



2023 GLOBAL RESPONSIBILITY REPORT

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Forward-Looking Statements

This Global Responsibility Report contains forward-looking statements, and actual results could differ materially from the expectations expressed herein. Risk factors that could cause actual results to differ are set forth in the “Risk Factors” section and throughout our [2023 Annual Report on Form 10-K](#). These risk factors are subject to update by our future filings and submissions with the U.S. Securities and Exchange Commission. Incyte disclaims any obligation to update or amend the forward-looking statements contained in this Report, except as required by law.





ABOUT THIS REPORT

Our annual Global Responsibility Report details progress of our environmental, social and governance (ESG) efforts and reflects our use of rigorous science to discover, develop and commercialize novel medicines to improve the lives of patients in a responsible manner. In this report, we disclose information in line with the Sustainability Accounting Standards Board (SASB) standards, the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations and the United Nations Sustainable Development Goals (SDGs).

Unless otherwise noted, the information contained in this report covers the period from January 1, 2023, through December 31, 2023. To contact the Incyte Global Responsibility team, please email us at globalresponsibility@incyte.com.

MESSAGE FROM THE CEO

At Incyte, we're united, inspired and driven by our mission to *Solve On*. It's why we relentlessly pursue innovative solutions for individuals with unmet medical needs. Our goal is to change the practice of medicine through scientific innovation and focus on where we can make the biggest impact for patients, regardless of the size of the disease or patient population.

Over more than 20 years, this perspective has informed not only our approach to growing our robust portfolio across Oncology and Inflammation & Autoimmunity (IAI), but also inspired our commitment to conducting business responsibly, safeguarding both people and the environment. Today, across our team of more than 2,500 dedicated employees, our shared passion for innovation is stronger than ever. In 2023, we continued to drive progress in our priority areas—Myeloproliferative Neoplasms (MPNs) and Graft-versus-Host Disease (GVHD), Hematology/Oncology and Dermatology and other IAI.

While we advance biopharmaceutical innovation, we also recognize the profound impact of environmental degradation on human lives and the pressing need to mitigate our operational footprint. We are currently on track to achieve our key environmental target of operational carbon neutrality by 2025, having achieved neutrality for our Scope 1 and Scope 2 emissions from 2019 through 2022.

Our success hinges on the strength of our teams. We deeply value our employees and are committed to fostering a positive and engaging work environment and providing expansive health and wellness programs. We offer competitive, equitable compensation and best-in-class benefits to empower every Incyte employee to thrive at work and at home. We also firmly believe in the power of inclusion – our Inclusion Committee strives to foster equity across our workforce and supply chain. As a result of these and other employee-centric efforts, Incyte was once again recognized as a Top Employer by *Science Magazine* and a Most Loved Workplace, both globally and in the U.S., by *Newsweek* in 2023.

Additionally, our charitable giving initiatives amplify our collective impact, supporting the communities in which we live and work. In 2023, more than 860 members of our team used their paid volunteer day to contribute to local causes, and our Matching Gifts Program supported more than 450 employee-chosen charitable organizations. In addition, the Incyte Charitable Giving Foundation made donations totaling over \$1 million to local causes, providing critical services, financial aid and other forms of assistance to patients and their caregivers.

Dedication to ethics and integrity remains fundamental to our work, guiding every aspect of our operations from pioneering new therapies to fostering a culture of openness and empowerment. Our commitment to responsible business begins at the highest level, with our diverse and experienced Board providing oversight, upholding our promises to stakeholders and driving our collective success.

I am confident the coming year will mark another remarkable chapter in our journey as we continue to advance our ESG commitments to create a better, healthier future. I invite you to explore our latest progress in this report and learn more about the transformative impact of our efforts.



Hervé Hoppenot
CHIEF EXECUTIVE OFFICER



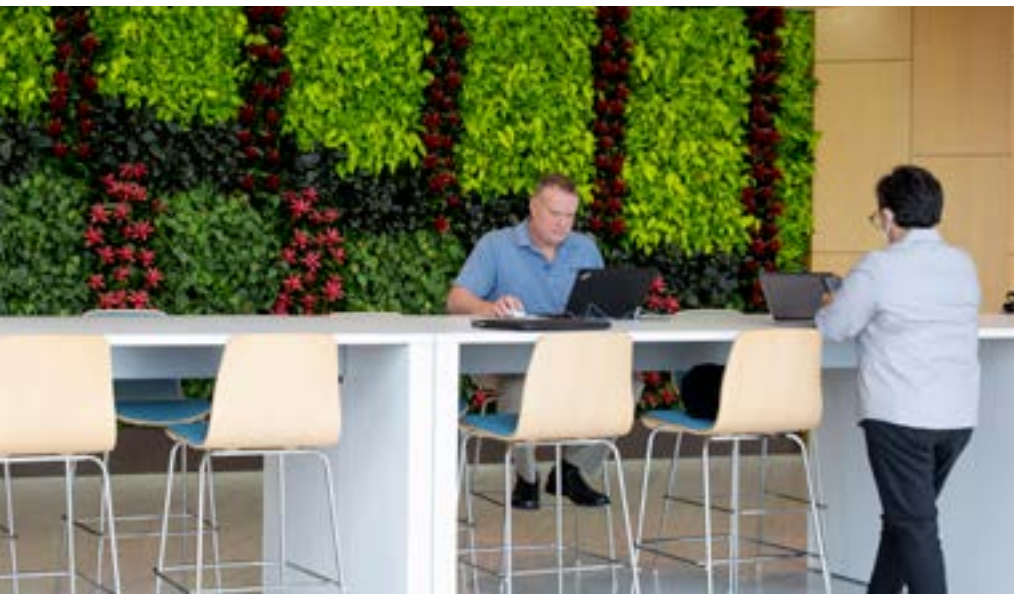
ABOUT INCYTE

Incyte is a Global Biopharmaceutical Company on a Mission to Solve On.

Solve On. is the spirit and energy that fuels our pursuit of answers for patients. We *Solve On.* to decipher new pathways, break new ground and develop new ways to manage rare and often hard-to-treat diseases, regardless of the disease or size of the patient population. We *Solve On.* because patients are waiting—and because we believe that by following the science, we'll find meaningful solutions.

How We Solve On.

At Incyte, we believe every challenge is a chance for a breakthrough. Since our start in 2002, our Global Headquarters in Wilmington, Delaware has been a hub for innovation. The scientists, chemists and biologists who began this journey with us shared the passion and perseverance that would—over the span of more than 20 years—provide first-in-class treatments to patients around the world and grow Incyte into a global organization with more than 2,500 employees. Today, we have a robust portfolio of treatments across Oncology and Inflammation & Autoimmunity (IAI), and our passion for innovation is stronger than ever.



2023 HIGHLIGHTS

OVER 210,000

PATIENTS TREATED WITH MEDICINES
COMMERCIALIZED BY INCYTE

8

APPROVED PRODUCTS AND
ONGOING CLINICAL TRIALS IN
DOZENS OF DISEASE AREAS*

2,500+

EMPLOYEES IN NORTH AMERICA,
EUROPE AND ASIA

1,100+

RESEARCH AND DEVELOPMENT
EMPLOYEES

#21

ON NEWSWEEK'S INAUGURAL
TOP 100 GLOBAL MOST LOVED
WORKPLACES 2023

6

CONSECUTIVE YEARS
LISTED AMONG INDUSTRY
TOP EMPLOYERS BY
SCIENCE MAGAZINE

3 NEW

PRODUCT APPROVALS

~180,000

PATIENTS ASSISTED THROUGH U.S.
PATIENT SUPPORT AND COPAY
ASSISTANCE PROGRAMS

- ✓ Our teams garnered **8 awards and honors** in recognition of the innovation and collaboration behind our medicines and best-in-class workplaces around the world.
- ✓ Our **diverse and highly skilled** Board of Directors brings strong leadership and unique perspective, overseeing our continued growth and success.
- ✓ We tied **3% of our annual cash incentive bonus program to three specific, measurable, short-term ESG targets:**
 - **Further increased** diversity in the candidate pool for jobs based in the U.S.
 - **Increased** global utilization of our volunteer time program
 - **Developed** a global greenhouse gas mitigation and reduction plan to continue to reduce our environmental impact
- ✓ **Made progress against our key environmental target**, achieving carbon neutrality for our Scope 1 and Scope 2 operational emissions from 2019 through 2022.
- ✓ We gave back to our communities and patients. Through our Incyte Involved program, **34%** of our global employees volunteered in their local communities, we matched gifts to **more than 450 organizations** through our Matching Gifts Program and donated **more than \$1,000,000** through our Incyte Charitable Giving Foundation.
- ✓ We continued to **provide a best-in-class employee experience**, providing opportunities to learn, grow and help our employees take care of themselves and their families.
- ✓ We **advanced diversity, equity and inclusion** for our employees and across our supply chain through our Inclusion Committee.
- ✓ With **33% of Board seats held by women**, our Board of Directors was recognized as a 2023 Champion of Board Diversity by the Forum of Executive Women.
- ✓ As always, we demonstrated our **commitment to the strongest standards of ethics and compliance**, providing training for employees on ethics, cybersecurity and more.

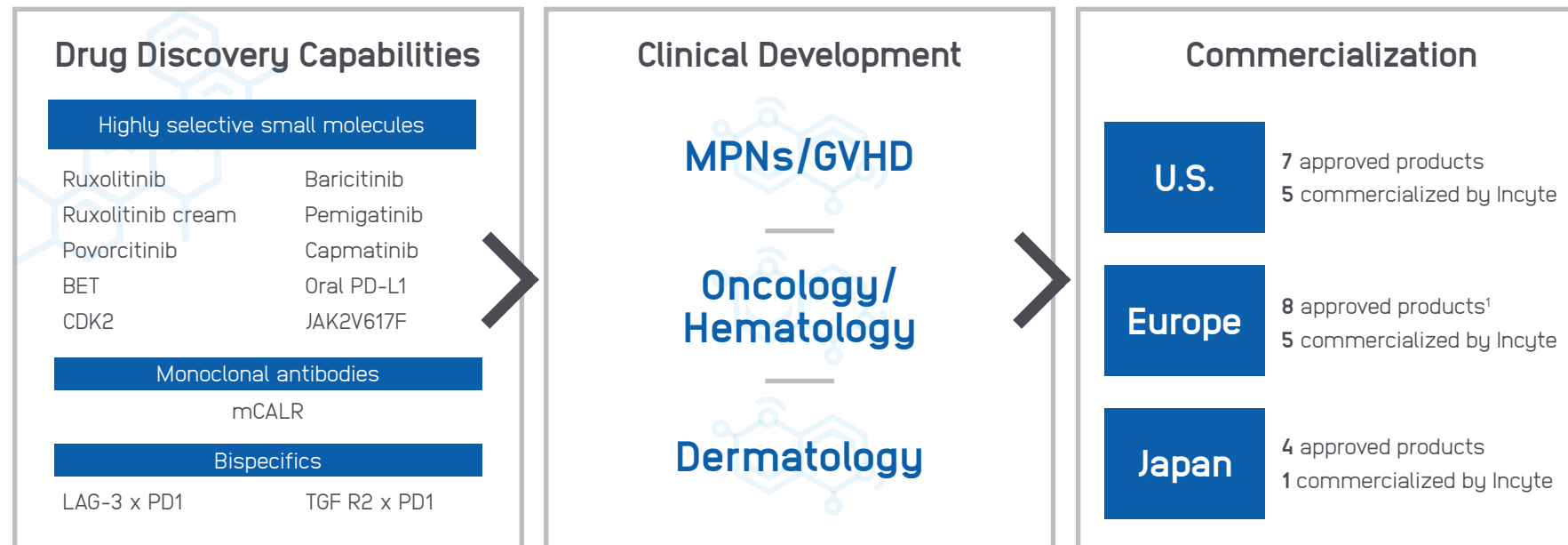
*This number includes partnered programs.

PATIENTS AND INNOVATION

Since our inception, Incyte has relentlessly followed the science to uncover solutions for patients with critical, unmet medical needs. Every day our scientists collaborate around this shared purpose in our labs to break new ground in drug discovery and development.

Our dedication to patients drives us to advocate for their well-being at every stage of the research and development process. From discovery and inclusive clinical trials to approved treatments and improved access, our patient-centered mindset continues to inform our policies, our processes and our medicines.

Growing Through R&D and Commercial Expertise



¹This number includes partnered programs.

How We Solve On.

At Incyte, we believe in the power of research to advance scientific innovation and change the practice of medicine. We're advancing research across oncology and IAI, continuously seeking to expand our portfolio in areas where we can make the biggest impact. This includes Myeloproliferative Neoplasms (MPNs) and Graft-Versus-Host Disease (GVHD), hematology and oncology as well as Dermatology and other IAI.

IN 2023, WE RECEIVED THREE NEW REGULATORY APPROVALS:

UNITED STATES

The U.S. Food and Drug Administration (FDA) approved Zynyz[®] (retifanlimab-dlwr)—a humanized monoclonal antibody targeting programmed death receptor-1 (PD-1)—for the treatment of adults with metastatic or recurrent locally-advanced Merkel cell carcinoma (MCC). The Biologics License Application (BLA) for Zynyz for this indication was approved under accelerated approval by the U.S. FDA based on tumor response rate and duration of response (DOR).²

EUROPE

The European Commission granted a marketing authorization for Opzelura[®] (ruxolitinib) cream 15 mg/g for the treatment of non-segmental vitiligo with facial involvement in adult and adolescent patients 12 years of age and older. This is the first and only approved treatment in the European Union to offer support for repigmentation in eligible patients with non-segmental vitiligo, a chronic autoimmune disease characterized by depigmentation of skin and reduced quality of life.³

JAPAN

The Japanese Ministry of Health, Labour and Welfare (MHLW) approved Pemazyre[®] (pemigatinib), a selective fibroblast growth factor receptor (FGFR) inhibitor, for the treatment of myeloid/lymphoid neoplasms (MLNs) with FGFR1 fusion (also known as 8p11 myeloproliferative syndrome).⁴

OUR PORTFOLIO⁵

19
Molecular
Target

24
Clinical
Compounds

8
Approved
Products

²FDA Approval of Zynyz (Retifanlimab-Dlwr) for MCC. Continued approval of Zynyz for this indication may be contingent on verification and description of clinical benefit in confirmatory trials.

³European Commission Approval of Opzelura (Ruxolitinib) Cream for Vitiligo.

⁴Japanese Approval of Pemazyre (pemigatinib) for MLNs.

⁵As of April 30, 2024.

Our Drug Discovery Capabilities

We focus on areas where we can make an impact—no matter the disease or size of the patient population. To uncover clinically meaningful insights and targets, Incyte uses patient-relevant data, disease models and our deep understanding of cellular oncogenic pathways and immune function.

Our discovery approach integrates pathway and target selection with compound development, which allows us to advance molecules with maximum potential, resulting in a strategic portfolio of compounds that are related or can be used together. This approach has enabled a strong heritage of Incyte-discovered first-in-class and/or best-in-class medicines for patients who previously had limited treatment options.

In 2023, we reinvested 44% of our revenue into research and development.

In 2023, we created the role of President and Head of Research and Development to maximize the impact of our portfolio and accelerate our innovation pipeline. This restructuring underscores our commitment to developing a robust and diverse pipeline of breakthrough solutions across our programs in Oncology and Hematology and Inflammation & Autoimmunity (IAI), including Dermatology.

Clinical Development

As a research-based company, we're advancing a pipeline of best-in-class and first-in-class differentiated medicines in areas with large, unmet needs. We focus on three priority areas—Myeloproliferative Neoplasms (MPNs) and Graft-versus-Host Disease (GVHD), Hematology/Oncology and Dermatology—and in 2023, drove progress in all three of these areas. Our clinical pipeline delivers transformative therapies to patients across multiple programs, and we have the opportunity to deliver over 10 new high-impact product launches by 2030.

MPNs and GVHD

As a leader in the discovery and development of therapies for patients with MPNs, Incyte has delivered breakthrough advances to patients with MPNs such as myelofibrosis (MF) and polycythemia vera (PV). We're committed to the continued study of treatments, including for patients who have had an inadequate response to or are unable to tolerate current therapies, as well as for people impacted by diseases like GVHD.

Our clinical trial programs are designed to evaluate multiple monotherapy and combination strategies to improve and expand treatments for patients with MPNs and GVHD. These strategies include ruxolitinib-based combinations with INCB57643 (BET) and zilurgisertib (ALK2), new therapeutic options including axatilimab and novel targets with transformative potential such as anti-mutant calreticulin (mCALR) and our JAK2V617F inhibitor.

Hematology and Oncology

We take a comprehensive approach to identifying new treatments for patients with cancer, exploring both single agents and combinations of immunotherapies from within and beyond our portfolio. This approach includes engaging and collaborating with major universities and other companies to bring additional discovery platforms and therapeutics forward.

