Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the year ended December 31, 2022

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the period from to

Commission file number 0-17999

ImmunoGen, Inc.

Massachusetts	**04-2726691**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

830 Winter Street, Waltham, MA 02451
(Address of principal executive offices, including zip code)

(781) 895-0600
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, $0.01 par value	IMGN	Nasdaq Global Select Market

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☒ Yes ☐ No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. ☐ Yes ☒ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§229.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.:

Large accelerated filer ☒	Accelerated filer ☐
Non-accelerated filer ☐	Smaller reporting company ☐
	Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

Aggregate market value, based upon the closing sale price of the shares as reported by the Nasdaq Global Select Market, of common stock held by non-affiliates at June 30, 2022: $989,665,866 (excludes shares held by executive officers and directors). Exclusion of shares held by any person should not be construed to indicate that such person possesses the power, direct or indirect, to direct or cause the direction of management or policies of the registrant, or that such person is controlled by or under common control with the registrant. Common stock outstanding at February 21, 2023: 226,046,108 shares.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the definitive Proxy Statement on Schedule 14A to be delivered to shareholders in connection with the Annual Meeting of Shareholders to be held on June 14, 2023 are incorporated by reference into Part III of this report.

ImmunoGen, Inc.

Form 10-K

TABLE OF CONTENTS

Forward-looking statements

The Annual Report on Form 10-K includes forward-looking statements. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, these forward-looking statements relate to analyses and other information that are based on beliefs, expectations, assumptions, and forecasts of future results and estimates of amounts that are not yet determinable. These statements also relate to our prospects, future developments, product candidates, and business strategies.

These forward-looking statements are identified by their use of terms and phrases, such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “predict,” “project,” “will,” and other similar terms and phrases, including references to assumptions.

The forward-looking statements in this Annual Report on Form 10-K include, but are not limited to, statements about:

- the initiation, cost, timing, progress and results of our current and future research and development activities, preclinical studies, and clinical trials;
- the timing of, and our ability to obtain, regulatory approvals for our current and future product candidates, including full marketing approval of ELAHERE™ in the U.S., as well as for additional indications and additional geographies;
- our ability to advance any product candidates into, and successfully complete, clinical trials;
- the timing of our release of future data;
- the potential benefits of our product candidates;
- the potential benefits of our licensing arrangements;
- our expected sources of future revenues, including from product revenue and licensing arrangements;
- our estimates regarding expenses, capital requirements, the sufficiency of our current and expected cash resources, and our need for additional financing;
- the effect of the novel coronavirus (COVID-19) pandemic on the economy generally and on our business and operations specifically, including our research and development efforts, our clinical trials, and our employees, and the potential disruptions in supply chains and to our third-party manufacturers, including the availability of materials and equipment; and
- our commercialization, marketing, and manufacturing capabilities and strategy.

We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements, and investors should not place undue reliance on our forward-looking statements. Additionally, these forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause actual results to be materially different from those contemplated by our forward-looking statements. These known and unknown risks, uncertainties, and other factors are described in detail in the “Risk Factors” section and in other sections of this report.

The forward-looking statements contained herein represent our views as of the date of this Annual Report on Form 10-K. Except as required by law, we disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Risk Factors Summary

Our business is subject to varying degrees of risk and uncertainty. Investors should consider the risks and uncertainties summarized below, as well as the risks and uncertainties discussed further in Part I, Item 1A, “Risk Factors” of this Annual Report on Form 10-K.

Our business is subject to the following principal risks and uncertainties:

- We have a history of operating losses, expect to incur significant additional operating losses, and may never be profitable.
- There is substantial doubt about our ability to continue as a going concern.

- If we are unable to obtain additional funding when needed, we may have to delay or scale back some of our programs or grant rights to third parties to develop and market ELAHERE or our product candidates.
- Our prospects are highly dependent on the success of our only approved product, ELAHERE, which received FDA approval under an accelerated approval pathway. If we are unable to maintain approval for, or successfully commercialize, ELAHERE, our business, financial condition, results of operations, as well as our prospects, could be adversely affected.
- If our Antibody-Drug Conjugate technology does not produce safe, effective, and commercially viable products or if such products fail to obtain or maintain FDA approval, our business will be severely harmed.
- Clinical trials for ELAHERE, our product candidates, and those of our collaborators will be lengthy and expensive, and their outcome is uncertain.
- Interim, top-line, or preliminary data from our clinical trials that we announce may change as more patient data become available and are subject to audit and verification procedures that could result in material changes in the final data.
- We may be unable to compete successfully.
- If we are unable to protect our intellectual property rights adequately, the value of our technology and our product candidates could be diminished.
- We rely on a third-party to develop, manufacture, and commercialize the companion diagnostic for ELAHERE, and any delay or interruption in supply could negatively impact our commercial activities.
- Side effects, serious adverse events, or other undesirable properties associated with ELAHERE or our product candidates could delay or halt clinical trials, affect our ability to obtain or maintain regulatory approval, limit the commercial profile reflected in product labeling, or negatively affect market acceptance and commercial sales.
- We have received orphan drug designation for ELAHERE and other product candidates for specified indications; we may seek additional orphan drug designation for additional indications and for our other drug candidates. However, we may be unsuccessful in obtaining or may be unable to maintain the benefits associated with orphan drug designation, including the potential for market exclusivity.
- As our business grows, we will become subject to additional healthcare regulation and enforcement by various government entities, and our failure to strictly adhere to these regulatory regimes could have a detrimental impact on our business.
- We depend on our key personnel, and we must continue to attract and retain key employees and consultants.
- Our stock price may be volatile and fluctuate significantly and results announced by us and our collaborators or competitors could cause our stock price to decline.

Note Regarding Third-Party Trademarks

KADCYLA® is a registered trademark of Genentech, Inc. PROBODY™ is a trademark of CytomX. ELZONRIS® is a registered trademark of Menarini Group. Any other trademarks referred to in this Annual Report on Form 10-K are the property of their respective owners.

PART I

Item 1. *Business*

We are a commercial-stage biotechnology company focused on developing and commercializing the next generation of antibody-drug conjugates (ADCs) to improve outcomes for cancer patients. By generating targeted therapies with enhanced anti-tumor activity and favorable tolerability profiles, we aim to disrupt the progression of cancer and offer patients more good days. We call this our commitment to “target a better now.”

An ADC with our proprietary technology comprises an antibody that binds to a target found on tumor cells and is conjugated to one of our potent anti-cancer agents as a “payload” to kill the tumor cell once the ADC has bound to its target. ADCs are an expanding class of anticancer therapeutics, with twelve approved products and the number of agents in development growing significantly in recent years.

We have established a leadership position in ADCs with a portfolio of differentiated product candidates to address both solid tumors and hematologic malignancies. We have set four strategic priorities for the business:

- execute the commercial launch for ELAHERE™ (mirvetuximab soravtansine-gynx) (ELAHERE);
- expand the ELAHERE label by moving into platinum-sensitive ovarian cancer;
- advance our clinical pipeline of novel ADCs for hematologic and solid tumors; and
- strengthen and expand our pipeline through both internal discovery and external partnerships.

We believe that sound execution of these prioritized activities will create substantial short-and long-term value for shareholders, employees, patients, and other stakeholders in the Company.

ELAHERE (Mirvetuximab Soravtansine)

Approval and Launch

ELAHERE is a first-in-class ADC targeting folate receptor alpha (FRα), a cell-surface protein over-expressed in a number of epithelial tumors, including ovarian, endometrial, and non-small-cell lung cancers. On November 14, 2022, the U.S. Food and Drug Administration (FDA) granted accelerated approval for ELAHERE for the treatment of adult patients with FRα positive, platinum-resistant epithelial ovarian, fallopian tube, or primary peritoneal cancer, who have received one to three prior systemic treatment regimens. The accelerated approval of ELAHERE was based on efficacy and safety outcomes from SORAYA, a single-arm trial of ELAHERE in patients with platinum-resistant ovarian cancer whose tumors express high levels of FRα. Continued approval may be contingent upon verification and description of clinical benefit in a confirmatory trial. Patients eligible for treatment with ELAHERE are selected by the VENTANA FOLR1 (FOLR1-2.1) RxDx Assay developed by Roche Tissue Diagnostics (RTD), which was also approved by the FDA on November 14, 2022. We completed the build out of our U.S. commercial infrastructure in 2022 and initiated sales in the U.S. in November 2022.

Ongoing Development

In addition to SORAYA, we are conducting MIRASOL, a randomized Phase 3 clinical trial designed to support full approval of ELAHERE. In July of 2022, we completed enrollment in MIRASOL and expect to report top-line data from this trial in the second quarter of 2023. If MIRASOL is successful, we plan to submit a marketing authorisation application, or MAA, for approval of ELAHERE for the treatment of adult patients with FRα positive, platinum-resistant epithelial ovarian, fallopian tube, or primary peritoneal cancer, who have received one to three prior systemic treatment regimens with the European Medicines Agency, or EMA, in the second half of 2023. Additionally, our partner, Huadong Medicine, expects to submit a biologics license application to the National Medical Products Administration (NMPA) of China for ELAHERE in the same indication in the second half of 2023 to support potential approval and launch of ELAHERE in Greater China in 2024.

Beyond platinum-resistant ovarian cancer, our strategy is to move ELAHERE into platinum- sensitive disease, and to position the product as the combination agent of choice in ovarian cancer. To this end, in January 2023, we completed patient enrollment in PICCOLO, a single-arm trial of ELAHERE monotherapy in later-line FRα positive platinum-sensitive patients, and plan to report on the primary endpoint before the end of 2023. We have also generated encouraging data in recurrent platinum-sensitive disease with the combination of ELAHERE plus carboplatin and are supporting investigator sponsored trials (ISTs) with this combination in a single arm trial in the neoadjuvant setting and in a randomized trial comparing ELAHERE combined with carboplatin to standard of care in patients with recurrent platinum-sensitive disease. We also initiated a single-arm Phase 2 trial (0420) of this combination followed by ELAHERE continuation in FRα-low, medium, and high patients with platinum-sensitive disease. Results from this trial and our ongoing ISTs will inform a path to the potential registration for ELAHERE plus carboplatin and, in parallel, could support compendia listing for this combination. Finally, we have initiated GLORIOSA, a randomized Phase 3 trial of ELAHERE plus bevacizumab maintenance in FRα-high recurrent platinum-sensitive disease that we believe could support label expansion.

Pivekimab Sunirine

Pivekimab sunirine (PVEK), formerly known as IMGN632, is an ADC comprised of a high-affinity antibody designed to target CD123 with site-specific conjugation to a DNA-alkylating payload of the novel IGN (indolinobenzodiazepine pseudodimer) class. Our IGNs are designed to alkylate DNA without cross-linking, which has provided a broad therapeutic index in preclinical models. We are advancing PVEK in clinical trials for patients with

blastic plasmacytoid dendritic cell neoplasm (BPDCN) and acute myeloid leukemia (AML).

BPDCN is a rare form of blood cancer, with an annual incidence of between 500 and 1,000 patients in the US. In October 2020, the FDA granted Breakthrough Therapy designation for PVEK for the treatment of patients with relapsed or refractory BPDCN. Based on feedback from the FDA, we amended our ongoing 801 Phase 2 trial, known as CADENZA, to include a new cohort of up to 20 frontline BPDCN patients.

Initial enrollment in CADENZA did not distinguish between de novo BPDCN patients and those who presented with a prior or concomitant hematologic malignancy (PCHM). Although complete responses have been observed in BPDCN patients who present with PCHM, most will not achieve full hematologic recovery due to the impact of their prior or concomitant malignancy. For these patients, we believe that achieving a complete response with partial hematological recovery (CRh) is a potentially important measure of clinical benefit.

In data from the first ten patients in the pivotal CADENZA frontline cohort, we observed: 2 of 4 de novo patients achieved CR (complete response)/CRc (clinical complete response); and 4 of 6 PCHM patients achieved CR/CRc/CRh. In addition, in three frontline patients (2 de novo, 1 PCHM) enrolled prior to the opening of the pivotal cohort, all three patients achieved CR/CRc.

A Type B meeting was held in August 2022 regarding these initial data from the CADENZA trial. Based on FDA feedback on trial design provided in this meeting, the efficacy analysis will be conducted in de novo BPDCN patients with CR/CRc as the primary endpoint and the key secondary endpoint of duration of CR/CRc. We will enroll up to 20 de novo patients for purposes of the efficacy analysis. We will also continue to enroll PCHM patients in CADENZA to further evaluate PVEK in this population. The Company expects to report top-line data on the primary and key secondary endpoints in 2024.

We are also conducting our 802 trial for PVEK, which is a Phase 1b/2 trial designed to determine the safety, tolerability, and preliminary antileukemia activity of PVEK when administered in combination with azacytidine and venetoclax to patients with relapsed and frontline CD123-positive AML. Having identified the recommended Phase 2 dose for the triplet, patients are accruing in both expansion cohorts. In December 2022, safety and efficacy findings in relapsed refractory AML and initial data in frontline AML was presented at the American Society of Hematology Annual Meeting. In the first 10 frontline patients enrolled, 5/10 (50%) patients achieved a CR and 3/4 (75%) patients tested had a minimal residual disease (MRD)-negative CR. Based upon these results, the Company will continue enrollment in two frontline AML expansion cohorts to optimize the duration of venetoclax therapy. In addition, in December 2022, the Company announced a clinical collaboration with Gilead Sciences, Inc. to study PVEK in combination with magrolimab in relapsed refractory AML and expects to initiate this cohort under the 802 trial in the second half of 2023.

Other Pipeline Programs

We continue to advance our earlier-stage pipeline programs. IMGC936 is an ADC in development with MacroGenics, Inc. that is designed to target ADAM9, an enzyme over-expressed in a range of solid tumors and implicated in tumor progression and metastasis. IMGC936 incorporates a number of innovations, including antibody engineering to extend half-life, site-specific conjugation with a fixed drug-antibody ratio to enable higher dosing, and a next-generation linker and payload designed for improved stability and bystander activity. Phase 1 dose escalation was completed and expansion cohorts in non–small cell lung cancer and triple-negative breast cancer initiated in the second half of 2022. We expect to provide initial data from these cohorts in the second quarter of 2023.

IMGN151 is our next generation anti-FRα product candidate in development. This ADC integrates innovation in each of its components, which we believe may enable IMGN151 to address patient populations with lower levels of FRα expression, including tumor types outside of ovarian cancer. We began enrollment in a Phase I clinical trial evaluating IMGN151 in patients with recurrent endometrial cancer and recurrent, high-grade serous epithelial ovarian, primary peritoneal, or fallopian tube cancers in January 2023.

Collaborations and Out-Licenses

Over the last 40 years, we believe ImmunoGen has assembled the most comprehensive ‘‘toolbox’’ in the ADC field. Our platform technology combines advanced chemistry and biochemistry with innovative approaches to antibody optimization, with a focus on increasing the diversity and potency of our payload agents, advancing antibody-payload linkage and release technologies, and integration of novel approaches to antibody engineering. These capabilities have enabled us to generate a pipeline of novel candidates with potent anti-tumor activity and favorable safety profiles that we can develop as monotherapies and in combination with existing and novel therapies.

Collaborating on ADC development with other companies allows us to enhance our capabilities, extend the reach of our proprietary platform, mitigate expenses, and generate revenue. We have selectively licensed restricted

access to our ADC platform technology to other companies to expand the use of our technology and to provide us with cash to fund our own product programs. These agreements typically provide the licensee with rights to use our ADC platform technology with its antibodies or related targeting vehicles to a defined target to develop products. The licensee is generally responsible for the development, clinical testing, manufacturing, registration, and commercialization of any resulting product candidate. As part of these agreements, we are generally entitled to receive upfront fees, potential milestone payments, royalties on the sales of any resulting products, and research and development funding based on activities performed at our collaborative partner's request.

Below is a table setting forth our current licensed ADC partnerships and status of the most advanced program in each partnership:

Partner	Licensed targets/compounds	Status of Most Advanced Program
Roche	HER2, 4 other[1]	Marketed
Huadong	ELAHERE – Greater China	Phase 3
Viridian	IGF-1R non-cancer radiopharmaceuticals	Phase 3
CytomX	CD166, EpCAM	Phase 2
Debiopharm	CD37[2]	Phase 2
Bayer	Mesothelin	Phase 1
Novartis	CCR7	Phase 1
Oxford BioTherapeutics/Menarini	CD205[3]	Phase 1
Fusion	Undisclosed	Phase 1
Lilly	Undisclosed	Preclinical
Magenta	Undisclosed	Preclinical

[1] *Undisclosed.*

[2] *Debiopharm has an exclusive license for Debio 1562 (formerly known as IMGN529).*

[3] *Oxford BioTherapeutics and Menarini are developing MEN 1309, an ADC targeting CD205 and utilizing our DM4 payload, pursuant to a sublicense from Amgen, which in turn licensed our maytansinoid ADC technology to develop and commercialize ADCs targeting CD205.*

Below is a brief description of material business relationships underlying certain of the foregoing programs. For more information concerning these relationships with partners, including their ongoing financial and accounting impact on our business, please read Note C, Collaboration and License Agreements, to our audited consolidated financial statements included in this Annual Report on Form 10-K.

Huadong

In October 2020, we entered into a collaboration and license agreement with Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd. (Huadong) a subsidiary of Huadong Medicine Co., Ltd., under which Huadong will exclusively develop and commercialize ELAHERE in the People's Republic of China, Hong Kong, Macau, and Taiwan, which we refer to as Greater China. Under the terms of the collaboration and license agreement, we received a non-refundable upfront payment of $40 million and are eligible to receive additional payments of up to $265.0 million as certain development, regulatory, and net sales milestones are achieved. We are also eligible to receive tiered low double digit to high teen royalties as a percentage of ELAHERE commercial sales by Huadong in Greater China. Through December 31, 2022, the Company had received an aggregate of $15.0 million in milestone payments under this agreement. Although we hold the MAA, Huadong is responsible for the development and commercialization of ELAHERE in Greater China except in limited circumstances. In addition, we granted Huadong a right of first negotiation if we determine to enter into an agreement to grant a third party rights in Greater China to develop or commercialize a product, other than ELAHERE, that specifically binds to FRα. We retain all rights to ELAHERE in the rest of the world. The standard termination provisions discussed below apply to this license.

Lilly

In February 2022, we entered into a license agreement with Eli Lilly and Company (Lilly), pursuant to which we granted Lilly worldwide exclusive rights to research, develop, and commercialize antibody-drug conjugates based on the Company's novel camptothecin technology. Under the terms of the license agreement, we received a non-refundable upfront payment of $13.0 million, reflecting initial targets selected by Lilly. During 2022, pursuant to the terms of the agreement, Lilly selected additional targets for which we received an additional $13.0 million in non-refundable payments. Lilly may select a pre-specified number of additional targets, with the Company eligible to receive an additional $19.5 million in exercise fees if Lilly licenses the full number of remaining additional targets over a specified period following the effective date of the license agreement, with the potential for up to $1.7 billion in development and sales-based milestone payments if all targets are selected and all milestones are realized. In addition, we are entitled to receive tiered royalties, on a product-by-product basis, as a percentage of worldwide annual net sales by Lilly, based on certain net sales thresholds. Lilly is responsible for all costs associated with the research, development, and commercialization of any ensuing products. The standard termination provisions discussed below apply to this license.

Standard Termination Provisions

Standard termination provisions in our license agreements state that the partner may terminate the agreement for convenience at any time upon prior written notice to us. The agreement may also be terminated by either party for a material breach by the other, subject to notice and cure provisions. We may also terminate certain of these agreements upon the occurrence of specified events. Upon termination, the partner's rights to our intellectual property with respect to the applicable target are canceled and could then be used by us or re-licensed for that target. Unless earlier terminated, each agreement will continue in effect until the expiration of partner's royalty obligations, which are determined on a product-by-product and country-by-country basis. For each product and country, royalty obligations commence upon first commercial sale of that product in that country and extend until the later of either the expiration of the last-to-expire ImmunoGen patent covering that product in that country or the expiration for that country of the minimum royalty period specified in the agreement.

Patents, Trademarks and Trade Secrets

ImmunoGen has a substantial and robust intellectual property portfolio comprising over 1,800 issued patents and over 700 pending patent applications on a worldwide basis. Our intellectual property strategy centers on obtaining high quality patent protection directed to various embodiments of our proprietary technologies and product candidates. Using this strategy, our ADC technology and our product candidates are protected through a multi-layered approach. In this regard, we have patents and patent applications covering antibodies and other cell binding agents, linkers, cytotoxic payload agents (e.g., tubulin-acting maytansinoids, DNA-alkylating IGNs, and DNA-acting camptothecins), conjugation methodologies and complete ADCs, comprising one or more of these components, as well as methods of making and using each of the above. Typically, multiple issued patents and pending patent applications cover various embodiments of each of ImmunoGen's and our licensees' product candidates.

We consider our tubulin-acting maytansinoid, DNA-alkylating IGN, and DNA-acting camptothecin cytotoxic payload agent technologies to be key components of our overall patent strategy. With regard to our tubulin-acting maytansinoid cytotoxic payload agents, we currently own 22 issued U.S. patents covering various embodiments of our maytansinoid technology including those with claims directed to certain maytansinoids, including DM4 and DM21, and methods of manufacturing DM1, DM4, and DM21, as well as methods of using the same. These issued patents are expected to remain in force until various times between 2023 and 2038. With regard to our IGN payload agents, we have 39 issued U.S. patents covering various aspects of our DNA-acting cytotoxic payload agents, which will expire at various times between 2030 and 2038. With regard to our camptothecin agents, we have an issued U.S. patent covering various aspects of our camptothecin cytotoxic payload agents, which expires in 2040. In addition, we have received or are applying for comparable patent protection in other major commercial and manufacturing jurisdictions, including Europe, Japan, and China. In nearly all cases for our maytansinoid, IGN, and camptothecin patent portfolios, we have additional pending patent applications disclosing and claiming many other related and strategically important embodiments of these technologies which, upon issuance or grant, will extend our patent protection term over these technologies by several additional years.

Our intellectual property strategy also includes pursuing patents directed to linkers, antibodies, conjugation methods, ADC formulations and the use of specific antibodies and ADCs to treat certain diseases. In this regard, we have 22 issued patents related to many of our linker technologies, as well as additional pending patent applications disclosing and claiming many other related and strategically important embodiments of these linker technologies, including methods of making the linkers and antibody maytansinoid conjugates comprising these linkers. These issued patents are expected to remain in force until various times between 2023 and 2034. We also have 23 issued U.S. patents

covering methods of assembling ADCs from their constituent antibody, linker, and cytotoxic payload agent moieties. These issued patents will expire between 2026 and 2039. In nearly all instances for both our linker and conjugation patent portfolios, we have additional pending patent applications disclosing and claiming many other related and strategically important embodiments of these technologies which, upon issuance or grant, would extend our patent protection term over these technologies by several additional years. In addition, we have received or are applying for comparable patents in other major commercial and manufacturing jurisdictions including Europe, Japan, and China.

We also file, prosecute, and maintain a substantial portfolio of patents and patent applications specifically directed to ImmunoGen's and our licensees' ADC candidates. In this regard, we craft a detailed patent protection strategy for each ADC as it approaches clinical evaluation. Such strategies make use of the patents and patent applications described in the preceding paragraphs, as well as ADC-specific filings, to create a multi-layered and multi-jurisdictional patent protection approach for each ADC as it enters the clinic. These ADC-specific patent strategies are intended to provide the exclusivity basis for revenue and royalties arising from commercial development of each of ImmunoGen's and our licensees' ADCs. In addition to the platform patent strategy described above and specific to ELAHERE, we have 21 issued U.S. patents and 15 pending U.S. applications covering various embodiments of the composition of matter and methods of treatment using ELAHERE, expiring at various times between 2031 and 2043. We have filed 5 applications for patent term extension of patents covering various aspects of ELAHERE with the U.S. Patent and Trademark Office. We expect the U.S. Patent and Trademark Office to deem one or more of these patent term extension applications allowable. We will elect to have the term of one of the patents underlying the patent term extension applications extended for the period of time set forth in the application for patent term extension. With respect to PVEK, we have 6 issued U.S. patents and 5 pending U.S. applications covering various embodiments of the composition of matter and methods of treatment using PVEK, expiring at various times between 2036 and 2043.

We expect our continued independent and collaborative work in each of these areas will lead to other patent applications. We will be the owner of all patents covering our independently generated inventions. In all other instances, we expect to either be the sole owner or co-owner of any patents covering collaboratively generated inventions insofar as they relate to co-developed products or our ADC platform technology, or otherwise have an exclusive or non-exclusive license to the technology covered by such patents.

We cannot provide assurance that pending patent applications will issue as patents or that any patents, if issued, will provide us with adequate protection against competitors with respect to the covered products, technologies, or processes. Defining the scope and term of patent protection involves complex legal and factual analyses and, at any given time, the result of such analyses may be uncertain. In addition, other parties may challenge our patents in litigation or administrative proceedings resulting in a partial or complete loss of certain patent rights owned or controlled by ImmunoGen. Furthermore, as a patent does not confer any specific freedom to operate, other parties may have patents that may block or otherwise hinder the development and commercialization of our technology.

In addition, many of the processes and much of the know-how that are important to us depend upon the skills, knowledge, and experience of our key scientific and technical personnel, which skills, knowledge, and experience are not patentable. To protect our rights in these areas, we require that all employees, consultants, advisors, and collaborators enter into confidentiality agreements with us. Further, we require that all employees enter into assignment of invention agreements as a condition of employment. We cannot provide assurance, however, that these agreements will provide adequate or any meaningful protection for our trade secrets, know-how, or other proprietary information in the event of any unauthorized use or disclosure of such trade secrets, know-how, or proprietary information. Further, in the absence of patent protection, we may be exposed to competitors who independently develop substantially equivalent technology or otherwise gain access to our trade secrets, know-how, or other proprietary information.

Competition

We focus on highly competitive areas of product development. Our competitors include major pharmaceutical companies and other biotechnology firms. For example, Mersana Therapeutics, Eisai, and Sutro BioPharma have clinical-stage ADCs targeting platinum resistant ovarian cancer, and Pfizer, Seattle Genetics, Roche, Astellas, AstraZeneca, Daiichi Sankyo, GlaxoSmithKline, AbbVie, and the Menarini Group have programs to attach a cell-killing small molecule to an antibody for targeted delivery to cancer cells. Pharmaceutical and biotechnology companies, as well as other institutions, also compete with us for promising targets for antibody-based therapeutics, for obtaining licenses and collaboration agreements with other companies to develop targets for antibody-based therapeutics, and in recruiting highly qualified scientific personnel. Additionally, there are non-ADC therapies available and/or in development for the cancer types we and our partners are targeting. Many competitors and potential competitors have substantially greater scientific, research, and product development capabilities, as well as greater financial, sales, marketing, and human resources than we do. In addition, many specialized biotechnology firms have formed

collaborations with large, established companies to support the research, development, and commercialization of products that may be competitive with ours.

In particular, competitive factors within the antibody and cancer therapeutic market include:

- the safety, efficacy, and convenience of products;
- the timing of regulatory approvals and commercial introductions;
- special regulatory designation of products, such as orphan drug and breakthrough therapy designations; and
- the effectiveness of marketing, sales, and reimbursement efforts.

Our competitive position depends on a combination of factors. These include effectively pursuing the development of proprietary products, the implementation of clinical development programs, the ability to appropriately manufacture, sell, and market our products, and the procurement of patent protection for our products. In addition, we must secure sufficient capital resources to accomplish all of the previously mentioned activities.

Continued development of conventional and targeted chemotherapeutics by large pharmaceutical companies and biotechnology companies may result in new compounds that may compete with our product candidates. Antibodies developed by certain of these companies have been approved for use as cancer therapeutics. In the future, new antibodies or other targeted therapies may compete with our product candidates. Other companies have created or have programs to create potent cell-killing agents for attachment to antibodies. These companies may compete with us for technology out-license arrangements.

Managing the Impact of the COVID-19 Pandemic

Since the first quarter of 2020, although we have experienced some delays or disruptions due to the COVID-19 pandemic, we have successfully continued to move our clinical trials forward while adapting to meet the evolving challenges of the pandemic. We implemented business continuity plans in March 2020 that enabled our workforce to remain productive while working from home until mid-September 2021, at which time our workforce returned to the office. From a regulatory perspective, since the beginning of the pandemic, we have received timely reviews of our submissions to the FDA and other health authorities covering our clinical trial applications. From a manufacturing and supply chain perspective, we believe we have sufficient inventory on hand for all of our ongoing and near-term clinical trials and to support the launch and continued commercialization of ELAHERE. COVID-19 may impact our commercial activities for ELAHERE, including patient access to testing and identification, but we will conduct commercial and medical affairs field activities in virtual formats where in-person interactions are not feasible.

Regulatory Matters

Government Regulation and Product Approval

Government authorities in the U.S., at the federal, state, and local level, and other countries extensively regulate, among other things, the research, development, testing, manufacture, quality control, approval, labeling, packaging, storage, record-keeping, promotion, advertising, distribution, marketing, and export and import of drug products. A new drug must be approved by the FDA through the new drug application, or NDA, process and a new biologic must be approved by the FDA through the biologics license application, or BLA, process before it may be legally marketed in the U.S.

U.S. Drug Development Process

In the U.S., the FDA regulates drugs under the federal Food, Drug, and Cosmetic Act (FDCA) and in the case of biologics, also under the Public Health Service Act (PHSA) and implementing regulations. The process of obtaining regulatory approvals and the subsequent compliance with applicable federal, state, and local statutes and regulations require the expenditure of substantial time and financial resources. Failure to comply with the applicable U.S. requirements at any time during the product development process, approval process, or after approval, may subject an applicant to adverse administrative or judicial actions. These actions could include the FDA’s refusal to approve pending applications, withdrawal of an approval, a clinical hold, warning letters, product recalls, product seizures, total or partial suspension of production or distribution, injunctions, fines, refusals of government contracts, restitution, disgorgement, or civil or criminal penalties. Any such administrative or judicial action could have a material adverse effect on our business.

The process required by the FDA before a drug or biologic may be marketed in the U.S. generally involves the following:

- completion of preclinical and other nonclinical laboratory tests, animal studies, and formulation studies according to current Good Laboratory Practices (cGLP) or other applicable regulations;
- submission to the FDA of an IND, which must become effective before human clinical trials may begin;
- performance of adequate and well-controlled human clinical trials according to current Good Clinical Practices (cGCP) to establish the safety and efficacy of the proposed drug for its intended use;
- development and approval of a companion diagnostic if the FDA or the sponsor believes that its use is essential for the safe and effective use of a corresponding product;
- submission to the FDA of an NDA or BLA;
- satisfactory completion of an FDA inspection of the manufacturing facility or facilities at which the drug is produced to assess compliance with current Good Manufacturing Practice (cGMP) to assure that the facilities, methods, and controls are adequate to preserve the drug's identity, strength, quality, and purity; and
- the FDA's review and approval of the NDA or BLA.

Once a pharmaceutical candidate is identified for development, it enters the preclinical testing stage. Preclinical tests include laboratory evaluations of product chemistry, toxicity, and formulation, as well as animal studies. An IND sponsor must submit the results of the preclinical tests, together with manufacturing information and analytical data, to the FDA as part of the IND. The sponsor will also include a clinical protocol detailing, among other things, the objectives of the first phase of the clinical trial, the parameters to be used in monitoring safety, and the effectiveness criteria to be evaluated, if the first phase lends itself to an efficacy evaluation. Some nonclinical testing may continue even after the IND is submitted and clinical trials have begun. The IND automatically becomes effective 30 days after receipt by the FDA, unless the FDA, within the 30-day time period, places the clinical trial on a clinical hold. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. Clinical holds also may be imposed by the FDA at any time before or during clinical trials due to safety concerns about ongoing or proposed clinical trials or non-compliance with specific FDA requirements, and the trials may not begin or continue until the sponsor submits additional information that alleviates the FDA's concerns, and the FDA notifies the sponsor that the hold has been lifted.

Each clinical trial must be conducted under the supervision of one or more qualified investigators in accordance with cGCP requirements in accordance with a protocol for each phase of the clinical trial included as part of the IND, and timely safety reports must be submitted to the FDA and the investigators for serious and unexpected adverse events. A local or central institutional review board (IRB) acting on behalf of each institution participating in the clinical trial must review and approve each protocol before a clinical trial commences at that institution and must also approve the information regarding the trial and the consent form that must be provided to each trial subject or his or her legal representative, monitor the trial until completed, and otherwise comply with IRB regulations.

Human clinical trials are typically conducted in three sequential phases that may overlap or be combined:

- ***Phase 1:*** The product candidate is initially introduced into healthy human subjects and tested for safety and dosage tolerance, absorption, metabolism, distribution, and excretion. In the case of some products for severe or life-threatening diseases, such as cancer, especially when the product may be too inherently toxic to ethically administer to healthy volunteers, the initial human testing is often conducted in patients.
- ***Phase 2:*** This phase involves clinical trials in a limited patient population to identify possible adverse effects and safety risks, to preliminarily evaluate the efficacy of the product for specific targeted diseases and to determine dosage tolerance and optimal dosage.
- ***Phase 3:*** These trials are undertaken to further evaluate dosage, clinical efficacy, and safety in an expanded patient population at geographically dispersed clinical trial sites and to establish the overall risk-benefit ratio of the product candidate and provide, if appropriate, an adequate basis for product labeling.

Post-approval trials, sometimes referred to as Phase 4, may be conducted after initial marketing approval. These trials are used to gain additional information about the use of the approved drug in the treatment of patients in the intended therapeutic indication. In certain instances, the FDA may mandate the performance of post-approval trials as a condition of approval of an NDA or BLA.

The FDA or the sponsor may suspend a clinical trial at any time on various grounds, including a finding that the research subjects or patients are being exposed to an unacceptable health risk. Similarly, an IRB can suspend or terminate approval of a clinical trial at its institution if the clinical trial is not being conducted in accordance with the IRB's requirements or if the drug has been associated with unexpected or serious patient reactions. Additionally, some clinical trials are overseen by an independent group of qualified experts organized by the sponsor, known as a data safety monitoring board or committee. Depending on its charter, this group may determine whether a trial may move forward at designated check points based on access to certain data from the trial. Phase 1, Phase 2, and Phase 3 testing may not be completed successfully within any specified period, if at all.

During the development of a new drug, sponsors may request meetings with the FDA to share information about the data gathered to date, for the FDA to provide advice, and for the sponsor and the FDA to reach agreement on the next phase of development.

Concurrent with clinical trials, companies usually complete additional animal studies and must also develop additional information about the chemistry and physical characteristics of the drug and finalize a process for manufacturing the product in commercial quantities in accordance with cGMP requirements. The manufacturing process must be capable of consistently producing quality batches of the product candidate and, among other things, the manufacturer must develop methods for testing the identity, strength, quality, and purity of the final drug. Additionally, appropriate packaging must be selected and tested, and stability studies must be conducted to demonstrate that the product candidate does not undergo unacceptable deterioration over its shelf life.

While the IND is active, progress reports summarizing the results of the clinical trials and nonclinical studies performed since the last progress report must be submitted at least annually to the FDA, and written IND safety reports must be submitted to the FDA and investigators for serious and unexpected suspected adverse events, findings from other studies suggesting a significant risk to humans exposed to the same or similar drugs, findings from animal or *in vitro* testing suggesting a significant risk to humans, and any clinically important increased incidence of a serious suspected adverse reaction compared to that listed in the protocol or investigator brochure.

