



2022

# Environmental, Social & Governance Report

# TABLE OF CONTENTS

Halozyme is pleased to share our corporate responsibility framework and how it shapes our business efforts as we seek to have a positive impact on society, today and in the future. We encourage you to review our program overview and we look forward to building on these important and evolving initiatives in the years to come.

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## 02 From Our CEO

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## 03 About Our Company

---

## 04 Our Framework

---

## 05 Employees

- 06 Recruiting Talent & Onboarding
  - 07 Diversity, Equity & Inclusion
  - 08 Compensation & Benefits
  - 09 Professional Development for All
  - 10 Employee Engagement
  - 11 Turnover & Tenure
- 

## 12 Product Quality & Safety

- 13 Quality Management System
  - 13 Reporting Adverse Events
  - 14 Commitment to High Standards
  - 15 Clinical Trials
- 

## 16 Governance & Ethics

- 17 Ethical Business Practices
  - 18 Data Privacy
  - 19 Cybersecurity
- 

## 20 Community

- 21 2022 Community Efforts
- 

## 22 Environment

- 23 Optimizing Our Facilities
- 24 Carbon & Climate
- 25 Energy
- 26 Waste Management
- 26 Natural Resources



# FROM OUR CEO

Throughout a transformative year for Halozyme, we are proud to continue our dedicated focus on Environmental, Social, and Governance (ESG) excellence. Just as our vision remains to deliver disruptive solutions that significantly improve patient experiences and positively influence outcomes for emerging and established therapies, we have ensured we stay on track and deliver on our commitment to corporate citizenship.

Sustainability and environmental consciousness have been at the forefront of our decision-making as we observed tremendous growth for Halozyme this past year. The core responsibility drove our efforts to build a supportive and committed ecosystem, both internally and externally. We are incredibly proud of the accomplishments we achieved this year, including completing the acquisition of Antares Pharma in May that enhanced our capabilities to support current and new partners utilizing our ENHANZE® and auto-injector technologies, with the goals of increasing their products' competitiveness and reducing the burden of treatment for patients, as well as broadened our commercial portfolio.

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It is apparent across the entirety of the organization there is a drive for continuous learning and improvement in transforming our internal and external environment. We encourage our stakeholders to not only celebrate our accomplishments throughout the year but also look out for initiatives and any opportunities where we can improve over time.

As always, our Halozyme team thanks you for your ongoing support.

*Helen Torley*

**HELEN TORLEY, M.B. Ch. B., M.R.C.P.**  
President and CEO

Building on the advances we have made the past two years, we have recognized additional opportunities for progressing our ESG responsibilities from the past 12 months, including:

## ENHANCED OUR SAFETY CULTURE

In 2022, Halozyme implemented a global Environment Health & Safety program to support integration initiatives. The program also includes a Global Policy rollout with site-specific procedures. We also initiated a Laboratory Waste-to-Energy program to further reduce waste from our labs and prevent it from entering the landfill, while also leveraging it as a raw material utilized to produce renewed energy.

## PREPARED AND EXECUTED A SUCCESSFUL RETURN TO OFFICE

We continued to provide flexible working arrangements when aligned with business needs. We will continue to evaluate the right working model to deliver high performance and ensure employee safety.

## STRENGTHENED CYBERSECURITY

We are committed to protecting our data assets and systems' confidentiality, integrity and availability. In 2022, an industry leading management consulting firm assessed the security controls for our integrated business between Halozyme and Antares following the acquisition. That assessment helped us create a robust and comprehensive cybersecurity plan of action for 2023 and beyond.

## CONTINUED TO INCREASE DATA TRANSPARENCY

We enhanced disclosures in our Annual Proxy and continued increased transparency of our ESG Key Data and Metrics, including human capital data, by publishing in SEC filings and on our website. This data includes informative Halozyme team demographics to track our Diversity, Equity, and Inclusion.

## EXPANDED EMPLOYEE ENGAGEMENT ACTIVITIES

As Halozyme welcomed two new office sites, we expanded our approach to employee engagement. These efforts include a focus on supporting the Halozyme team culture and connectivity through events and activities and activities to support the local community. These initiatives achieved strong participation in both engagement and community events.

# ABOUT OUR COMPANY

Halozyme is a biopharmaceutical company bringing disruptive solutions to significantly improve patient experiences and potential outcomes for emerging and established therapies.

As the innovators of the ENHANZE® technology with the proprietary enzyme rHuPH20, Halozyme's commercially validated solution is used to facilitate the delivery of injected drugs and fluids in order to reduce the treatment burden to patients. Having touched more than 600,000 patient lives in postmarketing use in five commercialized products across more than 100 global markets, Halozyme has licensed its ENHANZE® technology to leading pharmaceutical and biotechnology companies including Roche, Takeda, Pfizer, AbbVie, Eli Lilly, Bristol-Myers Squibb, Alexion, argenx, Horizon Therapeutics, ViiV Healthcare, and Chugai Pharmaceutical.

Halozyme also develops, manufactures, and commercializes – for itself or with partners – drug-device combination products using its advanced auto-injector technology. These products are designed to provide commercial or functional advantages such as improved convenience and tolerability, and enhanced patient comfort and adherence. The Company has a commercial portfolio of products that includes XYOSTED®, TLANDO®, and NOCDURNA® as well as partnered commercial products and ongoing product development programs with several pharmaceutical companies, including Teva Pharmaceutical, Covis Pharma, Pfizer, and Idorsia Pharmaceuticals.