Dermatology and Other IAI

Incyte's science-first approach and extensive experience in immunology form the foundation of our company. Today, we're building on this legacy as we discover and develop innovative dermatology treatments to bring solutions to patients in need. Our IAI development group seeks to identify and develop therapies to modulate immune pathways driving uncontrolled inflammation, help restore normal immune function and bring the body closer to homeostasis.

Our research and development efforts in dermatology explore the efficacy of JAK inhibition for various immune-mediated dermatologic conditions with high unmet needs, including atopic dermatitis, vitiligo, hidradenitis suppurativa, lichen planus, lichen sclerosus and prurigo nodularis.

Collaborations

We continuously push the boundaries of scientific discovery in treatment development, recognizing that collaboration is a key element of unlocking the full potential of our science. By cultivating strategic partnerships and collaborations with other companies, universities and research institutions, we expand our collective impact and accelerate progress toward critical treatment solutions.

Incyte is committed to supporting independent research that deepens our understanding of disease and advances the study of our products. We provide our investigational products and/or financial support for independent research by third parties in therapeutic areas of interest. We ensure that requests for investigator-initiated research trials are submitted, reviewed and funded in a consistent, standardized manner according to applicable laws and regulations. We seek to ensure that our interactions with study investigators comply with all applicable legal and ethical standards and obligations.

We also participate in multiple commercial partnerships on certain Incyte-discovered products that are licensed to third parties, in which we are eligible for milestone payments and royalties. These include Jakavi® (ruxolitinib) and Tabceta® (capmatinib), licensed to Novartis, and Olumiant® (baricitinib), licensed to Eli Lilly and Company. Please see our most recent [Annual Report on Form 10-K](#) for a complete list of our partnered programs.

Access to Medicine

At Incyte, we strive to ensure our medicines are accessible to eligible patients who need them. For clinical trials, we support patient access by providing patients with resources during their treatment journey and by helping them access investigational products through our compassionate use programs. For approved medicines, we support patient access by pricing our medicines responsibly, in a way that reflects their value to both patients and society and by offering IncyteCARES, My Mission Support and other forms of assistance to eligible patients before and during applicable treatments.

Expanded Access and Compassionate Use

We recognize that some patients with serious or life-threatening diseases may not be eligible for participation in a clinical trial or lack other options. In such cases—subject to review and approval based on our [Policy on Compassionate Use](#)—we may elect to provide individual patients access to investigational products outside of a clinical trial setting. We can accomplish this through expanded access pathways, such as single-patient investigational drug applications or on a named patient basis, providing patients with potential treatment options.

Expanding Access for European Patients

Just as in the U.S., our Managed Access programs in Europe are critical for patients facing life-threatening or debilitating illnesses where clinical trials aren't feasible and treatment options are limited. Through the Managed Access Program, more than 1,400 patients in 13 countries have accessed treatment since 2020.

For Minjuvi (tafasitamab) specifically, our Expanded Access Program (EAP) supported patients across Europe, including nearly 400 patients in France in 2023. In France, we also donated an additional 4,700 vials of Minjuvi, further exemplifying our commitment to patient welfare.



Access to Approved Medicines

We believe it is our responsibility to ensure eligible patients can access and afford our approved medicines and we support legislation that would reduce out-of-pocket costs and remove barriers to accessing innovative medicines. In the U.S., we have supported—and will continue to support—policies that expand access by lowering patient out-of-pocket costs in the Medicare Part D program, as well as policies that would provide patient protections and guardrails regarding the utilization management practices that can impede timely access to medicine.

More than 210,000 patients were treated with medicines commercialized by Incyte in 2023.



Increasing Global Patient Access

United States

Through the dedicated services of nurses and/or clinicians and patient access coordinators, our IncyteCARES program provides support to eligible patients in the U.S., both before and during applicable treatment with Jakafi® (ruxolitinib), Pemazyre (pemigatinib), Opzelura (ruxolitinib) cream 1.5% and Zynyz (retifanlimab-dlwr).

IncyteCARES connects eligible commercially-insured patients with copay/coinsurance savings programs, whether offered directly through IncyteCARES or Opzelura's copay assistance program. IncyteCARES also provides free product assistance for eligible patients who are uninsured, underinsured or who may be experiencing temporary coverage delays. IncyteCARES additionally offers reimbursement support through benefit verifications and provides clinical education to inform patients about their condition and how to properly use medicine. To learn more, visit our dedicated [IncyteCARES website](#).

In 2023, we assisted approximately 180,000 patients through our U.S. patient support and copay assistance programs.

In addition to IncyteCARES, we offer programs such as [My Mission Support](#)⁶ to help eligible Monjuvi® (tafasitamab-cxix) patients in the U.S. through their treatment journeys. Assistance offered through this program may include reimbursement support, opportunities for financial assistance, delivery coordination of medicines, temporary coverage for access delays and connections to other support services and resources.

International Support

In addition to our patient assistance programs in the U.S., Incyte also supports patients in countries outside of our direct footprint. We partner with local pharmaceutical companies to create access via marketing authorization registration and established governmental reimbursement.

Max Foundation Partnership

Our European team partners with the Max Foundation to provide donated Iclusig® (ponatinib) to patients in Eastern Europe and Central Asia. Since 2018, this collaboration has benefited 320 patients by providing them with access to Iclusig for as long as needed.

⁶On February 5, 2024, we announced that we have entered into an asset purchase agreement with MorphoSys AG which gives Incyte exclusive global rights for tafasitamab, marketed in the U.S. as Monjuvi and outside of the U.S. as Minjuvi® (tafasitamab). For more information, please see the [press release](#).

Patient Education and Awareness

For patients living with rare or neglected diseases, it can be difficult to access information and connect with others also living with the disease. We're committed to providing these patients with support and resources throughout their treatment journey and have programs in place for the diseases for which our therapies are approved.

Myeloproliferative Neoplasms (MPNs)

For people living with MPNs in the U.S., Incyte created [Voices of MPN](#), an online platform that connects patients to disease information, educational programs, helpful resources, lifestyle tips and community activities. The platform also delivers live educational sessions led by Oncology Clinical Nurse Educators for patients and their loved ones to offer a better understanding of MPNs. The platform encourages patients and caregivers to share their personal stories and spread awareness about these rare, chronic blood cancers to create a sense of belonging.

Leveraging Technology to Help Patients

In 2023, we launched the Polycythemia Vera (PV) Symptom Assessment Form, along with helpful companion videos to help patients identify and keep track of their PV symptoms, severity and their impacts on quality of life. As an indication of the form's success, more than 1,000 users downloaded the form in its first 6 months alone.

In 2023, we celebrated our 11th Annual MPN Heroes Recognition Program. The event featured keynote speaker Jane Fonda and recognized patients, healthcare professionals, caregivers, advocates and organizations working to bring understanding, compassion and strength to the MPN community.



HIDING IN PLAIN SIGHT

On Rare Disease Day, we launched Hiding in Plain Sight, an initiative to educate MPN patients about the importance of closely monitoring and tracking their symptoms and having proactive conversations with their care partner and healthcare providers. Throughout 2023, we partnered with PV patient and influencer, Nurse Mo, to create an awareness-focused social media campaign around Blood Cancer Awareness Month, driving over 29,000 patients and care partners to resources on [Voices of MPN](#).

Graft-Versus-Host Disease (GVHD)

To support the GVHD community in the U.S., the [Incyte Ingenuity Awards Program](#) funds novel initiatives to help those impacted by GVHD. The program funds \$35,000 and \$100,000 initiatives to support those living with GVHD. During the annual award review process, an independent panel of advocacy group leaders, physicians, nurses and/or social workers considers each candidate's ability to provide much-needed change and support to patients with GVHD, caregivers and healthcare providers. In 2023, Vanderbilt University and Massachusetts General Hospital Institute of Health Professions were chosen as the recipients of the Incyte Ingenuity Awards in GVHD.

We also support GVHD patients and caregivers through [GVHDnow](#), a website that provides information and resources to support patients on the road to health following a stem cell transplant.

Your Fans Are With You: GVHD Awareness Campaign with Mia Hamm

After losing her brother due to complications following a bone marrow transplant, soccer legend Mia Hamm dedicated herself to supporting individuals undergoing this treatment. In 2023, Incyte partnered with her to create and launch the “Your Fans Are With You” campaign, aiming to raise awareness about the life-threatening complications that can follow a transplant, including GVHD. We pursue partnerships like this one to remind those with GVHD that their fans—including all of us at Incyte—are here to support them. Learn more [here](#).

Cholangiocarcinoma (CCA)

In the U.S., our [TestMyCholangio](#) website provides patient access to information and resources about molecular profiling and the role it may play in informing CCA management decisions.

In Europe, we collaborate with patient groups in various countries to raise awareness about CCA and support patients in their treatment journeys.



Diffuse Large B-Cell Lymphoma (DLBCL)

Through a multi-year partnership with a working group that included patients, caregivers, healthcare professionals and patient advocacy groups, Incyte supported the creation of a shared decision-making toolkit for those living with or caring for someone with DLBCL. Launched in 2023, the toolkit includes information, worksheets, journaling pages and other resources, and is available through patient advocacy groups and at DLBCLSupportSource.com.

In Europe, Incyte partnered with seven patient advocacy groups to develop a comprehensive educational toolkit for DLBCL patients and caregivers. This five-chapter toolkit, developed in 2023 and launched in 2024, covers issues such as testing, treatment, self-care and survivorship and will be translated into six languages.

Atopic Dermatitis (AD)

Through our work with AD advocacy groups, we identified an opportunity to improve patient education by helping patients have more informed and collaborative conversations with their dermatologists.

To address this need, we created [Start From Scratch](#), a resource for those living with AD. In 2023, during National Eczema Awareness Month, Incyte supported several initiatives to empower patients living with mild to moderate AD. Leading up to and around National Eczema Awareness Month and National Family Caregivers Month (November), we partnered with *CafeMom*, a supportive online community where moms can get parenting tips and updates and connect with one another. This partnership produced informative long-form content, social media posts, podcasts and a newsletter, all designed to educate moms about adolescent AD, encourage proactive conversations with their dermatologists and drive traffic to [Start From Scratch](#).



Vitiligo

In 2022, we launched This is Vitiligo, a campaign to educate and advocate for people living with vitiligo in the U.S.

This is Vitiligo Website

Our [This is Vitiligo](#) website provides education about vitiligo, highlights the medical nature of the disease and addresses common misconceptions. The site also looks to elevate the life experiences of people living with vitiligo, allowing them and their caregivers to share their stories and perspectives on this chronic condition and providing a space for candid conversations about shared experiences.

Incyte Ingenuity Awards in Vitiligo

Our [Incyte Ingenuity Awards in Vitiligo](#), which debuted in 2022, aims to support the vitiligo community by funding two novel initiatives, one up to \$35,000 and another up to \$100,000, that address specific needs of people with vitiligo. In June 2023, at the World Vitiligo Day Conference, we announced our first-ever award recipients: the American Academy of Dermatology (AAD) and VStrong Vitiligo Support Community. There, we also launched our second inaugural Incyte Ingenuity Awards in Vitiligo. Throughout the month leading up to the awards, we disseminated educational materials, including a satellite media tour (SMT) discussing the science behind vitiligo and personal experiences from individuals living with this condition.

In 2023, Incyte supported the first European Patient Leader Summit on World Vitiligo Day. The Summit, organized by the Vitiligo International Patient Organizations Committee (VIPOC), brought together 13 advocates from nine countries, and consisted of a mix of advocacy capacity-building, scientific exchange and engagement with EU policy-makers.

Patient Advocacy

As committed advocates for our patients, Incyte partners with advocacy organizations to address unmet needs for patients, close gaps in education and create programming that will support patients in getting the best individualized care possible.

In 2023, our teams were active in the communities we serve in North America and Europe. We engaged with more than 50 different patient support organizations across hematology/oncology and dermatology and other inflammation and autoimmune diseases (IAI), as well as listened to patient concerns and needs through patient advocacy advisory boards.

We also spotlighted our patient advocacy efforts in our 2023 Global Town Halls by inviting patients to speak to our employees. These segments help Incyte colleagues around the world connect our daily work with the real lives impacted by the treatments we develop.

Clinical Trials

Clinical trials are a critical part of the process of developing medicines that can make a meaningful difference in treating disease. We conduct these clinical trials to understand the impacts of treatments, relying on volunteer study participants to help us develop medicines. We actively work to expand the pool of potential trial participants, as well as work with those who may not be able to participate.

In some instances, when patients who are eligible for an Incyte-sponsored clinical trial may not have the resources to participate, we provide patients with the information and resources they need for treatment, consistent with applicable laws, regulations and ethical guidelines.

2023 CLINICAL TRIAL HIGHLIGHTS

124 clinical trials

28 new studies

22 completed studies

4,361 sites

51 countries

Clinical Trial Ethics and Safety

The safety of our patients always comes first, whether the patient is using an approved medicine or participating in a clinical trial. Before we begin a clinical trial, we carefully consider potential benefits and risks and enact strict protocols to obtain informed consent from participating patients.

Our studies adhere to all applicable laws and regulations in all territories in which we operate while always upholding the highest ethical standards. We follow the International Conference on Harmonization (ICH) Good Clinical Practice (GCP) Guidelines, as well as all applicable legal and regulatory requirements where clinical trials are conducted. All ongoing trials are supervised through an institutional review board, an ethics committee and/or a research ethics board to protect the safety of trial participants. We also regularly conduct internal and external clinical framework audits to make sure our framework meets or exceeds best practices and applicable regulatory requirements.

We have policies in place for post-trial access for patient studies. In some programs, we maintain rollover protocols for patients to continue treatment in another study or switch to a comparable therapy when possible. In the event a study is discontinued, we remain committed to supporting patients. Further, we have special protocols to protect vulnerable patient populations, including pediatric plans and pregnancy registries. Visit our [Incyte Clinical Trials website](#) to learn more.

Tracking Clinical Trial Participant Progress with AI

Patients participating in our clinical trials for vitiligo now have a smart, AI-driven tool for tracking their progress. Launched in 2022, our i2 award-winning smartphone app gives patients and healthcare providers a first-of-its-kind tool to capture, share, compare and review results. Patients use the app to capture images of their skin, and our Vitiligo Assessment Tool employs machine learning to analyze the images for changes in skin characteristics. Read more about our i2 awards on [page 21](#).



Clinical Trial Transparency

Our research processes and practices are responsible and fully compliant with applicable laws, regulations and guidelines. Our practices are also transparent—we announce clinical trial results, positive or negative, on clinicaltrials.gov in the U.S., in other applicable registries, at appropriate medical meetings and in peer-reviewed medical journals in a timely manner.

We aim to publish data within 18 months of the last patient leaving a clinical trial, as we believe it is the responsible thing to do and could benefit patients and the scientific community as we seek to transform the treatment of cancer and other diseases. Our [Clinical Trial Transparency, Data Sharing and Disclosure Practices](#) policy provides more detail on our commitments for maintaining transparent, responsible and fully compliant research practices.

Patient Engagement

At Incyte, we support and provide educational materials to patients, caregivers and healthcare professionals who are interested or actively participating in our clinical studies. We've created several initiatives to engage clinical participants and their caregivers—including content and tools that help them make informed decisions about clinical trial participation.

Our [Incyte Clinical Trials website](#) allows patients and caregivers to explore different aspects of clinical trials and learn about how Incyte designs trials to address patient needs safely and effectively. The site provides a user-friendly, easy-to-navigate experience and matching capabilities to pair patients with relevant clinical trials.

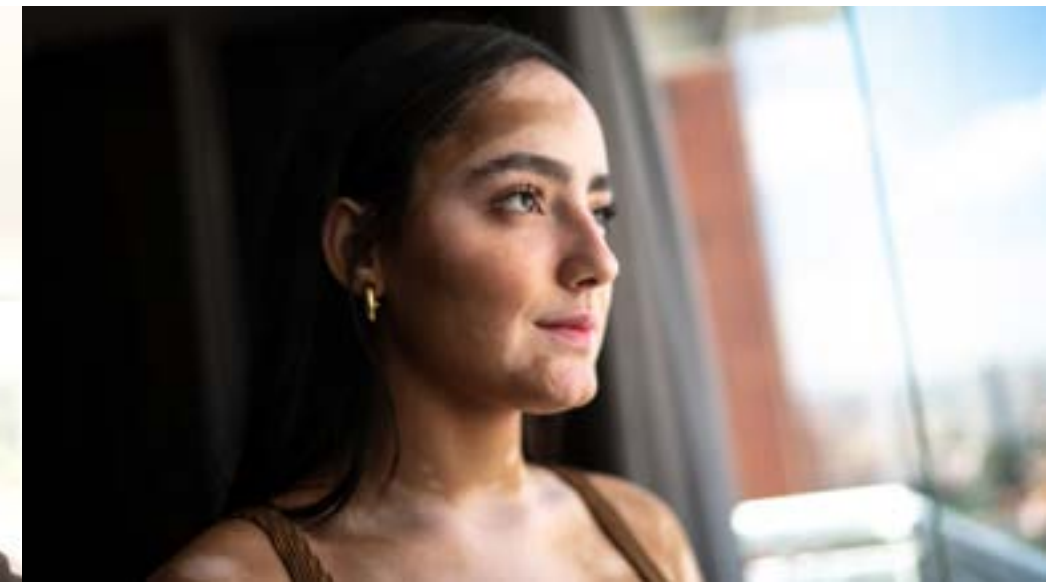
We also work closely with our Patient Council—a group of patients and caregivers representing multiple disease areas—to gather insights to help optimize our clinical trials. After clinical studies, we continue to engage with patients and their caregivers to get feedback about the trial experience and highlight opportunities to adjust or improve our process.