There are also requirements governing the reporting of ongoing clinical trials and completed trial results to public registries. Most sponsors of clinical trials of FDA-regulated products are required to register and disclose specified clinical trial information, which is publicly available at www.clinicaltrials.gov. Information related to the product, patient population, phase of investigation, trial sites and investigators, and other aspects of the clinical trial is then made public as part of the registration. Sponsors are also obligated to disclose the results of their clinical trials after completion. Disclosure of the results of these trials can be delayed until the new product or new indication being studied has been approved. However, there are evolving rules and increasing requirements for publication of all trial-related information, and it is possible that data and other information from trials involving drugs that never garner approval could require disclosure in the future.

Companion Diagnostics

For ELAHERE, (and potentially other of our product candidates), we work with collaborators to develop or obtain access to *in vitro* companion diagnostic tests to identify appropriate patients for these targeted therapies. For example, we partnered with RTD to develop a companion diagnostic device for ELAHERE. In conjunction with the FDA's approval of ELAHERE, the agency also approved the VENTANA FOLR1 RxDx Assay as a companion diagnostic device to select patients eligible for treatment with ELAHERE.

If the FDA believes that a diagnostic test is essential for the safe and effective use of a corresponding therapeutic product, the FDA may require the sponsor to develop, and obtain contemporaneous clearance or approval for a companion diagnostic. Companion diagnostics can be used to identify patients likely to be more responsive to a particular therapy or at increased risk for serious side effects as a result of treatment with a particular therapeutic product. They may also be useful for monitoring the response to treatment for the purpose of adjusting treatment or doses to achieve improved safety or effectiveness.

Companion diagnostics are regulated by the FDA as medical devices. The FDA applies a risk-based approach to determine the regulatory pathway for companion diagnostics. This means that the regulatory pathway will depend on the level of risk to patients, based on the intended use of the companion diagnostic device and the controls necessary to provide a reasonable assurance of safety and effectiveness. The two primary types of marketing pathways for medical

devices are clearance of a premarket notification under Section 510(k) of the FDCA, or 510(k), and approval of a premarket approval application (PMA). We expect that any companion diagnostic developed for use with our drug candidates will utilize the PMA pathway. If the diagnostic test and the therapeutic drug are studied together to support their respective approvals, the clinical trial must meet both the IND requirements and the FDA's companion diagnostic requirements that apply to clinical trials of significant risk devices.

The FDA expects that the therapeutic sponsor will address the need for a companion diagnostic device in its therapeutic product development plan and that, in most cases, the therapeutic product and its corresponding companion diagnostic device will be developed contemporaneously.

PMAs must be supported by valid scientific evidence, which typically requires extensive data, including technical, preclinical, clinical, and manufacturing data, to demonstrate to the FDA's satisfaction the safety and effectiveness of the device. For diagnostic tests, a PMA typically includes data regarding analytical and clinical validation studies. As part of its review of the PMA, the FDA will conduct a pre-approval inspection of the manufacturing facility or facilities to ensure compliance with the Quality System Regulation (QSR) which requires manufacturers to follow design, testing, control, documentation, and other quality assurance procedures. The FDA's review of an initial PMA may require several years to complete.

After approval, the use of a companion diagnostic device with a therapeutic product will be stipulated in the instructions for use in the labeling of both the diagnostic device and the corresponding therapeutic product. In addition, a diagnostic test that was approved through the PMA process or one that was cleared through the 510(k) process and placed on the market will be subject to ongoing regulatory requirements, including requirements related to device labeling and promotion, registration and listing, QSR, and medical device reporting.

U.S. Review and Approval Processes

The results of product development, preclinical and other non-clinical studies, and clinical trials, along with descriptions of the manufacturing process, analytical tests conducted on the chemistry of the drug, proposed labeling, and other relevant information are submitted to the FDA as part of an NDA or BLA requesting approval to market the product. The submission of an NDA or BLA is subject to the payment of user fees; a waiver of such fees may be obtained under certain limited circumstances. The FDA reviews all NDAs and BLAs submitted to ensure that they are sufficiently complete for substantive review before it accepts them for filing. The FDA may request additional information rather than accept an NDA or BLA for filing. In this event, the NDA or BLA must be resubmitted with the additional information. The resubmitted application also is subject to review before the FDA accepts it for filing. Once the submission is accepted for filing, the FDA begins an in-depth substantive review. The FDA may refer the NDA or BLA to an advisory committee for review, evaluation, and recommendation as to whether the application should be approved and under what conditions. The FDA is not bound by the recommendation of an advisory committee, but it generally follows such recommendations. The approval process is lengthy and often difficult, and the FDA may refuse to approve an NDA or BLA if the applicable regulatory criteria are not satisfied or may require additional clinical or other data and information. Even if such data and information are submitted, the FDA may ultimately decide that the NDA or BLA does not satisfy the criteria for approval. Data obtained from clinical trials are not always conclusive and the FDA may analyze and interpret data differently than we analyze and interpret the same data. The FDA reviews an NDA to determine, among other things, whether a product is safe and effective for its intended use and whether its manufacturing is cGMP-compliant to assure and preserve the product's identity, strength, quality, and purity. The FDA reviews a BLA to determine, among other things whether the product is safe, pure, and potent and the facility in which it is manufactured, processed, packed, or held meets standards designed to assure the product's continued safety, purity, and potency. Before approving an NDA or BLA, the FDA will inspect the facility or facilities where the product is manufactured to assure compliance with cGMPs and may also inspect clinical trial sites to assure compliance with GCPs.

NDAs or BLAs receive either standard or priority review. Priority review, which is requested at the time of BLA or NDA submission, is designed to expedite the review for drugs that provide meaningful therapeutic benefit to patients over existing treatments. Priority review for an NDA for a new molecular entity and original BLAs will be 6 months from the date that the NDA or BLA is filed, compared to 10 months under standard review. Although the FDA's goal is to take action on priority review applications within 6 months, the agency does not always meet this goal and the review process may be significantly extended by requests for additional information or clarification from the FDA. Priority review does not change the standards for approval, but may expedite the approval process.

After the FDA evaluates an NDA or BLA, it will issue an approval letter or a complete response letter. An approval letter authorizes commercial marketing of the drug with prescribing information for specific indications. A complete response letter indicates that the review cycle of the application is complete, and the application will not be

approved in its present form. A complete response letter usually describes the specific deficiencies in the NDA or BLA identified by the FDA and may require additional clinical data, such as an additional Phase 3 trial or other significant and time-consuming requirements related to clinical trials, nonclinical studies, or manufacturing. If a complete response letter is issued, the sponsor has one year to resubmit the NDA or BLA, addressing all of the deficiencies identified in the letter, or withdraw the application. Even if such data and information are submitted, the FDA may decide that the NDA or BLA does not satisfy the criteria for approval.

If a product receives regulatory approval, the approval may be significantly limited to specific diseases and dosages or the indications for use may otherwise be limited, which could restrict the commercial value of the product. In addition, the FDA may require a sponsor to conduct Phase IV testing which involves clinical trials designed to further assess a drug's safety and effectiveness after NDA or BLA approval and may require testing and surveillance programs to monitor the safety of approved products which have been commercialized. The FDA may also place other conditions on approval including the requirement for a risk evaluation and mitigation strategy (REMS) to assure the safe use of the drug. If the FDA concludes a REMS is needed, the sponsor of the NDA or BLA must submit a proposed REMS. The FDA will not approve the NDA or BLA without an approved REMS, if one is required. A REMS could include medication guides, physician communication plans, or other elements to assure safe use, such as restricted distribution methods, patient registries, and other risk minimization tools. Any of these limitations on approval or marketing could restrict the commercial promotion, distribution, prescription, or dispensing of products. Marketing approval may be withdrawn for non-compliance with regulatory requirements or if problems occur following initial marketing.

The Pediatric Research Equity Act (PREA) requires a sponsor to conduct pediatric clinical trials for most drugs and biologics, for a new active ingredient, new indication, new dosage form, new dosing regimen, or new route of administration. Under PREA, original NDAs, BLAs, and supplements thereto, must contain a pediatric assessment unless the sponsor has received a deferral or waiver. The required assessment must evaluate the safety and effectiveness of the product for the claimed indications in all relevant pediatric subpopulations and support dosing and administration for each pediatric subpopulation for which the product is safe and effective. The sponsor or the FDA may request a deferral of pediatric clinical trials for some or all of the pediatric subpopulations. A deferral may be granted for several reasons, including a finding that the drug or biologic is ready for approval for use in adults before pediatric clinical trials are complete or that additional safety or effectiveness data need to be collected before the pediatric clinical trials begin. Orphan disease indications are exempt from PREA. The FDA must send a non-compliance letter to any sponsor that fails to submit the required assessment, keep a deferral current, submit a request for approval of a pediatric formulation.

Patent Term Restoration and Marketing Exclusivity

Depending upon the timing, duration, and specifics of the FDA's approval of our drugs, some of our U.S. patents may be eligible for limited patent term extension under the Drug Price Competition and Patent Term Restoration Act of 1984, referred to as the Hatch-Waxman Amendments. The Hatch-Waxman Amendments permit a patent restoration term of up to five years as compensation for patent term lost during product development and the FDA regulatory review process. However, patent term restoration cannot extend the remaining term of a patent beyond a total of 14 years from the product's approval date. The patent term restoration period is generally one-half the time between the effective date of an IND, and the submission date of an NDA or BLA, plus the time between the submission date of an NDA or BLA and the approval of that application. Only one patent applicable to an approved drug is eligible for the extension, and the extension must be applied for prior to expiration of the patent. The U.S. Patent and Trademark Office, in consultation with the FDA, reviews and approves the application for any patent term extension or restoration. In the future, we intend to apply for restorations of patent term for some of our currently owned or licensed patents to add patent life beyond their current expiration date, depending on the expected length of clinical trials and other factors involved in the filing of the relevant NDA.

The FDCA provides a five-year period of marketing exclusivity within the United States to the first applicant to obtain approval of an NDA for a new chemical entity. A drug is a new chemical entity if the FDA has not previously approved any other new drug containing the same active moiety, which is the molecule or ion responsible for the action of the drug substance. During the exclusivity period, the FDA may not accept for review an abbreviated new drug application (ANDA) or 505(b)(2) NDA for another drug that contains the same active moiety where the applicant does not own or have a legal right of reference to all the data required for approval. However, an application may be submitted after four years if it contains a certification of patent invalidity or non-infringement to one of the patents listed with the FDA by the fist applicant.

The FDCA also provides three years of data exclusivity for an NDA or 505(b)(2) NDA (or supplement thereto) that contains reports of new clinical investigations, other than bioavailability studies, that were conducted or sponsored by the applicant and are deemed by the FDA to be essential to the approval of the application, such as clinical

investigations for new indications, strength, or routes of administration. This three-year exclusivity covers only the conditions of use associated with the new clinical investigations and does not prohibit the FDA from approving 505(b)(2) NDAs or ANDAs for drugs containing the original active agent.

Five-year and three-year exclusivity will not delay the submission or approval of a full NDA. However, an applicant submitting a full NDA would be required to conduct or obtain a right of reference to all of the preclinical studies and adequate and well-controlled clinical trials necessary to demonstrate safety and effectiveness.

Pediatric exclusivity is another type of marketing exclusivity available in the U.S. Under the Best Pharmaceuticals for Children Act (BPCA) an additional six months of marketing exclusivity may be available if a sponsor conducts clinical trials in children in response to a written request from the FDA (Written Request). If the Written Request does not include clinical trials in neonates, the FDA is required to include its rationale for not requesting those clinical trials. The FDA may request studies on approved or unapproved indications in separate Written Requests. The issuance of a Written Request does not require the sponsor to undertake the described clinical trials. To date, we have not received any Written Requests.

Biologics Price Competition and Innovation Act of 2009

The Patient Protection and Affordable Care Act, which included the Biologics Price Competition and Innovation Act of 2009 (BPCIA), amended the PHSA to create an abbreviated approval pathway for two types of “generic” biologics —biosimilars and interchangeable biologic products, and provides for a twelve-year data exclusivity period for the first approved biological product, or reference product, against which a biosimilar or interchangeable application is evaluated; however if pediatric clinical trials are performed and accepted by the FDA, the twelve-year data exclusivity period will be extended for an additional six months. A biosimilar product is defined as one that is highly similar to a reference product notwithstanding minor differences in clinically inactive components and for which there are no clinically meaningful differences between the biological product and the reference product in terms of the safety, purity, and potency of the product. An interchangeable product is a biosimilar product that meets additional requirements that show, among other things, that the product will produce the same clinical result as the reference product in any given patient. In addition, for products administered to a patient more than once, the effects of switching back and forth between the interchangeable product and a reference product on safety and efficacy will have to be evaluated. An interchangeable product may be substituted for the reference product by the pharmacy without the intervention of the health care provider who prescribed the reference product.

The biosimilar applicant must demonstrate that the product is biosimilar based on data from (1) analytical studies showing that the biosimilar product is highly similar to the reference product; (2) animal studies (including toxicity); and (3) one or more clinical trials to demonstrate safety, purity, and potency in one or more appropriate conditions of use for which the reference product is approved. In addition, the applicant must show that the biosimilar and reference products have the same mechanism of action for the conditions of use on the label, route of administration, dosage, and strength, and the production facility must meet standards designed to assure product safety, purity, and potency.

An application for a biosimilar product may not be submitted until four years after the date on which the reference product was first approved. The first approved interchangeable biologic product will be granted an exclusivity period of up to one year after it is first commercially marketed, but the exclusivity period may be shortened under certain circumstances.

The FDA has issued a number of final and draft guidance documents in order to implement the law and will likely continue to publish new guidance as new issues relating to biosimilars and interchangeability are identified. The guidance documents provide the FDA’s current thinking on approaches to demonstrating that a proposed biological product is biosimilar to or interchangeable with, a reference product. Although the FDA intends to issue additional guidance documents in the future, the absence of final guidance documents covering all issues does not prevent a sponsor from seeking licensure of a biosimilar or interchangeable product under the BPCIA, as evidenced by the products already approved by the FDA.

Orphan Drug Designation

Under the Orphan Drug Act, the FDA may grant orphan drug designation to a drug intended to treat a rare disease or condition, which is generally a disease or condition that affects fewer than 200,000 individuals in the U.S., or more than 200,000 individuals in the U.S. and for which there is no reasonable expectation that the cost of developing and making available in the U.S. a drug for this type of disease or condition will be recovered from sales in the U.S. for that drug. Orphan drug designation must be requested before submitting an NDA or BLA. After the FDA grants orphan drug designation, the identity of the therapeutic agent and its potential orphan use will be disclosed publicly by the FDA;

the posting will also indicate whether a drug is no longer designated as an orphan drug. More than one product candidate may receive an orphan drug designation for the same indication. Orphan drug designation does not convey any advantage in or shorten the duration of the regulatory review and approval process.

If a product that has orphan drug designation subsequently receives the first FDA approval for the disease for which it has such designation, the product is entitled to seven years of orphan drug exclusivity. Orphan drug exclusivity means that the FDA cannot approve another sponsor's marketing application for the same product for the same indication, except in very limited circumstances. For example, the FDA may approve a subsequent application for the same product in the same indication if the product is clinically superior to the previously approved drug. Additionally, orphan drug exclusivity may be lost if the FDA later determines that the request for designation was materially defective or if the manufacturer is unable to assure sufficient quantities of the product to meet the needs of patients with the rare disease or condition. Orphan drug exclusivity does not prevent the FDA from approving a different drug for the same disease or condition, or the same drug for a different disease or condition. A designated orphan drug may not receive orphan drug exclusivity if it is approved for a use that is broader than the indication for which it received orphan designation.

Expedited Review and Approval; Breakthrough Therapy Designation

The FDA has various programs, including Fast Track and accelerated approval, that are intended to expedite or simplify the process for reviewing drugs and/or provide for approval on the basis of surrogate endpoints. Even if a drug qualifies for one or more of these programs, the FDA may later decide that the drug no longer meets the conditions for qualification or that the time period for the FDA's review or approval will not be shortened. Generally, drugs that may be eligible for these programs are those for serious or life-threatening conditions, those with the potential to address unmet medical needs, and those that offer meaningful benefits over existing treatments. For example, Fast Track is a process designed to facilitate the development, and expedite the review, of drugs to treat serious diseases and fill an unmet medical need. The request may be made at the time of IND submission and generally no later than the pre-BLA or pre-NDA meeting. The FDA will respond within 60 days of receipt of the request. Although Fast Track does not affect the standards for approval, the FDA will attempt to facilitate early and frequent meetings with a sponsor of a Fast Track designated drug.

Breakthrough Therapy designation is designed to expedite the development and review of drugs that are intended to treat a serious condition where preliminary clinical evidence indicates that the drug may demonstrate substantial improvement over available therapy on a clinically significant endpoint(s). A sponsor may request Breakthrough Therapy designation at the time that the IND is submitted, or no later than at the end-of-Phase 2 meeting. The FDA will respond to a Breakthrough Therapy designation request within sixty days of receipt of the request. A drug that receives Breakthrough Therapy designation is eligible for all Fast-Track designation features, intensive guidance on an efficient drug development program, beginning as early as Phase I, and commitment from the FDA involving senior managers. In October 2020, we announced that the FDA granted Breakthrough Therapy designation for pivekimab for the treatment of patients with relapsed or refractory BPDCN.

Accelerated approval provides an earlier approval of drugs to treat serious diseases, and that fill an unmet medical need based on a surrogate endpoint that is reasonably likely to predict clinical benefit. The FDA may grant accelerated approval to a product designed to treat a serious or life-threatening condition that demonstrates an effect on a surrogate endpoint, such as a laboratory measurement, radiographic image, physical sign, or other measure that is thought to predict clinical benefit, but is not itself a measure of clinical benefit or on an intermediate clinical endpoint that is reasonably likely to predict an effect on irreversible morbidity, mortality, or other clinical benefit. Discussions with the FDA about the feasibility of an accelerated approval typically begin early in the development of the drug in order to identify, among other things, an appropriate endpoint. Accelerated approval does not change the standards for approval, but may expedite the approval process. As a condition of approval, the FDA may require that a sponsor of a drug receiving accelerated approval perform post-approval clinical trials to confirm the appropriateness of the surrogate marker trial. Failure to conduct required post-approval trials, confirm a clinical benefit during post-approval trials, or dissemination of false or misleading promotional materials would allow the FDA to withdraw the product from the market on an expedited basis. All promotional materials for therapeutic candidates approved under accelerated regulations are subject to prior review by the FDA. ELAHERE was granted accelerated approval based on the results of the SORAYA trial and we plan to seek full approval on the basis of the confirmatory Phase 3 MIRASOL trial.

Post-Approval Requirements

Once an approval is granted, the sponsor will be required to comply with all post-approval regulatory requirements as well as any specific post-approval commitments that the sponsor has undertaken as part of the approval process. After approval, some types of changes to the approved product, such as adding new indications, certain

manufacturing changes, additional labeling claims, and required additional testing are subject to further FDA review and approval. Drug manufacturers and other entities involved in the manufacture and distribution of approved drugs are required to register their establishments with the FDA and certain state agencies and are subject to periodic unannounced inspections by the FDA and certain state agencies for compliance with cGMP and other laws and regulations. We rely, and expect to continue to rely, on third parties for the production of clinical and commercial quantities of our products. Future inspections by the FDA and other regulatory agencies may identify compliance issues at the facilities of our contract manufacturers that may disrupt production or distribution or require substantial resources to correct. In addition, the discovery of conditions that violate these rules, including failure to conform to cGMPs, could result in regulatory or enforcement actions.

Approved drug products, such as ELAHERE, are subject to continuing regulation by the FDA, including, among other things, record-keeping requirements, reporting of adverse experiences with the drug, providing the FDA with updated safety and efficacy information, drug sampling and distribution requirements, complying with certain electronic records and signature requirements, and complying with the FDA's promotion and advertising requirements. Compliance with these requirements will require us to expend significant time, money, and effort.

The FDA strictly regulates labeling, advertising, promotion, and other types of information on products that are placed on the market. Drugs may be promoted only for the approved indications and in accordance with the provisions of the approved label. If a company, including any agent of the company or anyone speaking on behalf of the company, is found to have promoted the drug for an indication that is not in the approved label, the company may become subject to adverse public relations and administrative and judicial enforcement by the FDA, the Department of Justice, or the Office of the Inspector General of the Department of Health and Human Services, as well as state authorities. This could subject a company to a range of penalties that could have a significant commercial impact, including civil and criminal fines and agreements that materially restrict the manner in which a company promotes or distributes drug products. The federal government has levied large civil and criminal fines against companies for alleged improper promotion and has also requested that companies enter into consent decrees or permanent injunctions under which specified promotional conduct is changed or curtailed.

The FDA may withdraw an approval if compliance with regulatory standards is not maintained or if problems occur after the product reaches the market. Later discovery of previously unknown problems with a product, including adverse events of unanticipated severity or frequency, or with manufacturing processes, may result in revisions to the approved labeling to add new safety information, requirements to conduct post-approval studies or clinical trials to assess new safety risks, or imposition of distribution or other restrictions under a REMS. Other potential consequences include, among other things:

- restrictions on the marketing or manufacturing of the product, complete withdrawal of the product from the market, or product recalls;
- the issuance of safety alerts, Dear Healthcare Provider letters, press releases or other communications containing warnings or other safety information about the product;
- fines, warning letters or holds on post-approval clinical trials;
- refusal of the FDA to approve applications or supplements to approved applications, or suspension or revocation of product approvals;
- product seizure or detention, or refusal to permit the import or export of products;
- injunctions or the imposition of civil or criminal penalties;
- consent decrees, corporate integrity agreements, debarment or exclusion from federal healthcare programs; and
- mandated modification of promotional materials and labeling and issuance of corrective information.

From time to time, legislation is drafted, introduced, and passed in Congress that could significantly change the statutory provisions governing the approval, manufacturing, and marketing of products regulated by the FDA. It is impossible to predict whether further legislative changes will be enacted, or FDA regulations, guidance, or interpretations changed, or what the impact of such changes, if any, may be.

Other Healthcare Laws

In the U.S., activities of pharmaceutical manufacturers are subject to numerous other federal, state, and local laws designed to, for example, prevent fraud and abuse; promote transparency in interactions with others in the healthcare industry; protect the privacy of individual information; and ensure integrity of research or protect human subjects involved in research. These laws are enforced by various federal and the state enforcement authorities and non-

compliance, or alleged non-compliance, with such laws could adversely affect our reputation, our business and our financial results. See "*Risk Factors – Risks Related to Government Regulation*."

We may be subject to various federal and state laws pertaining to health care "fraud and abuse," including anti-kickback laws (which typically prohibit soliciting, offering, receiving, or paying anything of value to generate healthcare business reimbursable by third party payors, including Medicare and Medicaid), and false claims laws (which generally prohibit anyone from knowingly and willingly presenting, or causing to be presented, any false or fraudulent claims for payment for reimbursed drugs or services to third-party payors, including Medicare and Medicaid). Although the specific provisions of these laws vary, their scope is generally broad and there may not be regulations, guidance, or court decisions that apply the laws to particular industry practices.

Laws and regulations have also been enacted by the federal government and various states to regulate the sales and marketing practices of pharmaceutical manufacturers, including laws that require manufacturers to adopt certain compliance standards; disclose financial interactions with health care providers to the government and public; or report pricing information or marketing expenditures. Many of these laws and regulations contain ambiguous requirements or require administrative guidance for implementation. Given the lack of clarity in laws and their implementation, our activities could be subject to challenge.

We may need to obtain and maintain licenses for our manufacturing and distribution activities in the states in which we operate or distribute our products.

We are subject to federal laws, including the Medicaid Drug Rebate Program, that require pharmaceutical manufacturers to report certain calculated product prices to the government or provide certain discounts or rebates to government authorities or private entities, often as a condition of reimbursement under government healthcare programs. Reporting requirements are complex and, in some instances, require reporting manufacturers to make reasonable assumptions in interpreting their obligations.

We may be subject to privacy and security laws in the various jurisdictions in which we operate, obtain, or store personally identifiable information. Numerous U.S. federal and state laws govern the collection, use, disclosure, and storage of personal information. *See "Risk Factors - Risks Related to Our Business and Industry."*

If our operations are found to be in violation of any of such laws or any other governmental regulations that apply to us, we may be subject to penalties, including, without limitation, administrative, civil and criminal penalties, damages, fines, disgorgement, the curtailment or restructuring of our operations, exclusion from participation in federal and state healthcare programs, and imprisonment, any of which could adversely affect our ability to operate our business and our financial results.

Foreign Regulation

In addition to regulations in the U.S., we will be subject to a variety of foreign regulations governing clinical trials and commercial sales and distribution of our products. Whether or not we obtain the FDA's approval for a product, we must obtain approval by the comparable regulatory authorities of foreign countries or economic areas, such as the European Union, before we may commence clinical trials or market products in those countries or areas. The approval process and requirements governing the conduct of clinical trials, product licensing, pricing, and reimbursement vary greatly from place to place, and the time to obtain these approvals may be longer or shorter than that required for the FDA's approval.

Under the European Union regulatory regime, a company may submit marketing authorization applications under a centralized, decentralized, or mutual recognition procedure. Where the product is intended to be marketed in one EU member state, a national application for a marketing authorization is filed. The centralized procedure is compulsory for medicinal products produced by biotechnology, designated orphan medicines, advanced-therapy medicines such as gene-therapies, and those medicinal products containing new active substances for specific indications such as the treatment of HIV, AIDS and immune dysfunctions, cancer, neurodegenerative diseases, diabetes, and viral diseases, and is optional for other medicines, which are highly innovative. Under the centralized procedure, a single marketing authorization application is submitted to the European Medicines Agency (EMA) where it will be evaluated by the CHMP. A favorable CHMP opinion typically results in a single marketing authorization granted by the European Commission in an implementing decision, known as a centralized marketing authorization. A centralized marketing authorization is valid for all European Union member states and, by extension (after taking the corresponding national implementing measures), in Norway, Iceland, and Liechtenstein. In general, the initial marketing authorization is valid for five years, but once renewed is usually valid for an unlimited period. Under the centralized procedure, the maximum timeframe for the evaluation of a marketing authorization application by the EMA is 210 days, excluding clock-stops. Clock-stops allow the applicant the necessary time to provide additional information in response to questions raised by

the CHMP. The clock-stops considerably extend the time taken by the CHMP to complete the evaluation of a marketing authorization application. Ordinarily, within 67 days of receipt of the positive scientific opinion provided by the EMA, the European Commission will issue a binding decision on the marketing authorization application.

The decentralized procedure allows marketing authorization applications to be submitted simultaneously in two or more EU member states, whereas the mutual recognition procedure must be used if the product has been authorized in at least one EU member state on a national basis, and the applicant seeks approval progressively of the same medicinal product in one or more EU member state(s). Both the decentralized and mutual recognition procedures provide for approval by one or more "concerned" member state(s) based on an assessment of an application performed by one "reference" member state. Under the decentralized approval procedure, an applicant submits an application, or dossier, and related materials to the reference member state and concerned member state(s). The reference member state prepares a draft assessment and drafts of the related materials within 120 days of the receipt of a valid application. Within 90 days of receiving the reference member state's positive assessment report, each concerned member state must approve the assessment report and related materials, unless they identify a potential serious risk to public health. Under the mutual recognition procedure, the concerned member state(s) have the same 90-day period to recognize the marketing authorization in the reference member state. The decentralized procedure contemplates a single clock-stop at day 105, which may extend the process for completing the assessment procedure. In either case, if there is a disagreement between member states during the assessment of the submitted data based on concerns about serious risks to public health, the Coordination Group for Mutual Recognition and Decentralised Procedures will consider the matter and seek to reach a conclusion within 60 days. If this is not possible, the reference member state can escalate the issue to the EMA for arbitration. The purely national procedure results in a marketing authorization in a single EU member state.

In relation to the United Kingdom, high quality marketing authorization applications can be submitted for an expedited 150-day assessment to be initiated. At least 90 days prior to the intended marketing authorization application submission date, applicants should request a pre-submission meeting from the Medicines and Healthcare products Regulatory Agency (MHRA). At this meeting, the applicant will provide a short summary of the dossier and, if necessary, request input on specific issues, such as consideration for an orphan marketing authorization, conditional marketing authorization or marketing authorization under exceptional circumstances. When the marketing authorization applications is submitted to the MHRA, the clock will start when the application is validated for completeness of dossier for the regulatory review to commence. The assessment process involves two phases which are separated by a 'clock-off'. At Day 80 constituting the Phase 1 of the assessment procedure, matters requiring clarification will be raised with the applicant as a letter requesting further information (RFI). Applicants must address these matters within 60 days. Phase 2 of the marketing authorization assessment process begins as soon as the MHRA receives the applicant's responses to the RFIs. By day 150, the MHRA will provide a decision on approvability of the product. If the MHRA proposes to refuse the grant of the marketing authorization, the applicant can request a review of the decision.

In the European Union, orphan designations are assessed by the EMA's Committee for Orphan Medicinal Products for binding decisions to be issued by the European Commission to promote the development of medicinal products that are intended for the diagnosis, prevention or treatment of life-threatening or chronically debilitating conditions which either affect not more than five in 10,000 persons in the EU, or where it is unlikely that the marketing of the medicinal product in the EU would generate sufficient return to justify the necessary investment in its development. In each case, there can be no satisfactory method of diagnosis, prevention or treatment of the condition already authorized (or, if such a method exists, the product would be a significant benefit to those affected by the condition).

If the European Commission grants an orphan designation, the developer will be entitled to financial incentives such as reduction of fees or fee waivers. If orphan status is maintained when the marketing authorization is granted, the medicinal product will benefit from certain economic and marketing benefits, including up to 10 years of market exclusivity for the approved indication unless another "similar medicinal product" applicant can show that its product is safer, more effective, or otherwise clinically superior to the orphan-designated product. The 10-year market exclusivity can also be broken by another company developing a similar medicinal product if the marketing authorization holder is unable to supply sufficient quantities of the marketed orphan medicinal product. A "similar medicinal product" is defined as a medicinal product containing a similar active substance or substances as contained in an authorized orphan medicinal product, and which is intended for the same therapeutic indication. The period of market exclusivity can be reduced if the medicinal product no longer meets the orphan drug designation criteria at the end of the fifth year, including where it is shown that the product is sufficiently profitable not to justify maintenance of market exclusivity. Orphan designation does not convey any advantage in, or shorten the duration of, the regulatory review and approval process. As in the U.S., we may apply for designation of a product as an orphan drug for the treatment of a specific indication in the European Union before the application for marketing authorization is made. Orphan drugs in Europe

enjoy economic and marketing benefits, including up to 10 years of market exclusivity for the approved indication unless another applicant can show that its product is safer, more effective, or otherwise clinically superior to the orphan-designated product.

An equivalent regime is in place in the United Kingdom. Under the United Kingdom's regime, there is no pre-authorization orphan designation and instead a decision is made at the point of the marketing authorization grant.

Reimbursement

Significant uncertainty exists regarding the coverage and reimbursement status of products approved by the FDA and other government authorities. Sales of ELAHERE and any other products for which we may obtain approval depend, in part, on the availability of coverage and the adequacy of reimbursement from third-party payors.

Within the U.S., third-party payors include government authorities or government healthcare programs, such as Medicare and Medicaid (which provides prescription drug benefits to low-income individuals), and private entities, such as managed care organizations, private health insurers and other organizations. Third-party payors may limit coverage of certain drug products or may manage utilization of a particular product (e.g., by requiring pre-approval (known as "prior authorization") for coverage of particular prescriptions (to allow the payor to assess medical necessity)). A third-party payor's decision to provide coverage for a drug product does not mean that an adequate reimbursement rate will be approved. Adequate third-party reimbursement may not be available to enable us to maintain net price levels sufficient to realize an appropriate return on our investment in product development. Additionally, coverage and reimbursement for drug products can differ significantly from payor to payor. One third-party payor's decision to cover a particular drug product or service does not ensure that other payors will also provide coverage for the medical product or service or will provide coverage at an adequate reimbursement rate.

Third-party payors are increasingly challenging the price and examining the cost-effectiveness of new products and services in addition to their safety and efficacy. To obtain or maintain coverage and reimbursement for any approved drug product, we may need to collect real-world evidence and conduct pharmacoeconomic studies to demonstrate the medical necessity and cost-effectiveness of our product. These studies will be in addition to the studies required to obtain or maintain regulatory approvals. If third-party payors do not consider a product to be cost-effective compared to other available therapies, they may not cover the product or, if they do, the level of payment may not be sufficient to allow sales of a product at a profit. Thus, obtaining and maintaining reimbursement status is complex and costly.

Within the U.S., we may be required to provide discounts or rebates under government healthcare programs or to certain government and private purchasers in order to obtain coverage under federal healthcare programs such as Medicare and Medicaid or to sell products to government purchasers.

In the U.S., there have been ongoing efforts by federal and state governments to reform delivery of, or payment for, health care, which include initiatives to reduce the cost of healthcare generally and drugs specifically. *See "Risk Factors – Risks Related to Government Regulation."* Healthcare reform efforts or any future legislation or regulatory actions aimed at controlling and reducing healthcare costs, including through measures designed to limit reimbursement, restrict access, or impose unfavorable pricing modifications on pharmaceutical products, could impact our ability to obtain or maintain coverage and adequate reimbursement for any approved products which could materially harm our business and financial results.

In addition, in some foreign countries, the proposed pricing for a drug must be approved before it may be lawfully marketed. The requirements governing drug pricing vary widely from country to country. For example, the European Union provides options for its member states to restrict the range of medicinal products for which their national health insurance systems provide reimbursement and to control the prices of medicinal products for human use. A member state may approve a specific price for the medicinal product, or it may instead adopt a system of direct or indirect controls on the profitability of the company placing the medicinal product on the market. There can be no assurance that any country that has price controls or reimbursement limitations for pharmaceutical products will allow favorable reimbursement and pricing arrangements for any of our products. Historically, products launched in the European Union do not follow price structures of the U.S. and prices generally tend to be significantly lower.

Companion Diagnostics

Under the EU regulatory regime, namely Regulation (EU) 2017/746 (IVDR) on in vitro diagnostic medical devices (IVD), companion diagnostics (CDx) are classified as Class C devices, the second highest risk level of IVD. In order to place a CDx on the EU market, the general safety and performance of the CDx must be subject to a conformity assessment, which involves a notified body, an independent body designated by a regulatory authority in an EU Member State to assess the conformity with the regulatory requirements under the IVDR.

As part of the conformity assessment procedure, the notified body will seek a scientific opinion on the suitability of the CDx with the corresponding medicinal product from either a competent authority of an EU member state or the EMA. Where the CDX is to be used exclusively with a medicinal product that falls within the mandatory scope of the centralized procedure, then the EMA must be consulted. If the corresponding medicinal product has already been authorized, the notified body will consult the competent authority responsible for the authorization.

To initiate this process the notified body will provide an "intention-to-submit-letter" to the EMA at least 3 months prior to the planned submission date of request for a scientific opinion on suitability. This letter also triggers the timely appointment of the rapporteur by the CHMP or, in the case of advanced therapy medicinal products, a Committee for Advanced Therapies (CAT) rapporteur will be appointed and the CHMP coordinator will work closely with them.

