EXELIXIS®

2022 Corporate Values & Sustainability Report

October 2022

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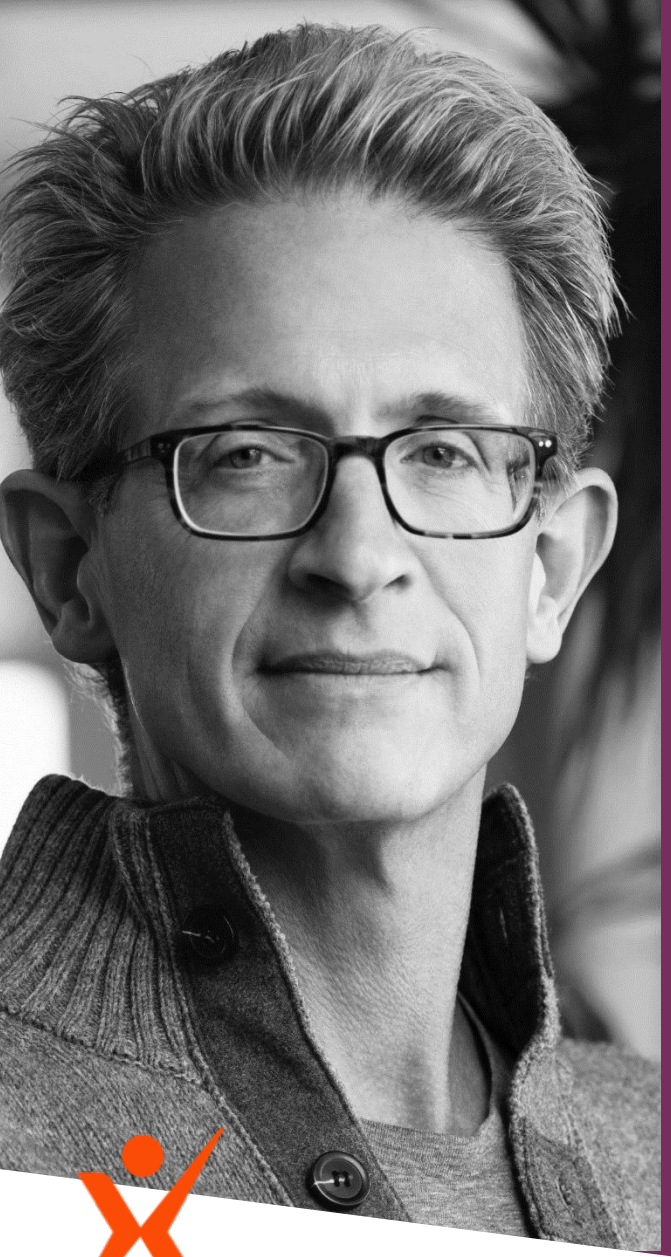


Letter from Our CEO

Our company's name, Exelixis, is derived from *Exelixi*, the Greek word for evolution, which is very fitting at this time during which we are working so intensively to advance our ambitious plans to evolve into a global, multi-product oncology company. As we continue to maximize the potential of our lead product CABOMETYX® (cabozantinib) — now a global oncology franchise — we are concurrently building a dynamic pipeline and growing our geographic footprint, adding to our Alameda campus and establishing a second center of drug discovery and development excellence, Exelixis East, in Greater Philadelphia.

This ongoing transformation is in service of our mission to help patients with cancer recover stronger and live longer. In addition to delivering for patients, we are also focused on contributing positively to society at large. In this context, I'm pleased to share Exelixis' inaugural Corporate Values & Sustainability report, which details our sustainable business practices and progress on initiatives related to four core environmental, social and governance (ESG) themes:

- **Access to Innovative and Safe Cancer Medicines,** including our commitment that no patient prescribed our drugs will go without for financial reasons, our comprehensive product quality and patient safety functions, as well as the steps we're taking to increase the diversity of our clinical trials so that they reflect the real-world populations we serve
- **Community Engagement and Advocacy**, including the launch of our Employee Giving and Volunteer programs, which have been embraced by our workforce as important ways to give back to the communities where we live and work
- **Our People and Culture,** including our human capital management strategy and diversity, equity and inclusion initiatives, which were the focus of considerable attention and resources in 2021-2022
- **Environmental Management,** including our commitment to invest in energy- and water-efficient equipment, technology and other building features as our physical footprint grows

Exelixis is resilient and focused in the face of adversity. As we scale our business, pipeline and infrastructure to meet the challenges posed by cancer on a global basis, we're bringing urgency and energy to our ESG goals as well. I encourage you to read about our important ESG workstreams, which directly support our ability to create sustained value for all of Exelixis' stakeholders.

Sincerely,

Michael M. Morrissey, Ph.D.
President and Chief Executive Officer, Exelixis
October 2022

EXELIXIS®

About Us

Exelixis is an oncology-focused biotechnology company that strives to accelerate the discovery, development and commercialization of new medicines for patients with difficult-to-treat cancers. Using our considerable drug discovery, development and commercialization resources and capabilities, we have invented and brought to market innovative therapies that appropriately balance patient benefits and risks. We will continue to build on this foundation as we strive to provide cancer patients with new treatment options that improve upon current standards of care.

Founded in 1994, we have established a broad drug discovery and development platform that has served as the foundation for our continued efforts to bring new cancer therapies to patients in need. Our discovery efforts have resulted in four commercially available products, CABOMETYX® (cabozantinib), COMETRIQ® (cabozantinib), COTELLIC® (cobimetinib) and MINNEBRO® (esaxerenone), and we have entered partnerships with leading pharmaceutical companies to bring these important medicines to patients worldwide.

The Exelixis Credo

We drive for results, so patients can survive and thrive.

We are resilient in the face of adversity, and tireless in advancing our science.

We celebrate our long history of prolific drug discovery and rigorous drug development.

We unite to launch innovative medicines for difficult-to-treat cancers.

We exist to give people hope — one drug, one patient at a time.

We are Exelixis.

Our Approach to ESG

Exelixis' mission is to help cancer patients recover stronger and live longer. As we strive to extend and improve cancer patients' lives, we also recognize the need to contribute positively to the world in which we operate and the communities where we live and work. To that end, each Exelixis employee is expected to commit to the highest standards of ethical behavior and maintain values and principles that reflect both global awareness and sustainability. This means integrating environmental, social and ethical governance considerations directly into our research and development (R&D) projects, business operations and investment processes as we strive to create sustained value for all our stakeholders.

At Exelixis, we view everything we do through the lens of delivering for our patients, and our ESG program aligns with this socially oriented mission. In this report, we have aligned the overview and discussion of our activities with four core ESG themes:

1. Access to Innovative and Safe Cancer Medicines
2. Community Engagement and Advocacy
3. Our People and Culture
4. Environmental Management

Underlying these ESG core themes are responsible business practices and an exacting focus on sound and ethical corporate governance, rooted in our core corporate values. These are:

Be Exceptional

Take the right action and lead others to do the right thing at the right time in the right way.

Excel for Patients

Innovate to design solutions and remove barriers to show how much we care.

Exceed Together

Apply rigor, resourcefulness and respect to maximize opportunities and deliver impactful results.

Unless specified otherwise, this report reflects our current state as of October 1, 2022. In order to focus on the ESG topics most relevant to our stakeholders, we leveraged key ESG frameworks and standards to guide our reporting, notably the United Nations Sustainable Development Goals and the Sustainability Accounting Standards Board. More information about our alignment to these can be found in the "Frameworks and Standards" section at the back of this report.

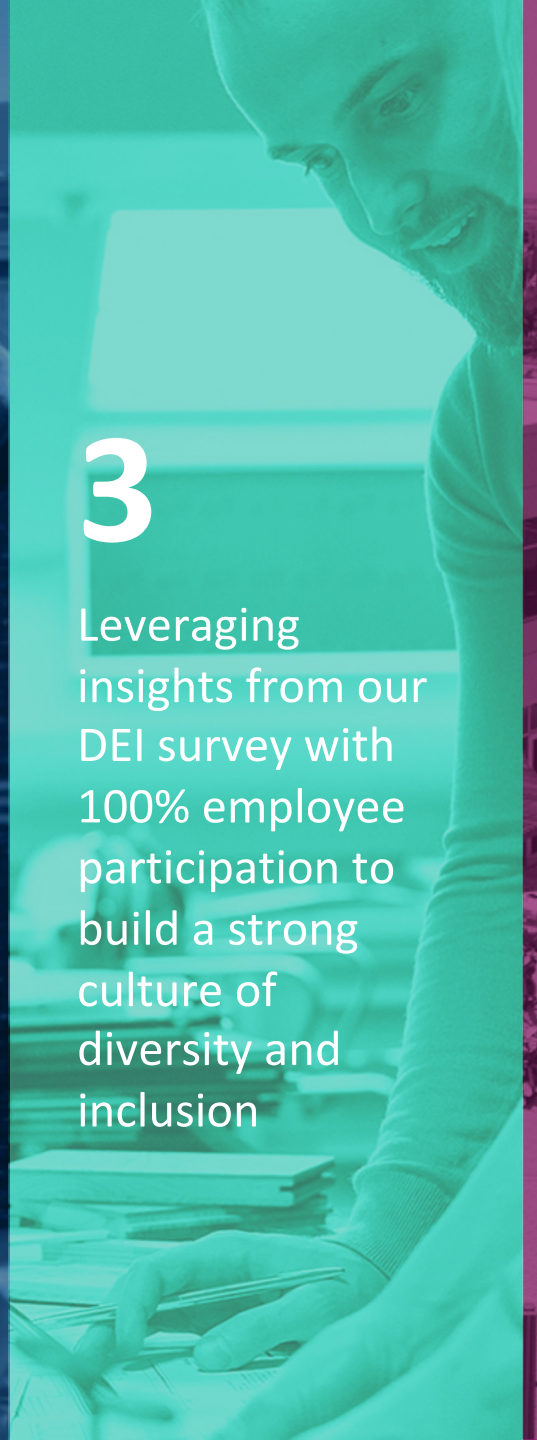
EXELIXIS ESG HIGHLIGHTS

1

No patient prescribed our medicine goes without for financial reasons

2

Employee Giving and Volunteer programs enable our employees to give back to our community



3

Leveraging insights from our DEI survey with 100% employee participation to build a strong culture of diversity and inclusion

4

Environmentally conscious: our new state-of-the-art facility operates with a 100% carbon-neutral energy footprint and uses 100% electric power

1

Access to Innovative & Safe Cancer Medicines

Exelixis may only accomplish its mission to help cancer patients if the medicines it discovers and develops are innovative and fulfill unmet medical needs.