**HALOZYME IS HEADQUARTERED IN SAN DIEGO, CA, AND HAS OFFICES IN EWING, NJ, AND MINNETONKA, MN. MINNETONKA IS ALSO THE SITE OF ITS OPERATIONS FACILITY.**



# OUR FRAMEWORK

Our stakeholders are critical to every aspect of our business. Through their relationship with Halozyme, our stakeholders are those who influence our business just as much as they are influenced by what we do.



PATIENTS & CAREGIVERS



CLINICIANS & HEALTHCARE PRACTITIONERS



EMPLOYEES



PARTNERS & COLLABORATORS



SUPPLIERS & CUSTOMERS



GOVERNMENT REGULATORS



LOCAL COMMUNITY



INVESTMENT COMMUNITY



MEDIA

# EMPLOYEES

Employees are the heart of Halozyme and critical to the sustainability of our business. They bring every aspect of our values and culture to life.

Our values are reflected in our culture on a daily basis. We are a One Team culture. An inventive and collaborative group who believes our diverse perspectives make us stronger. Working together we create more than we could on our own. We continue to strengthen our great culture through our long-standing commitments to efforts such as inclusive hiring, development, and equitable pay for all.

As of December 1, 2022, we employ 248 employees between our three offices as well as 142 U.S.-home-based employees. In addition to our employees, we engage consultants, independent contractors, and temporary employees to provide flexibility in support of our business execution and objectives. None of our employees are unionized.



Our values unite us at Halozyme. As we relentlessly work toward our mission of improving patient experiences and outcomes, our values represent the core of each and every one of our team members. Together, we:



**RESPECT AND VALUE THE TEAM**



**FOCUS ON PATIENTS**



**DO THE RIGHT THING**



**ARE ALL EMPOWERED AND ACCOUNTABLE**



**INNOVATE**

# RECRUITING TALENT & ONBOARDING

We are an equal opportunity employer that strives to attract and connect with diverse talent who best match our core values and who will be successful and thrive at Halozyme. Our recruiting team partners with hiring managers, and we select diverse interview panels to help provide insight at every stage of the process to identify the best possible candidate – whether internal or external – to fill open roles in the company.



## RECRUITMENT EFFORTS

We continuously evaluate our recruitment efforts based on a variety of metrics, including offer acceptance, time-to-hire, turnover, diversity of our employees, and market conditions.

## ONBOARDING

When new employees join the organization, our onboarding process ensures they are provided with information and training on multiple topics such as information technology, environmental health and safety, company information, corporate compliance, and quality assurance.

The *Start Inspired* learning curriculum is designed to give new employees unique insight into Halozyme's culture and unlock resources for a successful beginning to a dynamic career.

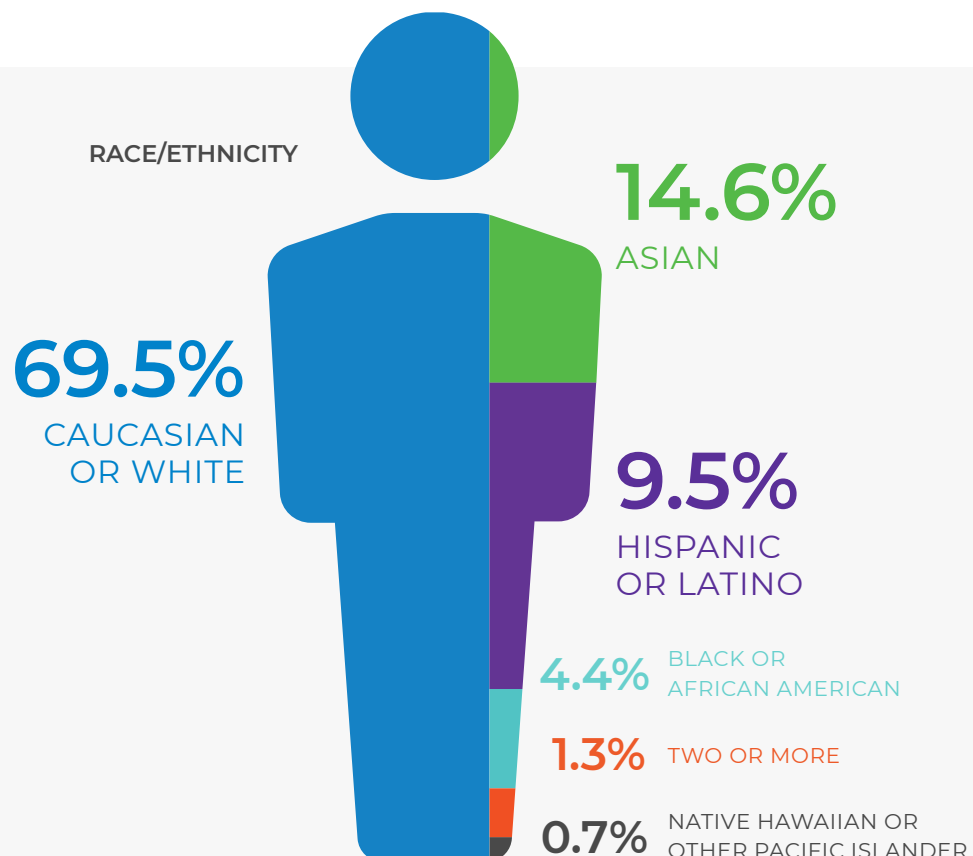
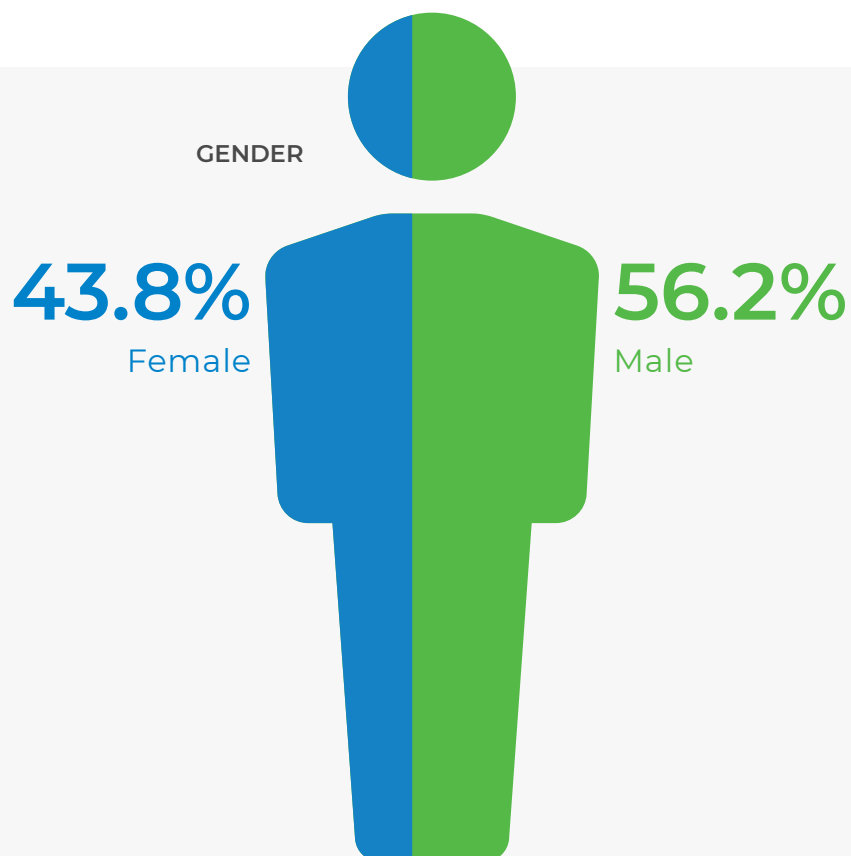