After the EMA's acceptance of the "intention-to-submit-letter", the notified body can submit questions concerning timing, regulatory or procedural aspects to the EMA within 2 months of the planned submission and request a pre-submission meeting with the EMA and relevant stakeholders.

The IVDR requires the EMA's consultation to be based on the draft summary of safety and performance and draft instructions for use of the device as submitted by the notified body. Aspects including the scientific validity of a biomarker, analytical performance and clinical performance are assessed whereas the technical documentation dossier for the device, including the adequacy of the analytical measures used to assess these aspects is assessed by the notified body as part of the conformity assessment.

The EMA will provide its opinion within 60 days of the start of its scientific assessment, with a maximum extension of a further 60 days on justified grounds. If further clarification is required by the CHMP/CAT, a list of questions may be issued to the notified body within this 60-day extension. The CHMP will then issue a scientific opinion to the notified body on the suitability of the device in relation to the corresponding medicinal product by, at the latest, the end of this extension period. The notified body will then give due consideration to this opinion when issuing its decision and will convey a final decision to the EMA in the form of a formal notification to the EMA.

Manufacturing

We contract with third-party contract manufacturers (CMOs) for the manufacture of our product candidates for both our clinical and potential commercial needs. Our CMO network manufactures antibody, linker, and payload, and conjugates the foregoing to create bulk drug substance of our product candidates and processes the bulk drug substance into vialed and labeled drug product for use in humans. Although we are reliant on third parties to manufacture our product candidates, we have personnel with extensive manufacturing experience to oversee the relationships with our CMOs.

CMOs are subject to extensive governmental regulations, and we depend on them to manufacture our product candidates in accordance with cGMP. We have an established quality assurance program designed to ensure that the CMOs involved in the manufacture of product candidates do so in accordance with cGMP and other applicable U.S. and foreign regulations. We believe that our current CMO network complies with such regulations.

Human Capital Resources

As of December 31, 2022, we had 277 full-time employees, of whom 155 were engaged in research and development activities. Of the 155 research and development employees, 116 employees hold post-graduate degrees, of which 44 hold Ph.D. degrees and 12 hold M.D. degrees. We consider our relations with our employees to be good. None of our employees are covered by a collective bargaining agreement. We believe our employee relations are good.

We have entered into confidentiality agreements with all of our employees, members of our board of directors, and consultants. Further, we have entered into assignment of invention agreements with all of our employees.

Our key human capital management objectives are to attract, retain, and develop the highest quality talent. These objectives are critical to our success and our ability to increase the value we provide for patients, shareholders, and stakeholders. We have several initiatives in place that support these objectives:

- Enhancement of our culture through efforts aimed at making the workplace more engaging and inclusive, such as team events, service days, and wellbeing programs.
- Commitment to diversity, equity, and inclusion across all aspects of our organization, including in our hiring, promotion, and development practices. At ImmunoGen, we are an equal opportunity employer where prejudice, racism, and intolerance are unacceptable.

- Development of employees through trainings and mentorship opportunities to prepare them for critical roles and leadership positions for the future.
- Reward and support our employees through robust compensation packages, including competitive base pay, incentive compensation and equity programs, and provide a range of benefits, including 401(k) plan, healthcare and insurance benefits, paid time off, flexible work schedules, paid family and medical leave, and health and wellbeing programs.

Through the company mission and these initiatives, we want to inspire our employees to build their careers with us and reward those who exemplify our values.

Corporate Responsibility

At ImmunoGen, how we do our jobs is just as important as what we do. Our culture is about putting people first, innovation, accountability, and teamwork. Living these values means managing our environmental, social, and governance (ESG) impacts effectively.

We are currently laying the foundation for our ESG strategy. Over the last two years, we formalized board oversight over our ESG strategy and recently begun to assess our material ESG issues. This materiality assessment considers ESG topics from a wide range of stakeholders and global reporting frameworks. In the coming months, we will narrow our focus to a few priority areas that are most material for our business. We are committed to operationalizing these ESG topics through a top-down approach and maintaining consistent stakeholder engagement to continue to evolve our strategy.

Corporate Information

We were organized as a Massachusetts corporation in March 1981. Our principal offices are located at 830 Winter Street, Waltham, Massachusetts 02451, and our telephone number is (781) 895-0600. Our internet address is *www.immunogen.com.* Our annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, and all amendments to those reports, are available to you free of charge through the "Investors & Media – Financials & Filings - SEC Filings" section of our website as soon as reasonably practicable after those materials have been electronically filed with, or furnished to, the Securities and Exchange Commission. Please note that the information contained on the web site is not a part of this Annual Report on Form 10-K.

Item 1A. *Risk Factors*

INVESTING IN OUR COMMON STOCK INVOLVES A HIGH DEGREE OF RISK. BEFORE DECIDING WHETHER TO INVEST IN OUR COMMON STOCK, YOU SHOULD CAREFULLY CONSIDER THE RISKS DESCRIBED BELOW, TOGETHER WITH THE OTHER INFORMATION CONTAINED IN THIS ANNUAL REPORT ON FORM 10-K, INCLUDING OUR CONSOLIDATED FINANCIAL STATEMENTS AND RELATED NOTES. THE RISKS AND UNCERTAINTIES DESCRIBED BELOW ARE THOSE THAT WE CURRENTLY BELIEVE MAY MATERIALLY AFFECT OUR COMPANY AND IF ANY OF THESE RISKS ACTUALLY OCCURS, OUR BUSINESS, FINANCIAL CONDITION, RESULTS OF OPERATIONS, OR CASH FLOW COULD BE SERIOUSLY HARMED. ADDITIONAL RISKS AND UNCERTAINTIES THAT WE ARE UNAWARE OF OR THAT WE CURRENTLY DEEM IMMATERIAL ALSO MAY BECOME IMPORTANT FACTORS THAT AFFECT OUR COMPANY AND MAY MATERIALLY IMPAIR OUR BUSINESS.

Risks Related to our Financial Condition

We have a history of operating losses, expect to incur significant additional operating losses, and may never be profitable.

We have generated operating losses since our inception. As of December 31, 2022, we had an accumulated deficit of $1.7 billion. We may never be profitable. We expect to incur substantial additional operating losses for at least the near term as our development, preclinical testing, clinical trials, and commercialization of ELAHERE continue. We intend to continue to invest significantly in ELAHERE and our product candidates. We may encounter technological, regulatory, or marketing difficulties as part of this development and commercialization process that we cannot overcome or remedy. Our revenues to date have been primarily from upfront and milestone payments, research and development support, clinical materials reimbursement from our collaborators, and from royalties received from the commercial sales

of KADCYLA (to which we have sold our cash rights). We received approval of our first product, ELAHERE, in the fourth quarter of 2022, and have started generating revenue from product sales. Because of the numerous risks and uncertainties associated with developing and commercializing pharmaceutical drugs, we are unable to predict the extent of any future losses or when we will become profitable, if at all. In addition, our expenses could increase beyond expectations as we expand our commercial activities for ELAHERE and continue our ongoing trials with ELAHERE and our product candidates. Even with the approval and commercialization of ELAHERE, we will need to generate significant revenues from ELAHERE to achieve and maintain profitability. Even if we do become profitable, we may not be able to sustain or increase profitability on a quarterly or annual basis. Our failure to become and remain profitable would decrease the value of the company and could impair our ability to raise capital, maintain our development efforts, expand our business, or continue our operations and may require us to raise additional capital that would dilute your ownership interest. A decline in the value of our company could also cause you to lose all or part of your investment.

There is substantial doubt about our ability to continue as a going concern.

At December 31, 2022, we had $275.1 million of cash and cash equivalents on hand. Our current level of cash and cash equivalents is not sufficient to meet our current operating plans for the next twelve months following the issuance of the financial statements appearing in this Annual Report on Form 10-K. As a result, substantial doubt is deemed to exist regarding our ability to continue as a going concern for a period of one year from the issuance of these financial statements. We plan to meet our operating cash flow requirements with our current cash and cash equivalents, cash generated from commercial sales of ELAHERE, milestone payments from new or existing collaborations, and additional funds accessed through equity, debt, or other financings such as royalty financing transactions, as well as cash preservation activities. Such activities may not succeed. The failure of the Company to obtain sufficient funds on acceptable terms could have a material adverse effect on the Company's business, results of operations, and financial condition and require the Company to defer or limit some or all of its research, development, clinical, and/or commercial projects, including trials to support potential label expansion of ELAHERE, and may materially and adversely affect our share price.

If we are unable to obtain additional funding when needed, we may have to delay or scale back some of our programs or grant rights to third parties to develop and market ELAHERE or our product candidates.

We will continue to expend substantial resources developing and commercializing ELAHERE and our product candidates, including costs associated with research and development, acquiring new technologies, conducting preclinical studies and clinical trials, obtaining regulatory approvals, manufacturing products, establishing marketing and sales capabilities to commercialize ELAHERE, as well as providing certain support to our collaborators in the development of their products. Conducting preclinical studies and clinical trials is a time-consuming, expensive, and uncertain process that can take years to complete, and we may never generate the necessary data or results required to obtain marketing approval for ELAHERE in additional indications or for our product candidates. In addition, ELAHERE or any of our product candidates that may receive marketing approval may not achieve commercial success. Accordingly, we may need to continue to rely on additional financing to achieve our business objectives.

In addition, we cannot provide assurance that anticipated collaborator payments will, in fact, be received. Should such future collaborator payments not be received, we expect we could seek additional funding from other sources. We may elect or need to seek additional financing sooner due to a number of other factors as well, including:

- if either we incur higher than expected costs or we or any of our collaborators experience slower than expected progress in developing product candidates and obtaining regulatory approvals; and
- the acquisition of technologies and other business opportunities that require financial commitments.

Additional funding may not be available to us in sufficient amounts, on favorable terms, or at all. We may raise additional funds through public or private financings, collaborative arrangements, or other arrangements such as royalty financing transactions. Any additional fundraising efforts may divert our management from their day-to-day activities, which may adversely affect our ability to develop and commercialize ELAHERE or our product candidates. Volatility in the financial markets has generally made equity and debt financing more difficult to obtain and may have a material adverse effect on our ability to meet our fundraising needs. Moreover, the terms of any financing may adversely affect the holdings or the rights of our shareholders and the issuance of additional securities, whether equity or debt, by us, or the possibility of such issuance, may cause the market price of our shares to decline. Debt and debt-like financing, if available, may involve covenants that could restrict our business activities. If we are unable to raise additional funds through equity, royalty, or debt financing when needed, we may be required to delay, scale back, or eliminate

expenditures for some of our commercialization activities and development programs, including restructuring our operations, or grant rights to develop and market ELAHERE or our product candidates that we would otherwise prefer to internally develop and market. If we are required to grant such rights, the ultimate value of ELAHERE or our product candidates to us may be reduced.

Our ability to use our net operating loss carryforwards and certain other tax attributes to offset future taxable income may be limited.

Under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended, a corporation that undergoes an "ownership change," is subject to limitations on its ability to use its pre-change net operating loss carryforwards (NOLs), and other pre-change tax attributes (such as research tax credits) to offset its post-change income or taxes. For these purposes, an ownership change generally occurs where the equity ownership of one or more shareholders or groups of shareholders who own at least 5% of a corporation's stock increases its ownership by more than 50 percentage points over its lowest ownership percentage within a three-year period. We may have experienced such ownership changes in the past, and we may experience shifts in our stock ownership, some of which are outside our control. These ownership changes may subject our existing NOLs or credits to substantial limitations under Sections 382 and 383. Accordingly, we may not be able to utilize a material portion of our NOLs or credits. As of December 31, 2022, we had federal NOLs of $443.3 million available to reduce federal taxable income, if any, that can be carried forward indefinitely. As of December 31, 2022, we also had $85.6 million of federal credit carryforwards that will begin to expire in 2027. Limitations on our ability to utilize those NOLs to offset U.S. federal taxable income could potentially result in increased future tax liability to us. In addition, at the state level, there may be periods during which the use of NOLs is suspended or otherwise limited, which could accelerate or permanently increase state taxes owed.

Risks Related to Our Business and Industry

Our prospects are highly dependent on the success of our only approved product, ELAHERE, which received FDA approval under an accelerated approval pathway. If we are unable to maintain approval for, or successfully commercialize, ELAHERE, our business, financial condition, results of operations, as well as our prospects, could be adversely affected.

We obtained FDA approval for ELAHERE for the treatment of adult patients with FRα positive, platinum-resistant epithelial ovarian, fallopian tube, or primary peritoneal cancer, who have received one to three prior systemic treatment regimens. We have not obtained any other marketing approvals for ELAHERE or our product candidates. We first commercialized ELAHERE in the U.S. in the fourth quarter of 2022 and therefore do not have a long history operating as a commercial company.

The FDA approved ELAHERE under the accelerated approval pathway and continued approval may be contingent upon verification and description of clinical benefit in a confirmatory trial. Our intent is for our ongoing Phase 3 MIRASOL trial to serve as our confirmatory trial and, if successful, to support full approval of ELAHERE. If the MIRASOL trial is unsuccessful, the FDA could require us to conduct additional trials to remain on the market, could require updates to our label, or could ultimately seek to withdraw marketing approval for ELAHERE. Separate from the confirmatory trial, ELAHERE is subject to additional post-approval requirements and commitments, including post-approval requirements to conduct a randomized clinical trial to evaluate the safety of the recommended dose of ELAHERE and alternative dosing schedules, conduct a dose escalation trial to determine the appropriate starting dose in patients with moderate hepatic impairment, and conduct a clinical trial or revise existing trials to incorporate prospectively scheduled ophthalmologic assessments to characterize the incidence and severity of ocular events and evaluate risk mitigation strategies. We are also subject to other post-approval requirements, including submission to the FDA of all promotional materials 30-120 days prior to their dissemination.

Failure to meet any of our post-approval requirements or commitments may result in adverse regulatory actions. Products that receive accelerated approval may be subject to expedited withdrawal procedures if post-approval trials fail to verify the predicted clinical benefit. The FDA could seek to withdraw accelerated approval for multiple reasons, including if we fail to conduct any required post-approval trial, other evidence shows that the product is not safe or effective under the conditions of use, or we disseminate promotional materials that are found by the FDA to be false or misleading.

Our long-term viability, growth, and ability to generate revenue depend heavily on successfully commercializing and obtaining full regulatory approval for ELAHERE. ELAHERE will be our first commercial launch,

and its successful commercialization and our receipt of full regulatory approval in the United States are subject to many risks.

If ELAHERE or our product candidates or those of our collaborators do not gain market acceptance, our business will suffer.

ELAHERE may not gain market acceptance among physicians, patients, healthcare payors, and other members of the medical community. The degree of market acceptance of ELAHERE, or other products we may develop, will depend on a number of factors, including:

- their level of clinical efficacy and safety;
- the clinical indications for which they are approved;
- the prevalence and severity of any adverse events and their overall safety profile;
- the willingness of physicians to include FRα testing as part of routine patient care;
- their advantage over alternative treatment methods;
- our/the marketer's and our collaborators' ability to gain acceptable reimbursement and the reimbursement policies of government and other third-party payors; and
- the quality of the distribution capabilities of the party(ies) responsible to market and distribute the product(s).

Physicians may elect not to recommend the therapies for any number of other reasons, including whether the physicians are already using competing products that satisfy their treatment objectives. If our products do not achieve significant market acceptance and use, we will not be able to recover the significant investment we have made in developing such products and our business will be severely harmed.

ELAHERE has received FDA approval as a monotherapy in a limited patient population, and additional successful clinical trials and regulatory approvals may be needed to expand its indications. Such trials may fail, or we may fail to obtain such regulatory approvals, either of which could adversely affect our business and prospects.

The FDA granted accelerated approval of ELAHERE as a monotherapy for the treatment of patients with FRα-positive platinum-resistant epithelial ovarian cancer, fallopian tube, or primary peritoneal cancer who have been previously treated with one to three prior systemic treatments. We do not anticipate obtaining regulatory approval for ELAHERE in additional patient populations or as a combination therapy without additional clinical data. Such additional clinical trials are ongoing and will require time and expense, and these trials may fail to generate results that support additional indications. If we are unable to expand the indications for use of ELAHERE, our business and prospects could be adversely affected.

We currently do not have the direct sales, marketing, or distribution capabilities necessary to successfully commercialize our products on a global scale and may rely on third parties to support development and commercialization activities.

We are commercializing ELAHERE in the United States and currently intend to commercialize ELAHERE in the European Union and UK if we receive marketing approval in these territories. We may choose to rely on third parties to market and sell ELAHERE outside of the United States, the European Union, and the UK, either through distributor or out-licensing arrangements. For example, in October 2020, we entered into a collaboration and license agreement with Huadong under which Huadong will exclusively develop and commercialize ELAHERE in Greater China. We retain all rights to ELAHERE in the rest of the world. In addition, arrangements with third parties to develop and commercialize ELAHERE or other future products could significantly limit the revenues we derive from these compounds, and these third parties, including Huadong, may fail to commercialize our compounds successfully.

If our ADC technology does not produce safe, effective, and commercially viable products or if such products fail to obtain or maintain FDA approval, our business will be severely harmed.

Our ADC technology yields novel product candidates for the treatment of cancer. To date, only two ADCs using our technology, KADCYLA and ELAHERE, have obtained marketing approval. Our ADC product candidates and/or those of our collaborators' may not prove to be safe, effective, or commercially viable treatments for cancer and as a result, our ADC technology may not result in any future meaningful benefits to us or for our current or potential

collaborators. Furthermore, we are aware of only a limited number of other compounds that are based on technology similar to our ADC technology that have obtained marketing approval by the FDA. If our ADC technology fails to generate additional product candidates that are safe, effective, and commercially viable treatments for cancer or such product candidates fail to obtain or maintain FDA and foreign regulatory authorities approval, our business will be severely harmed.

Clinical trials for ELAHERE, our product candidates, and those of our collaborators will be lengthy and expensive, and their outcome is uncertain.

Before we can convert our accelerated approval for ELAHERE to full approval, obtain regulatory approval for ELAHERE in additional indications, or obtain regulatory approval for our product candidates, we must demonstrate through clinical testing that our products are safe and effective for use in humans. Conducting clinical trials is a time-consuming, expensive, and uncertain process and typically requires years to complete. In our industry, the results from preclinical studies and early clinical trials often are not predictive of results obtained in later-stage clinical trials. Some compounds that have shown promising results in preclinical studies or early clinical trials subsequently fail to establish sufficient safety and efficacy data necessary to obtain regulatory approval. For example, despite encouraging results from earlier clinical trials of ELAHERE, our FORWARD I Phase 3 clinical trial evaluating ELAHERE compared to chemotherapy in women with FRα-positive, platinum-resistant ovarian cancer, did not meet the primary endpoint in either the entire treatment population or the pre-specified high FRα expression population. Based on post hoc exploratory analyses of the FORWARD I results and consultations with the FDA, we implemented two new trials of ELAHERE, SORAYA and MIRASOL. We reported positive results from our SORAYA trial, which served as the basis for ELAHERE's accelerated approval, but results from our ongoing MIRASOL trial may not show positive results consistent with our SORAYA trial, which would cause significant harm to our business and future prospects.

Before we can commence clinical trials for a therapeutic candidate, we must conduct extensive preclinical testing and studies and submit an IND to the FDA and foreign regulatory authorities. We cannot be sure that submission of an IND will result in the FDA and/or foreign regulatory authorities allowing our clinical trials to begin on the timelines we expect, if at all, as the FDA and/or foreign regulatory authorities may require additional preclinical, toxicology, or other *in vivo* or *in vitro* data to support the IND. Additionally, at any time during the clinical trials, we, our collaborators, or the FDA or other regulatory authority might delay or halt any clinical trials of our products for various reasons, including:

- occurrence of unacceptable toxicities or side effects;
- ineffectiveness of the product;
- insufficient drug supply, including delays in obtaining supplies/materials necessary for manufacturing such drugs;
- negative or inconclusive results from the clinical trials, or results that necessitate additional nonclinical studies or clinical trials;
- delays in obtaining or maintaining required approvals from institutions, review boards, or other reviewing entities at clinical sites;
- delays in patient enrollment;
- insufficient funding or a reprioritization of financial or other resources;
- our or our collaborators' inability to develop and obtain approval for any companion *in vitro* diagnostic devices that the FDA or other regulatory authority may conclude must be used with such drug to ensure its safe use; or
- other reasons that are internal to the businesses of our collaborators and third-party suppliers, which they may not share with us.

If we are required by the FDA, or foreign regulatory agencies, to perform studies and clinical trials in addition to those that we currently anticipate, or if there are any delays in our or our partners completing clinical trials or the development of any of ELAHERE or our product candidates, our expenses could increase beyond expectations. Any failure or substantial delay in successfully completing clinical trials and obtaining additional regulatory approvals for ELAHERE or our product candidates could severely harm our business.

Interim, top-line, or preliminary data from our clinical trials that we announce may change as more patient data become available and are subject to audit and verification procedures that could result in material changes in the final data.

From time to time, we have publicly disclosed, and in the future will disclose, preliminary or top-line data from our preclinical studies and clinical trials, which are based on preliminary analyses of then- available data, and the results and related findings and conclusions are subject to change following a more comprehensive review of the data related to the particular study or trial. We also make assumptions, estimations, calculations, and conclusions as part of our analyses of data, and we may not have received or had the opportunity to fully and carefully evaluate all data. Therefore, final results from the trials may differ from the top-line results initially reported, and the final results may indicate different conclusions once additional data have been evaluated. As such, top-line data should be viewed with caution until the final data are available.

From time to time, we may also disclose interim data from our preclinical studies and clinical trials. Interim data from clinical trials that we may complete are subject to the risk that one or more of the outcomes may materially change as patient enrollment continues and more data become available. Adverse differences between top-line, preliminary, or interim data, on the one hand, and final data, on the other, could significantly harm our business prospects. Further, disclosure of interim data by us or by our competitors could result in volatility in the price of our common stock.

Further, others, including regulatory agencies, may not accept or agree with our assumptions, estimates, calculations, conclusions, or analyses, or may interpret or weigh the importance of data differently, which could negatively affect the approvability or commercialization of the particular product.

In addition, the information we choose to publicly disclose regarding a particular study or clinical trial is based on what is typically extensive information, and you or others may not agree with what we determine is material or otherwise appropriate information to include in our disclosure. If the final results differ from the interim, top-line, or preliminary data, or if others, including regulatory authorities, disagree with the conclusions reached, our ability to obtain or maintain approval for, and to commercialize, ELAHERE or our product candidates may be harmed, which may negatively affect our business, financial condition, results of operations, and prospects.

We face product liability risks and may not be able to obtain adequate insurance.

The use of ELAHERE or our product candidates during testing or after approval entails an inherent risk of adverse effects, which could expose us to product liability claims. Regardless of their merit or eventual outcome, product liability claims may result in:

- decreased demand for our product;
- injury to our reputation and significant negative media attention;
- withdrawal of clinical trial volunteers;
- costs of litigation;
- distraction of management; and
- substantial monetary awards to plaintiffs.

We may not have sufficient resources to satisfy any liability resulting from these claims. While we currently have product liability insurance for the use of ELAHERE and products that are in clinical testing, our coverage may not be adequate in scope to protect us in the event of a successful product liability claim. Further, we may not be able to maintain our current insurance, increase our insurance coverage as may be needed, or obtain general product liability insurance on reasonable terms and at an acceptable cost as we expand commercial activities for ELAHERE. This insurance, even if we can obtain and maintain it, may not be sufficient to provide us with adequate coverage against potential liabilities. If we are unable to maintain sufficient insurance coverage at an acceptable cost or to otherwise protect against potential product liability claims, it could prevent or inhibit the development and commercial production and sale of ELAHERE or our product candidates, which could severely harm our business.

We may be unable to compete successfully.

The markets in which we compete are well-established and intensely competitive. We may be unable to compete successfully against our current and future competitors. Our failure to compete successfully may result in lower volume sold, pricing reductions, reduced gross margins, and failure to achieve market acceptance for ELAHERE or any of our product candidates that may receive marketing approval. Our competitors include research institutions, pharmaceutical companies, and biotechnology companies, such as Pfizer, Seattle Genetics, Roche, Astellas, AstraZeneca, Daiichi Sankyo, GlaxoSmithKline, AbbVie, Mersana Therapeutics, Eisai, Sutro BioPharma, and the Menarini Group. For example, pivekimab is in development for the treatment of BPDCN and, if approved, would compete with the Menarini Group's ELZONRIS® (tagraxofusp), which is approved by the FDA for sale in the United States and by the EMA for sale in the European Union for the treatment of BPDCN. Many of our competitors have substantially more experience and more capital, research and development, regulatory, manufacturing, human, and other resources than we do. As a result, they may:

- develop products that are safer or more effective than ELAHERE or our product candidates;
- obtain FDA and other regulatory approvals or reach the market with their products more rapidly than we can, reducing the sales or potential sales of ELAHERE or any of our product candidates that may receive marketing approval;
- devote greater resources to market or sell their products;
- adapt more quickly to new technologies and scientific advances;
- initiate or withstand substantial price competition more successfully than we can;
- have greater success in recruiting skilled scientific workers from the limited pool of available talent;
- more effectively negotiate third-party licensing and collaboration arrangements; and
- take advantage of acquisitions or other opportunities more readily than we can.

A number of pharmaceutical and biotechnology companies are currently developing products targeting the same types of cancer that we target, and some of our competitors' products have entered clinical trials or already are commercially available.

ELAHERE and any of our product candidates that may receive marketing approval will also compete against well-established, existing therapeutic products that are currently reimbursed by government healthcare programs, private health insurers, and health maintenance organizations. In addition, ELAHERE and our product candidates, if approved and commercialized, may face competition from biosimilars. The ACA, which included the BPCIA, amended the Public Health Service Act to create an abbreviated approval pathway for two types of "generic" biologics-biosimilars and interchangeable biologic products. The BPCIA establishes a pathway for the FDA approval of follow-on biologics and provides twelve years data exclusivity for reference products and an additional six-month exclusivity period if pediatric trials are conducted. In Europe, the EMA has issued guidelines for approving products through an abbreviated pathway, and biosimilars have been approved in Europe. If a biosimilar version of ELAHERE or one of our product candidates was approved in the United States or Europe, it could have a negative effect on sales and gross profits of the product and our financial condition.

We face and will continue to face intense competition from other companies for collaborative arrangements with pharmaceutical and biotechnology companies, for relationships with academic and research institutions, and for licenses to proprietary technology. In addition, we anticipate that we will face increased competition in the future as new companies enter our markets and as scientific developments surrounding antibody-based therapeutics for cancer continue to accelerate. While we will seek to expand our technological capabilities to remain competitive, research and development by others may render our technology or ELAHERE or our product candidates obsolete or noncompetitive or result in treatments or cures superior to any therapy developed by us.

Unfavorable global economic conditions, as well as regional conflicts, could adversely affect our business, financial condition, and results of operations.

Our results of operations could be adversely affected by general conditions in the global economy and in the global financial markets. For example, the global economy has experienced extreme volatility and disruptions, including significant volatility in commodity and market prices, declines in consumer confidence, declines in economic growth, supply chain interruptions, uncertainty about economic stability, and inflation. Unfavorable economic conditions could result in a variety of risks to our business, including demand and pricing for our products, difficulty in forecasting our

financial results, and our ability to raise additional capital when needed and on acceptable terms. A weak or declining economy could also strain our suppliers, possibly resulting in supply chain disruptions. These and other economic factors or regional conflicts could adversely affect our business and results of operations.

A pandemic, epidemic, or outbreak of an infectious disease, such as the COVID-19 pandemic, may materially and adversely affect our business and our financial results.

The spread of COVID-19 has affected the global economy, our operations, clinical trial activities, and supply chain and may continue to do so. Even with the approval of vaccines for COVID-19, the COVID-19 pandemic is still evolving. In the recent past, the pandemic resulted in the implementation of various responses, including government-imposed quarantines, travel restrictions, and other public health safety measures, as well as reported adverse impacts on healthcare resources, facilities, and providers across the United States, and in other countries worldwide. The continued impact of COVID-19 may result in a period of business disruption, including delays in our clinical trials or delays or disruptions in our supply chain. For example, COVID-19 slowed site activation and patient enrollment for both SORAYA and MIRASOL, which resulted in a limited delay in patient accrual for each of these trials. The pandemic may further delay enrollment in trials due to prioritization of hospital resources toward the pandemic, the resumption of restrictions on travel, and some patients may be unwilling to enroll in our trials or be unable to comply with clinical trial protocols if quarantines or travel restrictions impede patient movement or interrupt healthcare services, which would delay our ability to conduct clinical trials or release clinical trial results. COVID-19 may also affect employees of third-party contract research organizations that we rely upon to carry out our clinical trials or the operations at our third-party manufacturers, which could result in delays or disruptions in our trials or in product supply.

We cannot presently predict the scope and severity of any additional potential business shutdowns or disruptions as a result of the COVID-19 pandemic, including due to new variants of COVID-19. If we or any of the third parties with whom we engage, however, were to experience further shutdowns or other business disruptions, our ability to conduct our business in the manner and on the timelines presently planned could be materially and negatively affected, which could have a material adverse impact on our business and our results of operation and financial condition.

Risks Related to Our Dependence on Third Parties

If our collaborators fail to perform their obligations under our agreements with them or determine not to continue with clinical trials, our business could be severely affected.

The development and commercialization of ELAHERE and our product candidates depends, in part, upon the formation and maintenance of collaborative arrangements. Collaborations provide an opportunity for us to:

- generate cash flow and revenue;
- fund some of the costs associated with our internal research and development, preclinical testing, clinical trials, and manufacturing;
- seek and obtain regulatory approvals faster than we could on our own;
- successfully commercialize ELAHERE and our product candidates; and
- secure access to targets which, due to intellectual property restrictions, would otherwise be unavailable to our technology.

If we fail to secure or maintain successful collaborative arrangements, the development and marketing of compounds that use our technology may be delayed, scaled back, or otherwise may not occur. In addition, we may be unable to negotiate other collaborative arrangements or, if necessary, modify our existing arrangements on acceptable terms. We cannot control the amount and timing of resources our collaborators may devote to ELAHERE or our product candidates. Our collaborators may separately pursue competing product candidates, therapeutic approaches, or technologies to develop treatments for the diseases targeted by us or our collaborative efforts, or may decide, for reasons that may not be known to us or with which we may disagree, to discontinue development of our products under our agreements with them. Any of our collaborators may slow or discontinue the development of a product covered by a collaborative arrangement for reasons that include, but are not limited to:

- a change in the collaborative partner's strategic focus as a result of merger, management changes, adverse business events, or other causes;
- a change in the priority of the product relative to other programs in the collaborator's pipeline;
- a reassessment of the patent situation related to the compound or its target;
- a change in the anticipated competition for the product candidate;
- preclinical studies and clinical trial results; and
- a reduction in the financial resources the collaborator can or is willing to apply to the development of new compounds.

Even if our collaborators continue their collaborative arrangements with us, they may nevertheless determine not to actively pursue the development or commercialization of any resulting product candidates. Also, our collaborators may fail to perform their obligations under the collaborative agreements or may be slow in performing their obligations. Our collaborators can terminate our collaborative agreements under certain conditions. The decision to advance a product candidate that is covered by a collaborative agreement through clinical trials and ultimately to commercialization is, in some cases, at the discretion of our collaborators. If any collaborative partner were to terminate or breach our agreements, fail to complete its obligations to us in a timely manner, or decide to discontinue its development of a product candidate, our anticipated revenue from the agreement and the development and commercialization of the product candidates could be severely limited or eliminated. If we are not able to establish additional collaborations or any or all of our existing collaborations are terminated and we are not able to enter into alternative collaborations on acceptable terms, or at all, our continued development, manufacture, and commercialization of our product candidates could be delayed or scaled back as we may not have the funds or capability to continue these activities. If our collaborators fail to successfully develop and commercialize ADC compounds, our business prospects could be harmed.

If our product requirements for clinical trials or commercialization are significantly higher than we estimated, the inability to procure additional antibody production, conjugation, or fill/finish services in a timely manner could impair our ability to initiate or advance our clinical trials or commercialization of ELAHERE or our product candidates.

We rely on third-party suppliers to manufacture antibodies used in our own proprietary compounds. Due to the specific nature of the antibody and availability of production capacity, there is significant lead time required by these suppliers to provide us with the needed materials. If our antibody requirements for clinical or commercial materials to be manufactured are significantly higher than we estimated, we may not be able to readily procure additional antibody which would impair our ability to advance our clinical trials currently in process or initiate additional trials or commercialize ELAHERE or our product candidates. We also rely on third parties to manufacture bulk drug substance and convert it into filled and finished vials of drug product for clinical use and commercial sales. If our product requirements are significantly higher than we estimated, we may not be able to readily procure slots to manufacture bulk drug substance or to convert drug substance into filled and finished vials of drug product for clinical or commercial use. There can be no assurance that we will not have supply problems that could delay or stop our clinical trials, hinder our commercialization efforts, or otherwise could have a material adverse effect on our business.

We are currently contractually required to obtain DM4 used in ELAHERE from a single third-party manufacturer, and any delay or interruption in such manufacturer's operations could impair our ability to advance preclinical and clinical trials and commercialization of ELAHERE.

We rely on a sole third-party supplier, Società Italiana Corticosteroidi S.r.l, to manufacture the DM4 used in ELAHERE. Any delay or interruption in the operations of our sole third-party supplier and/or our supply of DM4 could lead to a delay or interruption in our manufacturing operations, preclinical studies, clinical trials, and commercialization of ELAHERE, which could negatively affect our business.

We currently rely on, and expect to continue to rely on, third-party manufacturers to produce our antibodies, linkers, payloads, drug substance, and drug product for ELAHERE and our product candidates and any delay or interruption in such manufacturers' operations could impair our ability to advance clinical trials and commercialization.

We rely on third-party contract manufacturers to produce sufficiently large quantities of drug materials that are and will be needed for clinical trials and commercialization of ELAHERE and our product candidates. We have

established relationships with third-party manufacturers to provide clinical and commercial supply, but these third-party manufacturers may not be able to meet our needs with respect to timing, quantity, or quality of materials. If we are unable to contract for a sufficient supply of needed materials on acceptable terms, or if we should encounter delays or difficulties in our relationships with manufacturers, our ability to commercialize ELAHERE may be adversely affected. Additionally, our clinical trials may be delayed, thereby delaying the submission of applications for regulatory approval and the market introduction and subsequent commercialization of our product candidates. Any such delays may lower our revenues and potential profitability.

The facilities used to manufacture ELAHERE and our product candidates (drug substance and drug product) are subject to periodic inspection by the FDA and similar regulatory authorities. These facilities generally must be inspected by the FDA (and other similar regulatory agencies outside the United States depending on where marketing authorizations are filed) before marketing authorizations are approved. In the United States, if we want to change manufacturers or add additional manufacturers following product approval, the FDA must approve the use of these manufacturers through a supplemental BLA. We are completely dependent on our contract manufacturers for compliance with cGMPs in connection with the manufacture of ELAHERE and our product candidates. If our contract manufacturers cannot successfully manufacture material that conforms to our specifications and the regulatory requirements of the FDA or others, we will not be able to use the products produced at their manufacturing facilities. In addition, we have no control over the ability of our contract manufacturers to maintain adequate quality control, quality assurance, and qualified personnel. If the FDA or a comparable foreign regulatory authority finds that these facilities do not comply with cGMP, we may need to find alternative manufacturing facilities, which would significantly impact our ability to successfully develop and commercialize ELAHERE and our product candidates and could result in inventory write-offs that adversely affect our results of operations. Further, our failure, or the failure of our third-party manufacturers, to comply with these or other applicable regulations could result in sanctions being imposed on us, including clinical holds, fines, injunctions, civil penalties, delays, suspension or withdrawal of approvals, license revocation, seizures or recalls of ELAHERE or our product candidates, operating restrictions and criminal prosecutions, any of which could significantly and adversely affect our business and product supplies.

