained through our acquisitions to institutions of higher education

2020-2021 ENVIRONMENTAL UPDATE

Biological Safety

- We finalized safety programs and hold regular safety meetings and inspections
- We continuously look at our procedures to reduce and minimize any potential harmful effects of biologics involved in our work

Ligand Environmental Action Force (LEAF)

- We established a committee of employee volunteers at all operating sites
- The committee manages corporate conservation initiatives
- The committee has made donations to nonprofit environmental protection organizations
- The committee also promotes awareness and involvement in environmental and conservation matters



2020-2021 SOCIAL UPDATE



Policy Update

- We finalized our Global Labor and Human Rights Policy



Recent Efforts

- We have increased to three female directors to our board over the past few years
- We are providing our employees work equipment in a safe and ergonomic manner
- We are providing our laboratory workers all necessary personal protective equipment
- We encourage our employees to be charitable and to support local, national and international 501(c)(3) organizations by providing a company match to all employee charitable cash donations – our company matching program has made donations to more than 50 organizations during the period
- We support employee involvement in local community service, conservation, and social justice programs by offering paid time off

2020-2021 SOCIAL UPDATE

Ligand Alliance for Social Equality (ASE)



- We established a committee of employee volunteers with representatives at all of operating sites to promote education, awareness and involvement in social equality and diversity
- The committee has made donations to nonprofit organizations that protect underserved communities in the United States

Diversity and Inclusion

- We have active employee recruiting and our priority is to hire the best and pursue a diverse organization built on inclusion and trust
- We work with minority organizations for outreach to identify qualified candidates

2020-2021 GOVERNANCE UPDATE



Governance,
compliance and
reporting
arrangements

- We created a new privacy incidence [hotline](#) to allow anyone to anonymously report concerns or report to the Board of Directors any violations of laws, the code of conduct or other company policies
- Our [Code of Ethics](#) is publicly available and includes policies to maintain compliance with anti-corruption laws
- We engaged ESG consultants to assist with policy review and publishing
- Our Board of Directors maintains responsibility for Ligand's implementation of our ESG strategy
- We updated the charter and mission of our board of director's Compensation Committee to meet a broader mandate to oversee Human Capital Management

2020-2021 GOVERNANCE UPDATE

Audit update

- We reviewed and provided additional employee training on cybersecurity policies, and conducted risk assessment of working remotely due to the COVID-19 pandemic
- We maintain a whistleblower hotline, and any reports are reviewed by our Board's audit committee and are investigated by the company
- On an ongoing basis, we are reviewing the potential business impact arising out of the COVID-19 pandemic

Shareholder engagement

- During 2020 and YTD November 2021, our management team participated in thirteen Wall Street investor conferences
- Our full management team hosted a virtual Analyst Day event in October 2020
- During 2020 and YTD November 2021, our management team participated in more than 400 investor meetings, both in-person and via conference calls



2020 CORPORATE RESPONSIBILITY REPORT

Delivering Innovation for Major Medical Needs

Nasdaq: LGND