Clinical Trial Diversity

Incyte is a global organization committed to creating medicines for people of all races and ethnicities. Representation of diverse communities in our clinical trials is essential for understanding and treating disease—the more diverse the participants, the more our researchers can learn if and how people of different racial and ethnic backgrounds respond differently to treatments. Because studies have shown that people from historically marginalized and minoritized groups in the U.S. are less likely to be included in clinical research, we've made it a priority to increase racial and ethnic diversity in our clinical trials.

In 2020, a sub-committee of our Inclusion Team, iDIRECT (Incyte Diversity, Inclusion, Representation and Equity in Clinical Trials), was established with the mission to advance diversity and inclusion in clinical trials by preparing the organization for change and driving implementation. Their approach involved conducting an initial assessment to establish a baseline of the organization's readiness, implementing a thorough clinical trial diversity training program, and developing a roadmap to define priorities and guide consistent and rapid implementation across the organization.

In 2023, the iDIRECT team drove progress toward its goal by standardizing diversity planning procedures to ensure consistency and incorporating a deep understanding of disease epidemiology into planning efforts. Engaging external experts, they identified and addressed barriers to participation while internally developing capabilities to pinpoint trial sites conducive to minority recruitment. Additionally, they incorporated community outreach and provided increased support services to build trust, reduce participation barriers, and ensure equitable access.



COMMUNITY

We're a company on a mission to make a difference. For Incyte, caring for the people around us starts with our core business and extends to patients, their caregivers, the communities near us and the causes important to our employees.

Our Incyte Involved program guides the way we give back in three areas: the Incyte Charitable Giving Foundation, our Community Service Program and our Matching Gifts Program.

Incyte Charitable Giving Foundation

The Incyte Charitable Giving Foundation is dedicated to making a difference where we live and work—specifically Wilmington, Delaware, home to our Global Headquarters. The Foundation forges partnerships with publicly funded, 501(c)(3) tax-exempt nonprofit organizations that serve Delaware communities in two focus areas—Oncology Patient Support and Resources and Community Partnerships. In 2023, the Foundation donated over \$1,000,000 to more than 35 local causes, supporting community efforts with valuable services, financial aid and other forms of assistance.

Outside of the U.S., we donate funds and volunteer time to help meet the needs of communities near our European Headquarters and other locations in Europe, Canada and Asia.

Cancer Care Assistance Fund for Delaware

To help make care more sustainable for cancer patients in our community, our Incyte Cancer Care Assistance Fund for Delaware (ICCAFD) provides financial support to local patients—as well as their caregivers and family members—who face financial hardships due to cancer. ICCAFD partners with Cancer Support Community Delaware, a statewide nonprofit, to deliver on its mission. In 2023, our funding assisted more than 170 individuals with housing, groceries, transportation and other basic living expenses—a 50% year over year increase in individuals assisted. We also doubled our Fund contribution, now providing \$200,000 in support each year.

Seth's Wish

Seth, a 5-year-old boy from Delaware who is fighting Rhabdomyosarcoma—a rare type of cancer that forms in soft tissue—dreamed of a trip to meet “his girlfriend” Minnie Mouse at Disney World. Incyte colleagues raised nearly \$18,000 to help Make-A-Wish Philadelphia, Delaware & Susquehanna Valley grant Seth's wish. As part of his send-off to Disney World, Incyte hosted a Mickey and Minnie-themed party with our employees at our Global Headquarters. Seeing Seth's wish come true reminds us why we remain longtime Make-A-Wish partners: to help make magic and dreams a reality for children like Seth.

We extended our philanthropic efforts in 2023 by donating to the Wishes Transforming Lives initiative in Delaware. This contribution will directly support children in the state diagnosed with cancer through the Make-A-Wish program. When we fund wishes for these courageous kids, Incyte's support provides them with a powerful experience that can help build the physical and emotional strength they need to confront their illnesses with resilience and hope.

B+ Foundation

Every family should have the freedom to dedicate their time and attention to their loved one fighting cancer. The B+ Foundation provides financial assistance to affected local families who will lose critical income as they stay by their child's bedside during a life-or-death battle. This assistance helps families cover housing costs to avoid eviction, car repairs to ensure uninterrupted transport, medication expenses and other critical living and medical bills. Incyte was recognized in 2023 as the Top Corporate Giver for the 17th Annual B+ 5K Fighting Childhood Cancer. Beyond our donation, Incyte employees raised funds as part of their participation in the 5K walk/run.

Community Service Program

Incyte supports employee efforts to make a difference in their communities. Through our Community Service Program, we encourage all employees to take an annual day of paid time off to volunteer with the charitable causes they're passionate about. In 2023, our employees' commitment to community service had a significant impact worldwide, with over 860 individuals contributing nearly 4,700 hours of volunteer work.

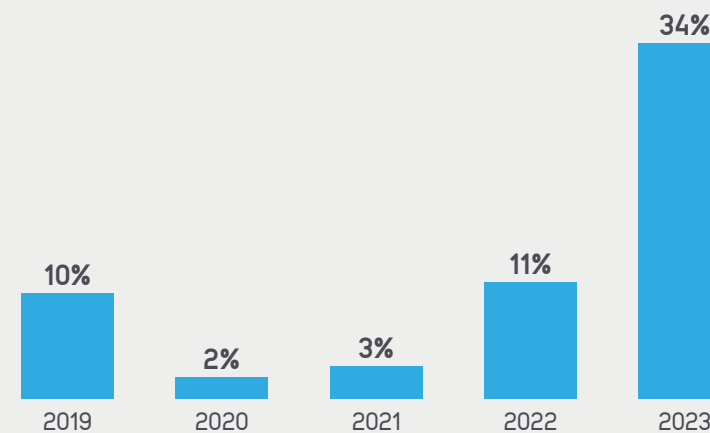
Matching Gifts Program

Matching employee contributions to the causes they care about helps foster a sense of community and amplifies our collective impact. We match employee charitable giving to eligible nonprofits, dollar for dollar, up to a predetermined cap. Based on employee feedback, we doubled the pre-determined cap in July 2022. Coupled with increased employee participation, our matching gift program helps us make an even bigger difference in our communities. Moving forward, we remain dedicated to building on the ways we empower our employees to take care of the world around them.

Incyte matched more than \$325,000 in employee giving to over 450 charities in 2023.

One of our key targets for the year was to have at least 15% of our global employees use their paid volunteer day for qualifying activities. We proudly surpassed this goal in 2023, with 34% of global employees embracing the opportunity to volunteer in their local communities.

% employees who took volunteer time



TEAM

At Incyte, we share a responsibility to advance solutions that benefit our patients. Our collective sense of purpose inspires collaboration across departments, allows leaders to emerge at all levels and ensures all colleagues feel valued.

Our strength lies in the diverse expertise, experience, passion and perseverance across our team. By creating a culture that integrates and elevates our unique insights and abilities, we're advancing scientific innovation, improving patient health and enabling our colleagues to reach their full potential.



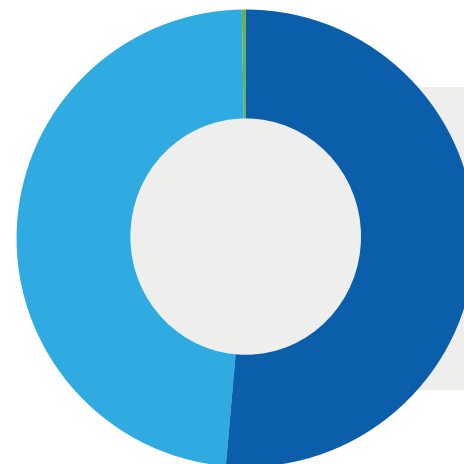
OUR EMPLOYEES

1,152
research and development

215
medical affairs

783
sales and marketing

374
operations support and administrative positions

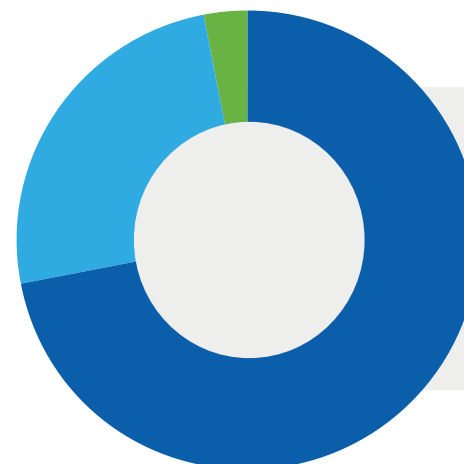


GENDER DIVERSITY

1,301
female

1,216
male

7
non-binary/prefer not to say



GEOGRAPHIC LOCATION

72%
United States and Canada

25%
Europe

3%
Asia

Awards and Recognition

In 2023, our global team received numerous awards in recognition of the innovation behind our first-in-class medicines and best-in-class workplaces.

Ranked #2 among 2023 Top Employers by *Science Magazine*, marking our sixth consecutive year ranking in the top five

Ranked #21 on *Newsweek's* inaugural Top 100 Global Most Loved Workplaces list in 2023

Ranked #23 on *Newsweek's* America's Most Loved Workplace list in 2023—up nearly 40 spots from 2022 and marking our third consecutive year on this list

Named one of **America's Greenest Companies** by *Newsweek*

Named a **2023 Humankind 100 Company** for the second consecutive year, with a Humankind Value of \$18.1B

Recognized in the **100 Sustainability Champions List** by *Forbes Italy*

Recognized as the **2023 Emerging Company of the Year** by the Canadian Healthcare Industry Awards (CHIA) for exceptional leadership and contributions to improving patient care in Canada

Recognized by the American Chemical Society as one of the 2023 Heroes of Chemistry for developing the first treatment for certain myeloproliferative neoplasms (MPNs), a group of rare blood cancers, and chronic and acute graft-versus-host disease (GVHD).





Culture of Innovation

At Incyte, innovation is everyone's job—from our newest hire to our CEO. Because innovative ideas can come from anywhere, we need to listen everywhere. Our Executive Team has an open-door policy and makes every effort to be accessible to all employees, wherever they may be in their career journey. To demonstrate this commitment, members of executive leadership aim to meet with each new employee within their first year at Incyte.

We create ongoing opportunities for employees to engage with company leadership and with each other. Our regular Global Town Hall meetings and interactive events encourage two-way dialogue and facilitate continuous feedback across teams. The Executive Team also hosts periodic focus groups to hear directly from employees and reviews results from our pulse surveys throughout the year.

Catalyzing Employee Innovation: i2

At Incyte, we believe every challenge is a chance for a breakthrough. Our annual i2 innovation challenge spurs our employees' drive to discover the next innovation by funding the development of their most innovative ideas. Each year, the call for i2 proposals goes out to all Incyte employees around the world, inviting them to pitch their best early-stage ideas. Submissions from both individuals and teams are welcome, provided their concepts are novel, innovative and hold the potential to impact patients' lives or our business. From a narrowed field of finalists, the winning concepts are selected, funded and fully supported to move forward.

To illustrate the depth of creativity within our team, in 2023 we received over 60 submissions from employees, nearly doubling the number of submissions in 2022. Seven employee-driven projects won i2 support.

Professional Development

Incyte offers challenging and fulfilling job opportunities alongside a robust professional development framework to help employees build new skills and advance in their careers. We're working to create an innovative and inclusive culture that empowers every team member to grow and contribute to their full potential.

Employee Development

To help our employees pursue learning and growth throughout their career journey at Incyte, we offer extensive opportunities for training, professional development and continuing education. Our training and development programs are tailored to distinct regions and departments.

In the U.S., we provide leadership development training to all new Incyte managers and newly promoted managers, as well as individuals identified as potential leaders. We also offer skills-building sessions such as our Emotional Intelligence and Insights Discovery workshops that enhance soft skills for effective internal and external communication.

In North America, our E.D.G.E. (Empowerment, Development, Growth, Engagement) mentorship program connects employees with internal and external leaders, providing opportunities to network and engage in other career development experiences.

In Europe, our leadership training program for select managers includes modules to build people management and stakeholder management skills. Incyte's European teams also build skills through the Team Effectiveness and Insights Discovery workshops to help improve communication, accountability, decision-making and overall performance. Also available to our European teams is the Challenge Academy—a five-phase program that encourages future leaders to take on challenging projects with a dedicated support structure around them.

All global employees have access to tuition reimbursement for pursuing advanced degrees and additional coursework. We expanded our tuition reimbursement program in 2022, raising total reimbursement by 60% for master's degrees and by 100% for doctoral degrees. In 2023, we expanded our pocket MBA program through the University of Delaware to include two cohorts—virtual and hybrid—for a total of 50 participants. We also created a pathway for participants to transition to the full University of Delaware MBA program.

Performance Management

Our performance management strategy is an ongoing collaboration between managers and employees that enables employees to grow in their careers and set goals that support our strategic objectives. To promote strong performance, employee compensation is tied to the achievement of pre-established annual goals.

At the beginning of each year, employees and their managers work together to set individual performance and career development goals, as well as identify core competencies and customized functional competencies. Throughout the year, employees and managers monitor and discuss progress and, when appropriate, adjust individual performance and career goals to reflect changes in projects or business priorities. At each year's end, employees and their managers meet for a comprehensive evaluation of progress toward the established goals.

Succession Planning and Promotion

We actively cultivate our internal talent pipeline by providing opportunities for employees to grow within their roles and advance in their careers. By keeping global employees informed of all open roles and newly posted positions, we increase awareness of growth opportunities and facilitate internal promotions.

We also conduct periodic succession planning to retain and develop employees for future leadership positions. Our Executive Team meets annually to discuss the succession plan for the company, and each Executive Team member updates the plan for their employees.

Empowering Development Through LinkedIn Learning

We launched LinkedIn Learning globally in January 2023 for all employees. LinkedIn Learning is an organization-wide online learning platform that empowers employees to develop skills relevant to their role and career aspirations. In addition to self-identified development opportunities, we're using the platform to tailor training to our business. In 2023, our employees watched 1,100+ hours of learning content across the company.

LinkedIn Learning complements other employee development tools, such as Incyte Academy, an internal, web-based learning system that delivers training on our therapy areas, compounds, science basics and drug development.

Compensation and Benefits

We're deeply committed to providing competitive compensation and comprehensive benefits to empower every Incyte employee to thrive at work and at home. Our expansive total rewards package aims to help our colleagues and their families maintain a healthy lifestyle, achieve work/life balance, plan for retirement and live a less stressful life.

From their first day at work, all global employees are eligible to participate in our Annual Cash and Equity Incentive programs. Employees who work full-time or at least 20 hours per week are also eligible to participate in our Employee Stock Purchase Plan. We review our compensation and benefits offerings on an annual basis and look for opportunities to enhance them in ways that have a meaningful impact on our employees and their families.

Equitable Compensation

We work diligently to ensure equitable compensation for all employees, regularly benchmarking against our compensation peer group and the broader life sciences market to ensure fairness and equity. We review and adjust our base salaries and pay ranges on an annual basis to ensure consistency with market movements.

To maintain pay equity, annual evaluations of pay equity based on gender, ethnicity and race are a part of our routine compensation assessment.⁷ For the equity analysis, our HR team assesses the pay for each role against external competitiveness and internal equity to ensure there is no disparity driven by gender, racial or ethnicity bias. If discrepancies are found without an explanation—such as performance or a recent promotion—we take immediate corrective actions.

Competitive Health Benefits

To ensure our employees and their families have access to healthcare, we offer low deductible healthcare plans and cover 100% of the cost of full-time employee premiums for individual healthcare coverage in the U.S. **Incyte employees pay nothing for individual healthcare coverage and only 5% of the premium cost for family medical coverage.** Our generous investment in the health and wellness of our employees and their families stands out among biotech companies, 95% of which require an employee contribution for individual healthcare coverage and employees to contribute an average of 19% toward family healthcare premiums.⁸

⁷We conduct racial equity analysis in the U.S. only, as ethnicity data is not collected outside of the U.S.