We rely on a third-party to develop, manufacture, and commercialize the companion diagnostic for ELAHERE, and any delay or interruption in supply could negatively impact our commercial activities.

We rely on RTD for the design, development, manufacture, and commercialization of a companion diagnostic for ELAHERE. Roche has received FDA approval for the VENTANA FOLR1 RxDx Assay, a companion diagnostic that measures FRα tumor expression to select patients eligible for treatment with ELAHERE. Risks related to the development, manufacture, and commercialization of companion diagnostics are similar to the risks we face with respect to our drug products, including risks related to manufacturing sufficient supply, compliance with manufacturing standards and other regulatory requirements, and gaining market acceptance. Any delays or difficulties in the manufacture or commercialization of the companion diagnostic, could impact our commercialization of ELAHERE. For example, a manufacturing delay might result in a shortage of the companion diagnostic being supplied to the testing laboratories, which might impede their ability to deliver test results promptly and impact our commercialization of ELAHERE. In addition, if Roche decides to discontinue selling or manufacturing the companion diagnostic or our relationship otherwise terminates, we may not be able to enter into arrangements with another diagnostic company to obtain supplies of an alternative diagnostic test for use with ELAHERE or do so on commercially reasonable terms, which could adversely affect commercialization.

The FDA, the EMA, or comparable foreign regulatory authorities could require the clearance or approval of additional companion diagnostics as a condition of approval for our product candidates, which would require substantial financial resources and could delay regulatory approval. We would be dependent on the sustained cooperation and effort of third-party collaborators to develop these companion diagnostics, and our collaborators may encounter difficulties in developing such tests, including issues relating to the selectivity and/or specificity of the diagnostic, analytical validation, reproducibility, or clinical validation, or in obtaining regulatory clearance or approval for such companion diagnostic. Any delay or failure by our collaborators to develop or obtain regulatory clearance or approval of such companion diagnostics, if necessary, could delay or prevent approval of our product candidates.

Risks Related to Our Intellectual Property

If we are unable to protect our intellectual property rights adequately, the value of our technology, ELAHERE, and our product candidates could be diminished.

Our success depends in part on obtaining, maintaining, and enforcing our patents and other proprietary rights and our ability to avoid infringing the proprietary rights of others. We seek to protect our proprietary position by filing patent applications in the United States and in foreign countries that cover ELAHERE, our other novel product candidates and their uses, pharmaceutical formulations and dosages, and processes for the manufacture of them. Our patent portfolio currently includes both patents and patent applications. Patent law relating to the scope of claims in the biotechnology field in which we operate is still evolving, is surrounded by a great deal of uncertainty, and involves complex legal, scientific, and factual questions. To date, no consistent policy has emerged regarding the breadth of claims allowed in biotechnology patents. Accordingly, our pending patent applications may not result in issued patents or in patent claims as broad as in the original applications. Although we own numerous patents, the issuance of a patent is not conclusive as to its validity or enforceability. Through litigation, a third party may challenge the validity or enforceability of a patent after its issuance. In addition, the patent prosecution process is expensive and time-consuming. We may not be able to file and prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner. We may choose not to seek patent protection for certain innovations and may choose not to pursue patent protection in certain jurisdictions. Under the laws of certain jurisdictions, patents or other intellectual property rights may be unavailable or limited in scope. It is also possible that we will fail to identify patentable aspects of our research and development before it is too late to obtain patent protection.

Following approval of ELAHERE in the U.S., we timely filed five applications for patent term extension. If one or more of the applications for patent term extension are deemed to be allowable by the U.S. Patent and Trademark Office, we will be able to designate one to proceed to grant, and thereby extend the term of one U.S. patent covering ELAHERE. Even if an extension is granted, any such extension may be shorter than what we seek or may otherwise fail to provide meaningful protection for ELAHERE.

Patents and patent applications owned or licensed by us may become the subject of inter partes review, post-grant review, ex parte reexamination, interference, opposition, nullity, or other proceedings in a court or patent office in the United States or in a foreign jurisdiction to determine validity, enforceability, patentability, or priority of invention, which could result in substantial cost to us. An adverse decision in such a proceeding may result in our inability to gain issuance of a patent from a pending patent application or our loss of rights under a patent or patent application. It is unclear how much protection, if any, will result from our patents if we attempt to enforce them or if they are challenged in court or in other proceedings. A competitor may successfully invalidate our patents, or a challenge could result in limitations of the patents' coverage. The courts continue to interpret various aspects of patent-related laws and related agency rules in ways that we cannot predict, potentially making it easier for competitors and other interested parties to challenge our patents, which, if successful, could have a material adverse effect on our business and prospects. In addition, the cost of litigation or patent office proceedings to uphold the validity of patents can be substantial. If we are unsuccessful in these proceedings, third parties may be able to use our patented technology and may be able to do so without paying us licensing fees or royalties. Moreover, competitors may infringe our patents or successfully avoid them through design innovation. To prevent infringement or unauthorized use, we may need to file infringement claims, which are expensive and time-consuming. In an infringement proceeding, a court may decide that a patent of ours is not valid. Even if the validity of our patents were upheld, a court may refuse to stop the other party from using the technology at issue on the ground that its activities are not covered by our patents or that the facts surrounding the other party's use of our technology do not satisfy the legal requirements to grant such an injunction.

Policing unauthorized use of our intellectual property is difficult, and we may not be able to prevent misappropriation of our proprietary rights, particularly in countries where the laws may not protect such rights as fully as in the United States.

In addition to our patent rights, we also rely on unpatented technology, trade secrets, know-how, and confidential information. Third parties may independently develop substantially equivalent information and techniques or otherwise gain access to or disclose our technology. We may not be able to effectively protect our rights in unpatented technology, trade secrets, know-how, and confidential information. We require each of our employees, consultants, and corporate partners to execute a confidentiality agreement at the commencement of an employment, consulting, or collaborative relationship with us. Further, we require that all employees enter into assignment of invention agreements

as a condition of employment. However, these agreements may not provide effective protection of our information, or, in the event of unauthorized use or disclosure, they may not provide adequate remedies. If we are unable to prevent material disclosure of the trade secrets and other intellectual property related to our technologies to third parties, we may not be able to establish or maintain the competitive advantage that we believe is provided by such intellectual property, adversely affecting our market position and business and operational results.

We may incur substantial costs as a result of litigation or other proceedings relating to patent and other intellectual property rights held by third parties and we may be unable to protect our rights to, or to commercialize, ELAHERE or our product candidates.

Patent litigation is very common in the biotechnology and pharmaceutical industries. Third parties may assert patent or other intellectual property infringement claims against us with respect to our technologies, products, or other matters. From time to time, we have received correspondence from third parties alleging that, or inquiring whether, we infringe their intellectual property rights. Any claims that might be brought against us alleging infringement of patents may cause us to incur significant expenses and, if successfully asserted against us, may cause us to pay substantial damages and limit our ability to use the intellectual property subject to these claims. Even if we were to prevail, any litigation would be costly and time-consuming and could divert the attention of our management and key personnel from our business operations. Furthermore, as a result of a patent infringement suit, we may be forced to stop or delay developing, manufacturing, or selling products that incorporate the challenged intellectual property unless we enter into royalty or license agreements. There may be third-party patents, patent applications, and other intellectual property relevant to our products that may block or compete with our products or processes of which we are currently unaware with claims that cover the use or manufacture of our drug candidates or the practice of our related methods. Because patent applications can take many years to issue, there may be currently pending patent applications that may later result in issued patents that our drug candidates may infringe. In addition, we sometimes undertake research and development with respect to products even when we are aware of third-party patents that may be relevant to our products, on the basis that such patents may be challenged or licensed by us or that the Safe Harbor under 35 U.S.C. 271(e) applies. If our subsequent challenge to such patents were not to prevail, we may not be able to commercialize our products after having already incurred significant expenditures unless we are able to license the intellectual property on commercially reasonable terms. We may not be able to obtain such license agreements on terms acceptable to us, if at all. Even if we were able to obtain licenses to such technology, some licenses may be non-exclusive, thereby giving our competitors access to the same technologies licensed to us. Ultimately, we may be unable to commercialize some of our products or may have to cease some of our business operations, which could severely harm our business.

Any inability to license proprietary technologies or processes from third parties that we use in connection with the development and manufacture of ELAHERE or our product candidates may impair our business.

Other companies, universities, and research institutions have or may obtain patents that could limit our ability to use, manufacture, market, or sell ELAHERE or our product candidates or impair our competitive position. As a result, we would have to obtain licenses from other parties before we could continue using, manufacturing, marketing, or selling ELAHERE or our potential candidates. Any necessary licenses may not be available on commercially acceptable terms, if at all. If we do not obtain the required licenses, we may not be able to market our products at all or we may encounter significant delays in product development while we redesign products or methods that are found to infringe the patents held by others.

Risks Related to Government Regulation

Side effects, serious adverse events, or other undesirable properties associated with ELAHERE or our product candidates could delay or halt clinical trials, affect our ability to obtain or maintain regulatory approval, limit the commercial profile reflected in product labeling, or negatively affect market acceptance and commercial sales.

The prescribing information for ELAHERE includes a boxed warning related to the risk of severe ocular toxicities, including visual impairment, keratopathy, dry eye, photophobia, eye pain, and uveitis, as well as other warnings and precautions for various toxicities and reactions, including pneumonitis, peripheral neuropathy, and embryo-fetal toxicity. Side effects and toxicities associated with ELAHERE, as well as the warnings, precautions, and requirements listed in the prescribing information, could affect the willingness of physicians to prescribe, and patients to use, ELAHERE and negatively affect market acceptance and commercial sales. Patients receiving ELAHERE may experience serious adverse events in the future, whether the serious adverse events are disclosed in the prescribing

information or are newly reported. Further, patients receiving our products with co-morbid diseases not previously studied may experience new or different serious adverse events. Reports of adverse events or new safety concerns involving ELAHERE, including from our ongoing and recently completed trials, could result in the limitation or withdrawal of regulatory approval, implementation of a risk evaluation mitigation strategy or the inclusion of unfavorable information in our product labeling, such as additional boxed warnings, limitations of use, contraindications, and warnings and precautions.

Additionally, undesirable side effects or serious adverse events caused by ELAHERE or our product candidates could cause us or regulatory authorities to interrupt, delay, or halt clinical trials and could result in a restrictive label or the delay, denial, or withdrawal of regulatory approval by the FDA or other comparable foreign regulatory authorities.

Any related drug-side effects or serious adverse events in our clinical trials could affect clinical trial patient recruitment or the ability of enrolled patients to complete the clinical trial or result in potential product liability claims.

If we or others identify undesirable side effects or serious adverse events caused by ELAHERE or any of our product candidates that may receive marketing approval, a number of potentially significant negative consequences could result, including:

- we may suspend or be forced to suspend marketing;
- we may be obliged to conduct a product recall or withdrawal;
- regulatory authorities may suspend, vary, or withdraw their approvals;
- regulatory authorities may order the seizure of product;
- regulatory authorities may require additional warnings on the label or a risk evaluation and mitigation strategy (REMS) that could diminish the usage or otherwise limit commercial success;
- we may be required to conduct post-approval trials;
- we could be sued and held liable for harm caused to patients;
- we could be required to pay fines and face other administrative, civil, and criminal penalties; and
- our reputation may suffer.

Any of these events could prevent us from achieving or maintaining market acceptance of ELAHERE or any of our product candidates that may receive marketing approval.

We have received orphan drug designation for ELAHERE and our product candidates for specified indications; we may seek additional orphan drug designation for additional indications and for our other product candidates. However, we may be unsuccessful in obtaining or may be unable to maintain the benefits associated with orphan drug designation, including the potential for market exclusivity.

ELAHERE has been granted orphan drug designation by the FDA in the United States, and orphan medicinal product status by the EMA in the European Union for the treatment of ovarian cancer. Pivekimab has been granted orphan drug designation by the FDA for the treatment of AML and for the treatment of BPDCN, and by the EMA for the treatment of BPDCN. As part of our business strategy, we may seek orphan drug designation for our other product candidates; however, we may be unsuccessful.

Generally, if a product with an orphan drug designation subsequently receives the first marketing approval for the indication for which it has such designation, the product is entitled to a period of marketing exclusivity, which precludes the EMA or the FDA from approving another marketing application for the same drug or biologic for the indication for that time period. Even if we obtain orphan drug exclusivity for a drug, that exclusivity may not effectively protect the designated drug from competition because different drugs can be approved for the same condition. Even after an orphan drug is approved, the FDA can subsequently approve another product that meets the definition of a “same drug” under 21 C.F.R. 316.3 for the same condition if the FDA concludes that the later product is clinically superior by evidence that it is safer, more effective, or makes a major contribution to patient care. In addition, a designated orphan drug may not receive orphan drug exclusivity if it is approved for a use that is broader than the indication for which it received orphan drug designation. Moreover, orphan drug exclusive marketing rights in the United States may be lost if the FDA later determines that the request for designation was materially defective or if the manufacturer is unable to assure sufficient quantity of the drug to meet the needs of patients with the rare disease or condition. Orphan drug designation neither shortens the development time or regulatory review time of a drug nor gives the drug any advantage

in the regulatory review or approval process. While we intend to seek additional orphan drug designation for our other product candidates, we may never receive such designations. Even if we receive orphan drug designation, there is no guarantee that we will enjoy the benefits of those designations or obtain orphan drug exclusivity.

We and our collaborators are subject to extensive government regulations and we and our collaborators may not be able to obtain or maintain necessary regulatory approvals.

We and our collaborators may not obtain or maintain the regulatory approvals necessary to commercialize our product candidates, which would cause our business to be severely harmed. Pharmaceutical products, including ELAHERE and our product candidates, are subject to extensive and rigorous government regulation. The FDA regulates, among other things, the development, testing, manufacture, safety, record-keeping, labeling, storage, approval, advertising, promotion, sale, and distribution of pharmaceutical products. If ELAHERE or our product candidates are marketed outside of the United States, they will also be subject to extensive regulation by foreign governments. The regulatory review and approval process, which includes preclinical studies and clinical trials of each product, is lengthy, complex, expensive, and uncertain. Securing regulatory approval requires the submission of extensive preclinical and clinical data and supporting information to the authorities for each indication to establish the product's safety and efficacy. Data obtained from preclinical and other nonclinical studies and clinical trials are susceptible to varying interpretation, which may delay, limit, or prevent regulatory approval. The approval process may take many years to complete and may involve ongoing requirements for post-approval trials. The FDA may approve our product candidate for indications that are significantly more limited than what we apply for or require labeling statements that limit the use of our products, such as a boxed warning or warnings, contra-indications, or precaution statements. The FDA may also require a REMS, which could include physician communication plans or restricted distribution methods, such as training, certification, or other requirements for prescribers, pharmacies, or patients. Any FDA or other regulatory approvals, once obtained, may be withdrawn or limited. Any of these actions could diminish the usage of the product or otherwise limit the commercial success of our product candidates. The effect of government regulation may be to:

- delay marketing of product candidates for a considerable period of time;
- limit the indicated uses for which product candidates may be marketed;
- impose costly requirements on our activities; and
- place us at a competitive disadvantage to other pharmaceutical and biotechnology companies.

We may encounter delays or rejections in the regulatory approval process because of additional government regulation from future legislation or administrative action or changes in regulatory policy during the period of product development, clinical trials, and regulatory review. Failure to comply with applicable regulatory requirements may result in criminal prosecution, civil penalties, recall or seizure of products, total or partial suspension of production or injunction, as well as other regulatory action against our products or us. In addition, we are, or may become, subject to various federal, state, and local laws, regulations, and recommendations relating to safe working conditions, laboratory and manufacturing practices, the experimental use of animals, and the use and disposal of hazardous substances, including radioactive compounds and infectious disease agents, used in connection with our research work. If we fail to comply with the laws and regulations pertaining to our business, we may be subject to sanctions, including the temporary or permanent suspension of operations, product recalls, marketing restrictions, and civil and criminal penalties.

We remain subject to ongoing regulatory requirements and review. If we or our collaborators fail to comply with regulations applicable to approved products, these approvals could be lost and the sale of our or our collaborators' products could be suspended.

ELAHERE and any of our product candidates that may receive marketing approval will continue to be subject to extensive regulatory requirements related to product manufacturing, labeling, packaging, storage, record-keeping, advertising, promotion, registration and listing, and reporting of adverse events and other post-market information. The approval of a product could be conditioned on us or our collaborators conducting costly post-approval trials or could limit the indicated uses included in product labeling. Moreover, the product may later cause adverse effects that limit or prevent its widespread use, force us or our collaborators to withdraw it from the market, or impede or delay our or our collaborators' ability to obtain regulatory approvals in additional countries. In addition, the manufacturer of the product and its facilities will continue to be subject to regulatory review and periodic inspections to ensure adherence to applicable regulations. We may be unable or slow to comply with existing regulations, including changes in existing regulatory requirements, or new regulations. Furthermore, our collaborators may be slow to adapt, or may never adapt,

to changes in existing regulatory requirements or adoption of new regulatory requirements pertaining to products that have already received approval.

The FDA closely regulates the post-approval marketing and promotion of drugs and biologics to ensure they are marketed only for the approved indications and in accordance with the provisions of the approved labeling. If we market our products outside of their approved indications, we may be subject to enforcement action for off-label promotion. Violations of the FDA's restrictions relating to the promotion of prescription drugs may also lead to investigations alleging violations of federal and state health care fraud and abuse laws, as well as state consumer protection laws.

If we or our collaborators fail to comply with the regulatory requirements of the FDA and other applicable U.S. and foreign regulatory authorities, or if previously unknown problems with our or our partners' products, manufacturers, or manufacturing processes are discovered, we could be subject to administrative or judicially imposed sanctions, including:

- restrictions on the products, manufacturers, or manufacturing processes;
- warning or untitled letters;
- civil or criminal penalties;
- fines;
- injunctions;
- product seizures or detentions;
- import bans;
- voluntary or mandatory product recalls and publicity requirements;
- suspension or withdrawal of regulatory approvals;
- total or partial suspension of production; and
- refusal to approve pending applications for marketing approval of new drugs or supplements to approved applications.

Any one of these could have a material adverse effect on our business or financial condition.

Adequate coverage and reimbursement from third-party payors may not be available for our products and we may be unable to successfully contract for coverage from third-party payors; conversely, to secure coverage from third-party payors, we may be required to pay rebates or other discounts; and we may confront other restrictions to reimbursement, any of which could diminish our sales or adversely affect our ability to sell our products profitably.

Our ability to successfully commercialize and achieve market acceptance of our products depends in significant part on adequate financial coverage and reimbursement from third-party payors, including government healthcare programs, such as the Medicare and Medicaid programs within the U.S., and private entities, such as managed care organizations and private health insurers. Moreover, a third-party payor's decision to provide coverage for a product does not mean that an adequate reimbursement rate will be approved. We may be required to provide discounts or rebates to certain purchasers to obtain coverage under federal healthcare programs, or to sell products to government purchasers. Adequate third-party reimbursement may not be available to enable us to maintain net price levels sufficient to realize an appropriate return on our investment in product development. Additionally, coverage and reimbursement for drug products can differ significantly from payor to payor. One third-party payor's decision to cover a particular drug product or service does not ensure that other payors will also provide coverage for the medical product or service or will provide coverage at an adequate reimbursement rate. The demand for, and the profitability of, our products could be materially harmed if state Medicaid programs, the Medicare program, other government healthcare programs, or third-party commercial payors deny reimbursement for our products, limit the indications for which our products will be reimbursed, or provide reimbursement only on unfavorable terms.

Third-party payors are increasingly challenging the price and examining the cost-effectiveness of new products and services in addition to their safety and efficacy. To obtain or maintain coverage and reimbursement for any approved drug product, we may need to collect real-world evidence and conduct pharmacoeconomic studies to demonstrate the medical necessity and cost-effectiveness of our product. These studies will be in addition to the studies required to obtain or maintain regulatory approvals. If third-party payors do not consider a product to be cost-effective compared to other available therapies, they may not cover the product or, if they do, the level of payment may not be sufficient to allow sale of a product at a profit. Thus, obtaining and maintaining reimbursement status is complex and costly.

As part of the overall trend toward cost containment, third-party payors, directly or through pharmacy benefit managers, or PBMs, may seek to restrict coverage or control utilization of certain drug products. Third-party PBMs and third-party payors can limit coverage to specific products on an approved list, or formulary, which might not include all of the approved products for a particular indication and can exclude drugs from their formularies in favor of competitor drugs or alternative treatments. We cannot guarantee that we will be able to agree to coverage terms with all PBMs and third-party payors. Payors could decide to exclude our products from formulary coverage lists, impose step edits that require patients to try alternative, including generic, treatments before authorizing payment for our products, limit the types of diagnoses for which coverage will be provided, require pre-approval (known as "prior authorization") for coverage of a prescription for each patient (to allow the payor to assess medical necessity) or impose a moratorium on coverage for products while the payor makes a coverage decision. An inability to maintain adequate access, including through formulary positions, could increase patient cost-sharing for our products and cause some patients to determine not to use our products.

Healthcare reform efforts, future legislation, and regulatory actions aimed at reducing healthcare costs could impact our ability to obtain or maintain coverage and adequate reimbursement. This could materially harm our business and financial result. *See "Regulatory Matters - Reimbursement". See also, "Risks Related to Government Regulation - Healthcare reform initiatives and other legislative action applicable to our product candidates could limit our potential product revenue*."

We may never receive approval to commercialize ELAHERE or our product candidates outside of the U.S.

We are not permitted to market or sell ELAHERE in the EU or in any other foreign countries on a commercial basis until we receive the requisite approval from such country's regulatory authorities. Obtaining and maintaining marketing approval, or pricing and reimbursement approval, of ELAHERE or our product candidates in one jurisdiction does not guarantee that we will be able to obtain or maintain equivalent approvals in any other jurisdiction, but a failure or delay in obtaining regulatory approval in one jurisdiction may have a negative effect on the regulatory approval process in others. Approval procedures vary among jurisdictions and can involve requirements and administrative review periods different from those in the United States, including additional preclinical studies or clinical trials, as clinical trials conducted in one jurisdiction may not be accepted by regulatory authorities in other jurisdictions. The process for obtaining marketing approval in a foreign country is an extensive, lengthy, expensive, and uncertain process and the regulatory authority may reject a filing or delay, limit, or deny marketing approval for many reasons. In many jurisdictions outside the United States, a product must be approved for reimbursement before it can be approved for sale. Failure to obtain marketing approval in other countries or any delay or setback in obtaining such approval would impair our ability to develop foreign markets for ELAHERE and could adversely affect our business and financial condition. Any such complications may reduce our target market and delay or limit the full commercial potential of ELAHERE.

Government pricing requirements, such as those under the Medicaid Drug Rebate Program, other federal government programs, and state price transparency laws, and their related reporting and payment obligations require strict adherence; our failure to adhere to such requirements could subject us to penalties, sanctions, and fines that could have a material adverse effect on our business, financial condition, results of operations, and growth prospects.

We participate in the Medicaid Drug Rebate Program, the 340B program, the U.S. Department of Veterans Affairs, Federal Supply Schedule, or FSS, pricing program, and the Tricare Retail Pharmacy program, and have obligations to report the average sales price for certain drug products to the Medicare program. Pricing and rebate calculations vary across products and programs, are complex, and are often subject to interpretation by us, governmental or regulatory agencies, and the courts, which can change and evolve over time. Requirements are subject to change. For example, as of January 1, 2022, all manufacturers must report the average sales price for drugs under the Medicare program regardless of whether they are enrolled in the Medicaid Drug Rebate Program.

If we become aware that our reporting for a prior quarter or other time period was incorrect or has changed as a result of recalculation of pricing data, we generally are obligated to resubmit the corrected data and provide refunds or other reconciliations. Price recalculations may affect the ceiling price at which we are required to offer our products to certain customers under the 340B program and increase our general costs.

Civil monetary penalties can be applied if we are found to have knowingly submitted any false price or product information to the government, if we are found to have made a misrepresentation in the reporting of our average sales

price, if we fail to submit the required price data on a timely basis, or if we are found to have charged certain customers more than the statutorily mandated ceiling price. The Centers for Medicare & Medicaid Services, or CMS, also could decide to terminate our Medicaid Drug Rebate agreement. Our failure to comply with our reporting and payment obligations under the Medicaid Drug Rebate Program and other governmental programs could negatively impact our financial results.

Several states have passed or are considering legislation that requires or purports to require companies to report pricing information, including proprietary pricing information. Such reporting requirements are not always clearly defined and failure to appropriately disclose in accordance with these requirements may lead to the imposition of penalties.

Healthcare reform initiatives and other legislative action applicable to our product candidates could limit our potential product revenue.

In the U.S., federal and state governments continue to propose and pass legislation designed to reform delivery of, or payment for, health care, which include initiatives to reduce the cost of healthcare generally and drugs specifically. For example, in March 2010, the U.S. Congress enacted the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act (the "ACA"), which expanded health care coverage through Medicaid expansion and the implementation of the individual mandate for health insurance coverage and which included changes to the coverage and reimbursement of drug products under government healthcare programs. Since its enactment, there have been and likely will be judicial, administrative, executive, and legislative challenges to certain aspects of the ACA. For example, tax reform legislation was enacted at the end of 2017 that eliminates the tax penalty for individuals who do not maintain sufficient health insurance coverage beginning in 2019 (the so-called "individual mandate"). In 2021, the U.S. Supreme Court dismissed the latest judicial challenge to the ACA brought by several states without specifically ruling on the constitutionality of the ACA. Changes resulting from any successful challenges or other future modifications may have a material impact on our business.

Beyond the ACA, there are ongoing and widespread health care reform efforts, a number of which have focused on regulation of prices or payment for drug products. Drug pricing and payment reform was a focus of the Trump Administration and has been a focus of the Biden Administration. For example, federal legislation enacted in 2021 eliminates a statutory cap on Medicaid drug rebate program rebates effective January 1, 2024. As another example, the Inflation Reduction Act (IRA) of 2022 contains various drug price negotiation, inflationary rebate, and pricing provisions. Among other provisions, the IRA imposes penalties if drug prices are increased at a rate faster than inflation, redesigns Medicare Part D benefits to shift a greater portion of the costs to manufacturers, and allows for the U.S. government to set prices for certain drugs in Medicare. More specifically, the IRA creates a drug price negotiation program under which the prices for Medicare units of certain high Medicare spend drugs and biologicals without generic or biosimilar competition will be limited by a cap that is defined by reference to, among other things, a specified non-federal average manufacturer price, starting in 2026 for certain products. It is not yet clear which products the government will select and subject to the cap, but if one of our products is subject to the government-established price, there could be a significant impact to our business. Further, failure to comply with requirements under the drug price negotiation program can result in an excise tax and/or a civil monetary penalty. The impact of the IRA on our business and the broader pharmaceutical industry remains uncertain, as the federal government has yet to make various IRA implementation decisions. This or any other legislative change could affect the market conditions for our products. We expect continued scrutiny on drug pricing and government price reporting from Congress, agencies, and other bodies.

Individual states in the United States have also become increasingly active in passing legislation and implementing regulations designed to control pharmaceutical product pricing, including price constraints, restrictions on copayment assistance by pharmaceutical manufacturers, value-based pricing, marketing cost disclosure and transparency measures, and, in some cases, measures designed to encourage importation from other countries and bulk purchasing.

Healthcare reform efforts have been and may continue to be subject to scrutiny and legal challenge. For example, revisions to regulations under the federal anti-kickback statute would remove protection for traditional Medicare Part D discounts offered by pharmaceutical manufacturers to pharmacy benefit managers and health plans. Pursuant to court order, the removal was delayed, and the IRA further delayed implementation of the rule until January 1, 2032.

Health care reform at the federal or state level could affect demand for, or pricing of, our product candidates if approved for sale. We cannot, however, predict the ultimate content, timing, or effect of any federal and state reform efforts. There is no assurance that federal or state health care reform will not adversely affect our future business and financial results.

In addition, other broader legislative changes have been adopted that could have an adverse effect upon, and could prevent, our products' commercial success. For example, the Budget Control Act of 2011, as amended, resulted in the imposition of reductions in Medicare (but not Medicaid) payments to providers in 2013 and remains in effect through 2031 (except May 1, 2020 to March 31, 2022) unless additional Congressional action is taken. Any significant spending reductions affecting Medicare, Medicaid or other publicly funded or subsidized health programs that may be implemented and/or any significant taxes or fees that may be imposed on us could have an adverse impact on our results of operations.

As our business grows, we will become increasingly subject to additional healthcare regulation and enforcement by various government entities, and our failure to strictly adhere to these regulatory regimes could have a detrimental impact on our business.

In the United States, pharmaceutical manufacturers and their products are subject to extensive federal and state regulation, including laws intended to prevent fraud and abuse in the healthcare industry. These laws subject us to regulations by regional, national, state and local agencies, including, but not limited to the DOJ, the Office of Inspector General of the U.S. Department of Health and Human Services, or OIG, and other regulatory bodies. These laws include:

- federal false claims, false statements, and civil monetary penalties laws prohibiting, among other things, any person from knowingly presenting, or causing to be presented, a false claim for payment of government funds or knowingly making, or causing to be made, a false statement to get a false claim paid;
- the federal anti-kickback law, which prohibits, among other things, persons from offering, soliciting, receiving, or providing remuneration, directly or indirectly, to induce either the referral of an individual for, or the purchasing or ordering of, a good or service for which payment may be made under federal healthcare programs such as Medicare and Medicaid;
- the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA), which, in addition to privacy protections applicable to healthcare providers and other entities, prohibits executing a scheme to defraud any healthcare benefit program or making false statements relating to healthcare matters;
- FDCA, which among other things, strictly regulates drug marketing, prohibits manufacturers from marketing products prior to approval or for off-label use, and regulates the distribution of samples;
- federal laws that require pharmaceutical manufacturers to report certain calculated product prices to the government or provide certain discounts or rebates to government authorities or private entities, often as a condition of reimbursement under government healthcare programs;
- the federal Open Payments (or federal "sunshine" law), which requires pharmaceutical and medical device companies to monitor and report certain financial interactions with certain healthcare providers to the Center for Medicare & Medicaid Services within the U.S. Department of Health and Human Services for re-disclosure to the public, as well as ownership and investment interests held by physicians and their immediate family members;
- federal consumer protection and unfair competition laws, which broadly regulate marketplace activities and activities that potentially harm consumers;
- analogous state laws and regulations, including state anti-kickback and false claims laws and state laws governing privacy, security, and breaches of health information in certain circumstances, many of
- which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts; and
- state laws that require pharmaceutical companies to comply with specific compliance standards, restrict financial interactions between pharmaceutical companies and healthcare providers, report drug product pricing information, financial interactions with health care providers, or marketing expenditures and/or require the registration of pharmaceutical sales representatives.

Ensuring compliance is time-consuming and costly. Given the breadth of the laws and regulations, limited guidance for certain laws and regulations, and evolving government interpretations of the laws and regulations, governmental authorities may possibly conclude that our business practices are non- compliant. If our operations are found to be in violation of any of the laws described above or any other government regulations that apply to us, we may

be subject to penalties, including civil and criminal penalties, damages, fines, exclusion from participation in government health care programs, such as Medicare and Medicaid, imprisonment, and the curtailment or restructuring of our operations, any of which could adversely affect our business, financial condition, results of operations, and prospects.

If we fail to comply with environmental, health, and safety laws and regulations that apply to us, we could become subject to fines or penalties or incur costs that could harm our business.

We are subject to numerous federal, state, and local environmental, health, and safety laws and regulations, including those governing the manufacture and transportation of hazardous materials and pharmaceutical compounds. Although we believe that our contracted research, development, and manufacturing safety procedures for handling and disposing of these materials comply with the standards prescribed by applicable laws and regulations, we cannot completely eliminate the risk of accidental contamination or injury from these materials. In the event of such an accident, we could be held liable for any resulting damages, and any liability could exceed our resources. We may be required to incur significant costs to comply with these laws in the future, including civil or criminal fines and penalties, which we may not be able to afford.

In addition, we may incur substantial costs in order to comply with current or future environmental, health, and safety laws and regulations applicable to us. These current or future laws and regulations may impair our research, development, or production efforts or impact the research activities we pursue, particularly with respect to research involving human subjects or animal testing. Our failure to comply with these laws and regulations also may result in substantial fines, penalties, or other sanctions, which could cause our financial condition to suffer.

Failure to comply with the Foreign Corrupt Practices Act and other similar anti-corruption laws and anti-money laundering laws, as well as export control laws, customs laws, sanctions laws, and other laws governing our operations could subject us to significant penalties and damage our reputation.

We are subject to the Foreign Corrupt Practices Act (FCPA), which generally prohibits U.S. companies and intermediaries acting on their behalf from offering or making payments to “foreign officials” for the purpose of obtaining or retaining business or securing an improper business advantage. The FCPA also requires companies whose securities are publicly listed in the United States to maintain accurate books and records and to maintain adequate internal accounting controls. We are also subject to other similar anti-corruption laws and anti-money laundering laws, as well as export control laws, customs laws, sanctions laws, and other laws that apply to our activities in the countries where we operate. Certain of the jurisdictions in which we conduct or expect to conduct business have heightened risks for public corruption, extortion, bribery, pay-offs, theft, and other fraudulent practices. In many countries, health care professionals who serve as investigators in our clinical trials or may prescribe or purchase ELAHERE or any of our product candidates if they are approved, are employed by a government or an entity owned or controlled by a government. Dealings with these investigators, prescribers, and purchasers are subject to regulation under the FCPA. Under these laws and regulations, as well as other anti-corruption laws, anti-money-laundering laws, export control laws, customs laws, sanctions laws, and other laws governing our operations, various government agencies may require export licenses, may seek to impose modifications to business practices, including cessation of business activities in sanctioned countries or with sanctioned persons or entities and modifications to compliance programs, which may increase compliance costs, and may subject us to fines, penalties, and other sanctions.

Inadequate funding for the FDA, the Securities and Exchange Commission, and other government agencies could hinder their ability to hire and retain key leadership and other personnel, prevent new products and services from being developed or commercialized in a timely manner, or otherwise prevent those agencies from performing normal business functions, which could negatively affect our business.

The ability of the FDA to review and approve new products can be affected by a variety of factors, including government budget and funding levels, ability to hire and retain key personnel and accept the payment of user fees, and statutory, regulatory, and policy changes. Average review times at the agency have fluctuated in recent years as a result. In addition, government funding of the U.S. Securities and Exchange Commission (SEC) and other government agencies on which our operations may rely, including those that fund research and development activities is subject to the political process, which is inherently fluid and unpredictable.