Furthermore, those medicines must be safe and of the highest quality, available expeditiously when prescribed by healthcare professionals (HCPs) and accessible to cancer patients without regard to their insurance status or ability to pay.

Discovering New Treatment Options

Powered by bi-coastal centers of discovery and development excellence, Exelixis is working to evolve its product portfolio rapidly to target an expanding range of tumor types and indications. This comprehensive approach harnesses the decades of investments and partnerships that produced our flagship molecule, cabozantinib, resulting in our commercial products, CABOMETYX and COMETRIQ.

We expect to advance multiple programs into preclinical development over the next six months. These promising candidates utilize diverse mechanisms of action and modes of therapy, providing multiple pathways for us to improve outcomes for a larger number of patients with cancer.

Exelixis Pipeline Beyond Cabozantinib: A Balanced Mix of Small Molecules and Biotherapeutics

Program Name	Mechanism	Discovery / Preclinical	IND	Phase 1a	Phase 1b	Phase 2 / 3
XL092	Next-generation TKI targeting MET/VEGFR/AXL/MER					
XB002	Next-generation TF-targeting ADC					
XL102	Potent, selective, orally bioavailable CDK7 inhibitor					
XL114	CARD11-Bcl10-MALT1 pathway inhibitor					
XB010	Next-generation 5T4 targeting ADC					
XB014	Bispecific antibody targeting PD-L1 + CD47					
Invenra Collaboration Program	PD-L1 + NKG2A					
Aurigene Collaboration Programs	CDK12 and MALT1 inhibitors					
StemSynergy Collaboration Programs	CK1α activators and selective Notch inhibitors					
STORM Therapeutics Collaboration Program	ADAR1					
Exelixis Discovery Programs	PKMYT1 inhibitors					
Biotherapeutics Programs *Invenra, NBE Therapeutics, Catalent, GamaMabs WuXi, Adagene, BioInvent and Ryvu Therapeutics Collaborations*	AMHR2, ROR1/2, TF, DLL3					

ADAR1 = adenosine deaminase 1
ADC = antibody-drug conjugate
AMHR2 = anti-mullerian hormone receptor 2
CDK7 = cyclin-dependent kinase 7
CDK12 = cyclin-dependent kinase 12
CK1α = casein kinase 1 alpha
DLL3 = delta-like ligand 3
IND = Investigational New Drug application
MALT1 = mucosa associated lymphoid tissue lymphoma translocation gene 1
NKG2A = natural killer cell receptor group 2A
PKMYT1 = protein kinase, membrane associated tyrosine/threonine 1
ROR1/2 = receptor tyrosine kinase like orphan receptor 1/2
TF = tissue factor
TKI = tyrosine kinase inhibitor

Investment into R&D

Our drug discovery efforts are supported by our robust investment. R&D has long been the largest line item in Exelixis' budget, comprising over 60% of our operating expenses in fiscal year 2021. Relative to industry benchmarks, we maintain an extremely high ratio of R&D investment to net revenue received. The revenue generated from the sale of our commercialized products by us and by our international collaboration partners helps to fuel the discovery and development of the next generation of drug candidates upon which cancer patients may rely. Based on our calculations, we have spent more than $4.5 billion on R&D from the inception of our business through the end of 2021.

Biopharmaceutical R&D requires extensive investment because the process of discovering, refining and testing compounds for safety and efficacy is long and labor intensive. On average, it can take over 10 years to develop a single new medicine.[1]

Across the industry, companies test thousands of compounds in the lab, and only a handful of those compounds are advanced to clinical trials in cancer patients. Hundreds of patients are typically enrolled in clinical trials to assess a drug candidate's safety and efficacy, and the data from these trials are reviewed by independent regulatory agencies, such as the U.S. Food and Drug Administration (FDA) and the European Medicines Agency, in an iterative process. Fewer than 12% of the investigational medicines that make it into phase 1 clinical trials ultimately receive regulatory approval.[1] To date, four products discovered by Exelixis have gone through this rigorous process and been approved for sale: CABOMETYX, COMETRIQ, COTELLIC and MINNEBRO.

Safe and Ethical Clinical Trials

It is imperative that Exelixis-sponsored clinical trials be conducted with the highest ethical standards. To that end, we are committed to full compliance with international guidelines such as the International Conference for Harmonisation (ICH) and Good Clinical Practice (GCP) and local health authority requirements.

Clinical Site Assessment and Compliance

Site selection procedures and routine monitoring are critical to the safety and reliability of our clinical operations. Prior to initiating operations at any clinical site, we assess its resources and clinical trial experience to determine the suitability of facilities, staff and equipment. Every site and clinical trial undergoes a vigorous vetting process to ensure scientific quality and regulatory compliance.

Once a trial begins, we conduct routine monitoring at each study site to ensure protocol and GCP adherence, site quality and patient safety and rights. The Exelixis Quality Assurance team conducts risk-based, independent site audits for each study. Our internal audit program assesses all sites for baseline risk, and the frequency of site audits is determined according to relevant risk factors.

We actively monitor for breaches of GCP standards, misconduct or violations of patient rights or safety, and should any such breach occur we assess and, if warranted, report to the FDA and comparable authorities in other countries.

Patient Safety

Patient safety is of the utmost importance at Exelixis. We provide patients with all the information necessary to make an informed decision as to whether to participate or continue participation in a clinical study. In particular:

- Patients must provide informed consent via signature before they can be enrolled in a clinical study. The information provided to patients in this process must be reviewed and approved by the local or central Institutional Review Board and by independent ethics committees monitoring the trial.
- Informed consents are updated as new information becomes known during a trial, and we review informed consents at least once per year to determine whether changes are needed.

We believe this system of keeping patients informed on an ongoing basis is critical for patient safety as we work together to develop innovative treatments for various types of cancers.

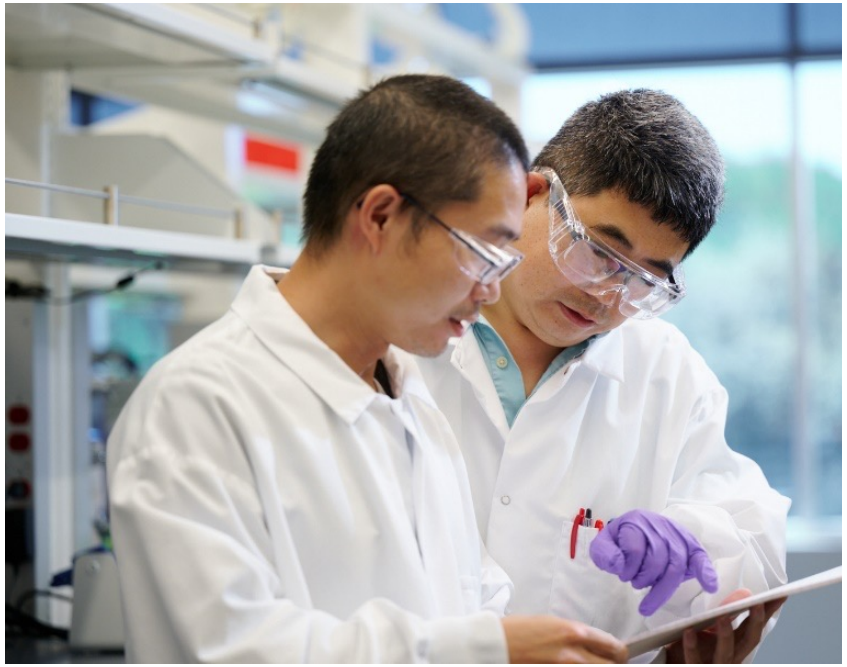
Publication of Clinical Trial Results

We comply with regulatory requirements in the publication of clinical trial results through the U.S. National Library of Medicine. Please view https://clinicaltrials.gov/ for further information on our published clinical activities.

Safe and Ethical Clinical Trials

Diversity of Clinical Trials

At Exelixis, we acknowledge that many racial and ethnic communities are underrepresented in the majority of the clinical research undertaken by the biotechnology industry, and that, at times, this fact may undermine the effectiveness of that research. Placing a priority on inclusive clinical trial design may help to improve the quality and equity of treatments for key affected populations.



According to the American Society of Clinical Oncology, Black, Hispanic and Latino individuals collectively make up just 9.2% of cancer clinical trial participants overall yet comprise roughly 32.5% of the U.S. population.[2,3] To improve representation of diverse communities in Exelixis-sponsored clinical trials, we have launched a cross functional collaboration within our Clinical Operations, Medical Affairs and Clinical Development teams, which we call the 'Inclusiveness Initiative.' The objectives of the Inclusiveness Initiative are to identify, discuss and implement solutions to increase the number of underrepresented patient populations in all phases of Exelixis clinical trials.