# DIVERSITY, EQUITY & INCLUSION

We continue to build a diverse team of employees who are passionate about and committed to having a positive impact on the lives of patients and their families. We value and celebrate the unique talents, backgrounds, and perspectives each employee contributes to achieving our mission and corporate objectives. In support of this philosophy, we adopted the **Biotechnology Innovation Organization's principles on workforce development, diversity, and inclusion**. Our diverse and inclusive culture is key to attracting, developing, and retaining top talent within the globally competitive biotechnology industry.

Our dedication to these principles has resulted in a diverse and inclusive employee base consisting of 43.8% female and 30.5% non-white/Caucasian employees as of December 1, 2022.

Our senior leadership (Senior Director and above) is comprised of 35% female and 16.7% non-white/Caucasian employees.





# COMPENSATION & BENEFITS

Halozyme's compensation programs, with oversight from the Compensation Committee of our Board of Directors, are designed to attract, retain, and reward top talent through competitive salaries, annual bonus eligibility, and long-term incentive awards. Each year we conduct surveys to benchmark our salaries and benefits to confirm each reward element is competitive within the bio-pharma industry, tailored to Halozyme's culture.

We are firmly committed to ensuring our compensation programs and practices are fair and equitable, regardless of an employee's gender, race, ethnicity, or age. This fair and equitable approach is vital to building and maintaining our differentiated culture, one that is built on trust and openness. We also believe it is an essential element in recruiting a diverse workforce and the best talent in our industry. To that end, every compensation decision is reviewed by various members of the human resources team to ensure that implicit bias is not a factor in making human capital decisions and that similarly situated employees across the organization are treated fairly and equitably. This approach is primarily applied to actions involving base salary, annual bonuses, promotions, and long-term incentive awards.

Our comprehensive benefits packages includes:

## HEALTHCARE

Access to multiple health plans that cover both physical and mental healthcare.

## SUPPLEMENTARY COVERAGE

To help employees prepare for the unexpected, we offer the security of multiple forms of income protection through life and disability insurance. We also provide access to valuable extras such as identity theft protection, benefit champions, and a group legal plan.

## COMPREHENSIVE APPROACH TO WELLNESS

In 2022, we also launched Modern Health to further expand employee access to mental healthcare services and resources. We also offer virtual yoga classes that are accessible anywhere, anytime to all our employees.

## HYBRID WORK MODEL

In 2022, we adopted a hybrid work model that supports flexible work experiences and intentional collaboration. Under the model, most employees work a portion of the week on-site focusing on collaboration, development and building connections and then have flexibility to work remotely the remainder of the week. We will assess the effectiveness of this approach in relationship to meeting our business objectives, and make any necessary changes as appropriate.

## EQUITY

All employees receive equity. Additionally, all employees are eligible for a discount when purchasing Halozyme stock through our Employee Stock Purchase Plan.

## 401(K)

To help employees prepare for retirement, our 401(k) matching program can help them meet their savings goals

## A COMPREHENSIVE TIME OFF BENEFIT

We offer paid time off, holidays including a week off in the winter, and support for new parents with paid parental leave. Helping our employees find balance is key to unlocking their potential. We view this time as an investment in them and their success.

# PROFESSIONAL DEVELOPMENT FOR ALL

Halozyme is firmly committed to employee development as an essential driver of our future growth and overall success. We understand that high performing employees are always seeking a challenge and reaching for ways to broaden, deepen, and develop their skills and grow professionally.

Our **Inspired Journey** learning and development program is designed to empower our employees to create a personalized learning and development path in pursuit of inspiration – of self, others, team, and work. Our curriculum design is drawn from insights and expressed needs gathered from employees and leaders. The objective is to strengthen the capabilities necessary for Halozyme to execute on its corporate objectives and accelerate professional growth.