⁸Statistics provided by Incyte benefits provider.



Benefits

We offer a comprehensive benefits package to all employees and we benchmark Incyte benefits against industry standards to ensure a competitive offering. In the U.S., our benefits program ranks among the best in the biotech industry, including a healthcare plan with a low deductible, no restrictions and a \$10 copay for medical office visits, counseling services and prescription drugs. Incyte covers 100% of the plan cost for the employee and 95% for part-time employees working at least 20 hours per week.

We actively listen to employee feedback to accommodate our diverse team and enhance their experience at work and beyond. Based on employee feedback, we recently added to our generous paid time off policy and expanded parental leave policy with a new program to assist with elder care.

Additional highlights of our U.S. benefits program include:

- **MAVEN** provides critical family-building support to our employees, including:
 - Fertility and family building benefits such as preconception care, assisted reproduction, pregnancy, postpartum, adoption or surrogacy support and partner resources.
 - New in 2023, adoption and surrogacy reimbursement of up to \$5,000 through the Maven Wallet.
- **GENDER AFFIRMATION** care and procedure assistance for LGBTQ+ employees were expanded in 2023 to align more closely with [WPATH Standards of Care](#).
- **WELLTHY CAREGIVER CONCIERGE SERVICE**, providing best-in-class expertise and support to help families manage and navigate financial, medical, legal, in-home, housing, and social/emotional support in any capacity, big or small for aging, childcare, health conditions, special needs, mental health, veteran support, and financial hardship.
- **EMPLOYEE ASSISTANCE PROGRAM (EAP)** supports the emotional well-being of our employees at no cost. Available 24/7, our EAP assists employees with personal and work-related challenges.
- **HEALTH ADVOCACY SERVICES** assist employees and their dependents with healthcare and insurance, enabling them to make informed healthcare decisions, schedule tests, find the right doctors and hospitals and resolve medical billing issues.
- **LEVERAGE CONCIERGE** provides employees and their families with unlimited, complimentary virtual personal assistance, information and referrals to address tasks like home and car repairs, travel and event planning, pet care, local errands and much more.
- **INCYTE ENGAGED BENEFITS APP** provides personalized, one-stop shopping to make benefits information easily accessible to employees.

Other benefits include:

- Hinge Health's digital physical therapy for Musculoskeletal conditions
- Omada for support in preventing and managing chronic conditions
- Aetna's Total Brain for brain health and resilience
- Aetna's Oncology Solutions for Incyte employees and dependents
- Brightline's expanded behavioral and mental health access for children
- Teladoc Telemedicine offers virtual office visits for behavioral health, dermatology and urgent care.

We also offer access to a range of other employee wellness resources, including webinars on financial security, behavioral health and nutrition and meditation techniques; onsite and virtual fitness and yoga classes; discounted memberships to nationwide gyms; and a Wellness Video Library that includes new monthly fitness, mindfulness and cooking demos. Details of our full U.S. benefits program are available on [our website](#).



Diversity and Inclusion

Developing best-in-class solutions for our patients requires a collaborative, innovative and inclusive culture. Incyte is committed to fostering an environment that creates space for colleagues to contribute their unique abilities, experiences, perspectives and backgrounds to developing treatments for patients with critical, unmet medical needs. Our commitment to inclusion is emphasized in our [Code of Business Conduct and Ethics](#) and overseen by our Inclusion Committee in the U.S., which spearheads our efforts to hire, retain and develop diverse talent and promote diversity in our selection of suppliers and in clinical trials.

As of December 31, 2023, 36% of our U.S. workforce self-reported as nonwhite—a number comparable to the 2020 U.S. Census data from the State of Delaware (41% non-white⁹), where our Global Headquarters are located. Given various privacy restrictions, we do not request racial and ethnic diversity data outside of the U.S. Once available, we publish our full Equal Employment Opportunity (EEO-1) reports on [our website](#).

⁹Statistic calculated using the Census Bureau’s interactive data visualization tool, subtracting Delaware’s 2020 “White alone, not Hispanic or Latino” population from the total population of Delaware.

¹⁰Due to rounding some of these figures may not add to 100%.

¹¹Two of our 13 Executive Team members are located outside of the U.S., and therefore are not included in ethnic/racial diversity statistics.

2023 GENDER, RACIAL AND ETHNIC DIVERSITY DATA¹⁰

GLOBAL EMPLOYEE GENDER DIVERSITY

52%
women employees

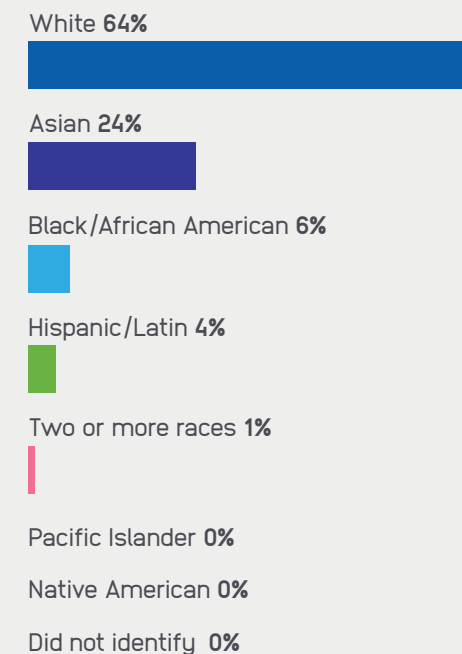
41%
women in leadership
(director and above)

33%
women directors on the board

31%
women on executive team

EMPLOYEE RACIAL AND ETHNIC DIVERSITY IN THE U.S.

(unless otherwise noted)



11%
ethnically/racially diverse
directors on the 2023 board
(global)

11%
LGBTQ+ directors on the
2023 board (global)

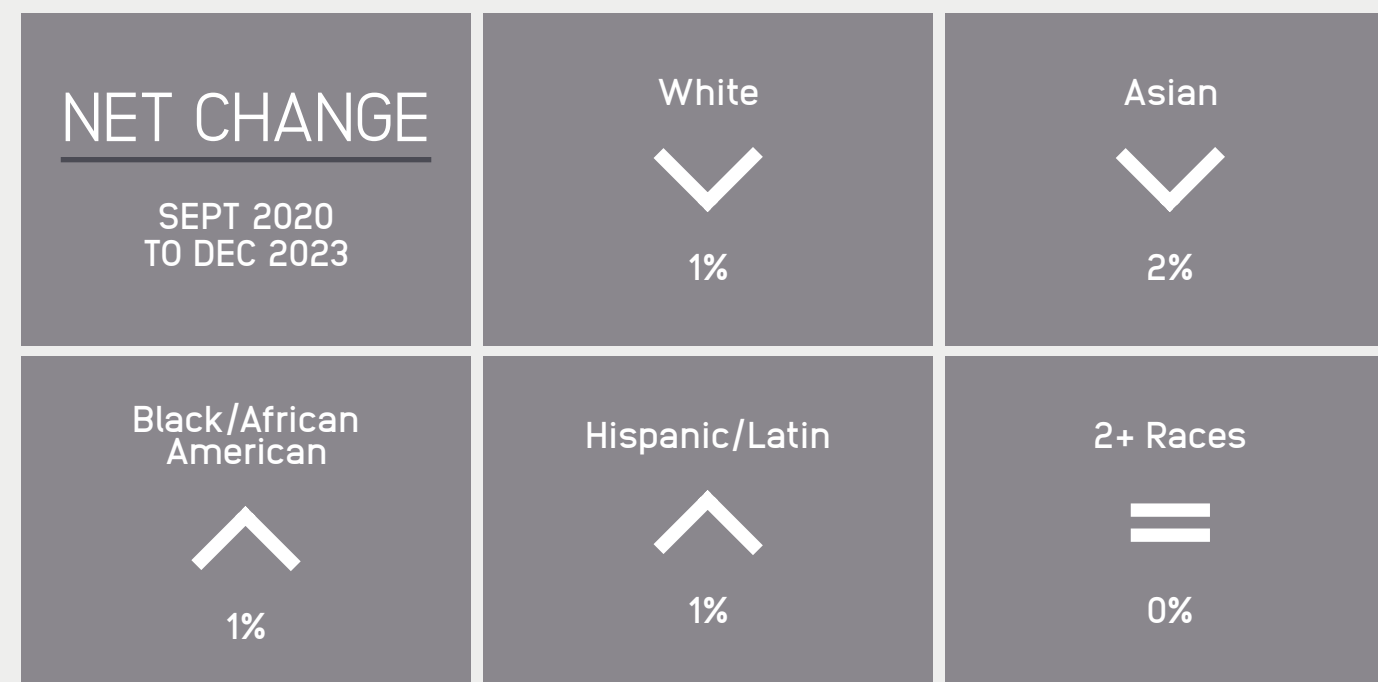
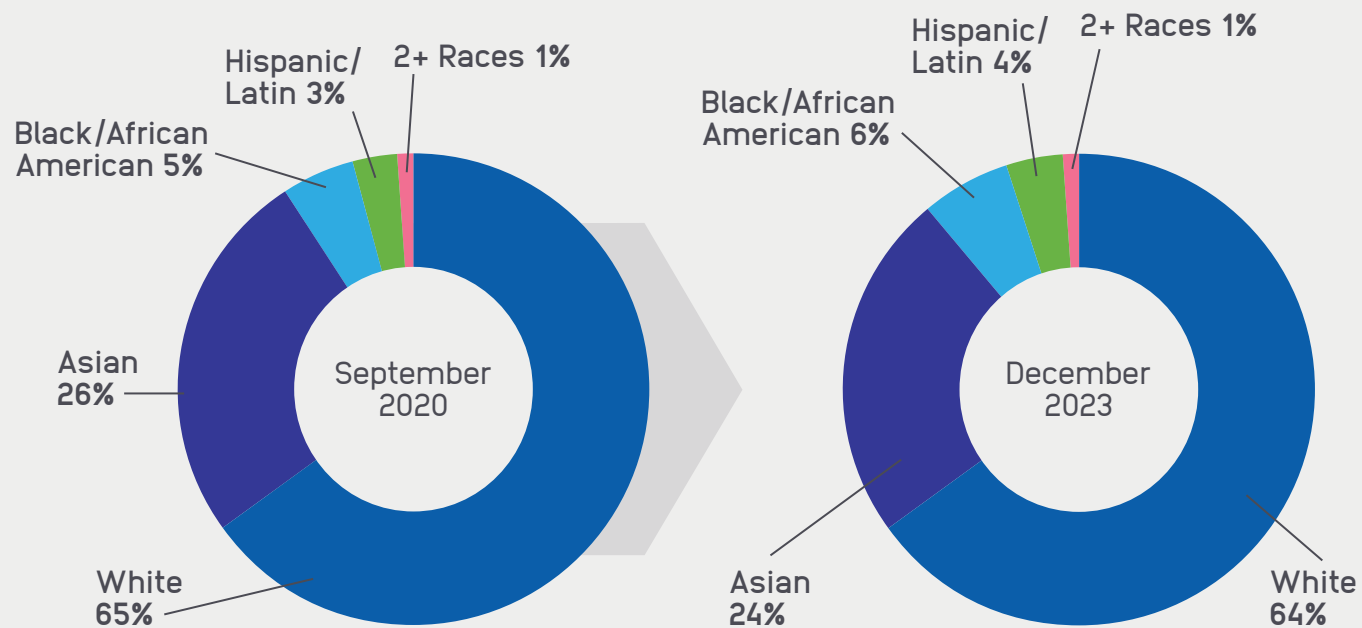
18%¹¹
ethnically/racially diverse
members of the 2023
executive team

Diverse Leadership

Our lived experiences create powerful filters through which we see and engage with the world. Diversity in leadership means greater depth and breadth of experience and perspective and, in turn, a greater ability to relate to our employees and the needs of the patients and families we serve. In 2023, women filled 31% of positions on our Executive Team and 18%¹² of our Executive Team was ethnically or racially diverse.

U.S. ETHNICITY REPORT

September 2020 to December 2023



¹²Two of our 13 Executive Team members are located outside of the U.S., and therefore are not included in ethnic/racial diversity statistics.

U.S. Inclusion Committee

We work to remove barriers and provide increased opportunities to marginalized groups. Our U.S. Inclusion Committee creates actionable plans to ensure our diversity and inclusion goals are embedded across our operations. Co-chaired by our CEO and our Head of Human Resources, the Committee has established five key sub-committees, each with a different area of focus:

1. Hire
2. Develop and Retain
3. Awareness
4. Clinical Trial Diversity
5. Supplier Diversity

Hire

As part of our merit-based hiring process, Incyte recruits from a wide pool of diverse candidates for all open positions within our general workforce, leadership and on the Executive Team.

Our 2023 goal was for at least 75% of all open U.S. positions to have at least one Black or Hispanic candidate represented in the candidate pool. We exceeded this goal, with 80% representation in the candidate pool for these positions.

We ensure all U.S.-based job openings are posted to Historically Black Colleges and Universities (HBCUs) as well as on Jopwell job sites, aiming to reach Black, Latinx and Native American students and professionals. We also actively participate in job fairs sponsored by the National Black MBA Association, the National Sales Network and the National Organization for the Professional Advancement of Black Chemists and Chemical Engineers (NOBCChE) as well as other professional associations advocating for underrepresented communities.

We partner with universities near our Headquarters to develop the next generation of talent through co-op programs that provide area college students with valuable training and create early recruitment opportunities. In 2023, we expanded our co-op program to include students attending Drexel University and Johns Hopkins University, who joined participants from the University of Delaware, Rutgers University, Delaware State University and Jefferson University. More than 30% of the co-op program's 2023 participants were diverse. Building on our local engagement and outreach, in 2023 we hosted an Incyte Days event at the University of Delaware where our employees participated in a career panel with approximately 30 PhD and master's candidates and post-docs in attendance.

Our partnership with the Scientific Mentoring & Diversity Program (SMDP) is another critical component of our diverse hiring success. The SMDP for Biotechnology is a prestigious program that pairs diverse students (post-baccalaureate, master's or doctorate) and early career researchers with mentors who work at companies in the medical technology, biotechnology and consumer healthcare industries.

Develop and Retain

We encourage employees to participate in a wide range of development opportunities to support professional and personal development and career advancement. As part of this effort, the CEO and Head of Human Resources initially met with focus groups to identify barriers that might prevent Black colleagues from progressing into leadership roles across the organization. The resulting feedback led to the creation of our Inclusion Committee.

Mentorship opportunities are among our strategies to build a pipeline for leadership development and retention. In 2023, we piloted our Buddy program, which pairs diverse new hires with diverse employees, integrating diversity into the new hire process. We also designed and planned the launch of our Reverse Diverse mentorship program with five mentor/mentee pairs. Like most mentorship programs, Reverse Diverse mentoring encourages personal and professional growth, but with a twist—this program puts leaders in the role of mentee to their less senior mentor. Spanning nine months, the program is designed to help Incyte's leaders (mentees) from majority communities learn about diversity issues through the lived experiences of their junior colleagues (mentors) from traditionally marginalized communities. The rollout of the program is part of our broader effort to enhance diversity and inclusion considerations in our everyday business decision making.



Awareness

To foster an authentic culture of inclusion and diversity, we must help every Incyte colleague feel welcome and heard. In 2023, we created more opportunities for open discussions about diversity and inclusion through our companywide Global Town Hall events and on our new intranet page for internal communications. We also continue to train our U.S. managers annually on Equal Employment Opportunity Commission (EEOC) hiring practices.

Clinical Trial Diversity

We take proactive steps to ensure that our clinical trials encompass a diverse range of ethnicities, allowing us to understand and treat disease across all communities. To read more about our efforts in this space, see [page 16](#).

Supplier Diversity

We work with diverse suppliers to promote inclusion and diversity in our supply chain, recognizing that supplier diversity not only enhances our business but also drives economic growth in the communities we serve. Through our strategic sourcing practices, we enable diverse businesses to share and grow in global and local markets.¹³ To reinforce our commitment to more inclusive sourcing, in 2023 we updated our Global Strategic Sourcing Policy to include a Supplier Diversity Inclusion and Engagement process for U.S. employees.

In our ongoing effort to increase supply chain diversity, we engage external suppliers, consultants and other agency partners to identify diverse providers and explore effective sourcing strategies. One way we engage with vendors is through the external supplier section on [our website](#), which makes our strategic sourcing team more accessible to vendors and enables us to more efficiently direct opportunities from diverse vendors to Incyte business owners.

We continue to be an active corporate sponsor of the Delaware Black Chamber of Commerce, Diversity Alliance for Science and the Woman's Business Enterprise Council – East, and in 2023 we became corporate members of the National Minority Supplier Development Council (NMSDC).