Some of the steps we have taken to enhance the diversity of underrepresented communities in our clinical trials include:

- Supporting the selection of clinical trial sites that will increase recruitment of underrepresented minorities, using geographic analysis mapping to identify best locations.
- Preparing multilingual materials to educate patients on each clinical trial.
- Utilizing additional techniques to further outreach to patient communities, including social media and other digital marketing channels.

Safe and Ethical Clinical Trials

CONTACT-02

We are piloting the Inclusiveness Initiative in prostate cancer because it disproportionately impacts the Black community. Black men are 1.7 times more likely to be diagnosed with prostate cancer than white men, and 2.1 times more likely to die from the disease.[4] In CONTACT-02, our ongoing phase 3 pivotal study of cabozantinib in combination with atezolizumab in metastatic castration-resistant prostate cancer, our Medical Affairs and Clinical Operations teams have reviewed our criteria related to potential areas of scientific interest, giving special consideration to external investigators who submit proposals with specific relevance to Black patient populations.

We have planned follow-up visits to CONTACT-02 sites to assess and further support the sites' inclusive recruitment efforts. We have also translated our U.S.-based patient website into Spanish and provided sites with patient-friendly trial overviews in multiple languages. This pilot program in prostate cancer is just the beginning. We believe it will inform our clinical programs in other therapeutic areas and sub-populations, and we look forward to sharing those learnings as they emerge.

STELLAR 303

We have also implemented a diversity plan for STELLAR-303, our ongoing phase 3 pivotal study of XL092 in combination with atezolizumab in metastatic colorectal cancer. The plan includes translating patient-friendly materials and engaging local U.S. communities to provide trial education for racial and ethnic minority communities near trial sites. Additionally, we are targeting sites in cities with high minority populations.

In keeping with the goals of our Inclusiveness Initiative, we are collecting input from key opinion leaders on cancer clinical trial representation, including from a diversity, equity and inclusion (DEI)-focused advisory board. We intend to educate our internal teams on the existing barriers and identify immediate and long-term interventions that can be implemented by Clinical Development, Clinical Operations, Public Affairs and Medical Affairs teams to increase enrollment of underrepresented patient populations in all phases of clinical research supported by Exelixis.

Supporting Patients

Cancer is a leading cause of death worldwide, with more than 19 million new diagnoses each year.[5,6] On top of the hardships of illness and recovery, patients with cancer frequently contend with financial obstacles to accessing the best care available to treat their illness. Every cancer patient deserves the opportunity to obtain care optimized for them, and we believe biotechnology companies should strive to make therapies accessible upon prescription by an HCP.

Access and Affordability

At Exelixis, our core corporate values call upon us to '**Be Exceptional**' in what we do and how we lead, '**Excel for Patients**' by going the extra mile to work on their behalf and '**Exceed Together**' both as a business and contributor to the scientific community. We work tirelessly and dedicate substantial financial resources to our mission of offering patients high-quality, safe and effective cancer treatments.

Once our products are commercially available, we aim to maximize patient access to them by providing discounts and rebates to public and private insurers and safety net providers with the expectation that those discounts and rebates will be passed through to patients. We are resolute in our voluntary commitment that no patient prescribed an Exelixis medicine will go without it due to lack of insurance or inability to pay – for such patients, we provide financial assistance, if permitted, or provide the patient with the drug at no cost.

When it comes to the pricing of our products, we consider several factors:

- How to expand appropriate patient access to Exelixis products while balancing the weighty investments necessary to maximize our chance of continuing our success at discovering, developing and commercializing the next generation of innovative therapies.
- The value proposition offered by each of our products, including relevant healthcare economic information connected with product use and the strength of the product's clinical data relative to other approved and late-stage investigational products in the same therapeutic category.
- The prices and formulary positioning of competing cancer therapies.
- Manufacturing costs that enable us to produce medicines of the highest quality for our patients, while supporting a robust global supply chain and ongoing continued enhancement of our manufacturing operations.

Supporting Patients

Patient Assistance

We provide our approved medicines at no cost to uninsured and underinsured patients who meet financial qualifications and also provide copayment and coinsurance assistance to eligible commercially insured patients. Generally, patient households with annual pre-tax incomes of $150,000 or less may qualify for patient assistance.

Exelixis Access Services (EASE) is the umbrella of programs under which we provide a variety of support to help patients commence therapy with an Exelixis product as soon as possible following prescription by an HCP. EASE Case Managers serve as a single point of contact for HCPs and their patients, providing the information necessary to navigate access to these services and programs.

Patients benefit from a variety of services, including:

- **The Free Trial program** that provides eligible patients with quick access to CABOMETYX at no cost after a prescribing decision has been made and while their payer coverage is being investigated. Patients can receive product as soon as the next day.
- **The EASE Co-Pay Program** that assists commercially insured patients with out-of-pocket medication costs. Eligible patients will pay $0 per month.
- **The EASE Patient Assistance Program (PAP)** that enables eligible uninsured and underinsured patients to receive their medication free of charge.
- **Clinical outreach and support services** that connect oncology nurses or other HCPs with patients enrolled in PAP to help them understand how to take their medicine and mitigate side effects.

We are proud of our EASE programs and believe that by providing these services, we make it easier for patients to continue to take their Exelixis medications at appropriate doses for as long as their prescribing HCP determines they are continuing to derive medical benefits.

While we believe the best way for a patient to have access to an investigational medication is via a clinical trial, patients who are not eligible for enrollment in a clinical trial may be able to access an investigational medication through early access. For more information, please visit our Patient Access website at https://www.exelixis.com/access/.

EASE EXELIXIS ACCESS SERVICES®

Determine eligibility for financial assistance offerings

- Co-pay program
- Patient assistance program (PAP)

Confirmation of coverage and out-of-pocket responsibility

- Benefits investigations
- Prior authorization assistance
- Appeals supports and follow-up

Facilitate access to treatment

- 30-day free trial program
- Dose exchange program

Product Quality and Patient Safety

As reflected in our Corporate Code of Conduct (Code of Conduct, available at https://ir.exelixis.com/exelixis-corporate-code-conduct), patient well-being is a top priority for every employee at Exelixis. Our Quality Policy and Quality Manual are designed to ensure our products are developed in compliance with regulated Good Practice (GxPs) guidelines.

All new hires receive training on the Quality Policy so that every Exelixis employee, regardless of job function, understands that they play a role in protecting patient wellness. The Quality Manual describes the principles and framework of the Exelixis Quality Management System (QMS), which supports the development, clinical evaluation, pharmacovigilance, clinical and commercial manufacturing, and post-marketing surveillance of pharmaceutical products throughout the product lifecycle.

Product Quality

We audit our internal processes across departments and functions with qualified independent Quality Assurance auditors in order to critically assess our capabilities and evaluate our adherence to required policies, processes and procedures. The performance of our QMS, as defined in the Quality Manual, is assessed by senior quality professionals at quarterly Quality Council meetings. Audit metrics are presented at meetings of the Quality Council to review trends, potential actions and continuous improvement activities. The Quality Council reports to the Ethics Committee, a governance feedback mechanism that helps us follow through on the integrity and ethical standards set by our Board of Directors and leadership.

To help identify emerging quality and safety concerns, we maintain a stability program to track and trend product issues with an appropriate escalation path. We perform ongoing, routine signal detection for all marketed and development products. We also conduct annual product quality reviews which drives corrective action or feedback to contract manufacturing organizations (CMOs) and identifies any emerging issues.

Product Quality and Patient Safety

Patient Safety

We proactively monitor the safety profile of our products through their entire lifecycle, from preclinical and clinical development through the post-market experience and develop risk management and communication strategies designed to ensure the safety of the patients treated with them.

The Exelixis Benefit-Risk Executive Committee is responsible for reviewing product benefit-risk assessments. Membership in the committee includes the Chief Medical Officer and heads of all major, relevant departments (e.g., Global Patient Safety, Clinical Development and Regulatory Affairs), as well as other employees on an ad-hoc basis.

We have set up the necessary safety data collection and exchange from global partners through our Global Safety Database (GSDB). The GSDB compiles, integrates and produces reports of adverse event data from all sources (e.g., clinical trials, post-marketing reports, literature sources and regulatory authorities). It is used to collect, monitor, store, assess, analyze and report clinical trial serious adverse events and post-marketing adverse events.

All employees are trained annually on how and when to report adverse events, with the objective that every Exelixis employee, regardless of job function, understands the minimum requirements for adverse event reporting.

Exelixis collects various types of safety data relating to Adverse Events and Special Situations pertaining to our products in order to:

- **Maintain** comprehensive safety profiles on our medicinal products
- **Help** keep patients safe and health care providers informed
- **Analyze** aggregate data for potential safety signals
- **Meet** our regulatory reporting obligations
- **Maintain** Exelixis' integrity

Product Quality and Patient Safety

Product Integrity and Tracking

Our patients trust that we will protect their health, and we are ready to act immediately and comprehensively to protect them should the need arise. Above all, we strive to help keep patients safe and HCPs informed, while continuously looking to meet our global regulatory reporting obligations and maintaining Exelixis' corporate integrity.

We strive to safeguard the integrity of Exelixis products with careful anticounterfeiting and serialization practices. We regularly review and revise our procedures relating to counterfeit prevention and response. In accordance with the Drug Supply Chain Security Act, every unit of a finished Exelixis product is given a unique serial number, creating a data chain that allows us to track that unit across our supply chain.

We have a robust process to assess incoming product complaints. The Exelixis Quality Assurance organization partners with Global Patient Safety and other teams to assure that complaints related to safety are resolved in a timely manner.