Disruptions at the FDA and other agencies may also slow the time required for new drugs to be reviewed and/or approved by necessary government agencies, which would adversely affect our business. For example, the U.S. government has shut down several times, including December 22, 2018 to January 25, 2019, and certain regulatory agencies, such as the FDA and the SEC, have had to furlough employees and stop critical activities. If a prolonged government shutdown or a series of shutdowns occurs, it could significantly affect the ability of the FDA to timely review and process our regulatory submissions, which could have a material adverse effect on our business. Further, future government shutdowns could impact our ability to gain access to the public markets and obtain necessary capital in order to properly capitalize and continue our operations.

We may be subject to, or may in the future become subject to, U.S. federal and state and foreign laws and regulations imposing obligations on how we collect, use, disclose, store, and process personal information. Our actual or perceived failure to comply with such obligations could result in liability or reputational harm and adversely affect our business. Ensuring compliance with such laws and regulations could also impair our efforts to maintain and expand our customer base, and thereby decrease our revenue.

In many activities, including the conduct of clinical trials, we are subject to laws and regulations governing data privacy and the protection of health-related and other personal information. These laws and regulations govern our processing of personal data, including the collection, access, use, analysis, modification, storage, transfer, destruction, and disposal of personal data. They also impose requirements with respect to notification and remediation of security breaches involving personal data. We must comply with laws and regulations associated with the international transfer of personal data based on the location in which the personal data originates and the location in which such data are processed. There is also heightened sensitivity around certain types of health data, which may be subject to additional protections. While we strive to comply with all applicable privacy and security laws and regulations, legal standards for privacy continue to evolve and any failure or perceived failure to comply may result in proceedings or actions against us by government entities or others, or could cause reputational harm, which could have a material adverse effect on our business.

The legislative and regulatory landscape for privacy and data security continues to evolve. For example, the EU General Data Protection Regulation (GDPR), which was effective as of May 25, 2018, introduced new data protection requirements in the European Union relating to the consent of the individuals to whom the personal data relate, the information provided to the individuals, the documentation we must retain, the security and confidentiality of the personal data, data breach notification, and the use of third-party processors in connection with the processing of personal data. The GDPR has increased our responsibility and potential liability in relation to personal data that we process, and we may be required to put in place additional mechanisms to ensure compliance with the GDPR. However, our ongoing efforts related to compliance with the GDPR may not be successful and could increase our cost of doing business. In addition, data protection authorities of the different EU member states may interpret the GDPR differently, and guidance on implementation and compliance practices are often updated or otherwise revised, which adds to the complexity of processing personal data in the European Union.

In the United States, numerous federal and state data protection laws govern our collection, use and disclosure of personal information. For example, the California Consumer Privacy Act of 2018 as amended and expanded by the California Privacy Rights Act of 2020 (together, the CCPA), mirrors a number of the key provisions of the EU GDPR and applies to a broad range of information deemed to be personal information. The CCPA establishes data privacy rights for consumers in the State of California, imposing special rules on the collection of consumer data from minors, requires additional disclosures and transparency, and requires us to allow consumers to opt-out of certain online disclosures. The CCPA also creates potentially significant statutory damages framework for violations of the CCPA and for businesses that fail to implement reasonable security procedures and practices to prevent data breaches. Other similar laws will go into operation in 2023 or are under consideration in additional states and abroad in jurisdictions worldwide. Additionally, laws in all 50 states require businesses to provide notice to individuals whose personally identifiable information has been disclosed as a result of a data breach. The laws are not consistent, and compliance in the event of a widespread data breach is costly.

Any such additional legislation, if enacted, may add additional complexity, variation in requirements, restrictions and potential legal risk, and may require additional investment of resources in compliance programs, impact strategies, reduce the availability of previously useful data and result in increased compliance costs and/or changes in business practices and policies.

Risks Related to Our Key Personnel and Other Service Providers

We depend on our key personnel, and we must continue to attract and retain key employees and consultants.

We depend on our key scientific and management personnel. Our ability to pursue the development and commercialization of ELAHERE and our product candidates depends largely on retaining the services of our existing personnel and hiring additional qualified personnel to perform research, development, and commercialization activities. Although we have entered into employment agreements with our executive officers, each of them may terminate their employment with us at any time. We do not maintain "key person" insurance for any of our executives or other employees. In addition, we rely on consultants and advisors, including scientific and clinical advisors, to assist us in formulating our research and development and commercialization strategy. Our consultants and advisors may be employed by employers other than us and may have commitments under consulting or advisory contracts with other entities that may limit their availability to us. If we are unable to continue to attract and retain high-quality personnel, our ability to pursue our growth strategy will be limited. Attracting and retaining qualified personnel will be critical to our success. We may not be able to attract and retain personnel, or, in the event key personnel leave, suitable replacements for such personnel, on acceptable terms given the competition for such personnel among biotechnology, pharmaceutical, and healthcare companies, universities, and non-profit research institutions. Failure to retain our existing key management and scientific personnel or to attract additional highly qualified personnel could harm our business.

Our employees, independent contractors, principal investigators, CROs, consultants, and collaborators may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements and insider trading.

We are exposed to the risk that our employees, independent contractors, principal investigators, third-party contract research organizations (CROs), consultants, and collaborators may engage in fraudulent conduct or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or unauthorized activities that violate: (1) laws or regulations in jurisdictions where we are performing activities in relation to ELAHERE or our product candidates, including those laws requiring the reporting of true, complete, and accurate information to such authorities; (2) manufacturing regulations and standards; (3) applicable laws prohibiting the promotion of a medical product for a use that has not been cleared or approved; (4) fraud and abuse, anti-corruption, and anti-money laundering laws, as well as similar laws and regulations and other laws; or (5) laws that require the reporting of true and accurate financial information and data. In particular, sales, marketing, and business arrangements in the healthcare industry are subject to laws intended to prevent fraud, bias, misconduct, kickbacks, self-dealing, and other abusive practices, and these laws may differ substantially from country to country. Misconduct by these parties could also include the improper use of information obtained in the course of clinical trials or performing other services, which could result in investigations, sanctions, and serious harm to their or our reputation. It is not always possible to identify and deter misconduct by these parties, and the precautions and procedures we currently take or may establish in the future as our operations and employee, CRO, consultant, and collaborator base expands to detect and prevent this type of activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure by these parties to comply with such laws or regulations. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business and results of operations, including the imposition of significant fines or other sanctions.

Risks Related to Our Technology Systems

Our business and operations could suffer in the event of system failures.

We utilize information technology systems and networks to process, transmit, and store electronic information in connection with our business activities. As use of digital technologies has increased, cyber incidents, including deliberate attacks and attempts to gain unauthorized access to computer systems and networks, have increased in frequency and sophistication. These threats pose a risk to the security of our systems and networks and the confidentiality, availability, and integrity of our data. There can be no assurance that we will be successful in preventing cyber-attacks or successfully mitigating their effects.

Despite the implementation of security measures, our internal computer systems, and those of our CROs and other contractors and consultants, are vulnerable to damage from cyber-attack, computer viruses, unauthorized access,

natural disasters, terrorism, war, and telecommunication and electrical failures. Furthermore, we have little or no control over the security measures and computer systems of our third-party CROs and other contractors and consultants. While we have not experienced any such system failure, accident, or security breach to date, if such an event were to occur and cause interruptions in our operations, it could result in a material disruption of our programs. For example, the loss of clinical trial data for our product candidates could result in delays in our marketing approval efforts and significantly increase our costs to recover or reproduce the data. To the extent that any disruption or security breach results in a loss of or damage to our data or applications or other data or applications relating to our technology or product candidates, or inappropriate disclosure of confidential or proprietary information, we could incur liabilities and the further development of our product candidates could be delayed.

Risks Related to the Ownership of Our Common Stock

Our stock price may be volatile and fluctuate significantly and results announced by us and our collaborators or competitors could cause our stock price to decline.

Our stock price could fluctuate significantly due to the risks listed in this section, business developments announced by us and by our collaborators and competitors, or as a result of market trends and daily trading volume. The business developments that could affect our stock price include disclosures related to clinical findings with compounds that make use of our ADC technology, new collaborations, clinical advancement, or discontinuation of product candidates that make use of our ADC technology or product candidates that compete with our compounds or those of our collaborators, and regulatory approvals for our product candidates or product candidates that compete with our compounds or those of our collaborators. Our stock price could also fluctuate significantly with the level of overall investment interest in small-cap biotechnology stocks or for other reasons unrelated to our business.

Our operating results have fluctuated in the past and are likely to continue to do so in the future. Our revenue is unpredictable and may fluctuate due to the timing of non-recurring licensing fees, decisions of our collaborators with respect to our agreements with them, and the achievement of milestones and our receipt of the related milestone payments under new and existing licensing and collaboration agreements. Revenue historically recognized under our prior collaboration agreements may not be an indicator of revenue from any future collaboration. In addition, our expenses are unpredictable and may fluctuate from quarter to quarter due to the timing of expenses, which may include obligations to manufacture or supply product or payments owed by us under licensing or collaboration agreements. It is possible that our quarterly and/or annual operating results will not meet the expectations of securities analysts or investors, causing the market price of our common stock to decline. We believe that quarter-to-quarter and year-to-year comparisons of our operating results are not good indicators of our future performance and should not be relied upon to predict the future performance of our stock price.

The potential sale of additional shares of our common stock may cause our stock price to decline.

We may seek additional capital due to market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans through a variety of means, including through private and public equity offerings and debt financings. To the extent that we raise additional capital through the sale of equity or convertible debt securities, ownership interest of existing shareholders will be diluted, and the price of our stock may decline. The price of our common stock may also decline if the market expects us to raise additional capital through the sale of equity or convertible debt securities whether or not we actually plan to do so.

We do not intend to declare or pay cash dividends on our common stock in the foreseeable future.

We have not declared or paid cash dividends on our common stock since our inception and do not intend to declare or pay cash dividends in the foreseeable future. We currently intend to retain all of our future earnings, if any, to finance the growth and development of our business. Therefore, shareholders will have to rely solely on appreciation in our stock price, if any, in order to achieve a gain on an investment.

Item 1B. ***Unresolved Staff Comments***

None.

Item 2. ***Properties***

We lease approximately 120,000 square feet of laboratory and office space in a building located at 830 Winter Street, Waltham, MA. The term of the 830 Winter Street lease expires on March 31, 2026, with an option for us to extend the lease for two additional five-year terms. We currently sublet approximately 37,000 square feet of this space through the remaining term of the initial lease, and we continue to use the remaining space.

Item 3. ***Legal Proceedings***

From time to time, we may be a party to various legal proceedings arising in the ordinary course of our business. We are not currently subject to any material legal proceedings.

Item 4. ***Mine Safety Disclosures***

None.

PART II

Item 5. ***Market for Registrant's Common Equity, Related Stockholder Matters, and Issuer Purchases of Equity Securities***

Market Price of Our Common Stock and Related Stockholder Matters

Our common stock is quoted on the Nasdaq Global Select Market under the symbol "IMGN." As of February 21, 2023, we had 398 holders of record of our common stock.

We have not paid any cash dividends on our common stock since our inception and do not intend to pay any cash dividends in the foreseeable future.

Recent Sales of Unregistered Securities; Uses of Proceeds from Registered Securities; Issuer Repurchases of Equity Securities

None.

Item 6. ***Reserved***

Item 7. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

Overview

We are a commercial-stage biotechnology company focused on developing and commercializing the next generation of antibody-drug conjugates (ADCs) to improve outcomes for cancer patients. By generating targeted therapies with enhanced anti-tumor activity and favorable tolerability profiles, we aim to disrupt the progression of cancer and offer patients more good days. We call this our commitment to "target a better now."

An ADC with our proprietary technology comprises an antibody that binds to a target found on tumor cells and is conjugated to one of our potent anti-cancer agents as a "payload" to kill the tumor cell once the ADC has bound to its target. ADCs are an expanding class of anticancer therapeutics, with twelve approved products and the number of agents in development growing significantly in recent years.

We have established a leadership position in ADCs with a portfolio of differentiated product candidates to address both solid tumors and hematologic malignancies. We have set four strategic priorities for the business:

- execute the commercial launch for ELAHERE;
- expand the ELAHERE label by moving into platinum-sensitive ovarian cancer;
- advance our clinical pipeline of novel ADCs for hematologic and solid tumors; and
- strengthen and expand our pipeline through both internal discovery and external partnerships.

We believe that sound execution of these prioritized activities will create substantial short-and long-term value for shareholders, employees, patients, and other stakeholders in the Company.

ELAHERE (Mirvetuximab Soravtansine)

Approval and Launch

ELAHERE is a first-in-class ADC targeting folate receptor alpha (FRα), a cell-surface protein over-expressed in a number of epithelial tumors, including ovarian, endometrial, and non-small-cell lung cancers. On November 14, 2022, the FDA granted accelerated approval for ELAHERE for the treatment of adult patients with FRα positive, platinum-resistant epithelial ovarian, fallopian tube, or primary peritoneal cancer, who have received one to three prior systemic treatment regimens. The accelerated approval of ELAHERE was based on efficacy and safety outcomes from SORAYA, a single-arm trial of ELAHERE in patients with platinum-resistant ovarian cancer whose tumors express high levels of FRα. Continued approval may be contingent upon verification and description of clinical benefit in a confirmatory trial. Patients eligible for treatment with ELAHERE are selected by the VENTANA FOLR1 (FOLR1-2.1) RxDx Assay developed by RTD, which was also approved by the FDA on November 14, 2022. We completed the build out of our U.S. commercial infrastructure in 2022 and initiated sales in the U.S. in November 2022.

Ongoing Development

In addition to SORAYA, we are conducting MIRASOL, a randomized Phase 3 clinical trial designed to support full approval of ELAHERE. In July of 2022, we completed enrollment in MIRASOL and expect to report top-line data from this trial in the second quarter of 2023. If the MIRASOL trial is successful, we plan to submit a marketing authorisation application for approval of ELAHERE for the treatment of adult patients with FRα positive, platinum-resistant epithelial ovarian, fallopian tube, or primary peritoneal cancer, who have received one to three prior systemic treatment regimens with the EMA in the second half of 2023. Additionally, our partner, Huadong Medicine, expects to submit a biologics license application to the National Medical Products Administration (NMPA) of China for ELAHERE in the same indication in the second half of 2023 to support potential approval and launch of ELAHERE in Greater China in 2024.

Beyond platinum-resistant ovarian cancer, our strategy is to move ELAHERE into platinum- sensitive disease, and to position the product as the combination agent of choice in ovarian cancer. To this end, in January 2023, we completed patient enrollment in PICCOLO, a single-arm trial of ELAHERE monotherapy in later-line FRα positive platinum-sensitive patients, and plan to report on the primary endpoint before the end of 2023. We have also generated encouraging data in recurrent platinum-sensitive disease with the combination of ELAHERE plus carboplatin and are supporting investigator sponsored trials (ISTs) with this combination in a single arm trial in the neoadjuvant setting and in a randomized trial comparing ELAHERE combined with carboplatin to standard of care in patients with recurrent

platinum-sensitive disease. We also initiated a single-arm Phase 2 trial (0420) of this combination followed by ELAHERE continuation in FRα-low, medium, and high patients with platinum-sensitive disease. Results from this trial and our ongoing ISTs will inform a path to the potential registration for ELAHERE plus carboplatin and, in parallel, could support compendia listing for this combination. Finally, we have initiated GLORIOSA, a randomized Phase 3 trial of ELAHERE plus bevacizumab maintenance in FRα-high recurrent platinum-sensitive disease that we believe could support label expansion.

Pivekimab Sunirine

Pivekimab sunirine (PVEK), formerly known as IMGN632, is an ADC comprised of a high-affinity antibody designed to target CD123 with site-specific conjugation to a DNA-alkylating payload of the novel IGN (indolinobenzodiazepine pseudodimer) class. Our IGNs are designed to alkylate DNA without cross-linking, which has provided a broad therapeutic index in preclinical models. We are advancing PVEK in clinical trials for patients with blastic plasmacytoid dendritic cell neoplasm (BPDCN) and acute myeloid leukemia (AML).

BPDCN is a rare form of blood cancer, with an annual incidence of between 500 and 1,000 patients in the US. In October 2020, the FDA granted Breakthrough Therapy designation for PVEK for the treatment of patients with relapsed or refractory BPDCN. Based on feedback from the FDA, we amended our ongoing 801 Phase 2 trial, known as CADENZA, to include a new cohort of up to 20 frontline BPDCN patients.

Initial enrollment in CADENZA did not distinguish between de novo BPDCN patients and those who presented with a prior or concomitant hematologic malignancy (PCHM). Although complete responses have been observed in BPDCN patients who present with PCHM, most will not achieve full hematologic recovery due to the impact of their prior or concomitant malignancy. For these patients, we believe that achieving a complete response with partial hematological recovery (CRh) is a potentially important measure of clinical benefit.

A Type B meeting was held in August 2022 regarding the initial data from the CADENZA trial. Based on FDA feedback on trial design provided in this meeting, the efficacy analysis will be conducted in de novo BPDCN patients with CR/CRc as the primary endpoint and the key secondary endpoint of duration of CR/CRc. We will enroll up to 20 de novo patients for purposes of the efficacy analysis. We will also continue to enroll PCHM patients in CADENZA to further evaluate PVEK in this population. The Company expects to report top-line data on the primary and key secondary endpoints in 2024.

We are also conducting our 802 trial for PVEK, which is a Phase 1b/2 trial designed to determine the safety, tolerability, and preliminary antileukemia activity of PVEK when administered in combination with azacytidine and venetoclax to patients with relapsed and frontline CD123-positive AML. Having identified the recommended Phase 2 dose for the triplet, patients are accruing in both expansion cohorts. In December 2022, safety and efficacy findings in relapsed refractory AML and initial data in frontline AML was presented at the American Society of Hematology Annual Meeting. In the first 10 frontline patients enrolled, 5/10 (50%) patients achieved a CR and 3/4 (75%) patients tested had a minimal residual disease (MRD)-negative CR. Based upon these results, the Company will continue enrollment in two frontline AML expansion cohorts to optimize the duration of venetoclax therapy. In addition, in December 2022, the Company announced a clinical collaboration with Gilead Sciences, Inc. to study PVEK in combination with magrolimab in relapsed refractory AML and expects to initiate this cohort under the 802 trial in the second half of 2023.

Other Pipeline Programs

We continue to advance our earlier-stage pipeline programs. IMGC936 is an ADC in co- development with MacroGenics, Inc. that is designed to target ADAM9, an enzyme over-expressed in a range of solid tumors and implicated in tumor progression and metastasis. IMGC936 incorporates a number of innovations, including antibody engineering to extend half-life, site-specific conjugation with a fixed drug-antibody ratio to enable higher dosing, and a next-generation linker and payload designed for improved stability and bystander activity. Phase 1 dose escalation was completed and expansion cohorts in non–small cell lung cancer and triple-negative breast cancer initiated in the second half of 2022. We expect to provide initial data from these cohorts in the second quarter of 2023.

IMGN151 is our next generation anti-FRα product candidate in development. This ADC integrates innovation in each of its components, which we believe may enable IMGN151 to address patient populations with lower levels of FRα expression, including tumor types outside of ovarian cancer. We began enrollment in a Phase I clinical trial evaluating IMGN151 in patients with recurrent endometrial cancer and recurrent, high-grade serous epithelial ovarian, primary peritoneal, or fallopian tube cancers in January 2023.

We have selectively licensed restricted access to our ADC platform technology to other companies to expand the use of our technology and to provide us with cash to fund our own product programs. These agreements typically provide the licensee with rights to use our ADC platform technology with its antibodies or related targeting vehicles to a defined target to develop products. The licensee is generally responsible for the development, clinical testing, manufacturing, registration, and commercialization of any resulting product candidate. As part of these agreements, we are generally entitled to receive upfront fees, potential milestone payments, and royalties on the sales of any resulting products. For more information concerning these relationships, including their ongoing financial and accounting impact on our business, please read Note C, “Significant Collaborative Agreements,” to our consolidated financial statements included in this report.

We expect to continue to incur substantial operating losses for at least the near term as we incur significant operating expenses related to research and development and selling and marketing of ELAHERE. As of December 31, 2022, we had $275.1 million in cash and cash equivalents compared to $478.8 million as of December 31, 2021.

Critical Accounting Policies and Estimates

We prepare our consolidated financial statements in accordance with accounting principles generally accepted in the U.S. The preparation of these financial statements requires us to make certain estimates and judgments that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reported periods. These items are monitored and analyzed by management for changes in facts and circumstances, and material changes in these estimates could occur in the future. Changes in estimates are reflected in reported results for the period in which the change occurs. We base our estimates on historical experience and various other assumptions that we believe to be reasonable under the circumstances. Actual results may differ from our estimates if past experience or other assumptions do not turn out to be substantially accurate.

We believe that our application of the following accounting policies, each of which requires significant judgments and estimates on the part of management, are the most critical to aid in fully understanding and evaluating our reported financial results:

- inventory capitalization;
- revenue recognition;
- clinical trial accruals; and
- stock-based compensation.

Our accounting policies are more fully described in the Notes to our consolidated financial statements, including Note B, “Summary of Significant Accounting Policies,” included in this Annual Report on Form 10-K.

Managing the Impact of the COVID-19 Pandemic

Since the first quarter of 2020, although we have experienced some delays or disruptions due to the COVID-19 pandemic, we have successfully continued to move our clinical trials forward while adapting to meet the evolving challenges of the pandemic. We implemented business continuity plans in March 2020 that enabled our workforce to remain productive while working from home until mid-September 2021, at which time our workforce returned to the office. From a regulatory perspective, since the beginning of the pandemic, we have received timely reviews of our submissions to the FDA and other health authorities covering our clinical trial applications. From a manufacturing and supply chain perspective, we believe we have sufficient inventory on hand for all of our ongoing and near-term clinical trials and to support the launch of ELAHERE. COVID-19 may impact our commercial activities for ELAHERE, including patient access to testing and identification, but we will conduct commercial and medical affairs field activities in virtual formats where in-person interactions are not feasible.

Results of Operations

For a discussion related to the results of operations for 2021 compared to 2020, refer to Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations – Results of Operations" in our Annual Report on Form 10–K for the year ended December 31, 2021 filed with the SEC on February 28, 2022.

Revenues

For 2022, our total revenues increased to $108.8 million compared to $69.9 million for 2021, driven by increases in license and milestone fees and ELAHERE net product revenue, partially offset by a decrease in non-cash royalty revenue, all of which are discussed further below.

Product revenue, net

On November 14, 2022, the FDA granted accelerated approval for ELAHERE for the treatment of adult patients with FRα positive, platinum-resistant epithelial ovarian, fallopian tube, or primary peritoneal cancer, who have received one to three prior systemic treatment regimens. We recorded $2.6 million of net product revenue related to U.S. sales of ELAHERE in the fourth quarter of 2022.

License and milestone fees

The amount of license and milestone fees we earn is directly related to the number of our collaborators, the collaborators' advancement of the product candidates, and the overall success in clinical trials of the product candidates. As such, the amount of license and milestone fees may vary widely from quarter to quarter and year to year. Total revenue recognized from license and milestone fees for the years ended December 31, 2022 and 2021 was $76.0 million and $22.7 million, respectively. Driving the increase, pursuant to our license agreement with Huadong executed in October 2020, upon delivery of clinical supply in 2022 and 2021, we recognized $25.4 million and $14.6 million, respectively, of the one-time upfront payment previously received pursuant to our license agreement. Additionally, pursuant to license agreements executed with Lilly and Magenta in 2022, we recognized $18.4 million and $6.0 million, respectively, of upfront payments received. We also recorded $23.2 million of revenue related to development and regulatory milestones achieved under various license and collaboration agreements in 2022 compared to $7.4 million in 2021, and $2.8 million of deferred revenue related to upfront payments previously received pursuant to certain license agreements with Novartis that were terminated in 2022.

Deferred revenue of $50.2 million as of December 31, 2022 includes $7.6 million related to the multi-target license agreement with Lilly and $41.2 million related to the sale of our residual rights to receive royalty payments on commercial sales of KADCYLA in 2019, with the remainder of the balance primarily representing consideration received from our other collaborators pursuant to our license agreements that we have yet to earn pursuant to our revenue recognition policy.

Non-cash royalty revenue related to the sale of future royalties

KADCYLA is a marketed ADC resulting from one of our development and commercialization licenses with Roche, through its Genentech unit. We receive royalty reports and payments related to sales of KADCYLA from Roche one quarter in arrears. We sold our rights to receive royalty payments on the net sales of KADCYLA through two separate transactions in 2015 and 2019. In accordance with our revenue recognition policy, $29.3 million and $46.8 million of non-cash royalties on net sales of KADCYLA were recorded and included in royalty revenue for 2022 and 2021, respectively. The decrease in non-cash royalty revenue in 2022 compared to 2021 is a result of the aggregate royalty threshold, as outlined in the 2015 royalty purchase agreement, being met in the second quarter of 2021, effectively reducing the royalty payments under the 2015 transaction from 100% to 15% of KADCYLA royalty payments received over the remaining royalty term. See further details regarding these agreements in Note H, "Liability Related to Sale of Future Royalties," of the Consolidated Financial Statements.

Cost of Sales

Our cost of sales includes the cost of producing and distributing inventories that are related to product revenue, including freight. In addition, shipping and handling costs for product shipments are recorded as incurred. Finally, cost of sales may also include costs related to excess or obsolete inventory adjustment charges.

Prior to receiving FDA approval for ELAHERE in November 2022, we manufactured inventory to be sold upon commercialization and recorded the costs as research and development expense. As a result, the manufacturing costs related to the inventory build-up incurred before FDA approval were expensed in a prior period and are therefore excluded from the cost of goods sold for the year ended December 31, 2022. We estimate our cost of sales related to product revenue as a percentage of net product revenue will continue to be positively affected as we sell through certain inventory that was previously expensed prior to FDA approval. We expect to utilize zero and low-cost inventory for an extended period of time.

Research and Development Expenses

Our research and development expenses relate to (i) research to evaluate new targets and to develop and evaluate new antibodies, linkers, and cytotoxic agents, (ii) preclinical testing of our own and, in certain instances, our collaborators' product candidates, and the cost of our own clinical trials, (iii) development related to clinical and commercial manufacturing processes, (iv) regulatory activities, (v) medical affairs activities, and (vi) external manufacturing operations.

Clinical trial and regulatory approval processes for our product candidates that have advanced or that we intend to advance to clinical testing are lengthy, expensive, and uncertain in both timing and outcome. As a result, the pace and timing of the clinical development of our product candidates is highly uncertain and may never result in approved products. Completion dates and development costs will vary significantly for each product candidate and are difficult to predict. A variety of factors, many of which are outside our control, could cause or contribute to the prevention or delay of the successful completion of our clinical trials, or delay or prevent our obtaining necessary regulatory approvals. The costs to take a product through clinical trials are dependent upon, among other factors, the clinical indications, the timing, size, and design of each clinical trial, the number of patients enrolled in each trial, and the speed at which patients are enrolled and treated. Product candidates may be found to be ineffective or to cause unacceptable side effects during clinical trials, may take longer to progress through clinical trials than anticipated, may fail to receive necessary regulatory approvals, or may prove impractical to manufacture in commercial quantities at reasonable cost or with acceptable quality.

The lengthy process of securing FDA approvals for new drugs requires the expenditure of substantial resources. Any failure by us to obtain, or any delay in obtaining, regulatory approvals, could materially adversely affect our product development efforts and our business overall. Accordingly, we cannot currently estimate, with any degree of certainty, the amount of time or money that we will be required to expend in the future on our product candidates prior to their regulatory approval, if such approval is ever granted.

Research and development expense was $213.4 million and $151.1 million for 2022 and 2021, respectively, with increased expenses related to personnel, third-party staffing costs, external manufacturing costs, clinical trial costs, and contract services, including medical affairs activities in support of advancing ELAHERE, which are discussed further below.

We do not track our research and development costs by project. Since we use our research and development resources across multiple research and development projects, we manage our research and development expenses within each of the categories listed in the following table and described in more detail below (in thousands):

	Year Ended December 31,		Increase/
Research and Development Expenses	**2022**	**2021**	**(Decrease)**
Research	$ 8,913	$ —	$ 8,913
Preclinical and clinical testing	140,873	99,971	40,902
Process and product development	7,499	7,010	489
Manufacturing operations	56,085	44,136	11,949
Total research and development expenses	$ 213,370	$ 151,117	$ 62,253

Research

Research includes expenses to evaluate new targets and to develop and evaluate new antibodies, linkers, and cytotoxic agents. Such expenses include third-party license fees, research funding payments, and contract services. Pursuant to a research collaboration agreement executed with Oxford BioTherapeutics in June 2022, we recognized $1.4 million of committed research costs in 2022, as well as a $7.5 million upfront license fee paid upon execution of the agreement. No similar expenses were recorded in 2021.

Preclinical and clinical testing

Preclinical and clinical testing includes expenses related to preclinical testing of our own, and, in certain instances, our collaborators' product candidates, regulatory activities, the cost of clinical trials, and expenses related to medical affairs. Such expenses include those related to personnel, third-party staffing, patient enrollment at our clinical testing sites, consultant fees, contract services, and facility expenses. Preclinical and clinical testing expenses increased to $140.9 million for 2022 compared to $100.0 million for 2021. This increase is primarily the result of increases in personnel, third-party staffing costs, contract services driven by medical affairs' activities in support of advancing ELAHERE, and clinical trial costs driven by our ELAHERE and PVEK trials.

Process and product development

Process and product development expenses include costs for development of clinical and commercial manufacturing processes for our own and collaborator compounds. Such expenses include the costs of personnel, third-party staffing, contract services, and facility expenses. Process and product development expenses increased to $7.5 million for 2022 compared to $7.0 million for 2021, due primarily to increased personnel-related costs.

Manufacturing operations

Manufacturing operations expense includes costs to have preclinical and clinical materials manufactured for our product candidates and quality control and quality assurance activities. Such expenses include personnel, third-party staffing, raw materials for our preclinical studies and clinical trials, non-pivotal and pivotal development costs with contract manufacturing organizations, and facility expenses. Manufacturing operations expense increased $11.9 million to $56.1 million for 2022 compared to 2021. The increase in 2022 is principally due to increases in personnel-related costs and external manufacturing activity across our programs.

Manufacturing operations expense also includes antibody development and supply expense in support of commercial validation and in anticipation of potential future clinical trials, as well as our ongoing trials, of $18.9 million and $20.6 million for 2022 and 2021, respectively. The process of antibody production is lengthy due in part to the lead time to establish a satisfactory production process at a vendor. Accordingly, costs incurred related to antibody production and development have fluctuated from period to period. Additionally, antibody used in the manufacture and sale of ELAHERE produced subsequent to FDA accelerated approval is capitalized and, therefore, we expect to record lower antibody expense in 2023 as compared to 2022.

Selling, General and Administrative Expenses

Selling, general and administrative expenses consist primarily of personnel-related costs, including stock-based compensation, for commercial operations and for personnel in executive, finance, accounting, business development, information technology, legal, and human resources functions. Other significant costs include facility costs not otherwise included in research and development expenses, commercial development activities, legal fees related to intellectual property and corporate matters, and fees for accounting and consulting services.

Selling, general and administrative expenses increased $72.3 million to $116.1 million for 2022 due primarily to building our commercial capabilities, including personnel-related costs and infrastructure as well as expenses related to sales and marketing activities, in support of the U.S. launch of ELAHERE in the fourth quarter of 2022.

Investment Income, net

Investment income for 2022 and 2021 was $4.3 million and $0.1 million, respectively. The increase in 2022 was driven by a greater average cash balance and an increase in interest rates.

Non-Cash Interest Expense on Liability Related to Sale of Future Royalty

In 2015, IRH purchased our right to receive 100% of the royalty payments on commercial sales of KADCYLA arising under our development and commercialization license with Genentech, subject to a residual cap. In January 2019, OMERS purchased IRH's right to the royalties the Company previously sold in 2015. As described in Note H, "Liability Related to Sale of Future Royalties," to our Consolidated Financial Statements, this royalty sale transaction has been recorded as a liability that amortizes over the estimated royalty payment period as KADCYLA royalties are remitted directly to the purchaser. During 2022 and 2021, we recorded $4.2 million and $13.1 million, respectively, of non-cash interest expense, which includes amortization of deferred financing costs. The decrease in 2022 was a result of a lower average royalty liability balance for the year and the KADCYLA royalty threshold being met in the second quarter of 2021, effectively reducing the royalty payments under the 2015 transaction from 100% to 15% of KADCYLA royalty payments received over the remaining royalty term.

We record interest expense at the imputed interest rate, which we currently estimate to be 10.5%. There are a number of factors that could materially affect the estimated interest rate in the future, in particular, the estimated amount and timing of royalty payments from future net sales of KADCYLA. We assess this estimate on a periodic basis and any resulting change in interest rate will be adjusted prospectively.

Other Expense, net

Other expense, net for 2022 and 2021 was $1.0 million and $1.1 million, respectively, substantially consisting of foreign currency exchange losses related to obligations with non-U.S. dollar-based suppliers and Euro cash balances maintained to fulfill them during the respective periods.

Income Tax Expense

For the year ended December 31, 2022, we incurred a tax expense of $1.2 million, primarily related to a significant income inclusion for U.S. tax purposes resulting from the transfer of certain intellectual property rights to a newly formed Swiss subsidiary and the impact of R&E capitalization pursuant to Section 174 of the 2017 Tax Act in 2022, partially offset by net operating loss carryforwards and credits. No similar expense was recorded in 2021.

Liquidity and Capital Resources

For a discussion related to our cash flows for 2021 compared to 2020, refer to Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources" in our Annual Report on Form 10–K for the year ended December 31, 2021 filed with the SEC on February 28, 2022.

The following tables show certain balance sheet and cash flow information as of and for the periods indicated (in thousands):

	As of December 31,	
	2022	2021
Cash and cash equivalents	$ 275,138	$ 478,750
Working capital	182,263	399,054
Shareholders' equity	155,826	325,586

	Year Ended December 31,	
	2022	2021
Cash used for operating activities	$ (229,802)	$ (169,416)
Cash used for investing activities	(1,364)	(1,434)
Cash provided by financing activities	27,554	355,744

Cash Flows

We require cash to fund our operating expenses, including the advancement of our clinical programs, and to make capital expenditures. Historically, we have funded our cash requirements primarily through equity and convertible debt financings in private and public markets and payments from our collaborators, including license fees, milestones, research funding, and royalties. We also monetized our rights to receive royalties on KADCYLA for upfront consideration. As of December 31, 2022, we had $275.1 million in cash and cash equivalents. Net cash used for operating activities was $229.8 million and $169.4 million during 2022 and 2021, respectively. The principal use of cash in operating activities for these periods was to fund our net loss, adjusted for non-cash items, with 2022 benefiting from $32.0 million of upfront payments pursuant to license agreements with Lilly and Magenta.

Net cash used for investing activities was $1.4 million for each of 2022 and 2021, consisting of cash outflows for capital expenditures in both periods, including leasehold improvements, computer and office equipment, and dedicated equipment at third-party manufacturing vendors.

