

Statutory Report on Corporate Social Responsibility (CSR) for 2015, cf. art. 99a of the Danish Financial Statements Act

Genmab A/S
CVR no. 2102 3884

Innovating antibodies,
improving lives



Statutory report on CSR for the financial year 2015 cf. Section 99a of the Danish Financial Statements Act (“Lovpligtig redegørelse for samfundsansvar, jf. årsregnskabslovens § 99 a”). This report is part of the Directors’ Report in the Genmab A/S Annual Report covering the period 1 January – 31 December 2015.

Our Commitment to Corporate Social Responsibility

Being socially responsible is at the core of how we do business at Genmab and is reflected in Genmab’s core values. We believe that a company has a responsibility to conduct itself in a way that benefits not only the company’s main stakeholders, in our case patients, shareholders and employees, but also society as a whole.

At Genmab we seek to create new medicines to help patients, with a specific focus on cancer. When carrying out our business we strive to comply with all relevant laws, standards and guidelines. At the same time, we consider the well-being of our employees a top priority, and we take actions to minimize our impact on the environment to the extent possible. We have high ethical standards and aim to conduct business with companies and within countries that share our ethics. We do not conduct business in high-risk countries where human rights are not upheld. Since we have a limited number of employees and must therefore carefully allocate our resources, we have chosen not to implement a specific human rights policy. However, Genmab supports and respects the protection of internationally proclaimed human rights through other policies that address responsible supply chain management, ethical procedures, health and safety procedures and issues regarding access to medicine. In addition, Genmab only conducts clinical trials in markets where a drug is planned to become available.

Our CSR Committee is comprised of representatives from our human resources, investor relations & communications, legal, finance and research & development functions. The committee ensures that Genmab carries out its CSR activities effectively and communicates clearly and openly about them.

Our business-driven CSR strategy 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

Genmab’s CSR report discloses the main highlights of our CSR initiatives but does not reflect all of our ongoing initiatives and procedures. As part of our commitment to CSR we monitor new developments and practices and have a process via which we consider implementing new initiatives that could further enhance our CSR activities.

Our Core Purpose and Vision

Genmab’s commitment to CSR is anchored in our company’s core purpose **“to improve the lives of patients by creating and developing innovative antibody products”** and our vision **“By 2025 our own product has transformed cancer treatment and we have a pipeline of knock-your-socks-off antibodies.”**

Our vision inspires and motivates us to find new ways to improve healthcare and quality of life for patients and their families. The antibodies we create are specifically designed to provide new treatment options to patients with life threatening and debilitating diseases.

Our efforts at addressing unmet medical needs have led to the creation and market launch of DARZALEX™ (daratumumab) and Arzerra® (ofatumumab) and the development of other products.

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

POLICIES AND GUIDELINES

At Genmab, our vision, core purpose, and core values guide and inspire employees in their everyday work.

Core Values
Passion for innovation
Work as one team and respect each other
Determined – being the best at what we do
Integrity – we do the right thing

Genmab believes that an engaged and motivated workforce that is offered development opportunities will produce better quality work. Our Performance Planning & Review cycle, which includes components related to our core values, is designed to support employee motivation. Furthermore, Genmab invests in the development of employee knowledge, skills and competencies as these areas are essential for the company's success. Genmab has established a leadership development program to enhance employee engagement and various indicators have been implemented to measure employee satisfaction with their working conditions and allow us to consider actions to optimize these if deemed necessary.

Genmab has numerous policies in place to ensure the well-being, health and safety of our employees. Employee well-being is addressed by corporate policies on, for example, smoking and alcohol consumption, different forms of leave, diversity and anti-discrimination as well as health insurance plans. In addition, regular workplace audits are conducted at Genmab A/S and Genmab B.V. and employee surveys are conducted across all locations.

Health and safety is addressed by policies to optimize the workplace, to manage workload and to deal with work-related stress. Part of these policies focuses on safety in laboratories and handling of dangerous substances. Management ensures that employees are trained to correctly handle hazardous goods and chemicals.