Emerging leaders (senior director and above) attend quarterly Lead Inspired programs facilitated by our CEO. These interactive programs include CEO led discussions on corporate strategy, guest speakers and case studies. All are designed to help the team members advance their strategic, enterprise-wide business and leadership acumen.

Because no two people learn the same or are at the same point in their journey, each employee personalizes their development journey through an annual individual development planning process to build upon their strengths, experiences, and skills they need to thrive at Halozyme and in life.

Our ability to deliver value is driven by the success and performance of our entire organization, which is measured by each employee's contribution and ability to fulfill their individual performance goals. We strive to maintain an environment where employees can discuss job performance on an informal, day-to-day basis. Additionally, we have an annual goal setting process, and employees and their managers conduct mid-year and annual performance review discussions. In addition to our in-house development programs and performance management process, everyone attends compliance, harassment prevention, and safety training and we offer education assistance for college and university courses, training seminars and educational conferences to all employees.

We review our succession plan for key senior management positions as part of our semi-annual talent review and identify development opportunities to help ensure potential successor readiness.

# EMPLOYEE ENGAGEMENT

Building trust and a high performing culture is a top priority for Halozyme. We achieve this by providing a platform for employees to give feedback, collaborate on solutions, and discuss how to make changes to help improve our experience at work. The CEO holds regular skip-level meetings at all three sites to obtain feedback from employees regarding their experiences working at Halozyme. These meetings result in refinements to our communication and our plans. In addition, over the years, we have regularly conducted employee engagement surveys to better understand what we do well and where there are opportunities for improvement. We consistently achieve high participation rates of 92% or more - well above benchmark response scores and over half of the respondents provide written comments.

High engagement rates are reflective of our strong corporate culture. To further strengthen our culture and promote engagement, we have a team of volunteers at each of our sites focused on celebrating, appreciating, recognizing and engaging our employee base. The team – dubbed the C.A.R.E. Squad (i.e., Celebrate, Appreciate, Recognize, Engage) – regularly hosts monthly birthday celebrations for employees in addition to hosting other site-wide employee events, like picnics, festivals, and off-site activities.

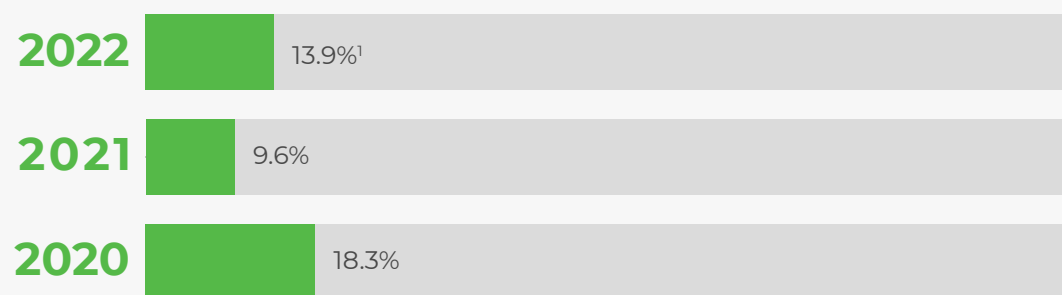
We also communicate frequently with our internal stakeholders to increase engagement and knowledge sharing. We hold all-employee meetings every two weeks that serve as an open forum to share progress on strategy and corporate goals, celebrate achievements across different parts of the business, and share best practices and learnings. In addition, we publish a company-wide newsletter weekly to ensure employees are kept informed and to promote engagement.



# TURNOVER & TENURE

To measure our ability to effectively recruit, develop, and retain our talent, one metric we track is our voluntary turnover rate. We are pleased that Halozyme's employee turnover rate has been below the national life sciences industry average (Aon Radford – US Life Sciences Survey) for the past five years. Being below the national average confirms Halozyme's strength in recruitment and retention as the global life sciences labor market is highly competitive. Voluntary turnover during the past three years is as follows:

## VOLUNTARY TURNOVER RATE



<sup>1</sup>2022 turnover rates through December 1, 2022.



# PRODUCT QUALITY & SAFETY

At Halozyme, we take great pride in the development of products that offer the opportunity to make a meaningful difference in the lives of patients. We respect the responsibility involved in bringing our products to market, and we value product quality and safety as two of our highest priorities. Our commitment to quality and safety is one we must all share, regardless of our individual role in the company. It applies to all phases of the life cycle of our products – from the initial clinical trial of a product and continuing all the way through to consumer use.

**We work to meet or exceed the most stringent product regulations applicable to our company to ensure that patient safety is not compromised. To that end, we all share a responsibility to maintain Halozyme's high quality standards by:**

- Making patient safety a paramount focus of our research and development efforts;
- Following all applicable laws, regulations, and company policies and procedures;
- Handling all research and development activities ethically and at the highest levels of current scientific standards;
- Never sacrificing quality to meet a deadline or target; and
- Raising and promptly addressing any quality questions or concerns through appropriate channels.

Halozyme is committed to maintaining the highest standards of product quality and safety. Careful attention to product quality has a direct and substantial effect on Halozyme's reputation and performance and allows the Company to meet or exceed physicians' and patients' expectations. Halozyme provides a high level of quality in all phases of its operations to ensure its products conform with applicable regulatory requirements for safety, purity, and efficacy.

In 2022, we began integrating our two legacy teams to create a single, best-in-class Quality organization. With our quality systems integrating and team unifying, we are proceeding with a focus on continuous improvement.

