

Corporate Social Responsibility (CSR)  
Statutory Report 2012

Innovating antibodies,  
improving lives

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Statutory report on CSR for the financial year 2012 cf. Section 99a of the Danish Financial Statements Act (“Lovpligtig redegørelse for samfundsansvar, jf. årsregnskabslovens § 99 a”). This report forms a part of the Directors Report in the Genmab A/S Annual Report covering the period 1 January – 31 December 2012.

Genmab is dedicated to being a socially responsible company. We commit to comply with all relevant laws, standards and guidelines. Therefore, we maintain a strong corporate governance structure and communicate openly and transparently about our CSR efforts as we build a sustainable business.

Genmab’s core purpose is **to improve the lives of patients by creating and developing innovative antibody products** that contribute to society by improving healthcare and the quality of life. Genmab will achieve this goal in a responsible and ethical way, ensuring a safe and inspiring working environment for employees and minimizing the impact of its processes on the environment.

We expect both initiated and planned CSR activities to have a positive effect on our business and reduce the risks associated with environmental, social, and ethical issues. We anticipate that these CSR initiatives will be viewed favorably by current and prospective employees and investors.

The Board of Directors has approved a business driven CSR strategy which focuses on four main areas:

- » Employee well-being including health, safety and development
- » Ethics in relation to pre-clinical and clinical studies
- » Environment including waste management and recycling
- » Business ethics and transparency

To improve transparency and to ensure progress of Genmab’s CSR initiatives, Genmab has established a CSR Steering Committee with representatives from human resources, investor relations and communications, finance, and research and development functions.

Genmab’s CSR report covers the main highlights of our CSR initiatives but does not reflect all of Genmab’s ongoing initiatives and procedures. As part of our commitment to CSR we monitor new developments and practices and consider new initiatives that could further develop our CSR activities in each of Genmab’s focus areas.

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## CSR Focus: Employee well-being including health, safety and development

### POLICIES AND GUIDELINES

One of Genmab’s greatest assets is its employees as they are a key factor for the success of the company. Therefore, Genmab has numerous policies in place to ensure the well-being, health and safety of its employees. In addition, Genmab is focused on the development, motivation and engagement of its employees.

Employee well-being is mostly covered by corporate policies regarding regular physical and mental workplace checks, smoking and alcohol, different forms of leave, diversity and anti-discrimination. Health

and safety is mostly covered by policies regarding safety in laboratories and handling of dangerous substances (Genmab B.V.).

Management ensures that employees are trained to correctly handle hazardous goods and chemicals (Genmab B.V.), to manage workload, and to deal with work related stress (Genmab A/S). Genmab also proactively invests in knowledge development of employees (Genmab B.V.).

### ACTION AND RESULTS

During 2011, Genmab initiated a new Performance Planning & Review and Competency Review cycle at all Genmab locations together with the launch of our newly defined core values. In 2012, Genmab's core values were integrated as part of the newly introduced Competency Review system for each of our employees.

An employee satisfaction survey was not conducted in Genmab A/S in 2012. It has been decided that, as general rule, the mandatory workplace assessment survey (required every third year in Denmark) will be used as the sole basis for the employee surveys in Genmab A/S in the future. This survey may potentially include additional questions not mandatory for a workplace assessment survey. The next workplace assessment is planned for Genmab A/S in 2013 and Genmab B.V. in 2015. Based on these assessments, improvement initiatives will be put forward, prioritized and translated into action plans.

Finally, due to local regulations and different cultures we did not implement a group stress policy. Instead, local policies or practices have been developed to furnish information to employees that focuses on identifying indications of stress in the workplace and offering advice to employees and managers on how to handle stress.

### FUTURE EXPECTATIONS AND ACTIVITIES – 2013 AND ONWARDS

In 2011, Genmab implemented an HR-indicator for employee turnover as part of internal reporting to Executive Management. Employee turnover for 2012 was approximately 6% which is unchanged compared to 2011. This turnover reflects both the current job market and Genmab's aim to attract and retain employees. In 2013, we will also include absence indicators in the management reporting. In 2012 employee absence is approximately 2% for the Genmab Group. We will benchmark both employee turnover and absence against generally accepted industry standards.

Genmab emphasizes an open and supportive professional work environment across our international locations. Genmab believes that fostering workplace diversity is a prerequisite for the continued success of the company. Diversity is interpreted broadly to ensure equal opportunities, non-discrimination and an inclusive working culture, and includes social, educational and cultural background as well as nationality, age and gender. While insisting that all positions must be filled by the best candidate, our ambition is that all management levels shall hold a diverse composition.

At present, none of the members of the Board of Directors and the Executive Management are women. However, in the Senior Vice President group the share of women is 40% and at management levels in general (i.e. Director level and above), the share of women is 44%.

Genmab is committed to continue working towards equal opportunities for women and men at all management levels in the Genmab group. Both male and female candidates are – to the extent possible – considered in connection with internal and external recruitment and Genmab encourages talented male and female employees to pursue a career in the company. Also, to identify barriers – or the

perception of barriers – preventing equal opportunities for men and women, Genmab regularly conducts employee surveys.

The current male/female ratios are outlined below:

End of 2012	Male ratio	Female
<b>Genmab Group</b>	53%	47%
<b>Director level and above</b>	56%	44%
<b>Below director level</b>	52%	48%

The diversity of Genmab’s management levels and activities to ensure diversity are reviewed by the Board of Directors at least on an annual basis.

Finally, during 2013 Genmab will, as in 2011, hold an event gathering together all employees of the group, in order to further strengthen communication and teamwork across different functional and cultural backgrounds.