Celebrating Diversity

We celebrate many cultural observances throughout the year to raise awareness, foster dialogue and honor cultural traditions. In addition to commemorating Kwanzaa, Hanukkah and Christmas at all locations in 2023, we added Juneteenth and Hispanic Heritage Month celebrations in the U.S., organized by the U.S. Inclusion Committee. We also hosted two large, in-person events on our Wilmington campus:

- In February, over 500 Incyte employees celebrated Lunar New Year. The event featured performances by Incyte's employee choir, employee dance group and invited performers.
- In November, Incyte brought the warm lights and rich hues of Diwali to Delaware with a Festival of Lights celebration for Diwali, or Dipawali, India's biggest and most important holiday of the year. More than 500 employees enjoyed an afternoon of cultural performances, arts and cuisine, presented by Incyte colleagues.

¹³Diverse or disadvantaged small businesses fall into one or more of the following categories: minority-owned, women-owned, veteran-owned, LGBT-owned, service-disabled veteran-owned, disabled-owned and/or historically underutilized business.

Safety and Wellness

At Incyte, our dedication to improving the world's health requires us to operate every aspect of our business in a way that protects people and the environment. Compliance with applicable Environmental, Health and Safety (EHS) regulatory requirements is both our responsibility and our policy, and we continually work to improve our EHS management systems and performance.

It's our philosophy that everyone at Incyte—from full- and part-time employees to contractors—shares a responsibility to reduce risk, prevent injuries and maintain a safe and healthy workplace for all. This strong safety culture is a fundamental part of how we work, and our Executive Team is committed to providing the resources necessary to achieve our shared goal.

We maintain a safety management system for our U.S. and Swiss facilities, including our manufacturing site in Yverdon-les-Bains. Our safety management system closely aligns with international standards and best practices, underscoring the strict processes and procedures we follow to maintain safe operations. Our incident prevention strategy includes inspection programs, near miss reporting, safety training and standard operating procedures.

At our Yverdon facility, we maintain rigorous site-wide and group-specific safety Key Performance Indicators (KPIs) to protect employees and contractors. Contractors are also required to maintain their own safe operating procedures, as well as risk assessments for planned work. The site aims to achieve zero injuries by following standard operating procedures.

	2021	2022	2023
Lost Time Incident Rate (LTIR) ¹⁴	.1	.17	.45
Total Recordable Incident Rate (TRIR) ¹⁴	.24	.43	.65
Fatalities	0	0	0

¹⁴Incident rates calculated according to OSHA guidance, using 200,000 as the multiplier.

EHS Training

To protect our colleagues and mitigate our environmental impact, we provide extensive safety training during the onboarding process. All laboratory and manufacturing employees receive training specific to the potential hazards of their job function, including waste handling. We also provide regulatory-related training to laboratory employees upon hiring, upon a change in individual job responsibilities and on an annual basis.

To further emphasize workplace safety, we conduct periodic safety walkthroughs and promptly address any identified potential hazards. In the U.S. and Switzerland, we collect information on incidents and near misses to help prevent future EHS incidents. We also conduct hazardous reaction reviews for large-scale reactions in chemistry and provide appropriate guidance to mitigate risk.

Emergency Preparedness

To ensure continued safe and effective operations in the event of an emergency at our U.S. facilities, we have established crisis protocols and preparedness measures. We provide training for all new office-based employees in the U.S. and Switzerland, and have staff certified in first aid and CPR to respond to medical emergencies. Should our Global Headquarters lose power, we have the ability to maintain equipment, refrigerators and freezers with critical samples to allow work to continue.

Our Global Technical Operations team's standard operating procedure for business continuity requires the Quality Assurance and Supply Chain teams to routinely review all business continuity and crisis management preparedness plans with key commercial suppliers. Our manufacturing site also has a disaster recovery plan in place for its IT systems, as well as emergency generators and redundancy by design to prevent potential outages.

Well at Work

Ergonomic workstations go a long way to supporting the health and comfort of our employees. By providing personalized, adaptive equipment like standing desks, customized lighting solutions and adjustable monitor arms, our ergonomics program makes it easy for our employees to stay physically comfortable while they work. We use a combination of tools to promote ergonomics at work, including ergonomic assessments, flyers, checklists and digital health solutions.



ENVIRONMENT

We recognize the profound interconnection between environmental well-being and public health, a connection made clearer each day by the effects of climate change. This relationship creates a unique responsibility for Incyte and our industry to do our part in combating the adverse consequences of a warming world.

As leaders in biopharmaceutical innovation, we are committed to setting goals and pursuing solutions that minimize our environmental impact, increase transparency and drive positive change as we work to improve the lives of the patients we serve.

Environmental Targets and Progress

As Incyte continues to grow globally, we remain committed to minimizing our environmental impact and advancing progress against our sustainability goals set in 2021, including our key target: to achieve operational carbon neutrality by 2025.

¹⁵ An international nonprofit organization, GBI evaluates building efficiency related to electricity, waste, water and other features.

¹⁶ The TCFD (Task Force on Climate-related Financial Disclosures) has developed recommendations for voluntary, consistent climate-related financial risk disclosures for use by companies in providing information to investors, lenders, insurers, and other stakeholders. Despite the disbanding of TCFD, we continue to reference TCFD for consistency with our published goals.

TARGET

PROGRESS

Achieve operational carbon neutrality by 2025

We are focused on a combination of absolute emissions reductions and offsets to achieve this goal. We will continue to reduce our Scope 1 and 2 emissions through green building certifications, building improvements and renewable energy initiatives. From 2019 through 2022, we offset our calculated Scope 1 and 2 emissions and achieved neutrality.

Attain Green Globes Certification for the recently constructed Building 1815 at our Global Headquarters

Upon completion of our Global Headquarters Building 1815, we worked with the Green Building Initiative (GBI)¹⁵ and were the first building to receive Green Globes Certification as part of the 2021 GBI Existing Buildings pilot program. Building 1815 received three out of four Green Globes.

Report under the Task Force on Climate-Related Financial Disclosures (TCFD) Framework¹⁶ by 2023

The Appendix of this report contains our second TCFD disclosure.

Complete transition of Sales Fleet to hybrid and electric vehicles (EVs) by 2025

Despite experiencing delays due to the COVID-19 pandemic and vehicle availability, we're making progress toward this goal.

Environmental Oversight

Our full Board of Directors oversees Incyte's ESG strategy, including the targets and initiatives that reduce our environmental impact. Distinct Board Committees are responsible for oversight of specific components of our ESG program. For example, the Audit Committee oversees risk management, while the Compensation Committee oversees compensation-related goals and targets, as well as our progress against these targets. At the management level, each Incyte location takes responsibility for monitoring and driving down its emissions, water use and waste generation.

Incentivizing Environmental Action

To emphasize the importance of our ESG priorities, the Compensation Committee incorporated ESG performance into our compensation targets for the first time in 2022, incentivizing meaningful action. Following a successful response, in 2023, we tied 3% of our bonus incentive program to three specific, measurable ESG objectives, including one focused on the environment:

Develop a global emissions reduction and mitigation plan to achieve our corporate operational carbon neutrality goal by 2025.

Accordingly, in 2023, we developed our Greenhouse Gas Reduction and Mitigation Plan to not only meet our 2025 goal but also to chart our course beyond 2025. Our plan, detailed below, centers on five key initiatives to reduce our environmental impact and nurture a healthier planet.

In 2024, we set four additional targets tied to 3% of our bonus incentive program, two of which focus on reducing our environmental impact:

1. Reduce U.S. Buildings' water consumption by 10% versus 2023
2. Decrease paper usage globally by 15% over 2023

Environmental Management System

We maintain an Environmental Management System (EMS) that determines our processes and procedures for monitoring and reducing our environmental impact. Our EMS is aligned with international standards, including all required and recommended management system documents and their associated implementation. The EMS facilitates compliance with environmental regulations, corrective actions to stimulate continual improvement and internal training and awareness programs to ensure employees understand their responsibilities.

Our Environment, Health and Safety (EHS) team conducts routine reviews and inspections of our processes and systems, especially those related to waste and wastewater. We also periodically undergo inspections from local regulatory authorities to verify our compliance.





Emissions Reduction

We understand that achieving carbon neutrality by 2025 in our Scope 1 and Scope 2 emissions requires each of our sites to prioritize emissions reductions in a coordinated approach across our business. Our Greenhouse Gas Reduction and Mitigation Plan outlines a series of concrete actions and strategies to reach carbon neutrality, centering on five key initiatives:

1. Strengthening oversight of climate-related initiatives and performance
2. Increasing the frequency and awareness around environmental data collection and monitoring
3. Continuing implementation of emissions reduction and mitigation activities across all owned and leased sites
4. Continuing to set smart corporate goals and targets
5. Increasing engagement with all global employees on climate performance

We're already taking purposeful action to reduce absolute emissions, primarily by sourcing renewable energy and responsibly operating our owned facilities to improve energy efficiency. Despite Incyte's significant growth in square footage, employee headcount and revenues since we established our 2019 baseline, we are achieving progress in minimizing our environmental footprint. Through our investment in renewable electricity and building efficiencies, we're reducing our market-based emissions, even while growing. Additionally, as we convert our sales fleet to hybrid and fully electric vehicles, we're also providing free charging for our employees' EVs at our facilities—helping our colleagues transition to a cleaner commute.

Since 2019, Incyte has grown by approximately 60% in workplace size, and 70% in workforce and revenue while reducing our market-based emissions intensity, showcasing our significant emissions reduction efforts.

TOTAL REVENUES

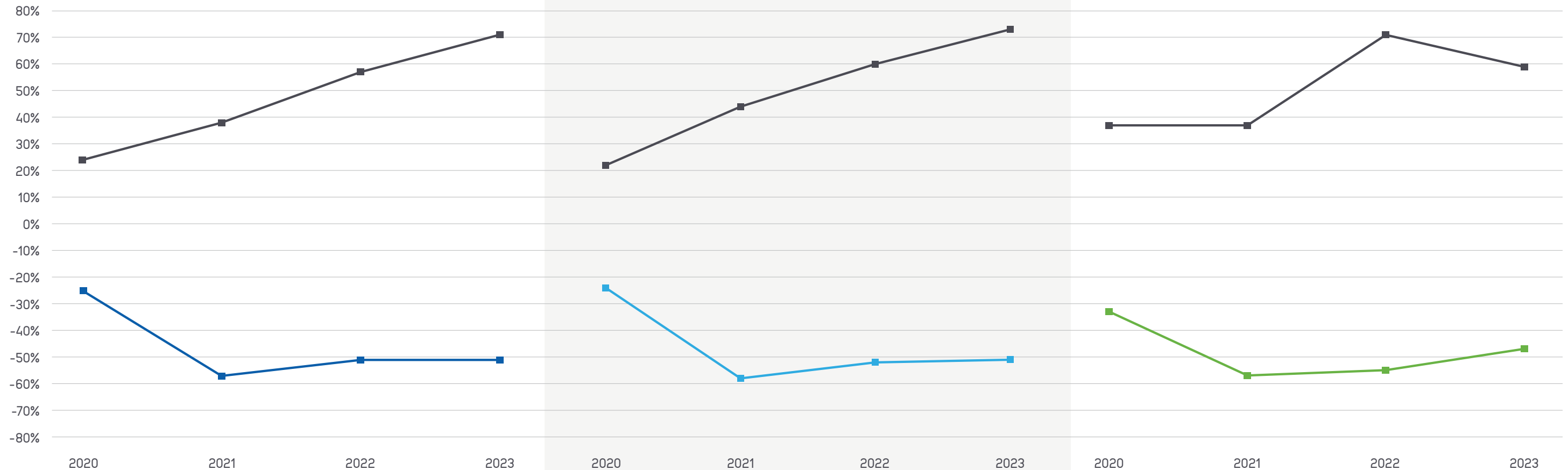
% change from 2019 baseline	2020	2021	2022	2023
\$ Revenue	24%	38%	57%	71%
Emissions/\$1M revenue	-25%	-57%	-52%	-51%

EMPLOYEES

% change from 2019 baseline	2020	2021	2022	2023
Employees	22%	44%	60%	73%
Emissions/employee	-24%	-58%	-52%	-52%

SQUARE FOOTAGE

% change from 2019 baseline (Leased & Owned Facilities)	2020	2021	2022	2023
Square Footage	37%	37%	71%	59%
Emissions/1K square foot	-33%	-57%	-56%	-47%



Scope 1 and Scope 2 Emissions Metrics¹⁷

METRIC	2019	2021	2022	2023
Scope 1 emissions (MTCO ₂ e) Total	4,775	6,371	8,062	9,351
Scope 2 emissions (Location-based) (MTCO ₂ e) Total	7,450	5,595	6,360	6,079
Total Scope 1 & Scope 2 emissions (Location-based) (MTCO ₂ e)	12,226	11,966	14,422	15,429
Scope 2 emissions (Market-based) (MTCO ₂ e) Total	7,451	935	1,247	865
Total Scope 1 & Scope 2 emissions (Market-based) (MTCO ₂ e)	12,226	7,306	9,309	10,216
Scope 1 and Scope 2 market-based emissions intensity (Emissions/\$1M revenue)	5.7	2.4	2.7	2.8
Scope 1 and Scope 2 market-based emissions intensity (Emissions/1K square foot)	20.4	8.9	9.1	10.8
Scope 1 and Scope 2 market-based emissions intensity (Emissions/employee)	8.4	3.5	4.0	4.0

Scope 1 emissions increases are largely due to the expansion of our fleet and more accurate data related to fleet emissions. As our fleet expands, we continue to make progress towards our goal of converting vehicles to hybrids and EVs.

¹⁷Some total figures may not add up due to rounding. Our GHG Inventory was developed in alignment with the GHG Protocol Corporate Standard.

Environmental Impact Reduction at our Facilities

Our owned facilities—representing a little more than 70% of our total square footage—are both a large source of operational emissions and a big opportunity to reduce Scope 1 and Scope 2 emissions. We own one manufacturing facility in Yverdon-les-Bains, Switzerland and three office and research buildings at our Global Headquarters in Wilmington, Delaware (1709, 1801 and 1815). All other facilities are leased.¹⁸

In the U.S., we use the Green Building Initiative's (GBI)¹⁹ Green Globes assessment and certification standard to inform our impact reduction efforts. As of December 31, 2023, we've certified two of our three owned buildings.

Green Globes Certification for Building 1815

With more than 150,000 square feet of office space and a number of recent advanced building efficiency features, Building 1815 achieved Green Globes certification in 2021, making it the first building ever certified through the GBI's Green Globes for Existing Buildings 2021 pilot program. The building achieved 3 out of 4 possible Green Globes for demonstrating outstanding resource efficiency, reducing environmental impacts and fostering occupant health and wellness.



¹⁸ On May 21, 2024, we announced the expansion of our presence in Delaware with the acquisition of two additional buildings. For more information, [view the press release](#).

¹⁹ An international nonprofit organization, GBI evaluates building efficiency related to electricity, waste, water and other features.

Energy

Our efforts to reduce emissions center on enhancing energy efficiency, increasing renewable energy use and transitioning our fleet to hybrid and electric vehicles. Since a significant amount of our Scope 1 and Scope 2 emissions originate from our buildings, we prioritize reducing energy consumption and improving energy efficiency at each of our sites.

At our Yverdon Biopant, the energy management team—composed of individuals from Engineering and EHS, among other stakeholders—monitors energy consumption to identify and correct anomalies while also highlighting efficiency improvement opportunities. In the U.S., starting in 2024, our Facilities team will conduct quarterly reviews for electricity, natural gas and water usage to identify areas for improvement.

Renewable Energy

We strive to use renewable energy wherever possible. Our European Headquarters and Yverdon BioPlant, both located in Switzerland, are fully powered by hydroelectric power and onsite solar installations. Due to space constraints, we're unable to install a significant renewable energy source at our Global Headquarters in Wilmington, Delaware. Instead, since 2021, we've purchased Renewable Energy Certificates (RECs) to match 100% of our Headquarters' electricity use with off-site renewable resources. We also work with energy providers to source renewable energy for our operations where possible.

As part of our renewable energy programs, we either purchase RECs or directly source renewable energy for more than 80% of our leased and owned square footage.

²⁰Some total figures may not add up due to rounding. Total energy consumed includes onsite solar installations at our Switzerland facilities. It excludes energy consumed by Global Fleet and energy consumed for EV charging.