Our system for the management of product recalls entails internal procedures, terms and requirements with our suppliers, and communication to the proper authorities in the event it should be necessary. Although we have never had the need to conduct a product recall, we conduct mock recalls (either ourselves or with our partners) to confirm pertinent processes remain ready and robust.

2 Community Engagement & Advocacy

Beyond serving patients by developing innovative medicines, at Exelixis we recognize the importance of connecting with other stakeholder groups. These include communities in which our employees live and work, and like-minded organizations that are dedicated to improving cancer care, education, outreach and advocacy. Through our giving initiatives, we extend our impact and create partnerships to benefit patients and the HCPs and researchers championing their care.

We fund educational requests, sponsorships and charitable organizations, and support employee giving and volunteerism with a generous and caring spirit, knowing that together we can do more for all the communities we serve.

Employee Giving and Volunteer Programs

The Exelixis Employee Giving Program enables employees to double the impact of dollars they donate to philanthropic and community organizations that are important to them. All full-time and part-time employees are eligible to participate starting their first day of employment, and newly hired employees receive a stipend from Exelixis to donate to an organization of their choosing. Through this program, we match employee donations to eligible U.S. charitable organizations in the areas of:

- Community Support
- Arts and Culture
- Environment
- Education
- Health

In 2021, our employees supported more than 500 different organizations through the Employee Giving Program, and in 2022, we increased the number of organizations eligible for support through the Employee Giving Program to over 600,000.

To build upon our Employee Giving Program, in 2022 we launched the Exelixis Employee Volunteer Program as another way to give back to the communities where we live and work. The Employee Volunteer Program is open to all regular, full-time, and part-time employees, and eligibility starts on day one of employment.

To encourage participation in the Employee Volunteer Program, employees receive the following benefits, which help Exelixis to maximize our community impact:

VOLUNTEER TIME OFF

- 25 hours per year to support volunteer work in the local community

VOLUNTEER REWARDS

- Rewards earned for every hour volunteered
- Rewards for serving on a nonprofit board

Select Partnership Spotlights

Alameda County Community Food Bank

Exelixis and its employees are strong supporters of the Alameda County Community Food Bank. Employees volunteer at the food bank itself, have donated funds to the organization via the Employee Giving Program and have collected hundreds of pounds of nonperishable items in food drives to support the organization's clients. In June 2021, the Alameda County Community Food Bank also participated in a company-sponsored lunch and learn program through the Employee Giving Program's virtual Speaker Series.

Family Reach

Family Reach is a patient advocacy organization that was co-founded by an Exelixis employee in 1996. The organization assists patients and caregivers facing a cancer diagnosis with financial education and planning, resource navigation and emergency relief funds, so that no family must choose between their health and their home.

In 2021, nearly 80 Exelixis employees donated to a double match opportunity supporting Family Reach. We have also provided Family Reach with several charitable contributions through company grants and the Exelixis Giving Program.

Exelixis Supports Alameda Graduating High School Seniors with Scholarships

We partnered with the Alameda Chamber of Commerce to support their Chamber Foundation's first-ever scholarship program, aimed at helping students further their education after graduating high school. In 2021, Exelixis and other Chamber members sponsored scholarships of $15,000 to 15 graduating high school seniors in our Alameda community and sponsored additional scholarships in 2022. Scholarship recipients were selected based on various criteria including academic achievement, community involvement and career interest in the sciences.

Volunteering for our Communities in the San Francisco Bay Area

As we develop therapies to help cancer patients recover stronger and live longer, we apply the same results-driven mindset to our efforts to enhance the communities in which we live and work. Food and housing insecurity are serious concerns in our community and across our country, and these problems have only been exacerbated by the COVID-19 pandemic. As part of our collective and growing desire to help those in need, Exelixis employees regularly come together to help fight hunger and poverty by participating in employee volunteer events in collaboration with our partner, **Life Science Cares Bay Area**.

In 2021 and 2022, Exelixis employees gathered on campus for volunteer events for these local nonprofit organizations, and together assembled:

- Nearly **2,000 hygiene kits** filled with supplies such as soap, toothbrushes, toothpaste and other essentials and **1,500 vaccination care kits** filled with comfort items such as water, pain reliever, warm socks and snacks for unhoused beneficiaries of **GLIDE** in San Francisco.

- More than **2,000 reusable bags** filled with nonperishable meals and snacks for children in the San Francisco Bay Area with help from the national nonprofit organization, **Blessings in a Backpack.**

- More than **1,000 hygiene kits** filled with supplies such as soap, toothbrushes, toothpaste and other essentials to **La Clínica de la Raza's** vaccination sites in Oakland.

Patient Advocacy

Exelixis is committed to raising awareness of health-related cancer issues and providing the public with accurate and appropriate information, assistance and/or education on the treatment, prevention and diagnosis of disease. Guided by our Policy on Interactions with Patients and Patient Advocacy Groups, our employees interact with patients, caregivers, and patient advocacy groups to further public health and raise awareness and understanding concerning the forms of cancer treated by Exelixis products and the different types of treatment available.

The following are examples of nonprofit patient advocacy organizations that Exelixis supports through its charitable contribution program:

- American Cancer Society
- American Cancer Society Cancer Action Network
- American Liver Foundation
- American Thyroid Association
- Blue Faery: The Adrienne Wilson Liver Cancer Association
- Cancer Support Community San Francisco Bay Area
- Cancer*Care*
- Conquer Cancer, the ASCO Foundation
- Family Reach
- Friends of Cancer Research
- Global Liver Institute
- International Kidney Cancer Coalition
- KCCure (Kidney Cancer Research Alliance)
- Kidney Cancer Coalition (KidneyCAN)
- National Kidney Foundation
- NCCN Foundation
- ThyCa: Thyroid Cancer Survivors' Association
- Urology Care Foundation

Government Affairs and Public Policy

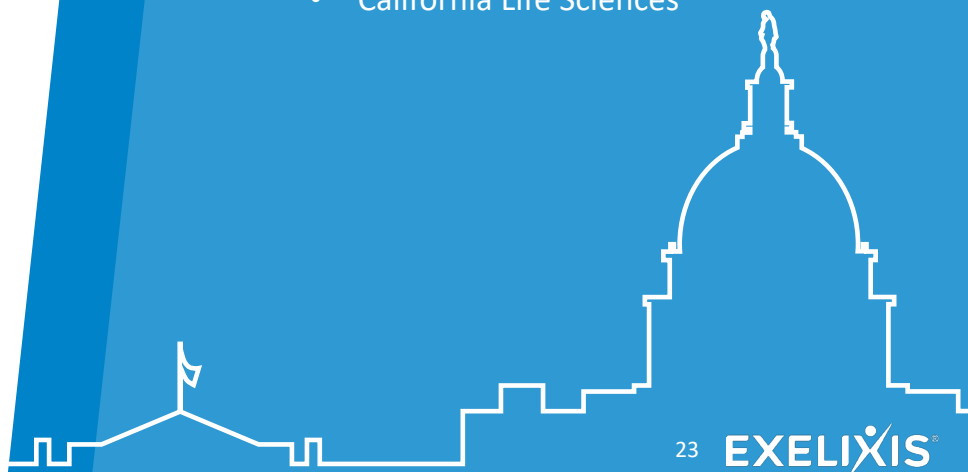
The voices of small and mid-sized innovative biopharmaceutical companies like Exelixis are rarely heard in national debates over prescription drug pricing and regulatory policy; while the role that these companies play in public health is underappreciated, it is outsized. These biotech companies are engines of discovery that drive critical advances in the fight against unmet medical needs in areas like oncology.

In 2018, Exelixis established a government affairs team located in Washington D.C., and the following year offered testimony during a hearing of the Health Subcommittee of the U.S. House of Representatives' Energy & Commerce Committee on the critical contributions of small and mid-sized biotech companies to the development of novel, lifesaving medicines. Such companies account for over 65% of late-stage pipeline clinical research, and often spend many years, and billions of investor dollars, attempting to develop a single prescription drug, all at the company's own risk. In general, our advocacy stresses the drug pricing policy concerns, regulatory challenges and unique financial challenges faced by such companies. It emphasizes the importance of rewarding innovation and promotes policies that encourage investing in R&D aimed at discovering and developing lifesaving treatments despite the inherent risks of failure. We work with key federal and state policymakers and lawmakers, and also with patient advocacy groups and other stakeholders who share our interest in the promotion of a productive and healthy public health ecosystem.

Today, Exelixis stands as a clear voice in the debate over these important public policies, having helped to drive greater awareness and acknowledgment from legislators and policymakers of the important role played by emerging biotech companies in our nation's medical innovation ecosystem.

Examples of industry organizations in which Exelixis participates as a corporate member:

- American Association for Cancer Research (AACR)
- American Society of Clinical Oncology (ASCO)
- Biocom California
- Biotechnology Innovation Organization (BIO)
- California Life Sciences



Stakeholder Engagement

In order to achieve our goal of delivering results and new medicines to treat and defeat cancer, we rely on the partnership, support and commitment of several key stakeholder groups. Outreach is not limited to our Investor Relations & Public Affairs team; employees from our Marketing, Sales, DEI and Senior Leadership teams also engage in stakeholder outreach. More information on how we engage with our stakeholders is included in the following table.