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## CSR Focus: Ethics in relation to pre-clinical and clinical studies

### POLICIES AND GUIDELINES

The biotech and pharmaceutical industry is governed by extensive and strict regulations. Genmab is subject to, and complies with, these international regulations, guidelines, and standards for drug development, such as Good Laboratory Practice (GLP), Good Clinical Practice (GCP), and current Good Manufacturing Practice (cGMP). The regulations and guidelines are intended to provide quality assurance of pre-clinical and clinical studies and the processing of data resulting from the studies.

Genmab is dedicated to comply with all relevant legislation and regulations, including the guidelines issued by international regulatory authorities such as the EMA and the FDA. Please refer to the “Risk Management” section of the Annual Report for 2012.

### ACTION AND RESULTS

Management believes that it is of fundamental importance to be in compliance with all relevant regulations, laws, standards, and guidelines. Therefore, Genmab conducts internal and external audits according to an approved audit schedule and approved standard operation procedures.

In 2011, Genmab’s quality manual and quality risk management procedures were updated. The quality manual describes the quality policy and the quality management system covering our business processes including the management responsibility. Additionally in 2011, a global record management policy was developed. The global policy is based on best practice from local policies in each location. The updated global policy was effective from January 1, 2012 and training sessions were conducted in 2012 and early 2013.

## FUTURE EXPECTATIONS AND ACTIVITIES – 2013 AND ONWARDS

Genmab will continue to conduct internal and external audits according to an approved audit schedule and approved standard operating procedures.

In 2013, we will evaluate and consider implementing ethical, social and environmental conditions as part of our vendor selection process for all new potential vendors related to Clinical/Contract Research Organizations (CROs) and Contract Manufacturing Organizations (CMOs) e.g. by including in our contracts information on the company's business ethics and our expectations that our suppliers comply with basic ethical, social and environmental guidelines.

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## CSR Focus: Environment including waste management and recycling

### POLICIES AND GUIDELINES

All relevant policies regarding environmental care have been included in the Employee and Facilities Handbooks. Genmab encourages employees to act in an environmentally friendly manner, to produce as little waste as possible and to collect waste for recycling where practicable. The management of lab waste at Genmab B.V. is audited annually and the waste license is maintained in compliance with all rules and regulations. Genmab B.V. lab employees are instructed to replace highly toxic chemicals by less toxic versions where feasible.

Genmab contributes to energy-saving by using an environmentally friendly climate control system and equipping all locations with energy saving LCD screens. Genmab monitors the use of environmentally friendly power sources employed by local power supply companies. Green energy is used when the pro-green arguments can be balanced with the costs involved.

In addition, Genmab encourages its employees to use public transport when traveling to work by partially reimbursing the incurred expenses at its European locations. Through its global travel policy Genmab restricts its employees' use of travel by plane and encourages the use of teleconferencing and videoconferencing as an alternative to business trips.

Finally, Genmab uses recycled paper for all printers and copiers, and procedures have been established for recycling and handling of old electronic equipment including laboratory and IT equipment. In addition, Genmab has implemented two-sided printing as corporate standard and includes a "think-before-you-print" message in the standard e-mail signature.

### ACTION AND RESULTS

Genmab management aims to draw attention to the importance of protecting the environment and therefore Genmab implemented a group environmental policy in 2011. This policy states, amongst other things, that Genmab employees shall take all reasonable and practical steps to ensure that we have a safe, healthy and clean working environment. Each employee is responsible for environmental protection at the workplace to the best of his or her knowledge, ability and experience.

In 2012, Genmab's electricity consumption was reduced due to the relocation to smaller office facilities in Genmab A/S and Genmab, Inc.

Genmab has decided not to include any indicators for the environmental area at this time, but will be consider doing so in the future where relevant.

#### FUTURE EXPECTATIONS AND ACTIVITIES – 2013 AND ONWARDS

Genmab will continue to encourage employees to act in an environmentally friendly manner, to produce as little waste as possible and to collect waste for recycling where practical. In addition, all Genmab employees are encouraged to identify areas for improvement and to work towards minimizing Genmab's impact on the environment.

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## CSR Focus: Business Ethics and Transparency

#### POLICIES AND GUIDELINES

As a biotechnology company, Genmab's reputation as a trusted partner is crucial to its shareholders and business partners and is essential to the company's ability to conduct business. Genmab is committed to lawful and ethical behavior in financial and accounting matters, as well as other activities, and requires its employees to conduct themselves in a manner that complies with all applicable laws and regulations. Genmab has implemented a whistleblower program which is approved by the Danish Data Protection Agency.

In 2011, a code of business ethics for all our employees was implemented and communicated. The code of business ethics aims to promote lawful and ethical behavior from all internal stakeholders when conducting business on behalf of Genmab.

Genmab has implemented global pharma compliance guidelines in relation to interactions with healthcare professionals. Furthermore, Genmab has guidelines for Company communications regarding products in development.

#### ACTION AND RESULTS

In 2012, training on the compliance guidelines was conducted in relation to interactions with healthcare professionals and procedures have been established to ensure compliance with the new reporting requirements in the US and UK.

No issues have been reported under either our code of business ethics or our whistleblower program.

#### FUTURE EXPECTATIONS AND ACTIVITIES – 2013 AND ONWARDS

It is expected that all employees comply with the code of business ethics to ensure business at Genmab is carried out in a lawful and ethical manner in accordance with our stated company core values and so that our continued conduct of business and company reputation are protected.

In 2013 refresher training in our code of business ethics will be conducted for all our employees.