**As a result of the organizational realignment, we have established four distinct functions within Quality:**

- Drug Quality Assurance and Control
- Quality Systems and Compliance
- Quality Engineering and Internal Manufacturing
- Continuous Improvement and Monitoring

Each of these teams maintains detailed standard operating procedures that help Halozyme achieve its Quality goals and objectives.

# QUALITY MANAGEMENT SYSTEM

Halozyme leverages industry leading technology to supports its goals. In 2022, one of the initiatives we are working on is to integrate into a single Quality Management System (QMS), which is designed to enhance the quality of our products, maintain a state of control and consistency, encourage continuous improvement, and strengthen the link between the quality, development, and manufacturing activities while supporting our mission. The QMS platform contains details of the quality and compliance structure supporting our philosophy and commitment to product quality standards and patient safety.

Halozyme's operations and products are subject to extensive and rigorous regulation by the FDA under the Federal Food, Drug, and Cosmetic Act (the "FFDCA"). Employees must follow all regulatory requirements that relate to research, development, manufacture, testing, storage, labeling, marketing, promotion, distribution and sale of Halozyme's products. Halozyme has also voluntarily adopted and complies with the Pharmaceutical Research and Manufacturers of America (PhRMA) Code. In addition, our auto-injectors maintain compliance to ISO 13485, and we are audited by a Notified Body every year.

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## REPORTING ADVERSE EVENTS

In addition, Halozyme has a comprehensive process in place for reporting adverse events. Employees and contractors are regularly trained on this process. Reporting adverse events and product complaints relating to a Halozyme product include the following procedures:

- Employees who become aware of an adverse event, whether or not the patient or healthcare professional believes that the adverse event and/or the effect of it is directly related to a Halozyme product, must report it by calling the Halozyme toll-free reporting number (1-844-855-4256) or the legacy Antares toll-free reporting number (1-855-287-7476) within 24 hours.
- Adverse event reports pertaining to clinical trials in which any Halozyme investigational product is utilized should be sent to Drug Safety Operations via email: [safety@halozyme.com](mailto:safety@halozyme.com)
- Members of the general population who become aware of an adverse event are encouraged to notify the company via the contact information found at [halozyme.com/contact/](https://halozyme.com/contact/)
- Employees who become aware of a product complaint should record the complainant's name, contact information, and a brief description of the issue; direct the reporter to call the toll-free Halozyme reporting number; and immediately report the receipt of the complaint to Quality Assurance. If the product complaint is associated with an adverse event or other safety data, report the adverse event per the above reporting procedure.

# COMMITMENT TO HIGH STANDARDS

Halozyme ensures through training of employees on our policies, standard operating procedures, work instructions, and guidelines, that activities carried out adhere to our high standards and expectations for compliance and quality performance. Close and collaborative oversight of the operations of Halozyme's contracted manufacturing service providers ensures their activities also adhere to our standards.

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## **WE ARE ALSO COMMITTED TO THE ETHICAL USE OF ANIMALS IN BIOMEDICAL RESEARCH AND COMPLY WITH APPROPRIATE REGULATORY REQUIREMENTS.**

Halozyme closely monitors the clinical safety of our products. We regularly review safety data from all sources related to our products for the purposes of safety signal detection and signal management. We produce periodic safety reports for distribution to regulatory agencies and partner companies and propose updates to the product labeling as needed.





# CLINICAL TRIALS

Halozyme conducts clinical trials for its products.

When conducting trials, our primary responsibility is to protect the safety, well-being, and legal rights of all participants and ensure adherence to the highest ethical standards for clinical research. Every clinical trial must be approved by national and/or regional regulatory authorities as well as local ethics committees, which are comprised of physicians, scientists, advocates, researchers, and members of the community formally designated to review and monitor all research involving humans. The purpose of the ethics committee is to ensure that risks for clinical trial participants are responsibly managed and the risk-to-benefit ratio is as favorable as possible.

Halozyme follows standard operating procedures for the processing of safety data and signal management to actively monitor the safety of patients in clinical trials. If a new safety signal is observed, the information is communicated to regulatory authorities and ethics committees and, if required, adjustments are made to the trial protocol in order to minimize the risk to study participants. We provide transparency relative to the research that we conduct and sponsor, as well as the results and outcomes of such research.

## ACCESS TO MEDICINES

Hylenex<sup>®</sup>, NOCDURNA<sup>®</sup>, TLANDO<sup>®</sup>, and XYOSTED<sup>®</sup> are the FDA-approved commercial products that Halozyme distributes in the US. Halozyme actively supports access to medicines in working with our alliance partners. During clinical development, we support our partner applications for Orphan Drug Designation and pediatric development plans for rHuPH20-containing products to enable access products for rare diseases and in pediatric populations. Programs our partners are working on include HIV drug development and rare autoimmune diseases.





# GOVERNANCE & ETHICS

Good governance is a core component of our corporate responsibility and fundamental to the operations of our business. We adhere to the highest ethical, compliance, and legal standards throughout the organization.

With guidance and oversight from the Board of Directors, we pledge our commitment to these responsibilities with our policies, resources and programs, which include:

- Annual all-employee training on our Code of Conduct
- Confidential hotline and direct access to Chairperson of the Audit Committee to report any compliance concerns via email at [ACChair@halozyme.com](mailto:ACChair@halozyme.com)
- Adherence to ICH, GxP, Declaration of Helsinki, and PhRMA Code guidance
- Commitment to data transparency through adherence to Clinical Trial Disclosure and Data Transparency requirements
- Adherence to Good Publication Practice Guidelines
- Commitment, including expectation for all vendors and partners, to affirming no use of child labor
- Commitment to upholding Internationally recognized human rights

The Board of Directors also has the responsibility to organize its functions and conduct its business consistent with its duties of good faith, due care, and loyalty. In that regard, the Board has adopted these [Corporate Governance Guidelines](#) to guide its governance practices. These guidelines are regularly reevaluated by the Board's Nominating and Corporate Governance Committee and amended accordingly for changing circumstances in order to continue serving the best interests of all stakeholders.