Stakeholder	Key methods of engagement	Outcomes
HCPs	• Forums and advisory groups • Industry conferences • Meetings • Newsletters • Press releases and corporate updates • Website and online channels	• Community inclusion • Education • Goal achievement • Innovation and collaboration • Transparency
Patient Advocacy	• Advocacy conferences • Charitable contributions, sponsorships and medical education grants • Forums and advisory groups • Meetings • Website and online channels	• Community inclusion • Education • Innovation and collaboration • Transparency
Investment Community	• Annual (10-K) and Quarterly (10-Q) Reports and Proxy Statement • Earnings calls/webcasts • Investor conferences • Industry conferences • Meetings • Non-deal roadshows • Other SEC filings • Press releases and corporate updates • Website and online channels	• Access to management • Education • Goal of achieving appropriate valuation • Transparency
Employees	• Periodic performance assessments • Company town halls and events • Exelixis' Ethics Helpline • Surveys • Website and company intranet • Workshops and professional development courses	• Employee retention and engagement • Employee education • Recruitment of diverse and high-quality candidates
Local Communities	• Community support donations and sponsorships • Employee giving and volunteer programs	• Community support • Employee engagement
Federal and State Legislators, Policymakers, Regulators	• Congressional briefings • Direct lobbying • Engagement with industry trade associations and coalitions • Formal regulatory comments	• Educate policymakers and legislators • Promote manufacturer transparency • Improve public policies
External Partners/ Vendors	• Auditing/surveys on performance meetings	• Goal achievement • Innovation and collaboration • Transparency

3

Our People & Culture

Exelixis nurtures a culture where all employees feel empowered to be their authentic selves. We respect and appreciate each employee's unique perspective and experiences, and believe that celebrating, encouraging and supporting both similarities and differences contributes to our company mission.

As a socially responsible company, we include sustainability measures in our annual corporate goals that inform the compensation of our executive officers. Specifically for 2021 and 2022, we focused considerable resources on our human capital management strategy and DEI initiatives that are expanded upon in the following section. There is still work to be done, but we are proud of the progress we have made. We take pride in our core corporate values to **Be Exceptional, Excel for Patients** and **Exceed Together**, and remain committed to fostering a culture where each and every employee feels a sense of belonging to the Exelixis team and our mission.

Our Workforce

As of October 1, 2022, we had **1,149** full-time equivalent employees, representing a **20%** increase in our employee workforce in the first nine months of 2022 and a **49%** increase from the beginning of 2021. Of these employees, **613** are members of our R&D teams and **536** are members of our commercial, general and administrative teams. Of these employees, **200** hold Ph.D. degrees, **22** hold M.D. (or foreign equivalent) degrees, **33** hold PharmD degrees and **103** hold other professional degrees such as a J.D. or M.B.A.

Employee Composition	FY 2020	FY 2021	As of Oct 1, 2022
Total headcount (# full-time employees)	773	954	1,149
Increase in employee workforce as compared to end of previous year (%)	25%	23%	20%
Employees on R&D teams (#)	409	509	613
Employees on commercial, general and administrative teams (#)	364	445	536

Employee Degrees			
Employees with Ph.D., M.D., PharmD degrees (#)	158	198	255
Employees with other professional degrees (#)	65	88	103

Talent Management

At Exelixis, we invest in building our collective strength as a team and are committed to promoting and maintaining a culture of respect and equal opportunity. Diversity will enhance our ability to achieve our mission.

Talent Recruitment, Compensation and Benefits

We understand the importance of attracting and retaining the right talent to help us achieve our mission. We provide generous compensation packages designed to attract and retain high-quality employees, and all of our employees are eligible for cash bonuses and grants of equity awards. We regularly evaluate our compensation programs with an independent compensation consultant and utilize industry benchmarking to ensure we are competitive with the biotechnology and biopharmaceutical companies with which we compete for talent. For the past three years, we have utilized a third-party firm to conduct an annual pay equity analysis; for the third year in a row, this analysis has demonstrated no gender or ethnicity-based disparities. Factors such as job grade, education, title, tenure and managerial status were the primary variables impacting pay.

In addition, we are proud to provide a variety of programs and services to help employees meet and balance their needs at work, at home and in life, including an attractive mix of healthcare, insurance and other benefit plans. We deliver a benefits program that is designed to keep our employees and their families mentally, physically and emotionally healthy. This includes dependent care, a wellness subsidy program, virtual and onsite fitness classes, adoption assistance, mental health coverage, subsidized commuter benefits, meal delivery service and more. For more information on our benefits programs, please visit our Careers page.

Talent Development

We pay particular attention to our employees' career development. We invest in our employees while striving to be a workplace where everyone can be their authentic selves and feel safe and encouraged to exceed together. That's how we recognize the value of each individual Exelixis employee — and how our employees bring value to all those we serve.

Through our learning management system, we offer professional development courses ranging from technical training, competency-based workshops and leadership development programs facilitated by external partners who are experts in their respective fields. Examples of popular training topics include change management, business communications, conflict resolution, learning agility and developing managerial excellence. We specifically focus on providing support and onboarding programs for new leaders to accelerate their successful acclimation.

Managers also take an active role in identifying individualized development plans to assist employees in realizing their full potential and to create opportunities for promotions and added responsibilities that enhance the engagement and retention of our workforce.

Exelixis also offers a tuition reimbursement program to all full-time and part-time employees of up to $5,250 of tax-free reimbursement per calendar year. We support certification programs and other professional development opportunities on an as-needed basis and encourage employees to champion their own learning.

Employee Engagement

We continually assess employee turnover, recruitment initiatives, compensation and benefits programs, safety in performing critical laboratory work, diversity and other matters relevant to human capital management. We review results of these assessments on a periodic basis with the Compensation Committee of our Board of Directors, which is charged with oversight of the development, implementation and effectiveness of our policies and strategies relating to human capital management.

During the past five years, our employee turnover has remained consistently below average for the U.S. life sciences industry generally, as well as for life sciences companies located in northern California.

Approximately 18% of our employees have been with us for more than five years, and many of our current employees have returned to Exelixis after working elsewhere. Our longest tenured employee has been with Exelixis for 24 years.

Diversity, Equity and Inclusion Spotlight

In 2021, we launched a formal DEI action plan, establishing the foundation for programs, goals and initiatives going into 2022 and beyond. A core five-member DEI Committee, consisting of senior leaders and other employees, moved this plan forward. In late 2021, we hired Exelixis' first DEI director.

Inclusion Survey: All employees were invited to participate in an expansive DEI survey. We are immensely proud of our 100% participation rate and the valuable insights our employees shared. An independent DEI consultant helped senior management to evaluate the results, which were shared with employees and used to facilitate productive discussions among our corporate community.

Employee Training: 250 managers engaged in sensitivity training focused on making employees more aware of their attitudes and behavior toward others, encouraging a continued dialogue around DEI.

Talent Acquisition: We build partnerships with organizations that support veterans, people with disabilities and other underrepresented groups, and we are tracking how these partnerships impact our talent applicant pool. We also participate in job fairs that allow us to engage with a diverse group of candidates. Job fairs, outreach and recruitment-related diversity metrics are all tracked within the software program Affirmity.

100% Survey participation

25 Stakeholder interviews

4.2K+ Write-in comments

250 Managers engaged in sensitivity training

ANALYSIS APPROACH:

- Theme-level insights data cut by demographic categories, organizational categories
- Further research exploring variances between groups for qualitative/quantitative analysis
- Culture and sentiment analysis

***Jason Atwater**, DEI Director*

CASE STUDY

Drawing Attention to DEI Among Employees

Exelixis is a rapidly growing company, and DEI is essential to help us continue to evolve as a collaborative, inclusive organization that celebrates our similarities and unique differences. We are early in our DEI journey, but we are fully committed to the ongoing process. We are proud to offer the following resources for our employees and look forward to adding more offerings as we continue to grow.

Parents EXEL

OUT & PROUD EXELIXIS NETWORK OPEN

WE WOMEN OF EXELIXIS

- **Employee Resource Groups:** Voluntary, employee-led groups whose aim is to foster a diverse, inclusive workspace aligned with the groups they serve. These groups allow employees with common backgrounds and interests to meet, have discussions about meaningful topics, support one another and produce outcomes that can build community and improve job satisfaction. We currently have eight employee resource groups, including those for working parents, women, the Pan Asian community, LGBTQ+ community, project managers, people with disabilities, Latinx and black people.

- **DEI Advisory Committee:** A new, cross-functional DEI Advisory Committee helps promote a welcoming work environment where all employees feel valued, seen and respected. Its main objectives are to establish antidiscrimination practices, provide feedback on DEI initiatives and foster a sense of belonging amongst employees. Staffed by a diverse team of eight members serving one-year terms, the committee's members represent multiple ethnic backgrounds, gender identities, departments, divisions and job levels.

- **DEI Speaker Series:** As part of a DEI speaker series, we have invited important speakers to engage with employees on relevant topics, including a passionate activist for cancer patient advocacy, a startup investor who has championed success for women in building fulfilling businesses and careers, a global advocate for the success and empowerment of working parents and adult caregivers, a television anchor and advocate for the LGBTQ+ community and a disability advocate.

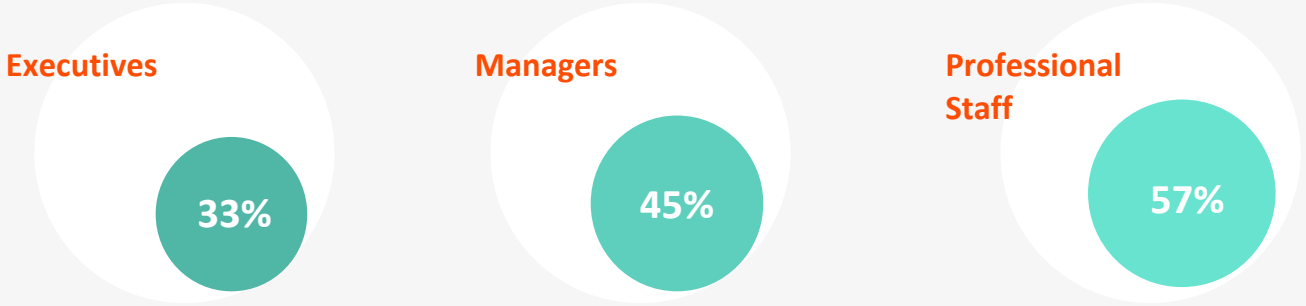
- **Cultural Celebrations:** We also host numerous cultural celebrations throughout the year to shine light on communities that are meaningful to our employees.