ELECTRICITY FROM RENEWABLE SOURCES

	2019	2020	2021	2022	2023
% from grid-purchased electricity (non-renewable)	99%	95%	14%	15%	10%
% from grid-purchased electricity matched with RECs	0%	0%	69%	66%	71%
% from on-site solar electricity	0%	0%	0%	2%	2%
% from utility-provided 100% renewable electricity	1%	5%	17%	17%	17%

ENERGY CONSUMPTION – BUILDINGS ONLY²⁰

	2019	2021	2022	2023
Total Energy Consumed (Fuels and Electricity) (GJ)	144,333	159,939	189,048	168,396
% Energy Renewable Biomass	0%	0%	0%	0%
% Energy Natural Gas	41%	50%	51%	47%
% Energy Propane	0%	0%	0%	0%
% Energy Petroleum Products (Diesel, Heavy Oil, Gasoline)	0.1%	0.3%	0.2%	0.2%
% Electricity	59%	49%	48%	53%
Building Energy Intensity (Energy use/1k sq. Foot)	228.8	184.5	175.9	168.2

Scope 3 Emissions²¹

METRIC TONS	2019	2021	2022	2023
Category 3: Fuel- and Energy-Related Activities	2,906	2,959	3,569	3,830
Category 5: Waste Generated in Operations	253	207	405	360
Category 6: Business Travel ²²	4,006	1,058	3,243	4,549 ²³
Category 7: Employee Commuting ²⁴	NA	NA	3,700	4,185
Scope 3: Total Categories 3, 5, 6, 7	7,165	4,224	10,917	12,924

While we recognize we have more work to do to limit Scope 3 emissions, we've already made it easier for our employees to reduce their commuting-related emissions. In 2023, at our Global Headquarters, 90 EV charging ports provided over 330 MWh of electricity to charge employee vehicles—a more than 90% increase in electricity used for charging over 2022. The energy used for charging is free to employees and covered by our REC purchases—further exemplifying our efforts to reduce our emissions and those of our employees. Outside of the U.S., we also offer EV charging for employees—for example, in Switzerland, we have a total of 16 renewable-powered EV charging ports between our Yverdon BioPlant and European Headquarters. A separate initiative at our European Headquarters to promote the use of locally accessible public transportation has led to a 20% reduction in the number of employees commuting by car since its launch.

Employee-Driven Green Initiatives

Complementing our corporate environmental programs, our employees contribute critical insights and propose solutions to further reduce our environmental impact. Greencyte, our global employee Green Team, fosters a culture of stewardship by raising awareness of important environmental issues through engaging internal programming throughout the year. Formed in 2019, Greencyte works to set goals, solicit employee ideas, make recommendations and highlight opportunities to reduce our environmental impact.

We encourage our employees to experiment with process improvements for impact reduction. In 2023, our employees augmented our laboratory recycling program with a closed-loop recycling process for pipette tip boxes and nitrile gloves. This initiative—which recycles plastics, allowing them to be remanufactured into laboratory products—led to over 250 pounds of avoided waste in its first six months. Employees also suggested improvements for recycling large lab plastics, leading to the implementation of a new process with the addition of shared recycling receptacles.

Outside of our workplace, our employees partnered with the Delaware Center for Horticulture and City Forest Credits to complete an **Impact Project**, addressing community health by planting 100 trees in local parks in underserved neighborhoods. The two projects not only help filter out traffic noise and industrial pollutants, but will replace trees lost to disease and pests, creating green spaces for communities with limited access to public services and gathering spaces.

Emissions Offsets

Each year, after calculating our greenhouse gas (GHG) emissions inventory for the previous year, we purchase carbon credits to meet our carbon neutrality target. Through these investments, we've offset 100% of our calculated Scope 1 and Scope 2 emissions from 2019–2022. While we continue to drive progress toward reducing our direct emissions, in 2024 we plan to purchase carbon credits once again to offset 2023 emissions.

One of our strategies is to offset our hard to avoid emissions and contribute to ecosystem resilience is through reforestation. In 2023, we partnered with Arbor Day Carbon to offset our Scope 1 and Scope 2 emissions from 2022 by purchasing carbon credits from the GreenTrees[®] Reforestation Program. This reforestation and afforestation program in the Mississippi Alluvial Valley and Virginia is the largest verified reforestation carbon credit program in the U.S.

²¹Some total figures may not add up due to rounding. Our GHG Inventory was developed in alignment with the GHG Protocol Corporate Standard.

²²2019–2022 represents global air travel only. 2023 values include global air, rail, and rental car travel.

²³Incyte's business air travel emissions are estimated using emission factors published by the EPA's Corporate Climate Leaders. The EPA cites Air Travel factors from 2022 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting (Version 2.0 June 2022). EPA cites the 2022 Release (based on 2018 activity data) rather than DEFRA's 2023 release, because the 2023 update includes significantly reduced load factors caused by COVID-19. The EPA believes that DEFRA's 2022 emissions factors more accurately reflect the current state of business travel.

²⁴We began to track this data starting in 2022, so no data is available for previous years.

Water Conservation

Incyte is committed to monitoring and reducing water use. At our Global Headquarters, we've installed water presence sensors in high-traffic areas to reduce use and detect leaks. All new and renovated spaces at our Global Headquarters are also outfitted with motion- and presence-sensor faucets to facilitate more efficient water use. To manage stormwater, the site uses bio-retention features such as underground detention tanks and porous pavers and asphalt. Green roofs, another aspect of our storm water management strategy, are used in both our Global Headquarters and our Yverdon Biopant.

At our Global Headquarters, we hold a “no exposure certification”—indicating that, as verified by local authorities, our storm water management systems cause no harm to the environment.

We comply with all local regulations regarding wastewater permitting and handling, and in 2023, there were no instances of non-compliance associated with our water permits. To ensure proper management of chemicals and hazardous waste, all employees and contractors involved in chemical or biological waste handling receive annual training to prevent residue from entering the environment. Additionally, our U.S. research buildings undergo quarterly wastewater sampling and annual inspections by local officials to verify our compliance.

Although we do not have Active Pharmaceutical Ingredient (API) production plants, we rely on third-party manufacturers for API production. The third parties we engage are expected to adhere to our [Code of Business Conduct and Ethics](#), holding them accountable to act in ways that respect and protect the environment.

WATER METRICS²⁵

	2019	2021	2022	2023
Water Usage (megaliter)	97	134	164	146

²⁵This table only includes reported data, which represents approximately 81%, 77%, 91%, and 93% of Incyte's global building square footage in 2019, 2021, 2022, and 2023 respectively. Metrics include leased and owned facilities.

²⁶WRI [Aqueduct](#), accessed on February 12, 2024.



We use the World Resources Institute (WRI) Aqueduct Water Risk Atlas Tool²⁶ to evaluate our operations and identify sites located in regions of high or extremely high baseline water stress. As of February 2024, approximately 1% of our total square footage is situated in such areas. While we don't own these sites, we aim to reduce water use where feasible.

Waste Management

We are dedicated to reducing our waste and managing it responsibly, in accordance with all applicable regulations.

We minimize raw material use and find innovative ways to repurpose waste to avoid final disposal.

In 2023, all Incyte-owned facilities, along with approximately 75% of our leased facilities by square footage, have achieved landfill-free status, including our manufacturing facility.

Incyte collaborates closely with our waste vendors and our employees to identify opportunities for waste reduction and pollution prevention at our facilities. One example of waste reduction is the Chemical Inventory Program at our U.S. Headquarters, a strategy where researchers, laboratories and departments can effectively share chemicals and thus reduce costs, wait times for chemical orders and waste generation. We also encourage recycling where possible. For instance, our European Headquarters features a robust waste management process, encompassing the collection, sorting and recycling of 17 different types of materials.

Our waste reduction efforts prioritize landfill-free practices for both non-hazardous and hazardous waste. Non-hazardous waste is directed to a landfill-free waste and recycling facility, where it is converted into energy. All hazardous waste is recycled, reused, fuel-blended or otherwise disposed of at a disposal facility overseen by regulatory authorities. At our Global Headquarters in Delaware, our hazardous waste management process adheres to Environmental Protection Agency (EPA) regulations.

Although we lack production facilities in the U.S., our Global Headquarters houses laboratories where hazardous waste training is provided—upon hiring and annually thereafter—to all individuals handling chemicals and hazardous waste. Our lab employees and Facilities and EHS teams also discuss waste management as necessary during regular group safety meetings.

These initiatives enable us to safely divert materials for reuse, recovery or recycling. We continually encourage employees to work with the EHS team to identify opportunities to improve our environmental stewardship.

Waste Metrics (Metric Tons)²⁷

METRIC	2019	2021	2022	2023
Total waste generated	663	633	1,136	1,107
Total waste recycled	326	287	378	427
Hazardous waste²⁸				
Total hazardous waste	99	122	465	386
Total hazardous waste incinerated with energy recovery	75%	75%	92%	83%
Total hazardous waste incinerated	25%	25%	8%	17%
Non-hazardous waste				
Total non-hazardous waste	563	510	671	721
Total non-hazardous waste landfilled	23%	0%	0%	0%
Total non-hazardous waste recycled	58%	56%	56%	59%
Total non-hazardous waste incinerated with energy recovery	19%	44%	43%	41%
Total non-hazardous waste incinerated	0.2%	0.1%	0.3%	0.1%

²⁷This table only includes reported data, which represents approximately 81%, 77%, 91%, and 93% of Incyte's global building square footage in 2019, 2021, 2022, and 2023 respectively. Metrics include leased and owned facilities.

²⁸Special waste and infectious waste are classified as Hazardous Waste.

GOVERNANCE AND RISK MANAGEMENT

Strong ethics and good governance are fundamental to building long-term value for our shareholders and creating positive impacts for our patients, colleagues, community and environment. Our Board of Directors sets high standards, guides our business strategy and, as our highest level of oversight, ensures we practice good governance.

Corporate Governance

We believe engaged directors with diverse backgrounds are critical for effective oversight. Our Board members bring a wealth of scientific knowledge, extensive industry expertise and a profound sense of integrity to our business. They're successful, experienced individuals who understand our business and have the skills to foster long-term success. To ensure Incyte has the right Board composition at the right time, we regularly assess our Board of Directors to maintain a diverse mix of perspectives, backgrounds and experience and a complementary balance of new, mid-term and tenured members.

Board Expertise

EXPERTISE	Hoppenot	Baker	Bienaimé	Brawley	Clancy	Fouse	Harrigan	High	Schaffert
Biopharma Industry	✓	✓	✓	✓	✓	✓	✓	✓	✓
Operational Leadership	✓		✓		✓	✓	✓	✓	✓
International	✓		✓		✓	✓	✓		✓
Drug Discovery, Development & Regulatory	✓		✓	✓			✓	✓	
Commercial	✓		✓			✓			✓
Financial	✓	✓	✓		✓	✓			

Board Diversity

Diversity is an important consideration in the nomination and selection process for our directors. Incyte's Board is committed to identifying and evaluating highly qualified candidates who bring different perspectives and ideas, including those with diverse backgrounds and ethnicities. As of year-end 2023, our Board included three directors who were born in Europe, one director who self-identifies as Black/African American, one director who self-identifies as LGBTQ+ and three directors who self-identify as women.

As a recognized 2023 Champion of Board Diversity by the Forum of Executive Women for the 3rd consecutive year, we're proud to highlight that 33% of our Board seats are held by individuals who self-identify as women.



DIVERSITY

56%
Holds PH.D or M.D.

11%
LGBTQ+ (1)

89%
Independence

11%
Ethnic or Racially Diverse (1)

44%
Board Refreshment

33%
Birthplace in Europe (3)

4 of 9
nominees elected
in last 5 years

33%
Women (3)

Incentivizing ESG Performance

In 2022, the Compensation Committee tied our annual incentive cash bonus program directly to the achievement of three ESG targets related to recruitment of diverse talent, reduction of single-use plastics and a green building certification at our Headquarters. Based on the success of this initiative, in 2023, we tied 3% of our bonus program to three new targets:

1. Develop a global emissions reduction and mitigation plan to achieve our corporate operational carbon neutrality goal by 2025 — **Completed**
2. Encourage at least 15% of global employees to use their paid volunteer day to participate in community volunteer activities — **Exceeded target, with 34% of employees using their volunteer days**
3. Achieve a minimum rate of at least one diverse (Black or Hispanic) applicant in 75% of open positions in the U.S. — **Exceeded target, with 80% of open positions in the U.S. having at least one Black or Hispanic applicant**

We achieved our 2023 ESG goals, and added four new goals for 2024:

1. Reduce U.S. Buildings' water consumption by 10% from 2023
2. Decrease paper usage globally by 15% over 2023
3. Increase LinkedIn Learning global engagement from 28% to 55% total viewers
4. Increase the proportion of Black and Hispanic job applicants who advance to the initial interview stage to 10% in 2024

ESG Oversight

Incyte's CEO and Executive Team drive our global responsibility initiatives at the management level, providing updates on set objectives to the entire Board of Directors twice per year. The Executive Team also provides updates to the various Board committees responsible for specific aspects of our ESG program.

Risk Management

While the responsibility for monitoring and mitigating risk rests with management, the Board receives regular updates on risk reports and insights. The Board and its committees oversee the process of properly identifying, assessing and mitigating risks in conjunction with executive management.

Our risk management oversight process includes reviews of long-term strategic and operational planning, executive evaluation, development and succession planning, regulatory and legal compliance and financial reporting and internal controls.

Responsible Research and Development

At Incyte, we recognize the great responsibility we have to our patients, colleagues and shareholders, as well as the biomedical research community. Our commitment to high ethical standards and strict compliance ensures the integrity of our research contributing to improved scientific outcomes.

Animal Welfare

The responsible and humane treatment of research animals is more than a legal and moral obligation—it's critical to ensuring the quality and integrity of our research. In all studies using animals, both internally and at third party institutions, we're committed to acting ethically and responsibly—in strict compliance with all federal, state and local regulations and in conformance with the performance standards set forth in the [Guide for the Care and Use of Laboratory Animals](#).

Incyte's Institutional Animal Care and Use Committee (IACUC) oversees our Animal Care and Use Program. Our designated Institutional Official is our Group Vice President of Translational Sciences, who is appointed by our Executive Team's President and Head of Research and Development. Our program has been accredited by AAALAC International since 2015. We train applicable staff and contractors annually on Incyte's animal welfare program requirements and standards.

Emerging Technologies

Incyte carries out all research in compliance with established regulatory and industry guidelines on the safe and ethical use of emerging technologies (e.g., cell therapies, nanotechnology, genetic engineering or artificial intelligence) and we expect our external partners to do the same.

While our current in-house R&D efforts do not include the development of agents that directly apply such technologies as human therapeutics, we do use some of these technologies as tools in our research. Through our partnership with Cellenkos—announced in late 2020—we're using cord blood-derived cells to investigate the combination of ruxolitinib and CK0804 (Cellenkos' cryopreserved CXCR4 enriched, allogeneic, umbilical cord blood-derived T-regulatory cells) in patients with myelofibrosis (MF).

The 3R Principles

The 3R principles—Replacement, Reduction and Refinement—provide an ethical framework for improving the welfare of animals used in research. For over 60 years, these principles have driven innovations in biomedical research practices around the world, from the development of more humane methodologies and better animal housing and husbandry to the exploration and adoption of alternatives to animal research. At Incyte, we encourage employees to continually advance the 3Rs. In 2023, we collected submissions for our 5th Annual 3Rs Awards—where employees share innovations in research that directly address these principles. The award recipients were honored with cash prizes and plaques during an award presentation event in early 2024. At this event, award recipients gave oral presentations about their work, educating colleagues about their innovations.

Ethics and Compliance Program

Incyte has a comprehensive Compliance Program that enables us to maintain easily accessible written standards, provide ongoing education and training, conduct risk assessments, monitor activities and maintain and enforce corrective action procedures. The program, which follows the Seven Elements of an Effective Compliance Program, is routinely reviewed by our global and regional compliance committees. We regularly enhance our program to meet evolving compliance standards and needs.

Code of Conduct

To ensure we conduct business with honesty and integrity, we outline our expectations for employee interactions and daily conduct in our [Code of Business Conduct and Ethics](#). We also adopted a Senior Financial Officers' Code of Ethics to define conduct expectations for our Chief Executive Officer, Chief Financial Officer, Principal Accounting Officer, Corporate Controller and others tasked with financial reporting.

Board Oversight

Our commitment to ethics and compliance starts at the top. The Audit and Finance Board Committee oversees our Compliance Program to facilitate compliance with the [Code of Business Conduct and Ethics](#), its underlying policies and any relevant laws and regulations.

The Committee oversees adherence to applicable laws and regulations, as well as compliance with the [Code of Business Conduct and Ethics](#) that guides Incyte's actions whenever and wherever we conduct business. Incyte's Chief Compliance Officer updates the Audit and Finance Board Committee at least twice per year.