Genmab's culture is characterized by an inclusive, open and supportive professional work environment across our international locations. We believe that fostering workplace diversity across social, educational, cultural, national, age and gender lines is a prerequisite for the continued success of the company. We are committed to diversity at all levels of the company and strive to recruit employees with the right skills and competences, regardless of gender, age, ethnicity, etc. Genmab's Board of Directors has set a goal to increase the proportion of female board members elected by the General Meeting to at least 25% by 2016. This goal complies with targets specified under good corporate governance

recommendations in Denmark. Our gender and diversity policies, as well as the target figure, may be amended by the Board of Directors and should be interpreted in accordance with applicable equal rights and anti-discrimination legislation in force in Denmark. The text in the Diversity section below fulfills the requirements of Section 99b of the Danish Financial Statements Act.

2015 ACTIONS AND RESULTS	FUTURE EXPECTATIONS AND ACTIVITIES
<p>ENGAGEMENT AND DEVELOPMENT</p> <ul style="list-style-type: none"> In 2015, we established a project plan for setting up a new compensation and benefits policy based on global survey results to ensure Genmab provides compensation in line with industry standards. We launched an internal roadmap to identify actions necessary to move the company towards achieving the 2025 vision. The vision roadmap formed the basis of an all day workshop held for the entire company. During 2015, Genmab implemented succession planning for the top management level at the company. We developed and executed a customized leadership program for senior leadership. A Leadership Essentials program was established for leaders at other levels of the company and the first cohort of leaders has successfully graduated from the program. 	<ul style="list-style-type: none"> In 2016, we will establish governance for, and conduct the compensation and benefits survey and implement solutions based on the survey results. We will continue communication to employees explaining progress made towards reaching our 2025 vision. Genmab will continue to manage succession planning and invest in securing continuity in the top levels of the company; the Leadership Essentials program helps to develop the pipeline of future Genmab leaders. We will seek to brand Genmab as an employer of choice and introduce and clarify career pathways as part of our efforts to maintain employee retention at an acceptable level. Additional leadership workshops will be conducted for the senior leadership during 2016; under the continued Leadership Essentials program, we will further train leaders at other levels of the company.
<p>EMPLOYEE WELL BEING</p> <ul style="list-style-type: none"> A global employee survey was conducted across all Genmab locations in 2015. The survey response rate was 86%, and the results show that employees are highly motivated, committed and satisfied. Genmab held an all-hands meeting to strengthen teamwork, employee engagement and motivation. Results of a survey conducted after the event showed that 99% of employees were satisfied or very satisfied with the event. 	<ul style="list-style-type: none"> An action plan will be developed to address the results of the global employee survey. We will continue our focus on employee health and well-being and address issues as appropriate. Mandatory workplace audits will be conducted every third year in The Netherlands and Denmark, in compliance with local regulations. The next workplace audit will take place in 2016.
<p>HR BENCHMARKS</p> <ul style="list-style-type: none"> In 2015, employee turnover was 3%, the same as in 2014. In addition, the seniority of our employees was 7 years in both 2015 and 2014. The turnover and seniority reflect both the current job market and Genmab's aim to attract and retain employees. A high level of satisfaction was shown in an employee 	<ul style="list-style-type: none"> Genmab will continue to focus on employee satisfaction and engagement. We aim for an appropriate level of employee turnover and an absence rate in line with industry rates.