# ETHICAL BUSINESS PRACTICES

One of our core values at Halozyme is “Do the Right Thing” – under which we commit to act with integrity and honesty to uphold the highest ethical standards. We each have the individual and collective responsibility to comply with the laws, regulations, policies, and codes covering our business and ourselves, and this includes following both the spirit of these as well as their literal terms.

We do this by having strong governance practices and structure in place to ensure accountability for our actions. These core standards drive our relationships with employees, patients, and all stakeholders.

**Similarly, we expect each member of our Halozyme team and our business partners to meet our ethical standards, which include:**

- Basing decisions and actions on honesty, fairness, integrity, and fact
- Understanding and conducting business in compliance with all applicable laws
- Treating all employees, contract workers, customers, vendors, and suppliers in an honest and fair manner
- Not participating in or tolerating unlawful activity, fraud, deceit, or concealment
- Avoiding situations where personal interests are, or appear to be, in conflict with Company interests
- Safeguarding and properly using Company proprietary information, assets, and resources
- Maintaining confidentiality of non-public information and not acting on such information for personal gain
- Adhering to all applicable Halozyme policies and standards.

**Additional information can be found in our [Code of Conduct and Ethics](#).**

## HUMAN RIGHTS STATEMENT

Another important element of this core value is our pledge to contribute to society and human welfare through the operation of our business. At Halozyme, we strive to uphold human rights as part of our commitment to ethical business practices. We support the principles outlined in the United Nations Universal Declaration of Human Rights as they align with our values and business practices. We do not tolerate human rights abuses of any kind and expect our employees, contractors, suppliers, and business partners to abide by this commitment.

# DATA PRIVACY

Our goal to excel at what we do does not come at the expense of protecting the confidentiality, integrity, and availability of our data assets and systems. We have robust data privacy and cybersecurity programs in place with oversight of the programs at multiple levels, reaching up towards the CEO, Audit Committee, and Board of Directors. The program is reviewed quarterly by our CEO and annually by our Board Audit Committee and Board.

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The internet and globalization have led to a shrinking world in which public attention on the protection of an individual's privacy is ever-increasing. We advocate maintaining the privacy of an individual's personal information, which is information that can directly or indirectly identify an individual such as name, contact information, and health-related information. Colleagues, healthcare providers, patients, and many others entrust Halozyme with personal information. Accordingly, all Halozyme employees are accountable for protecting personal information and for processing it only within the boundaries of applicable law and Halozyme policies and procedures.

To help protect the privacy of personal information, we follow these principles:



Comply with applicable laws and regulations of the jurisdictions in which personal data is collected and used.



Collect and use the minimum amount of personal data necessary to achieve data business purposes, and keep it only as long as necessary to achieve those purposes.



Share personal data only with individuals who have a legitimate need for it and will protect it properly.



Report any inappropriate disclosure or receipt of personal data to the Office of Compliance.

# CYBERSECURITY

We protect our data through a robust and comprehensive cybersecurity strategy, which addresses four fundamental areas: policy, procedure, people, and technology. All employees and contingent workers are required to take annual cybersecurity training and participate in quarterly phishing test campaigns. Those individuals identified as high risk are required to take additional targeted training. Cumulative phishing vulnerability scores for individuals, based on their performance in the phishing campaigns, are tracked with results shared as appropriate.

Our technology stack is categorized into security layers, using a combination of remote network security access, and monitoring regular penetration tests, vulnerability scans, multifactor authentication, endpoint monitoring, and anti-malware threat prevention. We enhance the robustness of our program by leveraging the services of industry-leading cybersecurity third-party vendors.

Core to our cybersecurity program is our approach to risk management. We use the National Institute of Standards and Technology (NIST) recommended Center for Internet Security (CIS) security framework controls. The industry standard framework enables us to assess and prioritize risk, resulting in a rationalized cybersecurity investment strategy. As external and internal threats change, our risk profile changes. We have a continuous process improvement approach to mitigate our IT risk, by continually assessing our security posture through an annual assessment performed by an independent third party.

In 2022, the security controls for our integrated business were assessed by an industry-leading management consulting firm. The assessment was performed against the industry-accepted Capability Maturity Model Integration (CMMI), and our program was given a maturity score. Halozyne's score was above the industry average of peers with similar revenue. Based on the assessment, Halozyne has developed a multi-year investment plan to ensure the program continues to mature.



As part of the overall cybersecurity program, Halozyne has a well-defined and proven Business Continuity Plan (BCP), Incident Response Plan (IRP), and Disaster Recovery Plan (DRP).

## **BUSINESS CONTINUITY PLAN (BCP),**

The BCP provides the overall framework and guidance to manage through realized business risk.

## **INCIDENT RESPONSE PLAN (IRP) AND DISASTER RECOVERY PLAN (DRP)**

The IRP and DRP are standalone components of Halozyne's BCP. BCP team members are trained annually on the BCP plan.