Anti-Corruption and Anti-Bribery

Our [Code of Business Conduct and Ethics](#) makes clear that we prohibit all forms of bribery and corruption. Our Anti-Bribery and Anti-Corruption (ABAC) policy defines bribery as directly or indirectly providing, offering or promising to provide anything of value to an individual, knowing it is for the purpose of improperly influencing, inducing or otherwise affecting an official act or decision. This includes commercial bribery as well as bribery of government officials.

To prevent potential misconduct across our business, our ABAC program establishes clear rules and processes for all Incyte employees. We use six principles to prevent corruption and bribery:

1. We only engage in legitimate transactions
2. We always know our business partners
3. We only make appropriate expenditures
4. We take ownership and responsibility
5. We keep complete and accurate records
6. We follow laws and established guidelines

The third parties with which we do business are held to the same high standards to which we hold ourselves. This includes the expectation to comply with ABAC laws and all other applicable laws and regulations. We conduct due diligence on certain third parties to assess and mitigate the potential risk of bribery and corruption.

Compliance and Ethics Week

This year marked our 11th annual celebration of Compliance and Ethics Week, an event designed to educate and empower employees in championing ethical and responsible business practices within their roles. Through regional events and our e-learning system, employees received refresher training, while the launch of a Compliance & Ethics video series featured business stakeholders sharing how they partner with Compliance to manage risk across their respective activities.

Ethics and Compliance Training and Resources

To support ethical behavior across the organization, we actively communicate our expectations to our employees. We regularly train employees on ethics and compliance policies and procedures, as well as legal obligations under applicable government healthcare program requirements. Employees receive [Code of Business Conduct and Ethics](#) training and ABAC training when they join the company and complete an annual training thereafter. We're proud that in 2023, 100% of Incyte employees who were assigned training completed it successfully.

Through ongoing Compliance newsletters and annual Corporate Compliance and Ethics Week events, we maintain employee awareness about ABAC and the [Code of Business Conduct and Ethics](#) and highlight opportunities for additional training. We also auto-install our Global Compliance application on all company-issued cell phones to give employees easy access to important resources and contacts.

Ethics and Compliance Reporting

We think it's critical for employees to freely speak up with any questions and concerns they may have. We maintain an open-door policy, as well as policies that protect confidentiality and non-retaliation for reports made in good faith.

During training, employees receive reinforcement about our compliance reporting procedures and our non-retaliation policy, which are also accessible via mobile apps. All of our employees—no matter their level—are encouraged and empowered to raise questions or concerns to their manager, the Compliance Department, Legal Department, Human Resources, the Audit Committee of the Board or through our Compliance Helpline, which allows for anonymous reporting where permitted by law.

Compliance Helpline

As part of our commitment to fostering a speak-up culture and open communication, our Compliance Helpline is a confidential, convenient tool to encourage individuals to speak up any time.

Incyte employees and external parties may report compliance concerns or instances of misconduct through our [Ethicspoint website](#) or country-specific Compliance Helpline phone numbers listed on our website and our company intranet site. Operated by a third party vendor, the helpline is accessible 24 hours a day, 7 days a week and 365 days a year and—where permitted by local law—provides the option to report anonymously.

Auditing, Monitoring and Taking Action

Our reporting and investigation process ensures we receive and review submitted Compliance Helpline concerns appropriately and promptly. We regularly monitor, audit and evaluate compliance with our policies and procedures. In the event of a violation of the law or of company policy, we maintain a Reporting and Investigating Allegations of Non-Compliance Policy to address inappropriate conduct and deter potential future violations.

The policy also requires us to respond promptly to potential violations of law or company policy, take appropriate disciplinary action and identify opportunities to enhance policies, training and internal controls to prevent future violations.

Political Involvement

While we encourage our employees to participate in the democratic process, we outline our expectations for involvement in our U.S. Political Activity Policy, as well as in our [Code of Business Conduct and Ethics](#). These policies set forth strict guidance, including:

- The company will not reimburse individuals for political contributions
- Colleagues in managerial positions are expressly prohibited from soliciting donations from those in subordinate roles



Human Rights

At the core of Incyte's purpose to find solutions for patients with unmet needs lies a deep respect for the fundamental rights and freedoms of human beings everywhere. Our [Human Rights Statement](#) defines our commitment to upholding human rights across our operations in line with the United Nation's (U.N.) International Bill of Human Rights, the U.N.'s Universal Declaration of Human Rights, the U.N.'s Guiding Principles on Business and Human Rights, and the International Labor Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. It outlines our prohibition of child and forced labor, our commitment to workplace security and anti-harassment, freedom of association and our dedication to maintaining safe, healthy workplaces to protect our employees and the environment. This commitment guides the way we work and the way we engage with our suppliers.

Ethical Marketing

To ensure practitioners and patients can make fact-based treatment decisions, Incyte is committed to making accurate claims about our products, services and capabilities, and to marketing and selling our products and services with honesty, integrity and in compliance with applicable laws and regulations. We apply the following requirements to promotional interactions with healthcare professionals:

1. Must be consistent with the approved labeling/product Prescribing Information and discuss only approved products and indications
2. Must be truthful, non-misleading and fairly balanced in presenting an Incyte product's benefits and risks
3. Promotional materials used must be accurate, substantiated, scientifically rigorous and consistent with applicable legal and regulatory standards

Transparency

We have policies, procedures and controls in place to comply with the Physician Payment Sunshine Act in the U.S., the Loi Bertrand in France and all applicable laws regarding disclosure of transfers of value to healthcare professionals. We're a member of the Pharmaceutical Research and Manufacturers of America (PhRMA) and several equivalent national industry trade associations in Europe. We remain committed to maintaining policies and procedures that foster compliance with the PhRMA Code on Interactions with Healthcare Professionals and their Direct-to-Consumer Advertising Principles.

Supply Chain

It's critical that our business partners share our values and operate in a responsible and ethical manner. We expect our partners and third parties such as service providers, suppliers and subcontractors to comply with all applicable laws and regulations of the countries, states and localities where they operate and to uphold the standards and expectations reflected in our [Code of Business Conduct and Ethics](#).

Supplier Audits

We verify our partners and third parties (service providers, suppliers and subcontractors) through a formal vetting process. The process consists of:

1. Initial due diligence
2. Qualification based on applicable regulatory requirements and our Quality Management System (QMS)
3. Routine evaluation of compliance on an ongoing basis

Our QMS is a collection of the business processes, resources, procedures and practices needed to create high-quality solutions. We use an electronic system to manage suppliers, deviations, change controls, product complaints and spot opportunities for continuous improvement. All Incyte suppliers that manufacture, test, store, package and distribute our products are required to train on GMP procedures. Product suppliers are required to perform general GMP training at least once per year.

In accordance with our QMS, we conduct routine supplier audits, the frequency of which is based on the risk rating of each supplier. Suppliers rated as "high risk" are audited every year, suppliers rated as "medium risk" are audited every two years and suppliers rated as "low risk" are audited every three years.

These risk ratings take into account the outcome of our previous audits and the supplier's track record of inspections by health authorities (i.e., FDA, EMA, etc.), as well as the type of services provided, our ability to find an alternate supplier and any significant events that may pose a risk to Incyte.

Cybersecurity and Data Privacy

We honor the relationships we've built with patients, healthcare professionals, caregivers, consumers, employees and business partners by mitigating information security risks, safeguarding data and being transparent about how we collect, use, share, transfer and retain personal information. To learn more about our data privacy practices, read our [Privacy Policy](#).

Cybersecurity Program

Incyte maintains a robust cybersecurity program overseen by our Audit and Finance Board Committee. We implement comprehensive threat and vulnerability analysis and management practices using the National Institute of Standards and Technology (NIST) Cyber Security Framework.

Our Cybersecurity program uses technical and administrative safeguards, including cybersecurity monitoring and penetration testing, vulnerability assessments and remediation and audits with rotating third parties every six months. Incyte also uses end-to-end security tools, cloud security and protection mechanisms for patient data and intellectual property and conducts privacy and cybersecurity assessments for our business partners. There have been no reportable cybersecurity breaches in the past three years.

Cybersecurity Awareness

To build cybersecurity readiness and awareness among our colleagues, we provide mandatory cybersecurity training during orientation and additional training and refresher modules on an ongoing basis and during our annual Cybersecurity Awareness Month. We also conduct periodic phishing simulation exercises to test and hone our response to adverse events. In the event of a failed phish test, employees must undertake additional training.

In 2023, 100% of our employees and contractors completed cybersecurity best practices training and refresher modules and were tested using phishing simulation campaigns.

APPENDIX

UN SDGs

The 17 United Nations Sustainable Development Goals (SDGs) set out a framework for achieving global peace and prosperity. As a company that works continuously to deliver novel solutions for patients with unmet medical needs, our business most meaningfully contributes to SDG 3: Good Health and Well-Being. Our pursuit of new scientific discoveries, diverse expertise and unique discovery approach foster innovation and help us meaningfully impact the lives of our patients.



TCFD

Climate change is a global threat that has the potential to impact our business over time. We aim to better understand these potential impacts, and in doing so, report our progress against the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We have focused efforts on identifying our climate-related risks and opportunities over the short, medium, and long-term, and have begun assessing and managing the associated impacts these risks and opportunities may have on the longevity of our business strategy and financial planning. We aim to continuously improve our TCFD reporting each year as we further integrate best practices and evolving guidance into our existing processes.

Governance

Board-level Oversight

Our Board of Directors oversees Incyte's climate strategy. The Board is responsible for reviewing the Company's strategic plans, future capital expenditures, and operating budgets, as well as for ensuring these plans consider the risks and uncertainties that could impact our strategy or financial results. The Board also oversees our ESG strategy, which includes targets and initiatives that aim to mitigate climate-related risks and capitalize on opportunities. The Board is updated on Incyte's global responsibility initiatives by the Executive Team twice a year and may receive updates on climate-related issues on an ad hoc basis.

The Board, with support from its Audit and Finance Committee, oversees the company's enterprise risk assessment and management practices, including with respect to financial, operating, and cybersecurity and other information technology risks. Within these risks, climate-related risks are implicitly considered.

In addition, the Compensation Committee of the Board considers climate change when overseeing executive compensation. A percentage of variable compensation is tied to the company's climate initiatives through the Annual Incentive Compensation Plan, including developing a global greenhouse gas mitigation and reduction plan to continue to reduce our environmental impact. By tying annual ESG targets to compensation, we hope to incentivize our Executive Team and employees to contribute to meaningful progress and reinforce the importance of these targets.

Management Oversight

Given our global structure, responsibility for managing Incyte's climate-related risks and opportunities is delegated to a range of different teams and individuals throughout the business.

Incyte's CEO and Executive Team drive our global responsibility initiatives at the management level, including metrics and targets which aim to manage climate-related risks and reduce our environmental footprint.

The Senior Manager of ESG Reporting and Sustainability coordinates work across the business to facilitate the identification of climate-related risks and opportunities. Information is collected through an engagement process with internal stakeholders representing core functions of the business to inform climate-related risks and opportunities.

Each location is largely responsible for managing the potential risks and opportunities associated with its operations and geographic location, as well

as reducing its own environmental footprint, including emissions, water use and waste. Site management is responsible for mitigation efforts including emergency response plans, which address potential natural disasters and weather-related events that could increase due to climate change.

As we develop our climate risk assessment process in line with TCFD guidance, we aim to integrate it into our enterprise risk management framework across the business.

Strategy

At Incyte we have a well-established strategy to continue finding solutions for serious unmet medical needs.

To ensure we position ourselves to achieve our business strategy over the long term, we identify and assess the climate-related risks and opportunities which may impact our business over time. Following TCFD-aligned guidance, we have considered both transition risks (those associated with the transition to a decarbonized economy), and physical risks (those associated with the physical impact of climate change). Over time we plan to enhance the climate risk assessment process by considering climate scenario analysis to review the resiliency of our business strategy and operations across different scenarios and time horizons.

Our risk assessment process primarily focuses on short- and medium-term risks. We currently define our risk horizons as:

- Short-term: 0-1 year
- Medium-term: 1-3 years
- Long-term: 3+ years

As we improve our understanding, we aim to integrate climate considerations into our strategic decision making and financial planning to reduce the impact of climate-related risks and capitalize on climate-related opportunities.

Climate-related Transition Risks and Impacts

Risk Type	Climate-related Risk	Risk Impact	Mitigation
Policy and Legal	Enhanced reporting obligations due to climate change	<p>Expenditures - Increased operating expenditures and increased compliance costs</p> <p>Enhanced regulation associated with climate change in the U.S., EU and other markets will increase reporting requirements for Incyte over time. Operating costs are likely to increase as we dedicate resources to developing robust data collection, risk management and governance processes to ensure compliance with evolving regulatory standards.</p> <p>If we fail to comply with applicable laws and regulations, we may face non-compliance or late filing fees or be subject to other governmental enforcement activity.</p> <p>We recognize that with enhanced reporting comes increased scrutiny. Overcommunication and/or miscommunication of information could potentially lead to competitive threats or lawsuits.</p>	<p>We have invested in establishing internal ESG expertise, and work with external consultants to facilitate compliance with current and emerging regulations. We voluntarily publish our Global Responsibility Report and work to incorporate internationally aligned frameworks such as TCFD into our disclosures to establish processes required for future mandated reporting.</p> <p>In anticipation of future regulations, we conducted an internal analysis to identify areas where there are opportunities to improve our data collection processes.</p>
	Increasing cost of carbon	<p>Expenditures - Increased direct and indirect costs</p> <p>As the world transitions to a decarbonized economy and companies set carbon neutrality goals, the price of carbon is likely to increase. This will result in increased direct costs as we aim to achieve our key environmental target to be operationally carbon neutral by 2025 by purchasing carbon offsets for our scope 1 and 2 carbon emissions. We have invested over \$1M in carbon credits to date to offset 100% of our calculated Scope 1 and Scope 2 emissions in 2019-2022. Costs have already more than doubled in three years, with prices expected to continue to rise over time.</p> <p>In addition, as governments aim to meet reduction targets, carbon taxes are expected to be rolled out to additional sectors and markets over time. Incyte is currently captured by the Swiss carbon tax for Scope 1 emissions which would increase direct costs for the business.</p>	<p>Our offsets are a part of our larger corporate environmental targets. We have also implemented initiatives to reduce our absolute emissions, which will minimize the impact of risks related to carbon pricing over time. We maintain an approved energy efficiency plan with the Swiss Federal Office on the Environment (FOEN) to reduce our footprint, which exempts us from current carbon taxes.</p>
	Mandates on and regulation of existing products and services	<p>Expenditures - Increased direct costs</p> <p>Environmental regulation regarding products and packaging is likely to increase over time, which may require Incyte to explore alternative sustainable packaging or material options. Such materials are likely to be higher cost than their non-sustainable alternatives as demand increases, resulting in further costs to the business. Not complying with emerging regulations may result in taxes or fines for the business, as well as restraints on selling our products into key markets.</p>	<p>We monitor emerging environmental regulations which may impact our operations and markets. We remain committed to minimizing our environmental footprint as we focus our efforts on reducing the impact of our operations and products.</p>

Climate-related Transition Risks and Impacts

Risk Type	Climate-related Risk	Risk Impact	Mitigation
Reputation	Increased stakeholder concern or negative stakeholder feedback	<p>Capital - Decreased access to capital; Expenditures - Increased operating costs to upskill and develop resources/work with consultants or contractors</p> <p>Our stakeholders may have increased interest in our sustainability credentials as the importance of ESG grows. An actual or perceived lack of action to reduce our overall carbon footprint could negatively impact investor sentiment. This could potentially limit our access to capital, as the focus on environmental impacts, climate change and net zero targets increases.</p> <p>In addition, we depend on key employees in a competitive market for skilled personnel, and the loss of key employees or our inability to attract and retain additional personnel would affect our ability to expand our drug discovery and development programs and achieve our objectives. Negative environmental impacts or an absence of a robust ESG program could impact our ability to attract and retain future key talent.</p>	We engage with our stakeholders regularly, ensuring concerns and needs are considered in the development of our products, as well as our operations. Our annual ESG goals hold us accountable for continued performance. We also publish an annual Global Responsibility Report to transparently communicate our sustainability credentials to our stakeholders.
Market	Increased cost and disruption to raw materials	<p>Expenditures - Increased operating expenditures</p> <p>Climate change could cause or potentially exacerbate supply disruptions, resulting in increased costs for raw materials or unexpected shortages in availability. Our third-party manufacturers require access to certain supplies and products to manufacture our products and drug candidates. If supply delivery is interrupted or if manufacturers are unable to purchase sufficient quantities of raw materials, this poses a risk to our business.</p> <p>Market shifts due to climate change could also cause increased operational costs leading to uncertainty around pricing for our current and future products.</p>	We mitigate risks to our procurement processes by establishing safety stock and business continuity plans for products to help manage risk from single source suppliers.
	Changing customer preferences	<p>Revenue - Decreased revenue due to a reduced demand for products and services</p> <p>As sustainability grows in importance, customer preferences may begin to favor more sustainable alternative products and services. If Incyte does not remain on top of changing customer trends, our position in the market, revenue and profitability may be at risk. If Incyte's sustainability strategy and targets are not aligned with those of key partners, competitors and/or large governmental organizations, our ability to remain competitive in the market may be impacted.</p>	We engage with partners and customers regularly, monitoring concerns and trends. Our Global Responsibility Report transparently communicates our sustainability credentials to our stakeholders, including customers.