2015 ACTIONS AND RESULTS	FUTURE EXPECTATIONS AND ACTIVITIES
<p>engagement survey.</p> <ul style="list-style-type: none"> Employee absence due to illness in 2015 was 2% compared to 3% in 2014. The employee absence level is in line with the general healthcare industry rates. <p>DIVERSITY¹</p> <ul style="list-style-type: none"> Genmab remains committed to providing equal opportunities for women and men at all management levels. While still insisting that all positions must be filled by the best candidate, our ambition is that all management levels shall hold a diverse composition with highly skilled and very experienced employees at all levels of the organization. Women are well represented in the Senior Vice President group, at and above the director level, and below director level. We meet our goal of having at least 40% of both genders at management levels. The current male/female ratios are outlined below. The Board of Directors evaluates the diversity of Genmab's management levels at least once a year to ensure diversity. During 2015, Genmab worked towards our goal of increasing the proportion of General Meeting elected female board directors to at least 25% by 2016. With the election of a new female board member at the 2015 Annual General Meeting, the proportion of female board members was increased to 20%. 	<ul style="list-style-type: none"> Genmab will continue to focus on the gender diversity of our workforce at all levels of the company. The Board will continue to work towards its goal of increasing the proportion of General Meeting elected female board directors to at least 25% by 2016. The Board of Directors will make efforts to ensure a balanced slate of male and female candidates is considered when board vacancies become available, while at the same time ensuring that the most qualified candidates are proposed. Genmab B.V. will adhere to a new governmental "Participation Law" by giving priority to employing people with a handicap.

Male/Female Ratios	2015		2014	
	Male	Female	Male	Female
Genmab Group	44%	56%	46%	54%
Director level and above	54%	46%	56%	44%
Below director level	40%	60%	43%	57%

Other Key Employee Ratios		2015	2014
FTE at the end of the year	No.	186	173
Research and development employees	%	87%	88%
Administrative employees	%	13%	12%
Average age of workforce	No.	41 years	41 years

¹ This Diversity section fulfills the requirements of Section 99b of the Danish Financial Statements Act.

Number of nationalities	No.	12	14
Employees holding an advanced degree (Ph.D., Doctoral or Master)	%	47%	48%
More than 5 years' experience in pharma/biotech industry	%	90%	91%
Seniority	No.	7 years	7 years
Employee turnover ²	%	3%	3%
Employee absence ³	%	2%	3%

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

POLICIES AND GUIDELINES

The biotechnology and pharmaceutical industries are governed by extensive and strict regulations which are intended to provide quality assurance of pre-clinical and clinical studies and the processing of data resulting from such studies. 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). Genmab also complies with all relevant legislation and regulations, including guidelines issued by international regulatory authorities such as the European Medicines Agency (EMA) and the U.S. Food and Drug Administration (FDA). Please refer to the "Risk Management" section of the Annual Report for 2015 for more information.

Genmab is committed to being in compliance with all relevant regulations, laws, standards and guidelines. Therefore, Genmab's operations are audited by relevant local authorities and Genmab conducts internal and external audits according to an approved audit schedule and approved standard operating procedures.

In addition, we amend our policies and guidelines to stay in line with current regulations and business trends.

2015 ACTIONS AND RESULTS	FUTURE EXPECTATIONS AND ACTIVITIES
QUALITY ASSURANCE	
<ul style="list-style-type: none"> Genmab has conducted internal and external audits according to an approved audit schedule and approved standard operating procedures. Vendors are audited using a risk based approach. In 2015, a group led by the Regulatory Affairs department was established to evaluate the consequences of the EU Clinical Trial 	<ul style="list-style-type: none"> Genmab will continue to conduct internal and external audits for quality assurance. The EU Clinical Trial Regulation legislation has been delayed. When the regulations come into effect, the group led by Regulatory Affairs will ensure readiness to meet the requirements of the legislation.

² Employee turnover percentage is calculated by the FTE voluntarily leaving since the beginning of the year divided by the average FTE.

³ The rate of absence is measured as absence due to the employee's own illness, pregnancy-related sick leave, and occupational injuries and illnesses compared with a regional standard average of working days in the year, adjusted for holidays.

Regulation regarding reporting and transparency for clinical trials.

VENDOR SELECTION

- We continue to consider the CSR policies of potential vendors via standard operating procedures in our vendor selection process. Vendor CSR policies are taken into consideration when more than one possible vendor is available.
- Genmab will continue to consider the CSR policies of potential vendors as part of our vendor selection process when possible.