Diversity Metrics

Total Employee: High-Level Diversity (%)	FY 2021	As of Oct 1, 2022
Women	53%	52%
Racial/ethnic minorities	55%	58%
Veterans	Less than 1%	1%
Total Employee: Racial/Ethnic Diversity (%)		
White	45%	42%
Asian	39%	42%
Black or African American	5%	5%
Multiracial	4%	4%
Hispanic or Latino	6%	6%
Native Hawaiian or Pacific Islander	1%	1%
Native American or Alaska Native	Less than 1%	Less than 1%
Employee Resource Groups (ERGs)		
# of ERGs	N/A	8

Gender Diversity by Employment Hierarchy (% Women)

As of October 1, 2022



Anti-Discrimination Policy

Exelixis is an equal opportunity employer and maintains policies that prohibit unlawful discrimination based on race, color, religion, gender, sexual orientation, gender identity/expression, national origin/ancestry, age, disability, marital status and veteran status. Our anti-discrimination policy and complaint procedures are included in our employee handbook and reiterated in periodic trainings given to all employees and managers.

Employee Health and Safety

We foster a safe environment and provide employees with the tools and environment they need to perform their work safely.

Our Lab Safety Committee is comprised of leadership from our Discovery and Facilities teams, as well as members of the Environmental Health & Safety (EH&S) team and oversees the working conditions in our laboratory and office environments. The Lab Safety Committee also conducts laboratory safety inspections on a quarterly basis. Full safety reports are presented to the Exelixis Ethics Committee during quarterly meetings.

We adhere to the standards set by the Environmental Protection Agency, the Occupational Safety and Health Administration (OSHA), Cal-OSHA and Bay Area Air Quality Management District, among other governing bodies, to ensure compliance with laws and regulations to maintain a safe working environment.

Employee Health and Safety

Emergency Preparedness and Safety Training

Our emergency preparedness program includes annual emergency evacuation drills, and we have an emergency communication tool in place. External defibrillators are present in all of our buildings, and we periodically offer first aid and CPR training in addition to including first aid responders as part of the Exelixis Security Team.

All new laboratory staff are trained on chemical hygiene, the use of personal protective equipment and other relevant laboratory safety topics, including working with blood-borne pathogens. Staff are retrained annually through our learning management system. We also extend these trainings to Facilities staff and others who support our work in the labs.

To maintain a safe environment for all staff, we regularly perform thorough safety inspections of our laboratories and continuously update our procedures based on the observations made during these inspections. Additionally, we conduct periodic industrial hygiene monitoring to ensure lab staff working with certain known hazardous chemicals do not exceed regulated exposure limits, and we regularly test and certify fume hoods, biosafety cabinets and other individual pieces of equipment on which employees rely to maintain a safe work environment. Our Accident and Incident Investigation Program governs our response to workplace injury or chemical exposure.

Because of our training and inspection practices, we have an excellent safety record. From 2017 through 2021, we recorded 19 minor work-related injuries, resulting in 24 days of missed work, across a workforce ranging from under 300 to over 950 employees during that time period. Since the start of 2022, we recorded 5 minor work-related injuries, resulting in 20 days of missed work, during which time our workforce has continued to grow to over 1,100 employees. After reviewing each incident, we found that none resulted from insufficient safety procedures, and we provided retraining to employees as necessary.

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Environmental Management

Exelixis is committed to conducting business in a way that respects our environment and the Earth's changing climate. We have already incorporated many environmentally sustainable practices into our facilities and operations, and we plan to incorporate more of these practices as we continue to grow.

As part of this commitment, Exelixis recognizes that climate change threatens human safety and well-being on a dramatic scale. We feel all businesses — especially those like ours that are dedicated to human health — have a duty to minimize their impact on climate change and promote a long and prosperous future for all of Earth's inhabitants.

Energy and Emissions

As a growing healthcare company engaging in energy-intensive R&D operations, we prioritize reducing our energy use where possible and reallocating our energy use to renewable sources.

Sustainable Facilities

A key facet of our environmental strategy is to invest in energy- and water-efficient equipment, technology and other building features as we continue to grow our physical footprint. Our facilities meet and, in many cases, exceed building code standards for energy efficiency and environmental impact.

In 2018, we moved our headquarters to a state-of-the-art facility in Alameda, CA, and in April 2022, we occupied a new ~220,000 square foot building that was built to our specifications on this same campus. This new building operates with a 100% carbon-neutral energy footprint, having been constructed with carbon-offsetting concrete and using 100% electric power – the majority of this building's total power needs are met with power generated by rooftop- and carport-mounted solar panels. We made these and considerable additional investments to support the wellness of our employees and our environment, and we are pursuing a LEED BD+C Gold Certification through the U.S. Green Building Council.

CASE STUDY - ALAMEDA, CA CAMPUS

220K Square feet

100% Electric power

100% Carbon neutral footprint

120M Pounds of CO_2 saved over 50 years of operation

Designed for LEED Gold certification

EFFICIENT FEATURES

ALL NEW **LED light sources, occupancy sensors and daylight sensors installed** to minimize our energy usage for lighting in all of our newly constructed offices and labs

50+ **electric vehicle (EV) charging stations campus-wide** to support our staff members who commute via EV

100% **clean electricity** (eligible renewable sources and large hydroelectric sources) delivered in Alameda from Alameda Municipal Power

Energy and Emissions

Green Transportation

Reducing the emission of greenhouse gases is an important factor in combating climate change and protecting our planet. To help reduce the carbon footprint of our commuting workforce, we put into place an extensive commuter support program to replace single-occupancy vehicle trips with shared transport. Transportation options include shuttles, van pools and carpools with subsidies for employees using mass transit or carpooling.

From March 2019 through February 2020 (the twelve-month period preceding the COVID-19 pandemic), our commuter support programs resulted in approximately 24% of our workforce based in the Alameda campus utilizing means other than single-occupant vehicles for their commute to work, reducing CO_2 emissions by over 840 U.S. tons.

We paused our commuter support programs in March 2020 due to the onset of the COVID-19 pandemic and the transition of the majority of our employees to working from home. This temporary shift to largely remote working also had a significant impact on our carbon emissions from employee commuting, reducing CO_2 emissions by over 624 U.S. tons through end of 2020. We then resumed the programs following our return to the Alameda campus, reducing CO_2 emissions by over 924 U.S. tons from July 2021 through June 2022.

Environmental Baseline

Spearheaded by our Digital Transformation team, we are in the process of developing and implementing a software system to help us track energy usage across the company's building footprint. This tool will not only synthesize and organize data to give us insights on our performance but will also provide opportunities to optimize energy use. We aim to better understand our baseline environmental footprint in order to set reduction and efficiency goals in the years to come.

Waste Management

Chemical waste and potentially harmful materials are necessary consequences of the drug discovery process. As an organization, we aim for strict adherence to applicable laws and regulations regarding the handling of hazardous materials and wastes that are used or generated in the course of our business. On a yearly basis, we review our hazardous waste streams to identify additional opportunities for the reduction or consolidation of overall waste. We have also instituted measures to minimize the amount of office waste that we produce, with a strong focus on reducing, reusing and recycling.

Wherever possible, we take steps to decrease the environmental impact of our laboratory activities, such as by utilizing an environmentally friendly approach to purifying small molecules called supercritical fluid chromatography. To mitigate the large amounts of laboratory waste generated as a byproduct of our R&D activities, in 2021 we implemented a solvent dispensing system that eliminates the typical packaging for commonly used chemicals.

We continue to investigate innovative ways to reduce our environmental impact, including our “take back” programs in the U.S., which allow for easy disposal of unused products. We make sure products that are no longer needed by the patient can be disposed of properly. Any expired products are destroyed, and there is a certificate of destruction for the product. A process is also in place for destroying returned goods, with incineration as the primary means of destruction.

Hazardous and Medical Waste	FY 2021	1H 2022
Hazardous Waste Generated (lbs)	25,715	18,199
Medical Waste Generated (lbs)	23,430	17,815

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Governance & Responsible Business Practices

At Exelixis, we recognize that our company will not be successful in its mission to treat and defeat cancer unless we operate on a solid foundation of good governance, corporate responsibility and accountability. We embed strong legal and regulatory compliance practices and oversight into our scientific and business activities so that these activities will be conducted in a legal and ethical manner, and in the best interests of all Exelixis' stakeholders. We have created and work to uphold a rigorous culture of compliance at every level of our organization so that we can safely and effectively deliver on our ongoing mission.

Board Governance, Diversity and Oversight of ESG Initiatives

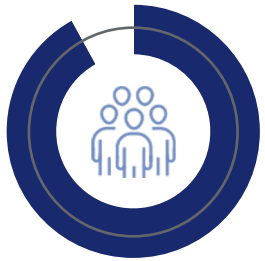
The Nominating and Corporate Governance Committee (NCGC) of the Exelixis Board of Directors is responsible for reviewing and assessing the Company's corporate sustainability strategy and policies, including with respect to ESG matters, and for overseeing management in its implementation of ESG efforts. The Board's Compensation Committee has oversight of our policies and strategies related to human capital management including, but not limited to, recruiting, retention, career development and progressions, management succession planning (other than CEO succession), diversity and employment practices.