Net cash provided by financing activities was $27.6 million and $355.7 million for 2022 and 2021, respectively. During 2022 and 2021, we sold 5.2 million and 6.7 million shares, respectively, of our common stock under our Open Market Sale Agreement℠ (Sale Agreement) with Jefferies, LLC as sales agent, dated December 18, 2020, generating net proceeds of $25.6 million and $45.8 million in 2022 and 2021, respectively. Pursuant to the Sale Agreement, we may offer and sell, from time to time, shares of our common stock having an aggregate offering price of up to $150.0 million. As of December 31, 2022, $76.3 million remains available under the Sale Agreement. In connection with entering into the Sale Agreement, we filed a prospectus supplement to the prospectus included in our registration statement on Form S-3 (No. 333-251502), which became effective upon filing on December 18, 2020, with the SEC relating to the offer and sale of the up to $150.0 million of our common stock under the Sale Agreement.

In December 2021, pursuant to a public offering, we issued and sold 17.5 million shares of common stock and issued pre-funded warrants to purchase 27.4 million shares of common stock, resulting in aggregate net proceeds of $277.6 million. Additionally, in August 2021, pursuant to a Securities Purchase Agreement with RA Capital Healthcare Fund, L.P., we issued a pre-funded warrant to purchase up to approximately 5.4 million shares of common stock, resulting in net proceeds of $29.8 million.

Net cash provided by financing activities for 2022 and 2021 also include proceeds from the exercise of stock options and sale of shares through our ESPP.

Future Capital Requirements

We have significant future capital requirements including:

- significant expected operating expenses to commercialize ELAHERE;
- significant expected operating expenses to conduct research and development activities and to

potentially commercialize additional product candidates from our portfolio;

- noncancelable in-process and future manufacturing obligations, including commercial supply of ELAHERE; and
- substantial facility lease obligations as described in Note K, “Leases,” included in this Annual Report on Form 10-K.

Our current level of cash and cash equivalents is not sufficient to meet our current operating plans for the next twelve months following the issuance of these financial statements. We plan to meet our operating cash flow requirements with current cash and cash equivalents, cash generated from commercial sales of ELAHERE, milestone payments from new or existing collaborations, and additional funds accessed through equity, debt, or other financings such as royalty financing transactions, as well as cash preservation activities. Such activities may not succeed. The failure to obtain sufficient funds on acceptable terms could have a material adverse effect on our business, results of operations, and financial condition and require us to defer or limit some or all of our research, development, clinical and/or commercial projects, including trials to support potential label expansion of ELAHERE.

Recent Accounting Pronouncements

The information set forth under Note B to the consolidated financial statements under the caption “Recently Adopted Accounting Pronouncements” is incorporated herein by reference.

Item 7A. ***Quantitative and Qualitative Disclosure About Market Risk***

We maintain an investment portfolio in accordance with our investment policy. The primary objectives of our investment policy are to preserve principal, maintain proper liquidity to meet operating needs, and maximize yields. Our investments are comprised of money market funds consisting principally of U.S. Government-issued securities and high quality, short-term commercial paper. We do not currently own derivative financial instruments in our investment portfolio. Accordingly, we do not believe there is any material market risk exposure with respect to derivative or other financial instruments that would require disclosure under this item.

Our foreign currency hedging program uses either forward contracts or a Euro-denominated bank account to manage the foreign currency exposures that exist as part of our ongoing business operations. Our foreign currency risk management strategy is principally designed to mitigate the future potential financial impact of changes in the value of transactions, anticipated transactions, and balances denominated in foreign currency resulting from changes in foreign currency exchange rates. Our market risks associated with changes in foreign currency exchange rates are currently limited to a Euro-denominated bank account as we had no forward contracts at December 31, 2022. Accordingly, we do not believe there was any material market risk exposure with respect to foreign currency exposures that would require disclosure under this item.

Item 8. ***Financial Statements and Supplementary Data***

IMMUNOGEN, INC.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of ImmunoGen, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of ImmunoGen, Inc. (the Company) as of December 31, 2022 and 2021, the related consolidated statements of operations and comprehensive loss, shareholders' equity (deficit) and cash flows for each of the three years in the period ended December 31, 2022, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2022 in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2022, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated March 1, 2023 expressed an unqualified opinion thereon.

The Company's Ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note A to the financial statements, the Company has suffered recurring losses from operations and has stated that substantial doubt exists about the Company's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in Note A. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the account or disclosure to which it relates.

	Clinical Trial Accrual
Description of the Matter	As discussed in Note B to the consolidated financial statements, the Company estimates certain clinical trial expenses due to a lag in receiving information from third parties. Moreover, payments for these activities are based on the terms of the individual arrangements, which may differ from the pattern of costs incurred. The Company maintained a clinical trial accrual of $15.7 million at December 31, 2022 included as a component of other accrued liabilities.

Auditing the Company's clinical trial accruals was especially subjective due to the management judgment used to estimate the patient-related costs incurred but not yet invoiced. While the Company's estimates of patient-related costs incurred but not yet invoiced are primarily based on information received from its vendors related to each clinical trial, the Company may need to use assumptions such as estimates of patient enrollment, patient cycles incurred, clinical sites activated, and other pass-through costs in determining its accrual. Additionally, due to the duration of the clinical trials as well as the timing of invoices received from vendors, actual amounts incurred are not typically known at the time the financial statements are issued.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of internal controls related to clinical trial accruals. For example, we tested management's review controls over the accuracy and completeness of the underlying data and the assumptions used in the Company's process for recording accrued patient-related costs.

Our audit procedures to test clinical trial accruals included, among others, testing the accuracy and completeness of the underlying data used to estimate costs incurred but not yet invoiced as well as evaluating and testing the assumptions used by management. We inspected the contracts and any amendments to the contracts with third parties and assessed the pattern of historical invoicing activity and the associated billing lags. We also corroborated the progress of clinical trials and other research and development projects through discussion with the Company's research and development personnel that oversee the clinical trials. In addition, we inspected information obtained by the Company directly from third-party vendors, which included the third-party vendors' estimate of costs incurred to date. We also compared subsequent invoices received from third-party vendors to the amounts accrued.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2001.
Boston, Massachusetts
March 1, 2023

IMMUNOGEN, INC.

CONSOLIDATED BALANCE SHEETS

In thousands, except per share amounts

	December 31, 2022	December 31, 2021
ASSETS		
Cash and cash equivalents	$ 275,138	$ 478,750
Accounts receivable	12,596	4,467
Unbilled receivable	1,531	2,345
Contract assets	—	3,000
Non-cash royalty receivable	3,851	4,115
Prepaid and other current assets	11,005	7,322
Total current assets	304,121	499,999
Property and equipment, net of accumulated depreciation	4,377	4,663
Operating lease right-of-use assets	10,231	12,392
Inventory	16,196	—
Other assets	14,011	8,711
Total assets	$ 348,936	$ 525,765
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable	$ 45,353	$ 18,434
Accrued compensation	11,111	5,469
Other accrued liabilities	38,783	23,077
Current portion of liability related to the sale of future royalties, net of deferred financing costs of $162 and $198, respectively	8,659	6,077
Current portion of operating lease liability	4,096	3,537
Current portion of deferred revenue	13,856	44,351
Total current liabilities	121,858	100,945
Deferred revenue, net of current portion	36,355	47,717
Operating lease liability, net of current portion	11,148	15,244
Liability related to the sale of future royalties, net of current portion and deferred financing costs of $205 and $381, respectively	23,449	34,967
Other long-term liabilities	300	1,306
Total liabilities	193,110	200,179
Commitments and contingencies (Note L)		
Shareholders' equity:		
Preferred stock, $.01 par value; authorized 5,000 shares; no shares issued and outstanding as of each of December 31, 2022 and 2021	—	—
Common stock, $.01 par value; authorized 600,000 shares; 226,046 and 220,361 shares issued and outstanding as of December 31, 2022 and 2021, respectively	2,260	2,204
Additional paid-in capital	1,847,638	1,794,525
Accumulated deficit	(1,694,072)	(1,471,143)
Total shareholders' equity	155,826	325,586
Total liabilities and shareholders' equity	$ 348,936	$ 525,765

The accompanying notes are an integral part of the consolidated financial statements.

IMMUNOGEN, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

In thousands, except per share amounts

	Year Ended December 31,		
	2022	2021	2020
Revenues:			
License and milestone fees	$ 76,027	$ 22,650	$ 63,742
Non-cash royalty revenue related to the sale of future royalties	29,261	46,808	68,529
Product revenue, net	2,554	—	—
Research and development support	940	398	28
Total revenues	108,782	69,856	132,299
Cost and operating expenses:			
Cost of sales	176	—	—
Research and development	213,370	151,117	114,592
Selling, general and administrative	116,129	43,812	38,600
Restructuring charge	—	—	1,487
Total cost and operating expenses	329,675	194,929	154,679
Loss from operations	(220,893)	(125,073)	(22,380)
Investment income, net	4,341	51	729
Non-cash interest expense on liability related to the sale of future royalties and convertible senior notes	(4,165)	(13,103)	(23,107)
Interest expense on convertible senior notes	—	(47)	(95)
Other (expense) income, net	(994)	(1,131)	481
Net loss before income taxes	$ (221,711)	$ (139,303)	$ (44,372)
Income tax expense	1,218	—	—
Net loss	(222,929)	(139,303)	(44,372)
Basic and diluted net loss per common share	$ (0.88)	$ (0.68)	$ (0.25)
Basic and diluted weighted-average common shares outstanding	253,631	206,147	176,153
Total comprehensive loss	$ (222,929)	$ (139,303)	$ (44,372)

The accompanying notes are an integral part of the consolidated financial statements.

IMMUNOGEN, INC.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY (DEFICIT)

In thousands

	Common Stock		Additional Paid-In	Accumulated	Total Shareholders'
	Shares	Amount	Capital	Deficit	Equity
Balance at December 31, 2019	**150,136**	**$ 1,501**	**$ 1,209,846**	**$ (1,287,468)**	**$ (76,121)**
Net loss	—	—	—	(44,372)	(44,372)
Issuance of common stock pursuant to the exercise of stock options and employee stock purchase plan	458	5	1,466	—	1,471
Issuance of common stock, net of issuance costs	44,496	445	193,826	—	194,271
Restricted stock units vested	395	4	(4)	—	—
Restricted stock award forfeitures	(487)	(5)	5	—	—
Stock option and restricted stock compensation expense	—	—	13,978	—	13,978
Directors' deferred share unit compensation	—	—	343	—	343
Balance at December 31, 2020	**194,998**	**$ 1,950**	**$ 1,419,460**	**$ (1,331,840)**	**$ 89,570**
Net loss	—	—	—	(139,303)	(139,303)
Issuance of common stock pursuant to the exercise of stock options and employee stock purchase plan	998	10	3,759	—	3,769
Issuance of common stock, net of issuance costs	24,181	242	153,788	—	154,030
Issuance of pre-funded warrants, net of issuance costs	—	—	199,045	—	199,045
Conversion of convertible senior notes	239	3	997	—	1,000
Restricted stock units vested	2	—	—	—	—
Restricted stock award forfeitures	(57)	(1)	1	—	—
Stock option and restricted stock compensation expense	—	—	16,794	—	16,794
Directors' deferred share unit compensation	—	—	681	—	681
Balance at December 31, 2021	**220,361**	**$ 2,204**	**$ 1,794,525**	**$ (1,471,143)**	**$ 325,586**
Net loss	—	—	—	(222,929)	(222,929)
Issuance of common stock, net of issuance costs	5,167	51	25,598	—	25,649
Issuance of common stock pursuant to the exercise of stock options and employee stock purchase plan	491	5	1,900	—	1,905
Stock option and restricted stock compensation expense	—	—	24,899	—	24,899
Restricted stock units vested	27	—	—	—	—
Directors' deferred share unit compensation	—	—	716	—	716
Balance at December 31, 2022	**226,046**	**$ 2,260**	**$ 1,847,638**	**$ (1,694,072)**	**$ 155,826**

The accompanying notes are an integral part of the consolidated financial statements.

IMMUNOGEN, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

In thousands

	Year Ended December 31,		
	2022	2021	2020
Cash flows from operating activities:			
Net loss	$ (222,929)	$ (139,303)	$ (44,372)
Adjustments to reconcile net loss to net cash used for operating activities:			
Non-cash royalty revenue related to sale of future royalties	(12,836)	(39,155)	(68,529)
Non-cash interest expense on liability related to sale of future royalties and convertible senior notes	4,165	13,103	23,107
Depreciation and amortization	1,783	2,017	2,101
Gain on sale/disposal of fixed assets and impairment charges	—	—	(691)
Stock and deferred share unit compensation	25,615	17,475	14,321
Change in operating assets and liabilities:			
Accounts receivable	(8,129)	(4,432)	7,465
Unbilled receivable	814	(2,334)	990
Inventory	(16,196)	—	—
Contract asset	3,000	(3,000)	3,631
Prepaid and other current assets	(3,683)	579	(2,476)
Operating lease right-of-use assets	2,161	1,680	1,515
Other assets	(5,300)	2,275	(7,202)
Accounts payable	26,735	9,148	(819)
Accrued compensation	5,642	849	(4,100)
Other accrued liabilities	14,750	(7,261)	16,734
Deferred revenue	(41,857)	(18,041)	(17,323)
Operating lease liability	(3,537)	(3,016)	(2,972)
Net cash used for operating activities	(229,802)	(169,416)	(78,620)
Cash flows from investing activities:			
Proceeds from sale of equipment	—	—	1,426
Purchases of property and equipment	(1,364)	(1,434)	(917)
Net cash used for investing activities	(1,364)	(1,434)	509
Cash flows from financing activities:			
Payments upon settlement of convertible senior notes	—	(1,100)	—
Proceeds from issuance of common stock under stock plans	1,905	3,769	1,471
Proceeds from warrant issuance, net of $391 of transaction costs	—	199,045	—
Proceeds from common stock issuance, net of $373 and $701 of transaction costs, respectively	25,649	154,030	194,271
Net cash provided by financing activities	27,554	355,744	195,742
Net change in cash and cash equivalents	(203,612)	184,894	117,631
Cash and cash equivalents, beginning of period	478,750	293,856	176,225
Cash and cash equivalents, end of period	$ 275,138	$ 478,750	$ 293,856
Supplemental cash flow information:			
Cash paid during the year for interest	$ —	$ 47	$ 95

The accompanying notes are an integral part of the consolidated financial statements.

IMMUNOGEN, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

A. Nature of Business and Plan of Operations

ImmunoGen, Inc. (the Company) was incorporated in Massachusetts in 1981 and is focused on the development and commercialization of antibody-drug conjugates, or ADCs. On November 14, 2022, the U.S. Food and Drug Administration (FDA) granted accelerated approval for ELAHERE™ (mirvetuximab soravtansine-gynx) for the treatment of adult patients with folate receptor alpha (FRα)-positive, platinum-resistant epithelial ovarian, fallopian tube, or primary peritoneal cancer, who have received one to three prior systemic treatment regimens. ELAHERE was approved under FDA's accelerated approval program based on objective response rate (ORR), duration of response (DOR), and safety data from the pivotal SORAYA trial. Continued approval may be contingent upon verification and description of clinical benefit in a confirmatory trial.

The Company has generally incurred operating losses and negative cash flows from operations since inception, incurred a net loss of $222.9 million during the year ended December 31, 2022, and had an accumulated deficit of approximately $1.7 billion as of December 31, 2022. The Company has primarily funded these losses through payments received from its collaborations and equity, convertible debt, and other financings such as royalty financing transactions. Until the Company can generate significant cash flows from sales of ELAHERE, management expects to continue to generate substantial operating losses for at least the near term as the Company incurs significant operating expenses related to research and development and selling and marketing of ELAHERE.

At December 31, 2022, the Company had $275.1 million of cash and cash equivalents on hand. The Company’s current level of cash and cash equivalents is not sufficient to meet its current operating plans for the next twelve months following the issuance of these financial statements. As a result, substantial doubt is deemed to exist regarding the Company’s ability to continue as a going concern for a period of one year from the issuance of these financial statements.

The Company plans to meet its operating cash flow requirements with its current cash and cash equivalents, cash generated from commercial sales of ELAHERE, milestone payments from new or existing collaborations, and additional funds accessed through equity, debt, or other financings such as royalty financing transactions, as well as cash preservation activities. Such activities may not succeed. The failure of the Company to obtain sufficient funds on acceptable terms could have a material adverse effect on the Company’s business, results of operations, and financial condition and require the Company to defer or limit some or all of its research, development, clinical and/or commercial projects, including trials to support potential label expansion of ELAHERE.

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the ordinary course of business. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might result from the outcome of this uncertainty.

The Company is subject to risks common to companies in the biotechnology industry including, but not limited to, the development by its competitors of new technological innovations, dependence on key personnel, protection of proprietary technology, manufacturing and marketing limitations, challenges entering into new collaborations, complexities associated with managing collaboration arrangements, third-party reimbursements, and compliance with governmental regulations.

B. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, ImmunoGen Switzerland GmbH, ImmunoGen U.S. Holding, Inc., ImmunoGen Securities Corp., ImmunoGen Europe Limited, ImmunoGen BioPharma (Ireland) Limited, and Hurricane, LLC. All intercompany transactions and balances have been eliminated.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States (U.S.) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

The Company has evaluated all events or transactions that occurred after December 31, 2022 up through the date the Company issued these financial statements. On February 28, 2023, the Company and Vertex Pharmaceuticals Incorporated ("Vertex") entered into a multi-target license and option agreement, pursuant to which the Company granted Vertex rights to the Company's ADC technology to research and evaluate ADCs directed to specified targets, with an option to take exclusive development and commercialization licenses to a specified number of targets over a specified term. Under the terms of the agreement, the Company is entitled to receive an upfront payment of $15.0 million. The Company did not have any other material subsequent events.

Revenue Recognition

Product Revenue

The Company generates product revenue from sales of ELAHERE in the U.S. to a limited number of specialty distributors and specialty pharmacy providers. These customers subsequently resell the products or dispense the products directly to patients. In addition, the Company has entered into arrangements with payors that provide for government mandated rebates, discounts, and allowances with respect to the utilization of its products.

Product revenue is recognized when the customer takes control of the product, typically upon delivery to the customer. Product revenue is recorded at the net sales price, or transaction price, which includes estimated reserves for variable consideration resulting from chargebacks, government rebates, trade discounts and allowances, product returns and other incentives that are offered within the contract with customers, healthcare providers, payors and other indirect customers relating to the sales of the Company's product. Reserves are established based on the amounts earned or to be claimed on the related sales. Where appropriate, the Company utilizes the expected value method to determine the appropriate amount for estimates of variable consideration based on factors such as the Company's current contractual and statutory requirements, specific known market events and trends, industry data and forecasted customer buying and payment patterns, the percentage of our products that are sold via these programs, and our product pricing. The amount of variable consideration that is included in the transaction price may be constrained and is included in net product revenues only to the extent that it is probable that a significant reversal in the amount of the cumulative revenue recognized will not occur in a future period. Actual amounts of consideration ultimately received may differ from the Company's estimates. If actual results vary from the Company's estimates, the Company adjusts these estimates, which would affect net product revenue and earnings in the period such variances become known.

Chargebacks: Chargebacks for fees and discounts represent the estimated obligations resulting from contractual commitments to sell product to qualified healthcare providers and government agencies at prices lower than the list prices charged to the customers who directly purchase the product from the Company. The customers charge the Company for the difference between what they pay for the product and the ultimate contractually committed or government required lower selling price to the qualified healthcare providers. These reserves are estimated using the expected value method based upon a range of possible outcomes and are established in the same period that the related revenue is recognized, resulting in a reduction of product revenue.

Government rebates: Government rebates consist of Medicare and Medicaid rebates, which were estimated using the expected value method, based upon a range of possible outcomes for the estimated payor mix. These reserves are recorded in the same period the related revenue is recognized, resulting in a reduction of product revenue.

Trade discounts and allowances: The Company provides the customers with discounts that are explicitly stated in the contracts and recorded as a reduction of revenue in the period the related product revenue is recognized.

Product returns: The Company estimates the amount of its product sales that may be returned by its customers and records this estimate as a reduction of revenue in the period the related product revenue is recognized. The Company currently estimates product return liabilities based on available industry data and its visibility into the inventory remaining in the distribution channel.

Other deductions: Co-pay assistance relates to financial assistance provided to qualified patients, whereby the Company may assist them with prescription drug co-payments required by the patient's insurance provider. Reserves for co-pay assistance are recorded in the same period the related revenue is recognized, resulting in a reduction of product revenue.

The Company entered into a third-party logistics distribution agreement (the 3PL Agreement) to engage a logistics distribution agent (the 3PL Agent) to distribute the Company's products to its customers. The 3PL Agent provides services to the Company that include storage, distribution, processing product returns, customer service support, logistics

support, electronic data interface and system access support. Revenue is recognized upon transfer of control of the product to the customer.

As a practical expedient, sales commissions, which represent costs to obtain a contract, are expensed when incurred because the amortization period would have been one year or less. Sales commissions are recorded in selling, general and administrative expense and costs of sales, respectively, in the statements of operations and comprehensive loss. Additionally, as a practical expedient, the Company has elected to treat all shipping and handling fees related to delivery of product as fulfillment activities.

License and Milestone Fee Revenue

The Company enters into licensing and development agreements with collaborators for the development of ADCs. The terms of these agreements contain multiple promised goods and services which may include (i) licenses, or options to obtain licenses, to the Company's ADC technology, (ii) rights to future technological improvements, (iii) technology transfer services and other activities to be performed on behalf of the collaborative partner, and (iv) delivery of cytotoxic agents and/or the manufacture of preclinical and clinical materials for the collaborative partner. Payments to the Company under these agreements may include upfront fees, option fees, exercise fees, payments for services, payments for preclinical or clinical materials, payments based upon the achievement of certain milestones, and royalties on product sales. The Company follows the provisions of ASC 606, *Revenue from Contracts with Customers*, in accounting for these agreements.

Revenue is recognized when a customer obtains control of promised goods or services in an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services. In determining the appropriate amount of revenue to be recognized as it fulfills its obligations under the agreements, the Company performs the following five steps: (i) identification of the promised goods or services in the contract; (ii) determination of whether the promised goods or services are performance obligations, including whether they are distinct in the context of the contract; (iii) measurement of the transaction price, including the constraint on variable consideration; (iv) allocation of the transaction price to the performance obligations; and (v) recognition of revenue when or as the Company satisfies each performance obligation.

The Company only applies the five-step model to contracts when it is probable that the Company will collect the consideration to which it is entitled in exchange for the goods or services it transfers to the customer. At contract inception, once the contract is determined to be within the scope of ASC 606, the Company assesses the goods or services promised within each contract and determines those that are performance obligations based on its assessment of whether each promised good or service is distinct. The Company then recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when or as the performance obligation is satisfied.

The Company exercises judgment in assessing those promised goods and services that are distinct and thus representative of performance obligations. To the extent the Company identifies multiple performance obligations in a contract, the Company must develop assumptions that require judgment to determine the estimated standalone selling price for each performance obligation in order to allocate the transaction price among the identified performance obligations. These judgments and assumptions are discussed in further detail below.

At December 31, 2022, the Company had the following types of agreements with the parties identified below:

- Development and commercialization licenses, which provide the counterparty with the right to use the Company's ADC technology and/or certain other intellectual property to develop and commercialize compounds to a specified antigen target:

  Bayer (one exclusive single-target license)

  CytomX (two exclusive single-target licenses)

  Debiopharm (one exclusive single-compound license)

  Eli Lilly and Company (multiple exclusive single-target licenses)

  Fusion Pharmaceuticals (one exclusive single-target license)

  Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd. (one territory-specific exclusive single-compound license)

  Magenta Therapeutics (one exclusive single-target license)

Novartis (one exclusive single-target licenses)

Oxford BioTherapeutics/Menarini (one exclusive single-target license sublicensed from Amgen)

Roche, through its Genentech unit (five exclusive single-target licenses)

Viridian (one exclusive single-target license)

- Collaboration and license agreement to co-develop and co-commercialize a specified anticancer compound on established terms:

  MacroGenics

During the year ended December 31, 2022, pursuant to notice received, certain exclusive development and commercialization licenses granted to Novartis were terminated.

There are no performance, cancellation, termination, or refund provisions in any of the arrangements that contain material financial consequences to the Company.

Development and Commercialization Licenses

The obligations under a development and commercialization license agreement generally include the license to the Company's ADC technology with respect to a specified antigen target or compound and may also include obligations related to rights to future technological improvements and other activities to be performed on behalf of the collaborative partner.

Generally, development and commercialization licenses contain non-refundable terms for payments and, depending on the terms of the agreement, provide that the Company will earn payments upon the achievement of certain milestones and royalty payments, generally until the later of the last applicable patent expiration or a fixed period of years after product launch. Royalty rates may vary over the royalty term depending on the Company's intellectual property rights and/or the presence of comparable competing products. In certain instances, the Company may also provide cytotoxic agents and/or clinical materials or other services in addition to the development and commercialization licenses. For example, the Company may provide technology transfer services in connection with the out-licensing of product candidates initially developed by the Company and may also provide technical assistance and share any technology improvements with its collaborators during the term of the collaboration agreements. The Company does not directly control when or whether any collaborator will request certain services, achieve milestones, or become liable for royalty payments.

In determining the performance obligations for these arrangements, management evaluates whether the license is distinct and has significant standalone functionality either alone or with other readily available resources based on the consideration of the relevant facts and circumstances for each arrangement. Factors considered in this determination include the research capabilities of the partner and the availability of ADC technology research expertise and ADC manufacturing capabilities in the general marketplace and whether technological improvements are required for the continued functionality of the license. If the license to the Company's intellectual property is determined to be distinct, the Company recognizes revenues from non-refundable, upfront fees allocated to the license when the license is transferred to the customer and the customer is able to use and benefit from the license. If the license is not distinct, the license is combined with other goods or services into a single performance obligation and revenue is recognized over time.

The Company estimates the standalone selling prices of the license and all other performance obligations based on market conditions, similar arrangements entered into by third parties, and entity-specific factors such as the terms of the Company's previous collaborative agreements, recent preclinical and clinical testing results of therapeutic products that use the Company's ADC technology, the Company's pricing practices and pricing objectives, the likelihood that technological improvements will be made, and, if made, will be used by the Company's collaborators, and the nature of the other services to be performed on behalf of its collaborators and market rates for similar services.

The Company recognizes revenue related to technology transfer activities and other services as the services are performed. The Company is generally compensated for these activities at negotiated rates that are consistent with what other third parties would charge. The Company records amounts recognized for services performed as a component of research and development support revenue.

The Company may also provide cytotoxic agents and/or preclinical and clinical materials (drug substance/drug product) to its collaborators at negotiated prices generally consistent with what other third parties would charge. The

Company recognizes revenue on cytotoxic agents and/or preclinical and clinical materials when control transfers to the collaborator as a component of research and development support revenue.

The Company recognizes revenue related to the rights to future technological improvements over the estimated term of the applicable license.

The Company's development and commercialization license agreements have milestone payments which for reporting purposes are aggregated into two categories: (i) development and regulatory milestones, and (ii) sales milestones. Development milestones are typically payable when a product candidate initiates or advances into different clinical trial phases. Regulatory milestones are typically payable upon submission for marketing approval with the FDA or other countries' regulatory authorities or on receipt of actual marketing approvals for the compound or for additional indications. Sales milestones are typically payable when annual sales reach certain levels.

At the inception of each arrangement, the Company evaluates any development and regulatory milestone payments to determine whether the milestone is considered probable of being reached and estimates the amount to be included in the transaction price using the most likely amount method. If it is probable that a significant revenue reversal would not occur, the associated milestone value is included in the transaction price to be allocated; otherwise, such amounts are considered constrained and excluded from the transaction price. As part of its evaluation of the constraint, the Company considers numerous factors, including whether the achievement of the milestone is outside the control of the Company and contingent upon the future success of clinical trials, the collaborator's efforts, or the receipt of regulatory approval. At the end of each subsequent reporting period, the Company re-evaluates the probability of achievement of such development or regulatory milestones and any related constraint, and if necessary, adjusts the estimate of the transaction price. In addition, the Company evaluates whether the achievement of each milestone specifically relates to the Company's efforts to satisfy a performance obligation or transfer a distinct good or service within a performance obligation. If the achievement of a milestone is considered a direct result of the Company's efforts to satisfy a performance obligation or transfer a distinct good or service and the receipt of the payment is based upon the achievement of the milestone, the associated milestone value is allocated to that distinct good or service. If the milestone payment is not specifically related to the Company's effort to satisfy a performance obligation or transfer a distinct good or service, the amount is allocated to all performance obligations using the relative standalone selling price method. Amounts allocated to a satisfied performance obligation are recognized as revenue, or as a reduction of revenue, in the period in which the transaction price changes.

For development and commercialization license agreements that include sales-based royalties, including milestone payments based on the level of sales, and the license is deemed to be the predominant item to which the royalties relate, the Company recognizes revenue at the later of (i) when the related sales occur, or (ii) when the performance obligation to which some or all of the royalty has been allocated has been satisfied (or partially satisfied) in accordance with the royalty recognition constraint. Under the Company's development and commercialization license agreements, the Company receives royalty payments based upon its licensees' net sales of covered products. Generally, under the development and commercialization agreements, the Company receives royalty reports and payments from its licensees approximately one quarter in arrears. The Company estimates the amount of royalty revenue to be recognized based on historical and forecasted sales and/or sales information from its licensees if available.

Collaboration and Option Agreements/Right-to-Test Agreements

The Company's right-to-test agreements provide collaborators the right to test the Company's ADC technology for a defined period of time through a research, or right-to-test, license. Under both right-to-test agreements and collaboration and option agreements, collaborators may (a) "take" options, for a defined period of time, to specified targets and (b) upon exercise of those options, secure or "take" licenses to develop and commercialize products for the specified targets on established terms. Under these agreements, fees may be due to the Company (i) at the inception of the arrangement (referred to as "upfront" fees or payments), (ii) upon the opt-in to acquire a development and commercialization license(s) (referred to as exercise fees or payments earned, if any, when the development and commercialization license is "taken"), (iii) after providing services at the collaborator's request at negotiated prices, which are generally consistent with what other third parties would charge, or (iv) upon some combination of all of these fees.

The accounting for collaboration and option agreements and right-to-test agreements is dependent on the nature of the options granted to the collaborative partner. Options are considered distinct performance obligations if they provide a collaborator with a material right. Factors that are considered in evaluating whether options convey a material right include the overall objective of the arrangement, the benefit the collaborator might obtain from the agreement without exercising the options, the cost to exercise the options relative to the fair value of the licenses, and the additional financial commitments or economic penalties imposed on the collaborator as a result of exercising the options.

If the Company concludes that an option provides the customer a material right, and therefore is a separate performance obligation, the Company then determines the estimated standalone selling price of the option using the following inputs: (a) estimated fair value of the license underlying each option, (b) the amount the partner would pay to exercise the option to obtain the license, and (c) probability of exercise.

The Company does not control when or if any collaborator will exercise its options for development and commercialization licenses. As a result, the Company cannot predict when or if it will recognize revenues in connection with any of the foregoing.

Upfront payments on development and commercialization licenses may be recognized upon delivery of the license if facts and circumstances dictate that the license is distinct from the other promised goods and services.

In determining whether a collaboration and option agreement is within the scope of ASC 808, *Collaborative Arrangements*, management evaluates the level of involvement of both companies in the development and commercialization of the products to determine if both parties are active participants and if both parties are exposed to risks and rewards dependent on the commercial success of the licensed products. If the agreement is determined to be within the scope of ASC 808 and not representative of a vendor-customer relationship, the Company segregates the research and development activities and the related cost sharing arrangement. Payments made by the Company for such activities are recorded as research and development expense and reimbursements received from the partner are recognized as an offset to research and development expense.

Transaction Price Allocated to Remaining Performance Obligations

Deferred revenue under ASC 606 represents the portion of the transaction price received under various contracts for which work has not been performed (or has been partially performed) and includes unexercised contract options that are considered material rights. As of December 31, 2022, the aggregate amount of the transaction price allocated to remaining performance obligations comprising deferred revenue was $50.2 million. The Company expects to recognize revenue on approximately 28%, 70%, and 2% of the remaining performance obligations over the next 12 months, 13 to 60 months, and 61 to 120 months, respectively, however, it does not control when or if any collaborator will terminate existing development and commercialization licenses.

Contract Balances from Contracts with Customers

The following tables present changes in the Company's contract assets and contract liabilities during the years ended December 31, 2022 and 2021 (in thousands):

	Balance at December 31, 2021	Additions	Deductions	Impact of Netting	Balance at December 31, 2022
Contract asset	$ 3,000	$ —	$ (3,000)	$ —	$ —
Contract liabilities (deferred revenue)	$ 92,068	$ 7,605	$ (49,462)	$ —	$ 50,211

	Balance at December 31, 2020	Additions	Deductions	Impact of Netting	Balance at December 31, 2021
Contract asset	$ —	$ 5,500	$ (2,500)	$ —	$ 3,000
Contract liabilities (deferred revenue)	$ 110,109	$ 4,753	$ (22,794)	$ —	$ 92,068

During the years ended December 31, 2022, 2021, and 2020 the Company recognized the following revenues as a result of changes in contract asset and contract liability balances in the respective periods (in thousands):

	Year Ended December 31,		
	2022	2021	2020
Revenue recognized in the period from:			
Amounts included in contract liabilities at the beginning of the period	$ 49,462	$ 22,765	$ 61,872
Performance obligations satisfied in previous periods	$ 13,661	$ 5,500	$ —

The timing of revenue recognition, billings, and cash collections results in billed receivables, unbilled receivables, contract assets, and contract liabilities on the consolidated balance sheets. When consideration is received, or such consideration is unconditionally due, from a customer prior to transferring goods or services to the customer under the terms of a contract, a contract liability is recorded (under the caption deferred revenue). Contract liabilities are recognized as revenue after control of the products or services is transferred to the customer and all revenue recognition criteria have been met.

The Company recorded the following during the year ended December 31, 2022: (i) pursuant to the Company's license agreement with Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd. (Huadong), upon delivery of clinical materials in 2022, the Company recognized as license and milestone fee revenue the remaining $28.5 million of the deferred revenue balance as of December 31, 2021 related to the $45.0 million of upfront and development milestone payments previously received; (ii) pursuant to a license agreement executed with Eli Lilly and Company (Lilly) during 2022, the Company received upfront payments of $26.0 million, of which $18.4 million was recognized as license and milestone fee revenue and the remainder deferred, further details of which can be found in Note C, "Agreements"; (iii) pursuant to a license agreement executed with Magenta Therapeutics in 2022, the Company recorded $6.0 million as license and milestone fee revenue, of which $1.6 million had been previously received and recorded as deferred revenue as of December 31, 2021; (iv) $16.4 million of previously deferred non-cash royalty revenue related to the sale of rights to KADCYLA royalties, further details of which can be found in Note H, "Liability Related to Sale of Future Royalties"; and (v) $2.9 million of license and milestone fee revenue related to numerous collaborators' rights to technological improvements that had been previously deferred, which includes $2.8 million related to Novartis Institutes for BioMedical Research, Inc.'s (Novartis) termination of certain of the license agreements between the Company and Novartis in August 2022, further details of which can be found in Note C, "Agreements." Lastly, during 2021, the Company recorded a contract asset of $3.0 million for a probable development milestone pursuant to its license agreement with Viridian Therapeutics, Inc. (Viridian), which was subsequently achieved in April 2022.