# COMMUNITY

At Halozyme, we are committed to making a difference in our community by building positive and sustainable relationships with local organizations. Community service also offers an opportunity for greater employee engagement and further development of teambuilding skills. Specifically, we focus on organizations that are working to improve or support:



**HEALTH DISPARITIES**



**HUMANITARIAN SERVICES**



**STEM EDUCATION**



**ENVIRONMENT**



**CHILDREN IN  
UNDERSERVED  
COMMUNITIES**



**OUR MILITARY**

Our C.A.R.E. Squad of employee volunteers plays a key role in coordinating our community support activities. The C.A.R.E. Squad originated in 2014 in our San Diego office. In 2022, we launched two new C.A.R.E. Squad chapters to support our Minnetonka and Ewing sites and surrounding communities as well.

Halozyme has a strong corporate culture that's rooted in both giving and gratitude. This culture has fueled the success of many of our charitable campaigns and helped bolster our efforts to serve our surrounding communities.

# 2022 COMMUNITY EFFORTS



## STEM EDUCATION

Halozyme is proud to support children in their journeys to learn about science, technology, engineering, and math. In 2022, we continued to support the STEM education programs of the Boys and Girls Club of Greater San Diego County.



## SUPPORTING CHILDREN IN UNDERSERVED COMMUNITIES

**Organizations and efforts supported include:**

- The United States Marine Corps Reserve's Toys for Tots (Minnetonka)
- Boys and Girls Club of Greater San Diego County's Adopt-a-Family and Toy Drive campaigns (San Diego)
- Christmas for Children's Angel Giving Tree (Ewing)
- Feed my Starving Children (Minnetonka)
- Ronald McDonald House (Minnetonka)
- Save the Children (Global)



## PROVIDING HUMANITARIAN SERVICES

**Our team was also active in volunteering and supporting organizations that offer critical humanitarian relief, including:**

- Habitat for Humanity (Ewing)
- Trenton Area Soup Kitchen (Ewing)
- San Diego Food Bank (San Diego)
- Feeding San Diego (San Diego)

In addition to volunteering on behalf of the above organizations, we also made cash donations, based on individual and corporate giving to Habitat for Humanity, the San Diego Food Bank, and Feeding San Diego.



## PROTECTING THE ENVIRONMENT

- Beach clean-up (San Diego)
- Park clean-up (Ewing)

In addition to cleaning up Torrey Pines State Beach on behalf of the Surfrider Foundation, we also donated funding to the organization.



As we look toward 2023, we strive to further aligning our efforts across our three sites in order to maximize the positive impact of our efforts.

Each year, we have a dedicated cross-functional team that provides opportunities for employees to participate in annual team building and community service event days. These events strengthen our culture by building connections and boosting morale.

# ENVIRONMENT

## Leadership in Environmental Stewardship

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At Halozyme, we are stewards of the environment and care deeply about the world we live in. We are firmly committed to preserving our environment and its natural resources. Our mindset is “think globally, act locally” when it comes to promoting environmental sustainability within our own operations. We recognize the environmental risks associated with our operations and are continuously implementing environmental management programs to mitigate such risks. Key program areas include energy and water usage as well as the reduction of and proper handling of all waste; all are unified by a common goal of minimizing the impact of our business on the environment.

In 2022, we demonstrated this leadership and commitment by increasing our focus on Environmental, Health & Safety (EHS). We continued to invest in environmental programs, aligning our EHS team under a new senior leader and implementing a comprehensive global program. The program included a Global Policy rollout with site-specific procedures. The program was thoughtfully communicated to encourage adoption and adherence. It is our focus to become an industry leader in the area of EHS excellence.

Halozyme adheres to the highest environmental and safety standards and is proud of its performance. We meet or exceed all local governmental requirements for our offices and laboratories through exceptional planning, implementation, and follow-up with internal and external audits and inspections. We have achieved several years of exceptional outcomes, resulting in no findings or corrective actions recommended by any government agency.





# OPTIMIZING OUR FACILITIES

The Antares Pharma acquisition increased our facilities footprint from one location in San Diego, CA, to three, including Ewing, NJ, and Minnetonka, MN.

**In our buildings, we have implemented several energy-efficiency improvements, including:**

- Efficient lighting controllers to lower total energy usage
- Window tint in strategic locations to minimize heat-loading and reduce energy consumption
- Converting to LED lighting and adding automatic lighting controllers
- Implementation of flexible HVAC control settings to allow for reduction in power usage where possible
- Replacement of multiple aging HVAC units with new, highly efficient air handling

**As we moved into a new facility in San Diego in January 2023, our environmental considerations for the new site included:**

- Selecting a location near amenities to reduce employee drive times
- Identifying a facility with lower operating costs to improve energy management
- Choosing a facility that is solar power capable, which has roof or ground space to place panels
- Prioritizing certified green or LEED buildings
- Considering centrally located sites to improve commute distances



# CARBON & CLIMATE

Our company offers flexible working arrangements when aligned with business needs. This will have an impact on indirect CO<sub>2</sub> product, as well as overall traffic reduction in all three locations.



## PRESERVING NATURAL RESOURCES

Halozyme is focused on implementing several key measures to help preserve our natural resources. We provide free electric vehicle charging stations at our San Diego headquarters to encourage EV usage and reduce miles driven with conventional gasoline engines for commute purposes, and we offer bicycle storage and maintenance space to encourage bicycle commuting. In addition, our San Diego and New Jersey offices are located near commuter train stations and Park-and-Ride stations, encouraging the use of public mass transit.

## CLIMATE RISK MANAGEMENT

Also in 2022, we incorporated climate risk into our Enterprise Risk Management strategy. This aligns with our crystal-clear focus on environment as a key business driver. We look forward to working with our Board to continually evaluate this important issue and ensure alignment with global best practices.