Our ESG program is carried out by representatives across several departments including Legal Affairs & Compliance, Public Affairs & Investor Relations, Human Resources, Business Operations and others. All members of Exelixis' senior management team participate in developing our ESG strategy. Management also provides periodic updates to the NCGC and full Board as necessary.

In considering candidates for directorship, the Board believes that its members should reflect a diversity of viewpoints, background experience and other characteristics such as gender, race and ethnicity. Accordingly, when evaluating candidates for nomination as new directors, the NCGC considers candidates who would contribute to Board diversity, including both women and individuals from underrepresented communities who meet the relevant business and search criteria. In the review process, the NCGC evaluates prospective candidates for directorship with consideration of the qualities and skills of current Board members, our operating requirements and the long-term interests of our stockholders.

Governance of ESG and Board Diversity

BOARD INDEPENDENCE



91%

10 out of 11 members of the Board are 'independent' under the SEC rules and regulations and the Nasdaq listing standards

BOARD DIVERSITY

Gender

27%

3 out of 11 members of the Board are women

Ethnicity or National Origin

36%

4 out of 11 members of the Board identify as non-white or were born outside of the U.S.

BOARD MATRIX (AS OF AUGUST 1, 2022)

Board Independence: 10/11

Board Size: 11 Directors

	Female	*Male*
Part I: Gender Identity		
Directors	3	8
Part II: Demographic Background		
Black / African American	1	0
White	1	8
Hispanic / Latin American	1	0

Business Ethics

Commitment to High Standards and Ethics

Our Code of Conduct reflects the values that drive the performance of our business operations and describes how our officers, directors, employees and contractors are expected to conduct themselves when representing Exelixis. The Code of Conduct also underscores our commitment to comply with laws that regulate our business activities as a biotechnology company. We expect all our employees to understand and abide by our Code of Conduct and other relevant policies that are essential to their daily duties and our business. Each employee is trained on, and reviews and acknowledges, these policies in their initial onboarding; they then undergo refresher training on an annual basis.

We believe in continuous improvement and will periodically engage third parties to evaluate our compliance procedures. Management and the NCGC review the Code of Conduct each year and approve updates as appropriate.

Select Policies and Practices Critical to Our Business

- **Recognizing and Reporting Safety Data (i.e., adverse events)**
- **Respect for Privacy and Protection Personal Information Policy**
- **Insider Trading Policy**
- **Cybersecurity Policies and Practices**
- **Social Media and Corporate Communications Policy**
- **Records and Information Management Policy**

Ethics Committee

Exelixis has established an internal governance structure that is designed to assist senior management with risk management, the ethical leadership of the company and maintenance of its culture of compliance. The Ethics Committee provides regular reports on how the company is fulfilling the commitments stated in our Code of Conduct, including compliance with applicable international, federal and state laws, regulations and guidelines. It also provides a reliable mechanism for the escalation of challenges and issues of concern as they arise within the matrix of the company's complex business operations.

At the top of Exelixis' internal risk and ethics management structure sits the Ethics Committee. Led by Exelixis' President and Chief Executive Officer, the Ethics Committee is responsible for oversight of the Company's business ethics, fulfillment of legal and regulatory requirements and maintenance of the safety and quality of its products. Six subcommittees, each with deep expertise in the relevant areas of Exelixis' operations, operate under the Ethics Committee's guidance to identify, respond to, and escalate key issues or concerns, as needed. The Ethics Committee also helps functional team leaders to identify and evaluate business risks, enabling the effective mitigation of those risks more effectively. Ethics Committee reports are shared with members of the Risk Committee of our Board of Directors, providing a regular and reliable flow of information so Board Members may fulfill their own duties.

Board of Directors (Board Risk and Audit Committees)

Ethics Committee (Exec. Management)

Securities Compliance Committee	Quality Council	Benefit-Risk Executive Committee	Healthcare Compliance Committee	Privacy Review Team	Information Security Governance Committee
–	–	–	–	–	–
SEC regulatory compliance Maintain Insider Trading program	GxP compliance oversight Maintain R&D/ Manufacturing Quality Management Systems	Maintain core data and communications with respect to all patient safety aspects of Exelixis products	Oversee integrity of the company's financial interactions with healthcare providers	Oversees compliance with applicable data privacy laws	CyberSecurity IT and information services oversight

Business Ethics

A Focus on Compliance

Our commitment to ethics and compliance finds expression in our products, business activities and culture and is also reflected in our sustainability efforts; it influences not only what our employees do, but also how they do it. Our dedication to compliance is demonstrated through: (1) efforts and activities to promote clear and understandable policies, procedures, and tools assisting compliance; (2) extensive training programs and testing to evaluate understanding; and (3) monitoring and auditing systems to ensure employees and vendors are complying with requirements.

Exelixis' compliance training program aligns to our Business Conduct Manual and tracks training requirements for Exelixis personnel. Certain trainings are company-wide, such as those concerning our Code of Conduct, cybersecurity efforts and drug safety reporting, while others are role-based and tailored toward specific employee teams, such as our Commercial, Medical Affairs and Clinical Development teams who, as an example, receive more detailed training regarding compliant interactions with members of the healthcare community. In addition to these general and role-specific trainings, **all employees receive at least 3.5 hours of healthcare compliance training annually.**

Trainings are comprised of interactive, online and live modalities as appropriate to balance flexibility and access with strong engagement and retention. Knowledge checks allow us to assess employee proficiency and comprehension, and surveys and focus groups are periodically used to obtain feedback and measure training effectiveness. A robust reminder and escalation process ensures training completion.

ETHICS HELPLINE

Employees and other stakeholders may confidentially report any potential concerns to Legal Affairs & Compliance, Human Resources, a member of Exelixis' senior management or the Ethics Committee, chaired by our CEO. As part of our whistleblower program, employees may also provide information to members of the Ethics Committee directly, on either an anonymous or self-identified basis, via the Exelixis Ethics Helpline, at www.ExelEthicsHelpline.com or by calling the toll-free number (800) 461-9330.

We have no tolerance for retaliation or discrimination against employees who raise good faith questions or concerns. Any act or threat of retaliation by other Exelixis personnel will be considered a serious violation of our Code of Conduct.

The Board, through the Audit Committee, receives quarterly reports of disclosures made through the Ethics Helpline, as well as any concerns raised to the Ethics Committee or otherwise submitted through our internal compliance reporting system. The Audit Committee is responsible for the oversight of such matters, or as appropriate, will assign such oversight to another committee of the Board.

Ethical Marketing of Pharmaceutical Products

We are committed to the ethical marketing of our products. Our Marketing team includes Exelixis employees who travel on the company's behalf to educate HCPs, patients and other stakeholders about our products and the data in our FDA-approved product labels. These employees serve a critical role: their efforts to help educate and inform the healthcare community can ultimately lead to improved patient access and care. Consistent with our legal and ethical obligations, we prohibit the promotion of our products for off-label use, only supplying HCPs with medical information that is beyond the scope of our product labeling in appropriate forums for scientific exchange or in response to specific requests.

Promotional Policy and Process

We maintain a review and approval process for all promotional material. Exelixis' Review of Advertising, Marketing and Promotion Committee includes representatives from Regulatory Affairs, Legal Affairs & Compliance, and Medical Affairs and is responsible for reviewing and approving all Exelixis promotional and disease state materials used by Exelixis Field Commercial Personnel.

Promotional information regarding Exelixis products will be complete, not misleading, and consistent with FDA labeling. They will describe safety information fully and accurately and be approved by the appropriate Exelixis review committee prior to use.

Training and Compliance

Members of our Sales and Marketing department, including all new hires, receive training on ethical drug marketing, so they are equipped with the appropriate knowledge prior to engaging in product promotion. Our field-based employees also receive an additional deep dive training session, which can be live or virtual, and a role-based interactive module covering the applicable interactions and promotional activities with HCPs.

Our teams are encouraged to work with the Legal Affairs & Compliance department to take a proactive approach in identifying and reporting areas of concerns. Any issues identified are tracked in a compliance log and metrics are reported quarterly to the Healthcare Compliance Committee and Ethics Committee.

Data Security and Patient Privacy

We understand the importance of keeping patient, employee and Company data secure and have established several procedures and processes to that effect. Our broader cybersecurity program is comprised of enterprise-level privacy policies and Standard Operating Procedures, including an Information Security Incident Response Plan that guides our response to cyber-attacks, data breaches and other incidents.

Cybersecurity

Exelixis maintains a robust cybersecurity and information security program leveraging best practices and standards. Our Security Operations team works together with our internal Information Technology (IT) team to monitor threats and vulnerabilities 24/7. We engage with third parties to proactively identify vulnerabilities in our systems with periodic penetration testing and threat intelligence.

All employees receive cybersecurity training upon hire and annual training thereafter with job-specific topic considerations. Our IT team conducts ongoing phishing exercises and follows-up with additional training in cases of non-compliance in these events.

In the case of a data breach or other cybersecurity event, we form an incident response team in accordance with our Information Security Incident Response Plan and that team receives oversight from our Information Security Governance Committee. This plan details how to identify, escalate and respond to events and provides guidance for roles and responsibilities in the event of a data security incident. The plan is reviewed on an annual basis by the Information Security Governance Committee and is updated as appropriate to promote alignment with Exelixis' security and business objectives.

Patient Privacy

Exelixis requires that patient data be securely maintained during and after a clinical trial. We respect the privacy of patients and avoid use of, or exposure to, protected health information. Patient information is de-coupled from identifying information in order to pseudonymize the data, but still allows clinical research teams to monitor patient progression as well as safety and efficacy metrics. Data from third-party contract research organizations are stored in vendor systems that are validated for GCP requirements and include the auditing of controls and access.