Pursuant to the Company's license agreement with Huadong, upon delivery of clinical materials in 2021, the Company recorded $14.6 million of the $40.0 million upfront payment received and deferred in 2020 as license and milestone fee revenue. Additionally, in December 2021, the Company received a $5.0 million payment for a development milestone achieved pursuant to its agreement with Huadong, of which $1.8 million was recorded as license and milestone fee revenue in 2021, with the remainder deferred and recorded as revenue upon delivery of clinical material in 2022 as noted above. Also, during 2021, pursuant to its license agreement with Viridian, the Company recorded $2.5 million as license and milestone fee revenue related to a development milestone achieved in October 2021 and a contract asset of $3.0 million for a second probable development milestone which was subsequently achieved and paid in 2022 as discussed above. The Company also recorded $0.2 million as license and milestone fee revenue for delivery of certain materials to Viridian that had been previously deferred, $0.3 million of license and milestone fee revenue related to numerous collaborators' rights to technological improvements that had been previously deferred, and recorded $7.7 million of previously deferred non-cash royalty revenue related to the sale of rights to KADCYLA royalties, further details of which can be found in Note H, "Liability Related to Sale of Future Royalties." Lastly, pursuant to a research agreement with Magenta, the Company received a $1.6 million upfront option fee that was included in deferred revenue at December 31, 2021.

During 2020, the Company recognized $60.5 million of previously deferred license revenue upon Jazz's opt-out of its right to the last remaining license under the agreement and $3.2 million of upfront fees previously received from other partners, of which $1.4 million was included in contract liabilities at the beginning of 2020. As noted above, a $40.0 million upfront payment received in 2020 pursuant to a license agreement executed with Huadong was recorded as deferred revenue and none of this amount was recognized as revenue during 2020. Additionally, a contract asset of $3.6 million, net of $4.4 million in related contract liabilities, was recorded for two probable milestones in 2019 pursuant to license agreements with CytomX and Novartis, which were subsequently achieved and paid during 2020.

Financial Instruments and Concentration of Credit Risk

Cash and cash equivalents are primarily maintained with three financial institutions in the U.S. Deposits with banks may exceed the amount of insurance provided on such deposits. Generally, these deposits may be redeemed upon demand and, therefore, bear minimal risk. The Company's cash equivalents consist of money market funds with underlying investments primarily being U.S. Government-issued securities and high quality, short-term commercial paper. Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash, cash equivalents, and marketable securities. The Company held no marketable securities as of December 31, 2022 and 2021. The Company's investment policy, approved by the Board of Directors, limits the amount it may invest in any one type of investment, thereby reducing credit risk concentrations.

Cash and Cash Equivalents

All highly liquid financial instruments with maturities of three months or less when purchased are considered cash equivalents. As of December 31, 2022 and 2021, the Company held $275.1 million and $478.8 million, respectively, in cash and money market funds consisting principally of U.S. Government-issued securities and high quality, short-term commercial paper which were classified as cash and cash equivalents.

Non-cash Investing Activities

The Company had $0.3 million and $0.2 million of accrued capital expenditures as of December 31, 2022 and 2021, respectively, which have been treated as a non-cash investing activity and accordingly, are not reflected in the consolidated statement of cash flows.

Fair Value of Financial Instruments

ASC 820, *Fair Value Measurement*, defines fair value, establishes a framework for measuring fair value in accordance with accounting principles generally accepted in the U.S., and provides for disclosures about fair value measurements. Fair value is defined under ASC 820 as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The standard describes a hierarchy to measure fair value which is based on three levels of inputs, of which the first two are considered observable and the last unobservable, as follows:

- Level 1—Quoted prices in active markets for identical assets or liabilities.
- Level 2—Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

As of December 31, 2022 and 2021, the Company held certain assets that are required to be measured at fair value on a recurring basis. The fair value of the Company's cash equivalents is based on quoted prices from active markets (Level 1 inputs). The carrying amounts reflected in the consolidated balance sheets for accounts receivable, unbilled receivable, contract assets, non-cash royalty receivable, prepaid and other current assets, accounts payable, accrued compensation, and other accrued liabilities approximate fair value due to their short-term nature.

Accounts Receivable

Accounts receivable arise from product sales and amounts due from the Company's collaboration partners. The amount from product sales represents amounts due from specialty distributors and specialty pharmacy providers in the U.S. The Company monitors economic conditions and the financial performance and credit worthiness of its counterparties to identify facts or circumstances that may indicate that its receivables are at risk of collection. The Company provides reserves against accounts receivable for estimated losses that may result from a customer's inability to pay based on the composition of its accounts receivable, considering past events, current economic conditions, and reasonable and supportable forecasts about the future economic conditions. The contractual life of our accounts receivable is generally short-term. Amounts determined to be uncollectible are charged or written-off against the reserve. For the years ended December 31, 2022 and 2021, the Company did not record any expected credit losses related to outstanding accounts receivable.

Unbilled Receivable

Unbilled receivable primarily represents research funding earned based on actual resources utilized and external expenses incurred under certain of the Company's collaborator agreements.

Inventory

Inventories are stated at the lower of cost or estimated net realizable value with cost based on the first-in first-out method. Inventory that can be used in either the production of clinical or commercial products is expensed as research and development costs when identified for use in clinical trials. The Company classifies its inventory costs as long-term when it expects to utilize the inventory beyond its normal operating cycle based on forecasted levels of sales.

Prior to the regulatory approval of its drug candidates, the Company incurs expenses for the manufacture of drug product to support clinical development that could potentially be available to support the commercial launch of those drugs. Until the date at which regulatory approval has been received or is otherwise considered probable, the Company records all such costs as research and development expenses. Inventory used in clinical trials is also expensed as research and development expense, when selected for such use.

The Company performs an assessment of the recoverability of capitalized inventories during each reporting period and writes down any excess and obsolete inventory to its net realizable value in the period in which the impairment is first identified. Such impairment charges, should they occur, are recorded as a component of cost of sales in the consolidated statements of operations and comprehensive loss. The determination of whether inventory costs will be realizable requires the use of estimates by management. If actual market conditions are less favorable than projected by management, additional write-downs of inventory may be required.

Clinical Trial Accruals

Clinical trial expenses are a significant component of research and development expenses, and the Company outsources a significant portion of these activities to third parties. Third-party clinical trial expenses include investigator fees, site costs (patient cost), clinical research organization costs, and costs for central laboratory testing and data management. The accrual for site and patient costs includes inputs such as estimates of patient enrollment, patient cycles incurred, clinical site activations, and other pass-through costs. These inputs are required to be estimated due to a lag in receiving the actual clinical information from third parties. Payments for these activities are based on the terms of the individual arrangements, which may differ from the pattern of costs incurred. Clinical trial costs are reflected on the consolidated balance sheets as prepaid assets (to the extent payments exceed costs incurred) or accrued clinical trial costs (to the extent costs incurred exceed payments). These third-party agreements are generally cancelable, and related costs are recorded as research and development expenses as incurred. Non-refundable advance clinical payments for goods or services that will be used or rendered for future R&D activities are recorded as a prepaid asset and recognized as expense as the related goods are delivered or the related services are performed. The Company also records accruals for estimated ongoing clinical research and development costs. When evaluating the adequacy of the accrued liabilities, the Company analyzes progress of the studies, including the phase or completion of events, invoices received, and contracted costs. Significant judgments and estimates may be made in determining the accrued balances at the end of any reporting period. Actual results could differ from the estimates made by the Company. The historical clinical accrual estimates made by the Company have not been materially different from the actual costs.

Leases

The Company determines if an arrangement is a lease at inception. Operating leases include right-of-use (ROU) assets and operating lease liabilities (current and non-current), which are recorded in the Company’s consolidated balance sheets. Single payment capital leases for equipment that are considered finance leases are included in property and equipment in the Company’s consolidated balance sheets. As the single payment obligations have all been made, there is no related liability recorded.

ROU assets represent the Company’s right to use an underlying asset for the lease term and lease liabilities represent the Company’s obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. The Company uses the implicit rate when readily determinable. As a number of the Company’s leases do not provide an implicit rate, the Company uses an incremental borrowing rate applicable to the Company based on the information available at the commencement date in determining the present value of lease payments. As the Company has no existing or proposed collateralized borrowing arrangements, to determine a reasonable incremental borrowing rate, the Company considers collateral assumptions, the lease term, the Company’s current credit risk profile, and rates for existing borrowing arrangements for comparable peer companies. The Company accounts for the lease and fixed non-lease components as a single lease component. The Company’s lease terms may include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term.

Other Accrued Liabilities

Other accrued liabilities consisted of the following at December 31, 2022 and 2021 (in thousands):

	December 31, 2022	December 31, 2021
Accrued contract payments	$ 15,971	$ 5,558
Accrued clinical trial costs	15,716	15,556
Accrued professional services	2,020	839
Accrued employee benefits	340	40
Accrued public reporting charges	265	309
Accrued tax provision	1,218	—
Other current accrued liabilities	3,253	775
Total	$ 38,783	$ 23,077

Accrued contract payments included in the table above primarily relate to external manufacturing, regulatory, and quality-related services. The increase in the balance as of December 31, 2022 compared to prior year was driven by timing of external manufacturing expenses.

Research and Development Expenses

The Company's research and development expenses are charged to expense as incurred and relate to (i) research to evaluate new targets and to develop and evaluate new antibodies, linkers, and cytotoxic agents, (ii) preclinical testing of its own and, in certain instances, its collaborators' product candidates, and the cost of its own clinical trials, (iii) development related to clinical and commercial manufacturing processes, (iv) regulatory activities, (v) medical affairs activities, and (vi) external manufacturing operations. Payments made by the Company in advance for research and development services not yet provided and/or materials not yet delivered and accepted are recorded as prepaid expenses and are included in the accompanying consolidated balance sheets as prepaid and other current assets.

Income Taxes

The Company uses the liability method to account for income taxes. Deferred tax assets and liabilities are determined based on differences between the financial reporting and income tax basis of assets and liabilities, as well as net operating loss carry forwards and tax credits and are measured using the enacted tax rates and laws that will be in effect when the differences reverse. A valuation allowance against net deferred tax assets is recorded if, based on the available evidence, it is more likely than not that some or all of the deferred tax assets will not be realized.

Property and Equipment

Property and equipment are stated at cost. The Company provides for depreciation based upon expected useful lives using the straight-line method over the following estimated useful lives:

Machinery and equipment	5 years
Computer hardware and software	3 years
Furniture and fixtures	5 years
Leasehold improvements	Shorter of remaining lease term or 7 years

Equipment under capital leases is amortized over the lives of the respective leases or the estimated useful lives of the assets, whichever is shorter, and included in depreciation expense. Maintenance and repairs are charged to expense as incurred. Upon retirement or sale, the cost of disposed assets and the related accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the statement of operations.

Impairment of Long-Lived Assets

The Company continually evaluates whether events or circumstances have occurred that indicate that the estimated remaining useful life of its long-lived assets may warrant revision or that the carrying value of these assets may be impaired if impairment indicators are present. The Company evaluates the realizability of its long-lived assets based on cash flow expectations for the related asset. Any write-downs to fair value are treated as permanent reductions in the carrying amount of the assets. Based on this evaluation, the Company believes that, as of each of the balance sheet dates presented, none of the Company's long-lived assets were impaired.

Common Stock Warrants

The Company accounts for common stock warrants as either equity-classified or liability-classified instruments based on an assessment of the warrant's specific terms and applicable authoritative guidance included in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 480, *Distinguishing Liabilities from Equity* ("ASC 480") and ASC 815, *Derivatives and Hedging* ("ASC 815"). The assessment considers whether the warrants are freestanding financial instruments pursuant to ASC 480, whether the warrants meet the definition of a liability pursuant to ASC 480, and whether the warrants meet all of the requirements for equity classification under ASC 815, including whether the warrants are indexed to the Company's own common stock and whether the warrant holders could potentially require "net cash settlement" in a circumstance outside of the Company's control, among other conditions for equity classification. This assessment, which requires the use of professional judgment, is conducted at the time of warrant issuance and as of each subsequent quarterly period end date while the warrants are outstanding.

For issued or modified warrants that meet all of the criteria for equity classification, the warrants are required to be recorded as a component of additional paid-in capital at the time of issuance. For issued or modified warrants that do not meet all the criteria for equity classification, the warrants are required to be recorded at their initial fair value on the date of issuance and remeasured each balance sheet date thereafter. Changes in the estimated fair value of the liability-classified warrants are recognized as a non-cash gain or loss in the accompanying consolidated statements of operations and comprehensive loss.

Computation of Net Loss per Common Share

Basic and diluted net loss per share is calculated based upon the weighted average number of shares of common stock outstanding during the period. Shares of the Company's common stock underlying pre-funded warrants are included in the calculation of basic and diluted earnings per share. During periods of income, participating securities are allocated a proportional share of income determined by dividing total weighted average participating securities by the sum of the total weighted average common shares and participating securities (the "two-class method"). Shares of the Company's restricted stock participate in any dividends that may be declared by the Company and are therefore considered to be participating securities. Participating securities have the effect of diluting both basic and diluted earnings per share during periods of income. During periods of loss, no loss is allocated to participating securities since they have no contractual obligation to share in the losses of the Company. Diluted loss per share is computed after giving consideration to the dilutive effect of stock options, convertible notes, and restricted stock that are outstanding during the period, except where such non-participating securities would be anti-dilutive.

The Company's common stock equivalents, as calculated in accordance with the treasury-stock method for options and unvested restricted stock and the if-converted method for the convertible notes, are shown in the following table (in thousands):

	Year Ended December 31,		
	2022	2021	2020
Options outstanding to purchase common stock, shares issuable under the employee stock purchase plan, and unvested restricted stock/units at end of period	33,264	21,296	18,459
Common stock equivalents under treasury stock method for options, shares issuable under the employee stock purchase plan, and unvested restricted stock/units	1,596	2,546	1,301
Shares issuable upon conversion of convertible notes at end of period	—	—	501
Common stock equivalents under if-converted method for convertible notes	—	—	501

The Company's common stock equivalents have not been included in the net loss per share calculation because their effect is anti-dilutive due to the Company's net loss position.

Stock-based Compensation

As of December 31, 2022, the Company is authorized to grant future awards under three employee share-based compensation plans, which are the ImmunoGen, Inc. 2018 Employee, Director and Consultant Equity Incentive Plan, or the 2018 Plan, the Employee Stock Purchase Plan, or ESPP, and the ImmunoGen Inducement Equity Incentive Plan, or the Inducement Plan. At the annual meeting of shareholders on June 15, 2022, the 2018 Plan was amended to provide for the issuance of stock grants, the grant of options, and the grant of stock-based awards for up to an additional 13,000,000 shares of the Company's common stock, as well as up to 28,742,013 shares of common stock, which

represent the number of shares of common stock remaining under the 2018 Plan as of April 1, 2022, and awards previously granted under the 2018 Plan and the Company's former stock-based plans, including the ImmunoGen, Inc. 2016 and 2006 Employee, Director and Consultant Equity Incentive Plans, that forfeit, expire, or cancel without delivery of shares of common stock or which resulted in the forfeiture of shares of common stock back to the Company subsequent to April 1, 2022. The Inducement Plan was approved by the Board of Directors in December 2019, and pursuant to subsequent amendments, provides for the issuance of non-qualified option grants for up to 10,500,000 shares of the Company's common stock. Options awarded under the two plans are granted with an exercise price equal to the market price of the Company's stock at the date of grant. Options vest at various periods of up to four years and may be exercised within ten years of the date of grant under each of these plans.

The stock-based awards are accounted for under ASC 718, *"Compensation—Stock Compensation."* Pursuant to ASC 718, the estimated grant date fair value of awards is charged to the statement of operations over the requisite service period, which is the vesting period. The fair value of each stock option is estimated on the date of grant using the Black-Scholes option-pricing model with the weighted-average assumptions noted in the following table. As the Company has not paid dividends since inception, nor does it expect to pay any dividends for the foreseeable future, the expected dividend yield assumption is zero. Expected volatility is based exclusively on historical volatility of the Company's stock. The expected term of stock options granted is based exclusively on historical data and represents the period of time that stock options granted are expected to be outstanding. The expected term is calculated for and applied to one group of stock options as the Company does not expect substantially different exercise or post-vesting termination behavior amongst its employee population. The risk-free rate of the stock options is based on the U.S. Treasury rate in effect at the time of grant for the expected term of the stock options.

	Year Ended December 31,		
	2022	2021	2020
Dividend	None	None	None
Volatility	83.09%	84.67%	85.07%
Risk-free interest rate	2.76%	0.80%	1.21%
Expected life (years)	5.9	6.0	6.0

Using the Black-Scholes option-pricing model, the weighted-average grant date fair values of options granted during the years ended December 31, 2022, 2021, and 2020, were $3.62, $5.07, and $3.28 per share, respectively.

A summary of option activity under the option plans for 2022 is presented below (in thousands, except weighted-average data):

	Number of Stock Options	Weighted-Average Exercise Price	Weighted-Average Remaining Life in Yrs.	Aggregate Intrinsic Value
Outstanding at December 31, 2021	21,219	$ 6.28		
Granted	13,892	5.11		
Exercised	(313)	3.89		
Forfeited/Canceled	(1,672)	7.40		
Outstanding at December 31, 2022	33,126	$ 5.76	7.71	$ 11,013
Exercisable at December 31, 2022	15,018	$ 6.27	6.14	$ 7,685
Vested and expected to vest at December 31, 2022	33,126	$ 5.76	7.71	$ 11,013

In 2020, the Company issued 2.6 million performance-based stock options to certain employees that will vest upon the achievement of specified performance goals. Upon assessment of the performance-based stock option awards as of December 31, 2021, the Company determined the first performance goal to be probable of vesting and, as such, recorded $2.6 million of stock-based compensation expense for the year ended December 31, 2021. In May 2022, the first performance goal was achieved, resulting in the vesting of 25% of the 2.6 million performance-based stock options. In November 2022, the second performance goal was achieved, resulting in the vesting of 50% of the 2.6 million performance-based stock options and $5.2 million of stock-based compensation expense recorded for the year ended December 31, 2022. On December 31, 2022, 12.5% of the 2.6 million performance-based stock options forfeited. The fair value of the remaining unvested performance-based stock options that could be expensed in future periods is $1.3 million.

A summary of restricted stock and restricted stock unit activity under the option plans for 2022 is presented below (in thousands, except weighted-average data):

	Number of Restricted Stock Shares	Weighted-Average Grant Date Fair Value
Unvested at December 31, 2021	77	$ 5.59
Granted	138	5.45
Vested	(27)	5.43
Forfeited	(50)	5.68
Unvested at December 31, 2022	138	$ 5.45

In June 2018, the Company's Board of Directors, with shareholder approval, adopted the Employee Stock Purchase Plan. Following the share increase on January 1, 2021 under the ESPP's "evergreen" provision, an aggregate of 2,000,000 shares of common stock have been reserved for issuance under the ESPP. Under the ESPP, eligible participants purchase shares of the Company's common stock at a price equal to 85% of the lesser of the closing price of the Company's common stock on the first business day and the final business day of the applicable plan purchase period. Plan purchase periods are six months and begin on January 1 and July 1 of each year, with purchase dates occurring on the final business day of the given purchase period. The fair value of each ESPP award is estimated on the first day of the offering period using the Black-Scholes option-pricing model. The Company recognizes share-based compensation expense equal to the fair value of the ESPP awards on a straight-line basis over the offering period. During 2022, 2021, and 2020, approximately 178,000, 126,000, and 122,000 shares, respectively, were issued to participating employees at fair values ranging from $1.72 to $2.37 per share.

Stock compensation expense related to stock options and restricted stock awards granted under the option plans and the ESPP was $24.9 million, $16.8 million, and $14.0 million during the years ended December 31, 2022, 2021, and 2020, respectively. The increase in stock compensation expense in 2022 was due primarily to the vesting of performance-based stock option awards as discussed above and an increase in the number of stock options granted in 2022 driven by significant hiring in the year. As of December 31, 2022, the estimated fair value of unvested employee awards was $57.4 million. The weighted-average remaining vesting period for these awards is approximately three years. Also included in stock and deferred stock unit compensation expense in the consolidated statements of cash flows for the years ended December 31, 2022, 2021, and 2020 is $0.7 million, $0.7 million, and $0.3 million, respectively, of expense recorded for directors' deferred share units, the details of which are discussed in Note J.

A summary of option activity for options vested during the years ended December 31, 2022, 2021, and 2020 is presented below (in thousands):

	Year Ended December 31,		
	2022	2021	2020
Total fair value of options vested	$ 25,442	$ 15,839	$ 11,465
Total intrinsic value of options exercised	451	3,322	746
Cash received from the exercise of stock options and ESPP purchases	1,905	3,769	1,471

Comprehensive Loss

The Company presents comprehensive loss in accordance with ASC 220, *Comprehensive Income.* Comprehensive loss is comprised of the Company's net loss for all periods presented.

Segment Information

During all periods presented, the Company continued to operate in one reportable business segment under the management approach of ASC 280, *Segment Reporting*, which is the business of the discovery and development of ADCs for the treatment of cancer.

The percentages of revenues recognized from significant customers of the Company in the years ended December 31, 2022, 2021, and 2020 are included in the following table:

	Year Ended December 31,		
Collaborative Partner:	**2022**	**2021**	**2020**
Huadong	37%	24%	-%
Roche	28%	67%	53%
Eli Lilly	17%	-%	-%
Viridian	10%	11%	1%
Jazz	-%	-%	46%

There were no other customers of the Company with significant revenues in the periods presented.

Pending Accounting Pronouncements

No recently issued or effective ASUs had, or are expected to have, a material effect on the Company's results of operations, financial condition, or liquidity.

C. Collaboration and License Agreements

The Company has numerous collaboration and license agreements with third parties. These agreements typically provide the licensee with rights to use the Company's ADC platform technology with its antibodies or related targeting vehicles to a defined target to develop products. The licensee is generally responsible for the development, clinical testing, manufacturing, registration, and commercialization of any resulting product candidate. As part of these agreements, the Company is generally entitled to receive upfront fees, potential milestone payments, royalties on the sales of any resulting products, and research and development funding based on activities performed at our collaborative partner's request. See below for details regarding the Company's collaboration and license agreements with activity in the financial statement periods presented.

Roche

In 2000, the Company granted Genentech, now a unit of Roche, an exclusive development and commercialization license to use the Company's maytansinoid ADC technology with antibodies, such as trastuzumab, or other proteins that target HER2. Under the terms of this agreement, Roche has exclusive worldwide rights to develop and commercialize maytansinoid ADC compounds targeting HER2. Pursuant to this agreement, Roche developed and received marketing approval for its HER2-targeting ADC, KADCYLA, in the U.S., Japan, the European Union, and numerous other countries. Roche is responsible for the manufacturing, product development, and marketing of any products resulting from the agreement. The Company received a $2.0 million non-refundable upfront payment from Roche upon execution of the agreement. The Company is also entitled to receive up to a total of $44.0 million in development and regulatory milestone payments, plus royalties on the commercial sales of KADCYLA or any other resulting products. Through December 31, 2022, the Company had received and recognized $39.0 million in milestone payments related to KADCYLA.

The Company receives royalty reports and payments related to sales of KADCYLA from Roche one quarter in arrears. In accordance with the Company's revenue recognition policy, $29.3 million, $46.8 million, and $68.5 million of non-cash royalties on net sales of KADCYLA were recorded and included in royalty revenue for the years ended December 31, 2022, 2021, and 2020, respectively. The Company sold its rights to receive royalty payments on the net sales of KADCYLA through two separate transactions in 2015 and 2019. Following the 2019 transaction, OMERS, the defined benefit pension plan for municipal employees in the Province of Ontario, Canada, is entitled to receive all of these royalties.

Roche, through its Genentech unit, also has licenses for the exclusive right to use the Company's maytansinoid ADC technology with antibodies to four undisclosed targets, which were granted under the terms of a separate, now expired, 2000 right-to-test agreement with Genentech. For each of these licenses, the Company received a $1.0 million license fee and is entitled to receive up to a total of $38.0 million in development, regulatory, and sales-based milestone payments plus royalties on the sales of any resulting products. The Company has not received any milestone payments from these agreements through December 31, 2022. Roche is responsible for the development, manufacturing, and marketing of any products resulting from these licenses.

Novartis

The Company granted Novartis exclusive development and commercialization licenses to the Company's maytansinoid and IGN ADC technology for use with antibodies to six specified targets under a now-expired right-to-test agreement established in 2010. The Company received a $45.0 million upfront payment in connection with the execution of the right-to-test agreement in 2010, $8.5 million in extension and amendment fees, and an exercise fee of $1.0 million for each of the six licenses taken. In May 2018, Novartis terminated one of its six licenses. In August 2022, Novartis terminated four of the remaining development and commercialization licenses. The Company had $2.8 million of deferred revenue associated with the terminated licenses related to the portion of the transaction price previously allocated to rights to future technological improvements. In consideration that no technological improvements would be provided to Novartis and, therefore, no unsatisfied obligations were remaining related to such licenses, the $2.8 million was recorded as revenue and is included in license and milestone fees for 2022. With respect to the remaining license, $0.8 million of deferred revenue related to the portion of the transaction price previously allocated to rights to future technological improvements continues to be amortized over the remaining estimated term of the license agreement, and we are entitled to receive up to a total of $199.5 million in potential milestone payments, of which $5.0 million has been received to date, plus royalties on the commercial sales of any resulting products. Novartis is responsible for the manufacturing, development, and marketing of any products resulting from these licenses.

CytomX

In 2016, the Company granted CytomX an exclusive development and commercialization license to the Company's maytansinoid ADC technology for use with PROBODIES™ that target CD166 under a now expired reciprocal right-to-test agreement. The Company neither received nor made an upfront cash payment in connection with the execution of the right-to-test agreement or the license agreement. With respect to the development and commercialization license granted to CytomX, the Company is entitled to receive up to a total of $160.0 million in development, regulatory, and sales-based milestone payments plus royalties on the commercial sales of any resulting product. Through December 31, 2022, the Company had received and recognized an aggregate of $4.0 million in milestone payments under this agreement.

In December 2019, the Company granted CytomX an exclusive development and commercialization license to maytansinoid and IGN ADC technology for use with PROBODIES™ that target EpCAM. Pursuant to the license agreement, in January 2020, the Company received a $7.5 million upfront payment. The Company is also entitled to receive up to a total of $355.0 million in development, regulatory, and sales-based milestone payments plus royalties on the commercial sales of any resulting product. The Company had not received any milestone payments under this agreement through December 31, 2022. CytomX is responsible for the manufacturing, product development, and marketing of any products resulting from these licenses.

Viridian

In October 2020, the Company entered into a license agreement with Viridian Therapeutics, Inc. pursuant to which the Company granted Viridian the exclusive right to develop and commercialize an insulin-like growth factor-1 receptor (IGF-1R) antibody for all non-oncology indications that do not use radiopharmaceuticals in exchange for an upfront payment, with the potential to receive up to a total of $143.0 million in development, regulatory, and sales-based milestone payments plus royalties on the commercial sales of any resulting product. Through December 31, 2022, the Company had achieved an aggregate $15.5 million in development milestone payments under the agreement, of which $10.0 million and $5.5 million was included in license and milestone fee revenue for the years ended December 31, 2022 and 2021, respectively. The $10.0 million milestone payment recorded in 2022 was included in accounts receivable as of December 31, 2022. Viridian is responsible for the manufacturing, development, and marketing of any products resulting from the license agreement.

Huadong

In October 2020, the Company entered into a collaboration and license agreement with Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd. (Huadong), a subsidiary of Huadong Medicine Co., Ltd. The collaboration and license agreement grants Huadong an exclusive, royalty-bearing, and sublicensable right to develop and commercialize ELAHERE (the Licensed Product) in the People's Republic of China, Hong Kong, Macau, and Taiwan (collectively, Greater China). The Company retains exclusive rights to the Licensed Product outside of Greater China. Under the terms of the collaboration and license agreement, the Company received a non-refundable upfront payment of $40.0 million with the potential for approximately $265.0 million in development, regulatory, and sales-based milestone payments. In addition, the Company is entitled to receive tiered percentage royalties ranging from low double digits to high teens as a percentage of commercial sales of the Licensed Product, if approved, by Huadong in Greater China, subject to

adjustment in specified circumstances. In December 2022 and December 2021, the Company received milestone payments of $10.0 million and $5.0 million, respectively, upon achievement of development and regulatory milestones.

The Company evaluated the agreement and determined it was within the scope of ASC 606. The Company determined the promised goods and services included the license to intellectual property and know-how and the clinical supply of the Licensed Product to Huadong for a specified period. The Company concluded that the license to intellectual property and know-how is not distinct from the clinical supply of the Licensed Product because the clinical supply is essential to the use of the license and an alternative source of clinical supply is not readily available in the marketplace. Accordingly, these two promised goods and services are considered a single combined performance obligation. The Company determined there were no options in the agreement that represented material rights.

The transaction price was determined to consist of the upfront payment of $40.0 million and estimated payments to be received for clinical supply of the Licensed Product. At contract inception, future development and regulatory milestones were fully constrained. Any consideration related to sales-based milestones (including royalties) will be recognized when the related sales occur as these amounts have been determined to relate predominantly to the license granted to Huadong. The Company re-evaluates the transaction price, including its estimated variable consideration included in the transaction price and all constrained amounts, at each reporting period and as uncertain events are resolved or other changes in circumstances occur.

The Company determined that revenue related to the agreement would be recognized as the clinical supply of the Licensed Product is delivered to Huadong, estimated to be completed over approximately two years. Accordingly, based on clinical supply delivered to Huadong during 2022 and 2021, the Company recorded $28.5 million and $16.5 million as license and milestone fee revenue in 2022 and 2021, respectively, related to $45.0 million of upfront and milestone payments previously received and deferred. The Company also recorded $10.0 million of license and milestone fee revenue related to a regulatory milestone achieved in 2022.

Lilly

In February 2022, the Company entered into a license agreement with Lilly, pursuant to which the Company granted Lilly worldwide exclusive rights to research, develop, and commercialize antibody-drug conjugates based on the Company's novel camptothecin technology. Under the terms of the license agreement, the Company received a non-refundable upfront payment of $13.0 million, reflecting initial targets selected by Lilly. During 2022, pursuant to the terms of the agreement, Lilly selected additional targets for which the Company received an additional $13.0 million in non-refundable payments. Lilly may select a pre-specified number of additional targets, with the Company eligible to receive an additional $19.5 million in exercise fees if Lilly licenses the full number of remaining additional targets over a specified period following the effective date of the license agreement, with the potential for up to $1.7 billion in development and sales-based milestone payments if all targets are selected and all milestones are realized. In addition, the Company is entitled to receive tiered royalties, on a product-by-product basis, as a percentage of worldwide annual net sales by Lilly, based on certain net sales thresholds. Lilly is responsible for all costs associated with the research, development, and commercialization of any ensuing products.

The Company evaluated the agreement and determined it was within the scope of ASC 606. The Company determined the promised goods and services included an exclusive license to use the Company's intellectual property and know-how to research, develop, and commercialize products related to each of the initial targets selected by Lilly. Each of these licenses is distinct, as Lilly can derive benefit from each license independent of any other initial target licenses. Accordingly, the license to each of the initial targets selected by Lilly represents a separate performance obligation. Lilly has the right to replace each of the initial licensed targets once during a specified term for no additional consideration. If Lilly fails to advance an initial or replacement target to a specified stage within a specified period from the date the target was selected, Lilly's rights to the respective target will cease and will revert back to the Company. The Company determined Lilly's right to a replacement target for each of the initial targets represented a material right. Each material right is therefore a separate performance obligation.

Lilly's right to select additional targets does not represent a material right as the target fee for each additional target is the same and is also consistent with the target fee for each of the initial targets selected by Lilly. Accordingly, each additional target selected by Lilly is accounted for as a separate arrangement.

The transaction price related to the initial targets was determined to consist of the upfront payment of $13.0 million. Future development milestones have been fully constrained. Any consideration related to sales-based milestones (including royalties) will be recognized when the related sales occur as these amounts have been determined to relate predominantly to the license granted to Lilly. The transaction price of $13.0 million was allocated to the performance obligations based on their relative stand-alone selling prices. In consideration of each target being at the same stage of

development at the time of the initial license or at the time of replacement and each target having approximately the same earnings potential, the Company allocated the $13.0 million transaction price equally across the initial target licenses and the corresponding material rights to obtain licenses to replacement targets, adjusted based on the probability that Lilly would exercise those rights. The Company considered pharmaceutical industry data of the probability of early-stage assets to advance to clinical stage in determining the probability that Lilly would exercise its option to a replacement target. Accordingly, $9.2 million and $3.8 million of the total transaction price was allocated to the initial targets and the material rights to obtain licenses to replacement targets, respectively.

The license terms and accounting outlined above are the same for the additional target licenses selected. Accordingly, $9.2 million and $3.8 million of the $13.0 million transaction price was allocated to the targets selected and the material right to obtain a license to replacement targets, respectively.

The Company re-evaluates the transaction price for each arrangement, including its estimated variable consideration included in the transaction price and all constrained amounts, at each reporting period and as uncertain events are resolved or other changes in circumstances occur.

The transfer of intellectual property and know-how to Lilly to allow for Lilly to derive benefit from the initial and additional target licenses was completed during the three months ended March 31, 2022. As such, during 2022, the Company recognized $18.4 million of license and milestone fee revenue related to the portion of the transaction price allocated to the initial and additional target licenses. The $7.6 million allocated to the material rights to obtain licenses to replacement targets is included in long-term deferred revenue as of December 31, 2022 and will be recognized when the right is either exercised or expires.

Magenta

In November 2022, the Company granted Magenta an exclusive development and commercialization license to the Company's IGN ADC technology to a specified target and a non-exclusive license to use intellectual property and know-how resulting from the collaboration to research, develop, and commercialize products directed to the specified target. Under the terms of the license agreement, the Company received non-refundable upfront payments totaling $6.0 million. The Company is also entitled to receive up to a total of $125.0 million in development, regulatory, and sales-based milestone payments plus royalties on the commercial sales of any resulting product.

The Company evaluated the agreement and determined it was within the scope of ASC 606. The Company determined there was a single, combined performance obligation consisting of the license to use the Company's intellectual property and know-how and the non-exclusive license to use intellectual property and know-how resulting from the collaboration. The transaction price was determined to consist of the upfront payments totaling $6.0 million. Future development and regulatory milestones have been fully constrained. Any consideration related to sales-based milestones (including royalties) will be recognized when the related sales occur as these amounts have been determined to relate predominantly to the license granted to Magenta. The single, combined performance obligation was satisfied during 2022, and as such, the Company recognized $6.0 million of license and milestone fee revenue in 2022.

In February 2023, Magenta announced its decision to halt further development of its programs and conduct a comprehensive review of strategic alternatives focusing on maximizing shareholder value. As part of this review process, Magenta will explore potential strategic alternatives that may include, but are not limited to, an acquisition, merger, business combination, or other transaction.

Terminated Agreements

Jazz Pharmaceuticals

In August 2017, the Company entered into a Collaboration and Option Agreement with Jazz Pharmaceuticals Ireland Limited (Jazz), a subsidiary of Jazz Pharmaceuticals plc, granting Jazz exclusive, worldwide rights to opt into development and commercialization of two early-stage, hematology-related ADC programs, as well as an additional program to be designated during the term of the agreement. Pursuant to the agreement, Jazz made an upfront payment of $75.0 million to the Company. Additionally, Jazz had also agreed to pay the Company up to $100.0 million in development funding over seven years to support the three ADC programs.