Climate-related Transition Risks and Impacts

Risk Type	Climate-related Risk	Risk Impact	Mitigation
Market	Increased cost of energy	<p>Expenditures - Increased operating / energy costs</p> <p>Climate change is likely to result in increased energy costs over time as the world shifts to renewables. This will likely exacerbate the impact of rising energy costs, especially those associated with geopolitical events, resulting in increased operating costs for businesses.</p> <p>As we aim to meet our emissions goals, our efforts are focused on sourcing renewable energy across our operations. Since the start of 2020, shifting to renewable energy has increased our energy costs by approximately 5%.</p>	<p>This risk will be managed as we continue to roll out energy efficiency and onsite power generation across our operations. At our sites in Switzerland, we have onsite solar installations to generate some of our own electricity. In 2023, solar panels generated ~9% of electricity consumed by our Yverdon BioPlant and ~7% of electricity consumed by our Morges office.</p>
Technology	Cost to transition to low carbon technology	<p>Expenditures - Increased capital expenditures</p> <p>Decarbonizing our operations and achieving our targets requires investment in innovative and potentially costly technology solutions across all our operations.</p> <p>We have already dedicated capital to lower carbon technology across our operations, including by installing HVAC system upgrades and LED lighting conversion for improved building efficiency. Our new R&D facility in Delaware incorporates state-of-the-art technology and functionality to limit our environmental impact, including smart lighting systems and 50 EV charging ports to promote lower-emissions commuting. Water for site irrigation is also partially sourced from an onsite rainwater collection system.</p> <p>Our sites include several features to optimize energy efficiency, including solar panels at our BioPlant and European headquarters. To meet ambitious carbon reduction targets, we may be required to continue to invest in lower carbon technology across our operations over time.</p>	<p>The upfront costs associated with upgrading technology and buildings to be more efficient will partly be mitigated by the payback associated with decreased operating costs as energy usage decreases and efficiencies increase.</p>

Climate-related Physical Risks and Impacts

Type	Climate-related Risk	Risk Impact	Mitigation
Acute	Increased severity and frequency of flooding	<p>Expenditures – Increased direct and indirect costs</p> <p>It is likely that flooding may increase in severity and frequency due to climate change. This may potentially disrupt our business as we could face direct damage to assets, impacts on critical transportation routes and pressure on sourcing materials which could increase costs associated with maintenance, supply chain and customer delays.</p>	<p>We aim to conduct detailed climate scenario analysis to determine if acute physical climate-related risks could significantly impact our operations. We have dedicated safety stock and business continuity plans for products as well as global property insurance. Over time we may be required to introduce additional site mitigation measures to reduce the risk of direct damage.</p>
	Increased frequency of wildfires	<p>Expenditures – Increased direct and indirect costs</p> <p>As climate change worsens, wildfires are likely to increase in frequency and severity over time due to increased droughts, heatwaves and other extreme weather conditions. This may potentially disrupt our business as we could face direct damage to assets, impacts on critical transportation routes and pressure on sourcing materials which could increase costs associated with maintenance, supply chain and customer delays.</p>	
Chronic	Rising mean temperatures	<p>Expenditures – Increased direct and indirect costs</p> <p>As a result of climate change, rising global temperatures are expected to increase the frequency and severity of periods of extreme heat or heatwaves. Heatwaves may impact company operations as productivity decreases and the risk of heat-related health issues amongst employees increases. An increased demand for cooling is expected, as we aim to maintain optimal temperatures for employees, technology and operations. This may result in increased energy usage, and therefore associated Scopes 1 and 2 carbon emissions, increasing operating costs for the business and reducing our ability to reduce energy use in line with business goals and industry expectations. In addition, this may lead to an increased risk of power outages due to pressure on the grid. Power outages at material sites could result in major business disruptions which could harm our operations, future revenues and financial condition and increase our costs and expenses.</p>	<p>The upfront cost of increased energy usage will partly be mitigated by the payback associated with decreased operating costs as we utilize onsite renewable energy and energy efficient technology across our operations.</p>
	Water stress	<p>Expenditures – Increased direct and indirect costs</p> <p>As climate change worsens, it may result in a reduction in freshwater resources and an increase in water stressed areas. Where water is a material resource in both our direct operations and supply chain, this may result in increased costs to the business or a disruption to operations as water costs and regulation of restricted usage and reporting requirements increase.</p>	

Climate-related Opportunities

Type	Climate-related Opportunity	Opportunity Impact	Management
Energy resource	Use of lower-emission sources of energy	<p>Expenditures – Reduced operating costs</p> <p>By investing in emissions-lowering initiatives, including energy efficiency and onsite renewable energy generation technology, we can reduce our energy usage and reduce operating costs.</p>	We have already capitalized on the use of lower-emissions sources of energy across the business and continue to explore future opportunities for energy optimization.
Resource efficiency	Site rationalization	<p>Expenditures – Reduced operating costs</p> <p>By reviewing our site portfolio, we can reduce our physical footprint to reflect the needs of our business while opening or relocating to more efficient buildings, resulting in a reduction in carbon emissions and operating costs.</p>	In January 2022, we opened Building 1709 on our Wilmington, Delaware campus. Doing so allowed us to consolidate our footprint and relocate U.S. employees who had previously worked in two leased facilities.

Risk Management

Our risk assessment processes allow us to evaluate and mitigate the potential risks to Incyte across various functions. Climate-related risks are implicitly considered as a part of this process.

By following the recommendations of the TCFD, using industry research and engaging with internal stakeholders representing core business functions, we identified eight transition risks and four physical risks. We first conducted an applicability review, mapping potential climate-related risks to existing enterprise risks to identify which risks were appropriate for our business. Next, existing enterprise risks and input from internal stakeholders helped inform the assessment of climate-related risks to understand their impact on business strategy and financial planning. A data collection process was carried out and coordinated by the Senior Manager of ESG Reporting and Sustainability.

Currently, specific Incyte departments maintain business continuity or disaster recovery plans that assess and mitigate their own unique risks. While this allows us to see the high-level and granular view of potential risks to the business, we are refining our enterprise-wide risk assessment process.

We aim to continuously improve our climate risk assessment process by conducting detailed climate scenario analysis in the future and working to integrate climate risks into our existing risk assessment processes.

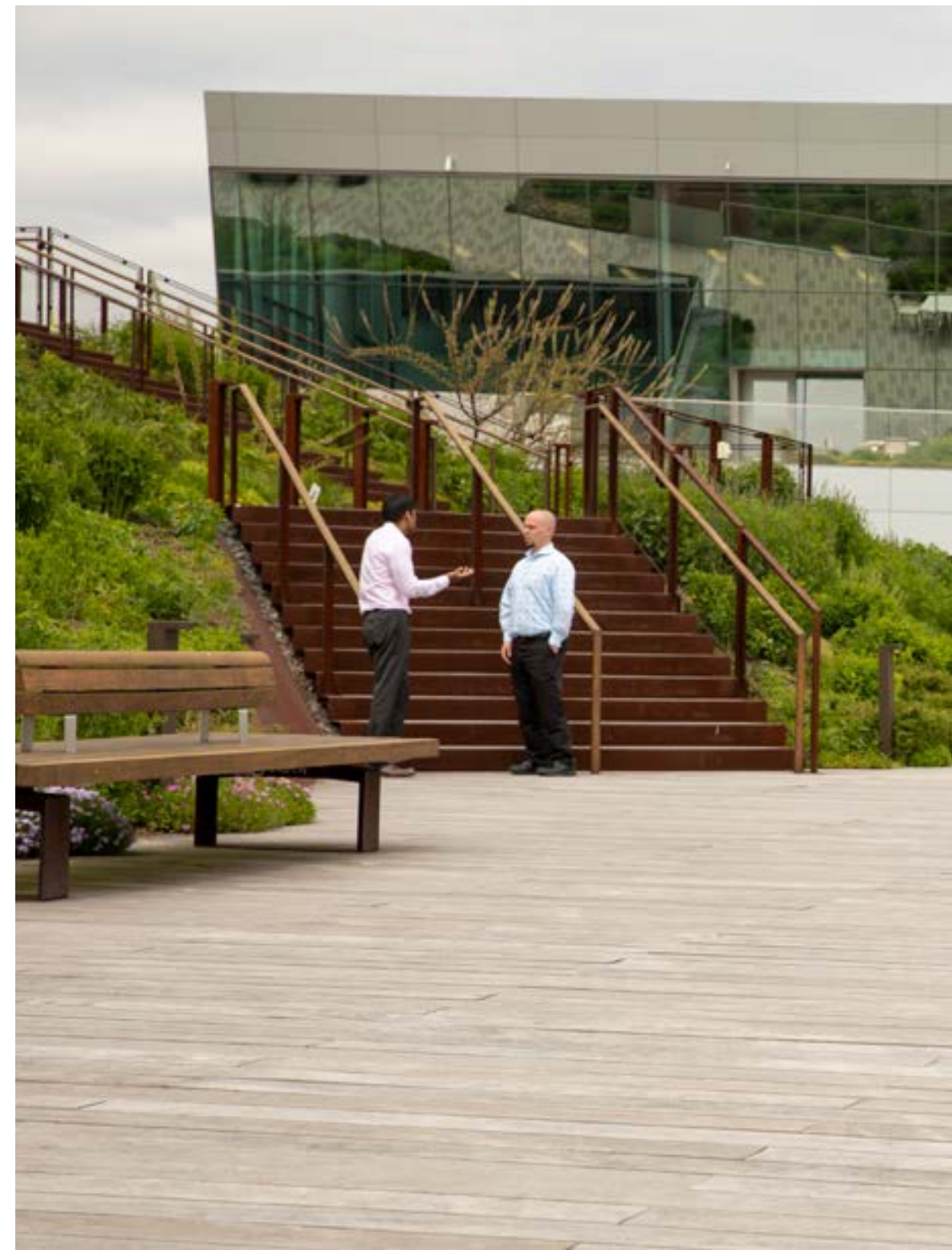
Metrics and Targets

As leaders in biopharmaceutical innovation, we are committed to setting goals and pursuing solutions that minimize our environmental impact, increase transparency and drive positive change as we work to improve the lives of the patients we serve. We use a range of environmental metrics to measure our climate-related risks and our impact on the environment, including greenhouse gas emissions, energy consumption, water and waste.

We have set several targets to manage our climate-related risks, including our key environmental target to achieve and maintain operational carbon neutrality by 2025 through reducing emissions and purchasing offsets. This holds us accountable for our day-to-day actions and requires us to think critically about future investments and initiatives, as these have emissions implications and could impact our ability to achieve our target. We also have a secondary target to fully transition our sales fleet to hybrid and electric vehicles by 2025.

To incentivize progress, ESG targets are tied to the annual incentive cash bonus program of our Executive Team and our employees. In 2023, 3% of the program was tied to three ESG targets, one of which aimed to reduce our environmental impact. We already achieved our carbon neutrality target in 2019-2022 as well as the additional annual targets tied to compensation since 2022.

We recognize the need to continue to challenge ourselves to do more to reduce our emissions and mitigate potential risk. For more details about our targets and compensation, see pages [30](#) & [42](#) and our [Proxy Statement](#). For emissions and energy use metrics, see pages [34-37](#).



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Sustainability Disclosure Topics & Accounting Metrics

Topic	Accounting Metric	Code	Response
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	See Clinical Trials, page 15 .
	Number of inspections related to clinical trial management and pharmacovigilance that resulted in: (1) entity voluntary remediation or (2) regulatory or administrative actions taken against the entity	HC-BP-210a.2	For FDA inspections: (1) 0 (2) 0
	Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries	HC-BP-210a.3	Incyte discloses information about material legal proceedings in our Annual Report on Form 10-K .
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	We do not currently disclose this information.
	List of products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP)	HC-BP-240a.2	We do not currently disclose this information.
Affordability & Pricing	Percentage change in: (1) weighted average list price and (2) weighted average net price across product portfolio compared to previous reporting period	HC-BP-240b.2	We do not currently disclose this information.
	Percentage change in: (1) list price and (2) net price of product with largest increase compared to previous reporting period	HC-BP-240b.3	We do not currently disclose this information.
Drug Safety	Products listed in public medical product safety or adverse event alert databases	HC-BP-250a.1	0 listed in FDA MedWatch.
	Number of fatalities associated with products	HC-BP-250a.2	We do not currently disclose this information.
	(1) Number of recalls issued, (2) total units recalled	HC-BP-250a.3	0; 0
	Total amount of product accepted for take-back, reuse, or disposal	HC-BP-250a.4	We do not currently disclose this information.
	Number of enforcement actions taken in response to violations of good manufacturing practices (GMP) or equivalent standards, by type	HC-BP-250a.5	0 FDA enforcement actions

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Sustainability Disclosure Topics & Accounting Metrics

Topic	Accounting Metric	Code	Response
Counterfeit Drugs	Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting	HC-BP-260a.1	<p>Anti-counterfeiting measures and product serialization are in place to increase patient safety as well as to address regulatory requirements, thus ensuring Incyte's compliance, patients' safety and security. Two kinds of anti-counterfeiting features, overt and covert, are currently in place for Incyte medicines. Overt features are for patients, healthcare providers and regulatory authorities to authenticate the product and, as such, make medicines difficult to reproduce. To further avoid fake or counterfeit product, overt features are combined with tamper evident packaging. Covert features are intended for a restricted number of Incyte's personnel to quickly authenticate products in the event of suspected counterfeiting.</p> <p>Related to serialization, a single identifier is typically printed on each product pack along with a 2D barcode with encoded information and an anti-tempering device. At delivery to the patient and at any dispensing point with scanning equipment, the pack can then be scanned to confirm its authenticity.</p>
	Discussion of process for alerting customers and business partners to potential or known risks associated with counterfeit products	HC-BP-260a.2	<p>Suspected counterfeit issues or claims related to our products are handled internally via Incyte's Material Review Boards (MRB) and the Falsified Drug Product Committee (FDPC). The MRB is a Quality Assurance (QA) forum. In the event of a suspected counterfeit issue, the QA chair communicates with his/her QA business partner counterpart to determine the potential impact on product safety and the need for any related regulatory or other action. The FDPC is a cross-functional team, chaired by the Head of Supply Chain. The FDPC team includes representation from Supply Chain, QA, Communications, Commercial, Legal and Regulatory Affairs. The FDPC convenes meetings internally and externally to share information and align on necessary actions, including communication to external stakeholders. External communications have historically been disseminated by alerts from the WHO via its website and communications portal with health authorities, with Company Statements, including relevant information and contact details, being made available via the Incyte corporate website.</p>
	Number of actions that led to raids, seizure, arrests, and/or filing of criminal charges related to counterfeit products	HC-BP-260a.3	<p>Incyte discloses information about material legal proceedings in our Annual Report on Form 10-K.</p>

SASB**Sustainability Disclosure Topics & Accounting Metrics**

Topic	Accounting Metric	Code	Response
Ethical Marketing	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	HC-BP-270a.1	Incyte discloses information about material legal proceedings in our Annual Report on Form 10-K .
	Description of code of ethics governing promotion of off-label use of products	HC-BP-270a.2	See Ethical Marketing, page 45 .
Employee Recruitment, Development & Retention	Discussion of talent recruitment and retention efforts for scientists and research and development personnel	HC-BP-330a.1	See Team, page 19 .
	(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	We do not currently disclose this information at the group level, however, total voluntary turnover rate was 6% in 2023, down from 9.5% in 2022.
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	Incyte adheres to the Good Manufacturing Practice (GMP) standards set by the FDA. It is our goal to always operate in compliance with all applicable rules and regulations. As such, we expect that all third parties with whom we do business operate in compliance with all applicable laws and regulations of the countries, states and localities in which they operate. The standards and expectations we have for our third parties mirror those which we set for ourselves as reflected in our Code of Business Conduct and Ethics.
Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery	HC-BP-510a.1	Incyte discloses information about material legal proceedings in our Annual Report on Form 10-K .
	Description of code of ethics governing interactions with health care professionals	HC-BP-510a.2	See Ethical Marketing, page 45 .

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Activity Metrics

Activity Metric	Code	Disclosure
Number of patients treated	HC-BP-000.A	Over 210,000.
Number of drugs (1) in portfolio and (2) in research and development (Phases 1-3)	HC-BP-000.B	(1) 8 approved products. (2)