Our Policy concerning Respect for Privacy and Protection of Personal Information is the guiding document for privacy and includes provisions and guidance, relating to the handling and management of patient information, to maintain compliance with laws and regulations such as the Health Insurance Portability and Accountability Act (HIPAA), General Data Protection Regulation (GDPR) and California Consumer Privacy Act (CPRA), among others. All employees receive training on this policy.

Risk Management and Business Continuity

Risk Management

The Ethics Committee and its reporting subcommittees facilitate dynamic risk management throughout the company by maintaining close supervision of each element of our business and driving insights through regular risk-based reporting. We supplement that reporting with periodic "deep-dive" assessments in areas of business operations identified as higher risk. To complete these assessments, we retain the services of outside experts or counsel, ensuring both appropriate expertise and sufficient objectivity are brought to the task of evaluating the effectiveness of the relevant operational activity and its level of legal and regulatory compliance.

In addition to these ongoing risk assessment activities, each year, our healthcare compliance and quality teams conduct their own annual risk assessments, taking a close look at business activities that combine significant operational complexity with high inherent regulatory and legal risk, such as financial interactions with HCPs and product manufacturing operations. These annual risk assessments inform decision-making concerning where the company should focus particular attention through deep-dive assessments.

Business Continuity

Exelixis established a comprehensive Business Continuity Management Program (BCMP) in 2021, synthesizing previous and ongoing continuity workstreams. The BCMP encompasses six major elements: Manage, Plan, Implement, Train & Educate, Exercise and Improve & Update. We are building our program in alignment with globally recognized standards – ISO22301-2019 and Disaster Recovery Institute International (DRII) Professional Practices.

The program is periodically reviewed by the BCMP Core Team which consists of cross functional high-level stakeholders in areas of Quality Assurance, Business Operations, Information Technology and Digital Transformation. The BCMP team ensures consistency with other company initiatives and priorities to help better integrate preparedness and continuity activities into our work culture.

Vendor Management and Supply Chain Resilience

We have established a global network of highly competent and reputable manufacturers and suppliers who manufacture our products to meet our inventory targets. We source raw materials that are used to manufacture our drug substance from multiple third-party suppliers in Asia, Europe and North America. We stock sufficient quantities of these materials and provide them to our third-party CMOs so they can manufacture adequate drug substance quantities per our requirements for both clinical and commercial purposes.

Drug Substance: The active pharmaceutical ingredient. This is what has the therapeutic effect in the body.

Drug Product: The formulated mixture of the drug substance and other inactive ingredients to create the final form that ends up on the pharmacy shelf.

Vendor Selection and Monitoring

Exelixis utilizes third-party CMOs to manufacture our commercial and investigational products, and we continually evaluate their ability to meet the appropriate quality standards and their compliance with applicable Good Manufacturing Practices.

When selecting potential CMOs, we assess their technical expertise, regulatory track record and other factors, such as environmental, health and safety matters and overall business reputation. Exelixis will not utilize CMOs that do not meet our strict selection criteria. Our selection criteria also include assessing whether potential CMOs have had any product recalls or concerns over use of insufficiently trained workforce, child labor or other human rights abuses, regulatory violations or embargoes or sanctions. In addition, given the increase in commercial and clinical demand for our products, we assess each potential CMO's financial stability and business continuity management plan.

We expect all CMOs to uphold all U.S. regulatory requirements, as well as any applicable laws outside the U.S. where a CMO may be located.

After contracting with a CMO, we continue to conduct audits and periodic reviews designed to ensure the consistent supply of safe and efficacious products for our patients.

Externally, we audit our third-party materials and service suppliers rigorously, both before and after entering into a contract, and we regularly evaluate whether our level of oversight for each vendor is appropriate based on the criticality of the service or materials provided and the past performance of the vendor.

Risk Management and Business Continuity in the Value Chain

An ongoing cross-functional and team-based communication plan is established between Exelixis and our manufacturers and suppliers, with an appropriate management and executive oversight governance structure.

The communication plan is designed to ensure that:

(A) our CMOs continue to meet our on-time product delivery needs;

(B) we continue to monitor and address any issues that arise during the manufacturing process; and

(C) we continue to enhance our manufacturing processes appropriately. The cross-functional teams consist of both quality assurance and technical experts.

TO MAINTAIN BUSINESS CONTINUITY THROUGHOUT THE VALUE CHAIN, WE ALSO:

- **Engage** with a third-party partner that tracks supplier risk to help us identify key issues and risks.
- **Maintain** risk assessment registries which determine the stability of a company to secure our global supply chain.
- **Continually improve and strengthen** our supply chain, identifying secondary and tertiary suppliers for raw materials to ensure business continuity.

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Frameworks & Standards

In order to focus on the ESG topics most relevant to our stakeholders, we leveraged key ESG frameworks and standards to guide our reporting, notably the Sustainability Accounting Standards Board and the United Nations Sustainable Development Goals.

United Nations Sustainable Development Goals (SDGs)

In 2015, the United Nations developed 17 SDGs with the aim of achieving a more sustainable future for the world. Five SDGs in particular align to our ESG priorities and are outlined below. This table references sections of this report that relate to each goal.

Goal	Description	Report Section
 **Good Health and Well-Being**	Ensure healthy lives and promote well-being for all at all ages	Access to Innovative and Safe Cancer Medicines
 **Gender Equality**	Achieve gender equality and empower all women and girls	Diversity, Equity and Inclusion Spotlight
 **Decent Work and Economic Growth**	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	Our People and Culture
 **Industry, Innovation and Infrastructure**	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	Discovering New Treatment Options Our People and Culture Stakeholder Engagement
 **Responsible Consumption and Production**	Ensure sustainable consumption and production patterns	Environmental Management

Sustainability Accounting Standards Board (SASB)

In the table below, which includes the SASB Accounting Standards for the industry of Biotechnology and Pharmaceuticals, we provide a reference to where in our ESG report you can find more information about a particular relevant ESG topic.

SUSTAINABILITY DISCLOSURE TOPICS & ACCOUNTING METRICS: BIOTECHNOLOGY AND PHARMACEUTICALS

Topic	Accounting Metric	SASB Code	Location in Report
Safety of Clinical Trial Participants	Discussion, by world region, of management process for ensuring quality and patient safety during clinical trials	HC-BP-210a.1	Safe and Ethical Clinical Trials
	Number of FDA Sponsor Inspections related to clinical trial management and pharmacovigilance that resulted in: (1) Voluntary Action Indicated (VAI) and (2) Official Action Indicated (OAI)	HC-BP-210a.2	
	Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries	HC-BP-210a.3	
Access to Medicines	Description of actions and initiatives to promote access to health care products for priority diseases and in priority countries as defined by the Access to Medicine Index	HC-BP-240a.1	Supporting Patients
	List of products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP)	HC-BP-240a.2	
Affordability & Pricing	Number of settlements of Abbreviated New Drug Application (ANDA) litigation that involved payments and/or provisions to delay bringing an authorized generic product to market for a defined time period	HC-BP-240b.1	Supporting Patients
	Percentage change in: (1) average list price and (2) average net price across U.S. product portfolio compared to previous year	HC-BP-240b.2	
	Percentage change in: (1) list price and (2) net price of product with largest increase compared to previous year	HC-BP-240b.3	
Drug Safety	List of products listed in the Food and Drug Administration's (FDA) MedWatch Safety Alerts for Human Medical Products database	HC-BP-250a.1	Product Quality and Patient Safety
	Number of fatalities associated with products as reported in the FDA Adverse Event Reporting System	HC-BP-250a.2	
	Number of recalls issued, total units recalled	HC-BP-250a.3	
	Total amount of product accepted for take-back, reuse, or disposal	HC-BP-250a.4	
	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type	HC-BP-250a.5	
Counterfeit Drugs	Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting	HC-BP-260a.1	Product Quality and Patient Safety
	Discussion of process for alerting customers and business partners of potential or known risks associated with counterfeit products	HC-BP-260a.2	
	Number of actions that led to raids, seizure, arrests, and/or filing of criminal charges related to counterfeit products	HC-BP-260a.3	
Ethical Marketing	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	HC-BP-270a.1	Ethical Marketing of Pharmaceutical Products
	Description of code of ethics governing promotion of off-label use of products	HC-BP-270a.2	
Employee Recruitment, Development & Retention	Discussion of talent recruitment and retention efforts for scientists and research and development personnel	HC-BP-330a.1	Talent Management
	(1) Voluntary and (2) involuntary turnover rate for: (a) executives/senior managers, (b) mid-level managers, (c) professionals, and (d) all others	HC-BP-330a.2	
Supply Chain Management	Percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in the Rx-360 International Pharmaceutical Supply Chain Consortium audit program or equivalent third-party audit programs for integrity of supply chain and ingredients	HC-BP-430a.1	Vendor Management and Supply Chain Resiliency
Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery	HC-BP-510a.1	Business Ethics Ethical Marketing of Pharmaceutical Products
	Description of code of ethics governing interactions with health care professionals	HC-BP-510a.2	

Disclosure Statement

The statements in this publication relating to Exelixis' various sustainability programs and related goals, efforts and objectives, as well as Exelixis' broader business plans and commitments, are forward-looking statements that involve many risks and uncertainties. Exelixis' actual results could differ materially from those contained in these forward-looking statements due to a number of factors affecting Exelixis' product pipeline, including those discussed in Part II, Item 1A – "Risk Factors" included in Exelixis' Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission (SEC) on August 9, 2022, and in Exelixis' future filings with the SEC. All forward-looking statements in this publication are based on information available to Exelixis as of the date of this publication, and Exelixis undertakes no obligation to update any forward statements contained herein, except as required by law.

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