CSR Focus: Environment including waste management and recycling

POLICIES AND GUIDELINES

Genmab’s environmental policy outlines our commitment to protecting the environment as well as the health and safety of our employees, collaboration and business partners and the public by conducting business in a safe and environmentally sustainable manner. We encourage employees to act in an environmentally friendly way, to produce as little waste as possible and to collect waste for recycling. The management of laboratory waste at Genmab B.V. is audited annually and the waste license is maintained in compliance with all rules and regulations. Employees working in the laboratories at Genmab B.V. are instructed to replace highly toxic chemicals with less toxic versions where feasible.

Genmab contributes to energy-saving by using environmentally friendly climate control systems and equipping all locations with energy saving LCD screens. We select office and laboratory equipment that require low energy usage when possible. 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. Since 2012, Genmab A/S has purchased solely green energy for the Copenhagen site.

We encourage employees to use public transportation to commute to work by partially reimbursing incurred expenses at our European locations. Our global travel policy provides guidelines for limiting unnecessary plane travel by employees and encourages the use of teleconferencing and videoconferencing as an alternative to business trips.

Finally, Genmab uses recycled paper and recycling procedures have been established for old electronics 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.

2015 ACTIONS AND RESULTS	FUTURE EXPECTATIONS AND ACTIVITIES
<p>ENVIRONMENT</p> <ul style="list-style-type: none"> • Genmab continued 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. • Genmab minimizes its environmental impact 	<ul style="list-style-type: none"> • As our environmental impact is considered to be limited, Genmab has decided not to include any indicators for the environmental area at this time. Genmab will continue to have focus on reducing our environmental impact where

- from laboratory operations by controlled waste treatment of chemicals.
- We are in the beginning stages of building a new facility for Genmab B.V. and aim to further reduce our environmental impact by aiming for BREEAM certification for the building.
- possible.
- Genmab will continue to minimize its environmental impact from laboratory operations by controlled waste treatment of chemicals.
- Genmab will continue to consider the environmental impact of the new facility which will be built for Genmab B.V.

CSR Focus: Business Ethics and Transparency

POLICIES AND GUIDELINES

Genmab’s reputation as a trusted partner is crucial to our shareholders and business partners and is essential to the company’s ability to conduct business. Genmab is committed to lawful and ethical behavior in all activities, including financial and accounting matters, and we require our employees to comply with all applicable laws and regulations. Genmab maintains a whistleblower program and provided notification to the Danish Data Protection Agency and Dutch Data Protection Authority regarding the processing of personal data relating to the whistleblower program. Furthermore, Genmab continues to adhere to its code of business ethics, which promotes the lawful and ethical behavior of all internal stakeholders when conducting business on behalf of Genmab.

Genmab has implemented and communicated global compliance guidelines for interactions with healthcare professionals (HCP) and promotion of pharmaceuticals. Furthermore, Genmab has guidelines for company communications regarding products in development.

2015 ACTIONS AND RESULTS	FUTURE EXPECTATIONS AND ACTIVITIES
<p>BUSINESS ETHICS</p> <ul style="list-style-type: none"> No issues were reported under our code of business ethics or whistleblower program. Genmab continues to monitor legislation and regulations regarding interactions with HCPs and updated the Company’s compliance guidelines as appropriate. Mandatory training in the compliance guidelines was conducted in 2015. Genmab offered refresher training on the insider rules to employees in 2015. 	<ul style="list-style-type: none"> Refresher training for the code of business ethics will be conducted in 2016. Genmab will continue to monitor legislation and regulations regarding interactions with HCPs and will update the Company’s compliance guidelines and conduct training as appropriate. Refresher training for the insider rules to employees will be conducted in 2016. Genmab will consider establishing new processes and procedures regarding insider trading as new legislation coming into effect in 2016 may affect the insider rules.