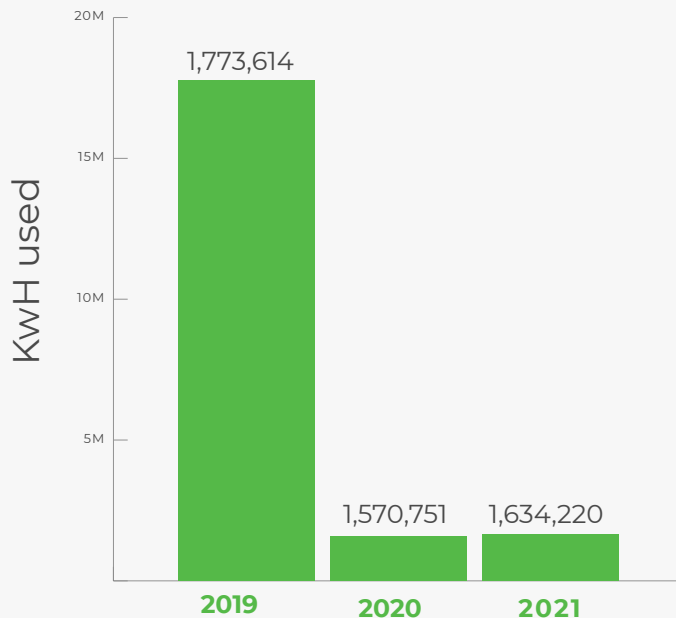
# ENERGY

Our goal is to achieve NetZero energy usage at our company headquarters by 2030, and we will take steps along the way to support this goal, including increasing the amount of renewable energy used, converting our fleet to efficient vehicles, such as electric vehicles (EVs) or hybrids, and optimizing the energy use in our offices.

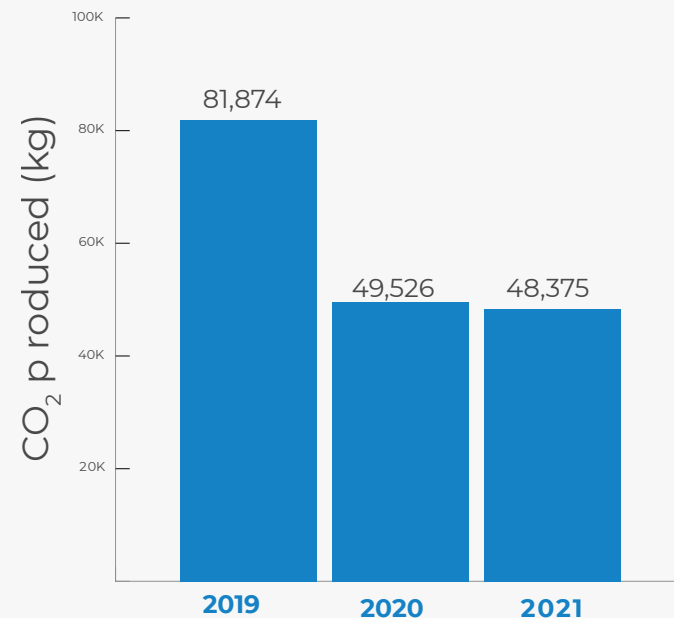
In our San Diego, CA, building we employ a sophisticated Building Management System (BMS) to minimize cooling and heating timeframes and temperatures, with a goal to decrease energy usage. Our goal is to introduce new energy reduction targets in the future when normal business resumes in our offices. Our new facility uses 100% LED lighting, which we expect will have a significant impact toward reducing overall energy consumption.

Energy use in our offices has been low, due to the very small number of employees working in our offices. We expect this to normalize as a result of our new hybrid working model.

ENERGY USAGE



CO<sub>2</sub> PRODUCTION



# WASTE MANAGEMENT

Halozyme strives to be a leader in waste management among our peer companies. We have a vigorous recycling program, which ensures all paper, plastic, fluorescent bulbs, and batteries are properly recycled and only biodegradable items are placed into the trash. Approximately 85 percent of our waste, by volume, is recycled. We meet or exceed all local, federal, and state requirements for waste management. We do not produce NOx, SOx or any other type of air emissions at our facilities. Our hazardous waste is managed by a third-party specialist, and we are considered a low quantity generator.

In 2022, our San Diego office implemented a “Waste to Energy” program for certain laboratory waste(s), primarily plastics. This program will further reduce waste from our labs and prevent it from entering the landfill, instead leveraging it as a raw material utilized to produce renewed energy.

Throughout our operations, our material and waste minimization philosophy is: avoid, reduce, reuse, recycle, dispose. Some of our shipments are temperature sensitive, creating unique packaging needs. We make a substantial effort to reduce and reuse this material to support our commitment to reducing our impact in this area.

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# NATURAL RESOURCES

While Halozyme is not a generator of large quantities of waste, we still take special care to minimize impact on our natural resources in our facilities. In all our operations, we strive to reduce consumption of natural resources. In addition to reducing consumption of consumer materials, we have increased recycling and have many efforts underway to reduce the use of plastics. We also use recycled content where possible, and source our materials responsibly.

Our San Diego Green Team has been in place for several years, and in 2022 we launched Green Teams in both Ewing and Minnetonka. Our Green Team has been instrumental in efforts to provide recommendations to minimize the use of natural resources in our facilities. For example, in our offices, we encourage filtered tap water over plastic bottles, and we do not provide plastic bottles at company events. We provide sustainable water bottles to our employees for use in the office and biodegradable cups for guests and visitors. These actions were a direct result of Green Team recommendations. The team is also active in the Community ([see page 20 for additional detail](#)).

We do not generate large volumes of industrial wastewater from our laboratory operations. The minimal water usage in our labs amounts to less than average household usage. We meet or exceed all local environmental requirements regarding water use and industrial discharge.