In October 2019 and December 2020, Jazz exercised certain opt-out rights under the agreement, thereby relinquishing its development and commercialization options and restoring all rights to the ADC programs to the Company. The non-refundable, upfront arrangement consideration of $75.0 million was allocated to the three license options. In conjunction with the opt-outs, the Company recognized $60.5 million of the remaining deferred upfront fee as license and milestone fee revenue in the year ended December 31, 2020.

Due to the involvement the Company and Jazz both had in the development and commercialization of the products, as well as both parties being part of the cost share agreement and exposed to significant risks and rewards dependent on the commercial success of the products, the arrangement was determined to be a collaborative arrangement within the scope of ASC 808. Accordingly, the Company separated the research and development activities and the related cost sharing arrangement with Jazz. Payments for such activities were recorded as research and development expense and reimbursements received from Jazz were recognized as an offset to research and development expense in the accompanying statement of operations during the development period. Included in research and development expense for each of the years ended December 31, 2021 and 2020 are $6.7 million of credits related to reimbursements from Jazz.

D. Product Revenue Reserves and Allowances

In November 2022, the FDA granted accelerated approval for ELAHERE for the treatment of adult patients with FRα positive, platinum-resistant epithelial ovarian, fallopian tube, or primary peritoneal cancer, who have received one to three prior systemic treatment regimens. The Company recorded net product revenue of $2.6 million from U.S. sales of ELAHERE through December 31, 2022.

The following table summarizes activity in each of the product revenue allowance and reserve categories for the years ended December 31, 2022 and 2021 (in thousands):

	December 31, 2022	December 31, 2021
Beginning balance at January 1	$ —	$ —
Provision related to sales in the current period	313	—
Credits and payments made	—	—
Ending balance at December 31	$ 313	$ —

E. Inventory

Capitalized inventory consists of the following at December 31, 2022 and 2022 (in thousands):

	December 31, 2022	December 31, 2021
Raw materials	$ 15,952	$ —
Work in process	—	—
Finished goods	244	—
Total Inventory	$ 16,196	$ —

F. Property and Equipment

Property and equipment consisted of the following at December 31, 2022 and 2021 (in thousands):

	December 31, 2022	December 31, 2021
Leasehold improvements	$ 22,867	$ 22,051
Machinery and equipment	3,063	2,955
Computer hardware and software	6,248	5,846
Furniture and fixtures	3,383	3,265
Assets under construction	180	233
	$ 35,741	$ 34,350
Less accumulated depreciation	(31,364)	(29,687)
Property and equipment, net	$ 4,377	$ 4,663

Included in the table above are amounts capitalized for equipment under capital leases at December 31, 2022 and 2021 totaling $2.2 million and $2.1 million, net of accumulated amortization of $1.8 million and $1.6 million, respectively. Depreciation expense was $1.8 million, $2.0 million, and $2.1 million for the years ended December 31, 2022, 2021 and 2020, respectively. As a result of the restructuring in 2019, during the year ended December 31, 2020, the Company liquidated laboratory equipment and certain other fixed assets with an aggregate cost basis of $7.5 million and accumulated depreciation of $6.8 million for $1.4 million in payments to the Company.

G. Convertible 4.5% Senior Notes

In 2016, the Company issued convertible notes with an aggregate principal amount of $100 million, of which $2.1 million remained outstanding as of December 31, 2020. In June 2021, $1.0 million of outstanding convertible notes were converted into 238,777 shares of the Company's common stock and the remaining $1.1 million outstanding was repaid in full by a cash payment upon maturity on July 1, 2021. The convertible notes were senior unsecured obligations and bore interest at a rate of 4.5% per year, payable semi-annually in arrears on January 1 and July 1 of each year, commencing on January 1, 2017. The Company recorded $0.1 million of interest expense in each of the years ended December 31, 2021 and 2020. The Company analyzed the terms of the convertible notes and determined the notes were entirely accounted for as debt and none of the terms of the notes required separate accounting.

H. Liability Related to Sale of Future Royalties

In 2015, Immunity Royalty Holdings, L.P. (IRH) purchased the right to receive 100% of the royalty payments on commercial sales of KADCYLA arising under the Company's development and commercialization license with Genentech, until IRH had received aggregate royalties equal to $235 million or $260 million, depending on when the aggregate royalties received by IRH reached a specified milestone. Once the applicable threshold was met, the Company would thereafter have received 85% and IRH would have received 15% of the KADCYLA royalties for the remaining royalty term. At consummation of the transaction, the Company received cash proceeds of $200 million. As part of this sale, the Company incurred $5.9 million of transaction costs, which are presented net of the liability in the accompanying consolidated balance sheet and are being amortized to interest expense over the estimated life of the royalty purchase agreement. Although the Company sold its rights to receive royalties from the sales of KADCYLA, as a result of its ongoing involvement in the cash flows related to these royalties, the Company continues to account for these royalties as revenue and recorded the $200 million in proceeds from this transaction as a liability related to sale of future royalties (Royalty Obligation) that is being amortized using the interest method over the estimated life of the royalty purchase agreement.

In January 2019, the Company sold its residual rights to receive royalty payments on commercial sales of KADCYLA to OMERS, the defined benefit pension plan for municipal employees in the Province of Ontario, Canada, for a net payment of $65.2 million (amount is net of $1.5 million in broker fees). Simultaneously, OMERS purchased IRH's right to the royalties the Company previously sold as described above, therefore obtaining the rights to 100% of the royalties received from that date on. Because the Company will not be involved with the cash flows related to the residual royalties, the $65.2 million of net proceeds received from the sale of its residual rights to receive royalty payments was recorded as deferred revenue and is being amortized as the royalty revenue related to the residual rights is earned using the units of revenue approach. During the second quarter of 2021, the aggregate royalty threshold was met and, in accordance with the Company's revenue recognition policy, $16.4 million and $7.7 million of revenue related to the residual rights was recorded and is included in non-cash royalty revenue for the years ended December 31, 2022 and 2021, respectively. Additionally, the purchase of IRH's interest by OMERS did not result in an extinguishment or modification of the original instrument and, accordingly, the Company will continue to account for the remaining obligation as a liability as outlined above.

The following table shows the activity within the liability account during the year ended December 31, 2022 and the period from inception (in thousands):

	Year Ended December 31, 2022	Period from inception to December 31, 2022
Liability related to sale of future royalties, net — beginning balance	$ 41,044	$ —
Proceeds from sale of future royalties, net	—	194,135
KADCYLA royalty payments received and paid	(13,101)	(276,958)
Non-cash interest expense recognized	4,165	114,931
Liability related to sale of future royalties, net — ending balance	$ 32,108	$ 32,108

The Company receives royalty reports and royalty payments related to sales of KADCYLA from Roche one quarter in arrears. As royalties are remitted to OMERS, the balance of the Royalty Obligation will be effectively repaid over the life of the agreement. In order to determine the amortization of the Royalty Obligation, the Company is required to estimate the total amount of future royalty payments to be received and remitted as noted above over the life of the agreement. The sum of these amounts less the $200 million proceeds the Company received from IRH will be recorded as interest expense over the life of the Royalty Obligation. The Company's estimate of this total interest expense has resulted in an imputed annual interest rate of 10.5% since inception and as of December 31, 2022. The Company periodically assesses the estimated royalty payments to IRH/OMERS and to the extent such payments are greater or less

than its initial estimates, or the timing of such payments is materially different than its original estimates, the Company will prospectively adjust the amortization of the Royalty Obligation. There are a number of factors that could materially affect the amount and timing of royalty payments from Genentech, most of which are not within the Company's control. Such factors include, but are not limited to, changing standards of care, the introduction of competing products, manufacturing or other delays, biosimilar competition, patent protection, adverse events that result in governmental health authority imposed restrictions on the use of the drug products, significant changes in foreign exchange rates as the royalties are paid in U.S. dollars (USD) while significant portions of the underlying sales of KADCYLA are made in currencies other than USD, and other events or circumstances that could result in reduced royalty payments from KADCYLA, all of which would result in a reduction of non-cash royalty revenues and non-cash interest expense over the life of the Royalty Obligation. Conversely, if sales of KADCYLA are more than expected, the non-cash royalty revenues and the non-cash interest expense recorded by the Company would be greater over the term of the Royalty Obligation.

I. Income Taxes

For the years ended December 31, 2022, 2021 and 2020, the loss before provision for income taxes consist of the following (in thousands):

	Years Ended December 31,		
	2022	2021	2020
Domestic	$ 18,417	$ (139,303)	$ (44,372)
Foreign	(240,128)	—	—
Total	$ (221,711)	$ (139,303)	$ (44,372)

For the year ended December 31, 2022, the Company's total tax expense was all federal current expense. The difference between the Company's expected tax benefit, as computed by applying the applicable U.S. federal corporate tax rate to loss before the benefit for income taxes, and actual tax is reconciled in the following table (in thousands):

	Years Ended December 31,		
	2022	2021	2020
Loss before income tax expense	$ (221,711)	$ (139,303)	$ (44,372)
Expected tax benefit at 21%	$ (46,559)	$ (29,254)	$ (9,318)
Permanent differences	454	606	157
Intra-entity transfer of intangible assets	90,720	—	—
Incentive stock options	769	420	201
State tax provision (benefit) net of federal benefit	29,304	(7,376)	(2,250)
Change in valuation allowance, net	(75,683)	46,987	15,175
Federal research credit	(2,030)	(575)	(228)
Federal orphan drug credit	(9,286)	(7,429)	(6,218)
Expired loss and credit carryforwards	—	345	419
Withholding tax credit	(878)	(4,789)	—
Stock option expirations	—	1,065	2,062
Foreign rate differential	14,407	—	—
Income tax expense	$ 1,218	$ —	$ —

In 2017, the Tax Cuts and Jobs Act of 2017 ("2017 Tax Act") was signed into law. Among other provisions, the 2017 Tax Act requires taxpayers to capitalize and amortize research and experimental (R&E) expenditures under Section 174 for tax years beginning after December 31, 2021. As such, the rule noted became effective for the Company during the year ended December 31, 2022 and resulted in the capitalization of certain R&E costs within its tax provision. The Company will amortize such costs for tax purposes over 5 years if the R&E was performed in the United States and over 15 years if the R&E was performed outside the United States.

During 2022, the Company transferred certain of its intellectual property rights to a newly formed Swiss subsidiary. This transfer resulted in a significant income inclusion for U.S. tax purposes which has been partially offset by utilization of a portion of the Company's net operating loss (NOL) carryforwards that existed before the transaction. The income inclusion for state tax purposes was completely offset by NOL carryforwards.

At December 31, 2022, the Company had NOL carryforwards of $443.3 million available to reduce federal taxable income, if any, that can be carried forward indefinitely. The Company has $251.1 million of NOL carryforwards

available to reduce state taxable income, if any, that expire in 2036 through 2042. The Company also has federal and state credit carryforwards of $85.6 million and $11.1 million, respectively, available to offset federal and state income taxes, which expire beginning in 2027 and foreign tax credits of $6.5 million that begin to expire in 2030. Due to the degree of uncertainty related to the ultimate use of the loss carryforwards and tax credits, the Company has established a valuation allowance to fully reserve these tax benefits.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities as of December 31, 2022 and 2021 are as follows (in thousands):

	December 31,	
	2022	2021
Deferred tax assets:		
Net operating loss carryforwards	$ 115,047	$ 264,773
Research and development tax credit carryforwards	103,155	92,832
Property and other intangible assets	1,452	1,150
Deferred revenue	14,561	25,153
Stock-based compensation	18,783	12,195
Operating lease liability	4,421	5,170
Other liabilities	3,144	1,737
Royalty sale	8,393	10,247
Sec 174 R&E capitalization	68,150	—
Total deferred tax assets	$ 337,106	$ 413,257
Deferred tax liabilities:		
Operating lease right of use asset	(2,967)	(3,386)
Royalty sale transaction costs	(107)	(158)
Total deferred tax liabilities	$ (3,074)	$ (3,544)
Valuation allowance	(334,032)	(409,713)
Net deferred tax assets/(liabilities)	$ —	$ —

The Company has evaluated the positive and negative evidence bearing upon the realizability of its deferred tax assets. The Company has determined that it is not more-likely-than-not that the tax benefits related to the federal and state deferred tax assets will be realized for financial reporting purposes. Accordingly, the deferred tax assets have been fully reserved at December 31, 2022 and 2021. The valuation allowance decreased by $75.7 million during the year ended December 31, 2022.

Utilization of the NOL and credit carryforwards may be subject to a substantial annual limitation due to ownership change limitations that have occurred previously or that could occur in the future as provided by Sections 382 and 383 of the Internal Revenue Code of 1986, as well as similar state and foreign provisions. These ownership changes may limit the amount of NOL and credit carry forwards that can be utilized annually to offset future taxable income and tax, respectively. In general, an ownership change, as defined by Section 382, results from transactions increasing the ownership of certain shareholders or public groups in the stock of a corporation by more than 50 percentage points over a three-year period. Since the Company's formation, it has raised capital through the issuance of capital stock on several occasions (both pre and post initial public offering) which, combined with the purchasing shareholders' subsequent disposition of those shares, may have resulted in a change of control, as defined by Section 382, or could result in a change of control in the future upon subsequent disposition. The Company completed a study to assess whether a change of control has occurred or whether there have been multiple changes of control since its formation and determined no ownership change occurred under Section 382 as of December 31, 2022. The Company has not completed a detailed Research and Development Credit Study (including the Orphan Drug Credit); accordingly, a portion of the tax credit carryforward may not be available to offset future income.

The Company accounts for uncertain tax positions under the recognition and measurement criteria of ASC 740-10. For those tax positions for which it is more likely than not that a tax benefit will be sustained, the Company records the largest amount of tax benefit with a greater than 50% likelihood of being realized upon settlement with a taxing authority that has full knowledge of all relevant information. If the Company does not believe that it is not more likely than not that a tax benefit will be sustained, no tax benefit is recognized. As of December 31, 2022 and 2021, no uncertain tax positions have been recorded. Interest and penalties related to the settlement of uncertain tax positions, if any, will be reflected in income tax expense. The Company did not recognize any interest and penalties associated with

unrecognized tax benefits in the accompanying consolidated financial statements. The Company does not expect any material changes to the unrecognized benefits within 12 months of the reporting date. Due to existence of the valuation allowance, future changes in the Company's unrecognized tax benefits will not impact its effective tax rate.

The statute of limitations for assessment by the Internal Revenue Service, or IRS, and state tax authorities is open for tax years ending after December 31, 2018, although carryforward attributes that were generated prior to 2018 may still be adjusted upon examination by the IRS or state tax authorities if they either have been or will be used in a future period.

J. Capital Stock

Common Stock Reserved

At December 31, 2022, the Company had reserved 56.0 million shares of authorized common stock for the future issuance of shares under the 2018, ESPP, and Inducement Plans. See "Stock-Based Compensation" in Note B for a description of the 2018, ESPP, and Inducement Plans. Additionally, the Company has reserved 32.8 million shares of authorized common stock for future issuance pursuant to pre-funded warrant agreements, the details of which are discussed below.

Pre-Funded Warrants

In August 2021, the Company entered into a Securities Purchase Agreement (SPA) with RA Capital Healthcare Fund, L.P. (RA Capital), pursuant to which the Company agreed to sell to RA Capital a pre-funded warrant to purchase up to 5,434,782 shares of common stock for $5.51 per share of common stock underlying the pre-funded warrant. The per share exercise price of the pre-funded warrant is $0.01. The private placement resulted in aggregate gross proceeds of $29.9 million, before $0.2 million of transaction costs.

In connection with a public offering in December 2021, the Company issued pre-funded warrants to purchase 16,000,000 and 11,363,636 shares of common stock to RA Capital and Redmile Group, LLC, respectively, for $6.59 per share of common stock underlying the pre-funded warrants, which, together with the per share exercise price of $0.01, is equal to $6.60, the public offering price of the shares of common stock in the offering. RA Capital and Redmile Group, LLC are each considered related parties pursuant to ASC 850, *Related Party Disclosures*.

The pre-funded warrants' fundamental transaction provision does not provide the warrant holders with the option to settle any unexercised warrants for cash in the event of any fundamental transactions; rather, in all fundamental transaction scenarios, the warrant holder will only be entitled to receive from the Company or any successor entity the same type or form of consideration (and in the same proportion) that is being offered and paid to the shareholders of the Company in connection with the fundamental transaction, whether that consideration be in the form of cash, stock or any combination thereof. The pre-funded warrants also include a separate provision whereby the exercisability of the warrants may be limited if, upon exercise, the warrant holder or any of its affiliates would beneficially own more than 9.99% of the Company's common stock. This threshold is subject to the holder's rights under the pre-funded warrants to increase or decrease such percentage to any other percentage not in excess of 19.99% upon at least 61 days' prior notice from the holder to the Company.

The Company has assessed the pre-funded warrants for appropriate equity or liability classification pursuant to the Company's accounting policy described in Note B, "Summary of Significant Accounting Policies." During this assessment, the Company determined the pre-funded warrants are freestanding instruments that do not meet the definition of a liability pursuant to ASC 480 and do not meet the definition of a derivative pursuant to ASC 815. The pre-funded warrants are indexed to the Company's common stock and meet all other conditions for equity classification under ASC 480 and ASC 815. Based on the results of this assessment, the Company concluded that the pre-funded warrants are freestanding equity-linked financial instruments that meet the criteria for equity classification under ASC 480 and ASC 815. Accordingly, the pre-funded warrants are classified as equity and accounted for as a component of additional paid-in capital at the time of issuance. The Company also determined that the pre-funded warrants should be included in the determination of basic and diluted earnings per share in accordance with ASC 260, *Earnings per Share*.

Stock Options

As of December 31, 2022, the 2018 Plan and the Inducement Plan were the only employee share-based compensation plans of the Company under which grants can be made. During the year ended December 31, 2022, holders of options issued under the option plans exercised their rights to acquire an aggregate of 313,000 shares of common stock at prices ranging from $2.31 to $5.25 per share. The total proceeds to the Company from these option

exercises were $1.2 million. Additionally, during 2022 and pursuant to the Company's ESPP, approximately 178,000 shares of common stock were issued to participating employees generating $0.7 million of proceeds to the Company.

2004 Non-Employee Director Compensation and Deferred Share Unit Plan

Under the 2004 Non-Employee Director Compensation and Deferred Share Unit Plan, or the 2004 Director Plan, as amended, between 2004 and 2009 non-employee directors were paid their annual retainers in the form of deferred stock units, based on the fair market value of the Company's common stock on the last date of the Company's fiscal year prior to the year for which services were rendered, and in cash, with the option, at their discretion, to have all or a portion of the cash portion paid in additional deferred stock units. All deferred stock units awarded under the 2004 Director Plan have vested and are redeemed on the date a director ceases to be a member of the Board, at which time such director's deferred stock units will be settled in shares of common stock of the Company issued under the 2006 Plan at a rate of one share for each vested unit.

Compensation Policy for Non-Employee Directors

In September 2009, the Board adopted a new Compensation Policy for Non-Employee Directors, which superseded the 2004 Plan and made certain changes to the compensation of its non-employee directors. The Compensation Policy for Non-Employee Directors, as amended as of December 2022, consists of three elements: cash compensation; deferred stock units; and stock options.

Cash Compensation

Each non-employee director receives annual meeting fees which are paid in quarterly installments in, at each director's election, either cash or deferred stock units.

Deferred Stock Units

Pursuant to the Compensation Policy for Non-Employee Directors, as amended, non-employee directors receive deferred stock units upon initial election to the Board and annually thereafter. Vested deferred stock units are redeemed on the date a director ceases to be a member of the Board, at which time such director's deferred stock units will generally be settled in shares of the Company's common stock issued under our 2018 Plan (or its predecessor plans, depending on the grant date of the deferred stock units) at a rate of one share for each vested deferred stock unit then held. Any deferred stock units that remain unvested at that time will be forfeited.

Pursuant to the Compensation Policy for Non-Employee Directors, as amended, the Company recorded:

- $0.7 million in compensation expense during the year ended December 31, 2022 related to the grant of 148,000 deferred share units and 100,000 deferred share units previously granted;
- $0.7 million in compensation expense during the year ended December 31, 2021 related to the grant of 166,000 deferred share units and 52,000 deferred share units previously granted; and
- $0.3 million in compensation expense during the year ended December 31, 2020 related to the grant of 127,000 deferred share units and 15,000 deferred share units previously granted.

Effective 2023, non-employee directors will opt to receive deferred stock units, restricted stock units, and/or shares upon initial election and annually thereafter.

Stock Options

Pursuant to the Compensation Policy for Non-Employee Directors, as amended, non-employee directors also receive stock option awards upon initial election to the Board and annually thereafter. The directors received a total of 321,622, 352,000, and 300,000 options in the years ended December 31, 2022, 2021, and 2020, and the related stock compensation expense is included in the amounts discussed in the "Stock-Based Compensation" section of footnote B above.

K. Leases

Leases

The Company currently has one real estate lease with CRP/King 830 Winter L.L.C. for the rental of approximately 120,000 square feet of laboratory and office space at 830 Winter Street, Waltham, Massachusetts through March 2026. The Company uses this space for its corporate headquarters and other operations. The Company may extend the lease for two additional terms of five years and is required to pay certain operating expenses for the leased

premises subject to escalation charges for certain expense increases over a base amount. The Company also has a lease agreement through March 2027 for the rental of copier equipment.

Lease expense for operating lease payments is recognized on a straight-line basis over the lease term, which for each of the years ended December 31, 2022, 2021, and 2020 was $4.0 million and is included in operating expenses in the consolidated income statements. Cash paid against operating lease liabilities in each of the years ended December 31, 2022 and 2021 was $5.3 million. As of December 31, 2022, the Company's ROU assets and lease liabilities for operating leases totaled $10.2 million and $15.2 million, respectively, and the weighted average remaining term of the operating leases is approximately 3.25 years. The weighted average discount rate for the operating lease liability is approximately 11%. A 100-basis point change in the incremental borrowing rate would result in less than a $1 million impact to the ROU assets and liabilities recorded.

The maturities of operating lease liabilities discussed above are as follows (in thousands):

2023	$	5,503
2024		5,522
2025		5,543
2026		1,429
2027		13
Total lease payments		18,010
Less imputed interest		(2,766)
Total lease liabilities	$	15,244

In addition to the amounts in the table above, the Company is also responsible for variable operating costs and real estate taxes approximating $3.8 million per year through March 2026.

Sublease Income

In 2020, the Company executed four agreements to sublease a total of approximately 65,000 square feet of the Company's leased space at 830 Winter Street, Waltham, Massachusetts through March 2026. During the years ended December 31, 2022 and 2021, the Company recorded $1.1 million and $4.9 million of sublease income, respectively, inclusive of the sublessees' proportionate share of operating expenses and real estate taxes for the period. The decrease in the current year period is driven by amortization of the lease incentive discussed further below.

In June 2022, in order to reclaim laboratory and office space, the Company modified one of its sublease agreements to terminate the sublease early. Pursuant to the amended sublease agreement, the Company is required to pay the sublessee $4.0 million as a lease incentive, of which $1.8 million was paid in June 2022 and the remainder was paid at the end of the sublease term in early January 2023. No other terms from the original sublease agreement were modified. In accordance with ASC 842, *Leases*, the $4.0 million lease incentive was recognized on a straight-line basis over the remaining sublease term. Additionally, in November 2022, the Company modified a separate sublease agreement to terminate the sublease on January 31, 2023. There was no lease incentive included and no other terms from the original sublease agreement were modified. As a result of the early termination of the two sublease agreements, the Company will forego $4.6 million in minimum future rental payments. The Company assessed the underlying right-of-use asset and determined there was no impairment.

One of the two remaining sublease agreements includes an early termination option after certain periods of time for an agreed-upon fee. Assuming no early termination option is exercised, the Company will receive $5.7 million in minimum rental payments over the remaining term of the subleases, which is not included in the operating lease liability table above. The sublessees are also responsible for their proportionate share of variable operating expenses and real estate taxes.

L. Commitments and Contingencies

Manufacturing Commitments

As of December 31, 2022, the Company has noncancelable obligations under several agreements related to in-process and future manufacturing of antibody and cytotoxic agents required for supply of the Company's product candidates totaling $17.9 million, which will be paid in 2023. Additionally, pursuant to commercial agreements for future production of antibody, the Company's noncancelable commitments total $43.7 million at December 31, 2022.

License Commitment

In October 2021, as a result of a dispute regarding terms of a 2012 license agreement with a contract manufacturing vendor, the Company and vendor amended their agreement to replace certain annual fees and potential royalties payable by the Company on future sales of ELAHERE with capped development and sales-based milestone payments totaling $18.0 million, of which $6.0 million and $3.0 million was recorded as research and development expense during the years ended December 31, 2022 and 2021, respectively.

Litigation

The Company is not party to any material litigation.

M. Related Party Transactions

The Company's chief executive officer has served as a director on the board of directors of Ergomed PLC since June 2021. During the year ended December 31, 2022, the Company executed agreements with Ergomed Clinical Research, Inc. and PrimeVigilance USA, Inc., subsidiaries of Ergomed PLC, for clinical trial and pharmacovigilance-related services. Ergomed Clinical Research, Inc. and PrimeVigilance USA, Inc. are each considered related parties pursuant to ASC 850, *Related Party Disclosures*. In the year ended December 31, 2022, the Company made payments totaling $5.0 million to Ergomed Clinical Research, Inc. Payments made pursuant to the agreement with PrimeVigilance USA, Inc. during the year ended December 31, 2022 were not material to the Company's consolidated statement of operations.

The Company's Executive Vice President of Research, Development, and Medical Affairs joined the Company on December 29, 2022. He has served as a director on the board of directors of Magenta Therapeutics since August 2022. In 2020, the Company and Magenta executed a Material Transfer and Evaluation Agreement, and subsequently executed an exclusive development and commercialization license to the Company's IGN ADC technology to a specified target in November 2022. Pursuant to the agreements, the Company received an aggregate $6.0 million in license fees during the years ended December 31, 2022 and 2021.

N. Employee Benefit Plans

The Company has a deferred compensation plan under Section 401(k) of the Internal Revenue Code (the 401(k) Plan). Under the 401(k) Plan, eligible employees are permitted to contribute, subject to certain limitations, up to 100% of their gross salary and the Company's matching contribution is 50% of the first 6% of the eligible employees' contributions. In the years ended December 31, 2022, 2021 and 2020, the Company's contributions to the 401(k) Plan totaled $1.0 million, $0.5 million, and $0.4 million, respectively.

Item 9. ***Changes in and Disagreements with Accountants on Accounting and Financial Disclosure***

None.

Item 9A. ***Controls and Procedures***

1. Disclosure Controls and Procedures

Our management, with the participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) under the Securities Exchange Act of 1934, as amended, or the Exchange Act) as of the end of the period covered by this Annual Report on Form 10-K. Based on such evaluation, our principal executive officer and principal financial officer have concluded that, as of the end of such period, our disclosure controls and procedures were adequate and effective.

2. Internal Control Over Financial Reporting

(a) Management's Annual Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act as a process designed by, or under the supervision of, our principal executive and principal financial officers and effected by our board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles in the U.S. and includes those policies and procedures that:

- pertain to the maintenance of records that in reasonable detail accurately and fairly reflect our transactions and dispositions of our assets;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of our internal control over financial reporting as of December 31, 2022. In making this assessment, management used the criteria established in *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission, or COSO, in 2013.

Based on this assessment, management has concluded that, as of December 31, 2022 our internal control over financial reporting is effective.

Ernst & Young LLP, our independent registered public accounting firm, has issued a report on the effectiveness of our internal control over financial reporting as of December 31, 2022. This report appears immediately below.

(b) Attestation Report of the Independent Registered Public Accounting Firm

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of ImmunoGen, Inc.

Opinion on Internal Control over Financial Reporting

We have audited ImmunoGen, Inc.'s internal control over financial reporting as of December 31, 2022, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, ImmunoGen, Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2022 and 2021, the related consolidated statements of operations and comprehensive loss, shareholders' equity (deficit) and cash flows for each of the three years in the period ended December 31, 2022, and the related notes and our report dated March 1, 2023 expressed an unqualified opinion thereon that included an explanatory paragraph regarding the Company's ability to continue as a going concern.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Boston, Massachusetts
March 1, 2023

(c) Changes in Internal Control Over Financial Reporting

During the three months ended December 31, 2022, we implemented certain internal controls in connection with our product launch. There were no other changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended December 31, 2022 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

3. Limitations on the Effectiveness of Controls

Our management, including our principal executive officer and principal financial officer, does not expect that our disclosure controls and procedures or its internal control over financial reporting will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within an organization have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake.

Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving our stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

Item 9B. ***Other Information***

None

Item 9C. ***Disclosure Regarding Foreign Jurisdictions that Prevent Inspections***

Not applicable

PART III

The information called for by Part III of Form 10-K (Item 10—Directors, Executive Officers and Corporate Governance of the Registrant, Item 11—Executive Compensation, Item 12—Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters, Item 13—Certain Relationships and Related Transactions, and Director Independence, and Item 14—Principal Accounting Fees and Services) is incorporated by reference from our proxy statement related to our 2022 annual meeting of shareholders, which will be filed with the Securities and Exchange Commission not later than May 2, 2022 (120 days after the end of the year covered by this report).

PART IV

Item 15. ***Exhibits, Financial Statement Schedules***

(a) Documents filed as part of this Report:

(1) See the financial statements of ImmunoGen, Inc. at Item 8 of this report.

(2) Financial Statement Schedules:

Schedules not included herein are omitted because they are not applicable, or the required information appears in the accompanying Consolidated Financial Statements or Notes thereto.

(3) Exhibit Index

Exhibit Number	Exhibit Description	Filed with this Form 10-K	Incorporated by Reference		
			Form	Filing Date with SEC	Exhibit Number
3.1	Restated Articles of Organization, as amended		10-Q	August 5, 2020	3.1
3.1(a)	Articles of Amendment		10-Q	January 30, 2013	3.1
3.1(b)	Articles of Amendment		10-Q	August 4, 2017	3.1
3.1(c)	Articles of Amendment		10-Q	August 5, 2020	3.1(c)
3.1(d)	Articles of Amendment		10-Q	August 1, 2022	3.1(d)
3.2	Amended and Restated By-Laws		8-K	June 20, 2016	3.1
4.1	Article 4 of Restated Articles of Organization, as amended (see Exhibit 3.1)				
4.2	Form of Common Stock certificate		S-1	November 15, 1989 (File No. 33-31219)	4.2
4.3	Description of Securities	X			
4.4	Form of Pre-Funded Warrant issued August 12, 2021		8-K	August 12, 2021	4.1
4.5	Form of Pre-Funded Warrant issued December 6, 2021		8-K	December 3, 2021	4.1
10.1	Lease Agreement, dated as of July 27, 2007, by and between Intercontinental Fund III 830 Winter Street LLC, landlord, and the Registrant		10-Q	November 7, 2007	10.2
10.1(a)	First Amendment to Lease Agreement dated as of December 9, 2013, by and between Intercontinental Fund III 830 Winter Street LLC, landlord, and the Registrant		10-Q	February 5, 2014	10.1
10.1(b)	Second Amendment to Lease Agreement dated as of April 28, 2014, by and between Intercontinental Fund III 830 Winter Street LLC, landlord, and the Registrant		10-Q	May 2, 2014	10.1
10.1(c)	Third Amendment to Lease Agreement dated as of December 14, 2015 by and between CRP/King 830 Winter, L.L.C., landlord, and the Registrant		10-Q	February 4, 2016	10.1
10.1(d)	Fourth Amendment to Lease Agreement dated as of April 6, 2018 by and between CRP/King 830 Winter, L.L.C., landlord, and the Registrant		10-Q	May 9, 2018	10.2
10.2**	Collaboration and License Agreement effective as of October 19, 2020 by and between the registrant and Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd., a subsidiary of Huadong Medicine Co., Ltd.		10-K	March 1, 2021	10.6
10.3**	License Agreement as of February 14, 2022 by and between the Registrant and Eli Lilly and Company		10-Q	May 6, 2022	10.1
10.10†	2006 Employee, Director and Consultant Equity Incentive Plan, as amended and restated through November 11, 2014		8-K	November 13, 2014	10.1
10.10(a)†	Form of Incentive Stock Option Agreement for Executives under 2006 Plan		S-8	November 15, 2006	99.4
10.10(b)†	Form of Non-Qualified Stock Option Agreement for Executives under 2006 Plan		S-8	November 15, 2006	99.5
10.10(c)†	Form of Non-Qualified Stock Option Agreement for Directors under 2006 Plan		10-Q	October 29, 2010	10.1
10.10(d)†	Form of Director Deferred Stock Unit Agreement		10-Q	October 29, 2010	10.1
10.10(e)†	Form of Incentive Stock Option Agreement for all employees (including executives)		10-K	August 29, 2012	10.14(g)
10.10(f)†	Form of Non-Qualified Stock Option Agreement for all employees (including executives)		10-K	August 29, 2012	10.14(h)
10.10(g)†	Form of Non-Qualified Stock Option Agreement for Directors		10-K	August 29, 2012	10.14(i)
10.10(h)†	Form of Incentive Stock Option for all employees (including executives)		8-K	April 26, 2016	10.1
10.10(i)†	Form of Non-Qualified Stock Option Agreement for all employees (including executives)		8-K	April 26, 2016	10.2

Exhibit Number	Exhibit Description	Filed with this Form 10-K	Incorporated by Reference		
			Form	Filing Date with SEC	Exhibit Number
10.11†	2016 Employee, Director and Consultant Equity Incentive Plan, as amended and restated through June 13, 2017		8-K	June 16, 2017	10.1
10.11(a)†	Form of Incentive Stock Option Agreement under the 2016 Plan		8-K	December 13, 2016	10.2
10.11(b)†	Form of Non-Qualified Stock Option Agreement for Employees under the 2016 Plan		8-K	December 13, 2016	10.3
10.11(c)†	Form of Non-Qualified Stock Option Agreement for Non-Employee Directors		8-K	December 13, 2016	10.4
10.11(d)†	Form of Deferred Stock Unit Agreement for Non-Employee Directors		8-K	December 13, 2016	10.5
10.12†	Amended and Restated 2018 Employee, Director and Consultant Equity Incentive Plan		8-K	June 17, 2022	10.1
10.12(a)†	Form of Incentive Stock Option Agreement under the 2018 Plan		8-K	June 22, 2018	10.2
10.12(b)†	Form of Non-Qualified Stock Option Agreement for Employees under the 2018 Plan		8-K	June 22, 2018	10.3
10.12(c)†	Form of Restricted Stock Unit Agreement under the 2018 Plan, as amended February 3, 2023	X			
10.12(d)†	Form of Non-Qualified Stock Option Agreement for Non-Employee Directors, as amended December 15, 2022	X			
10.12(e)†	Form of Deferred Stock Unit Agreement for Non-Employee Directors		8-K	June 22, 2018	10.6
10.12(f)†	Form of Restricted Stock Unit Agreement for Non-Employee Directors as of December 15, 2022	X			
10.12(g)†	Form of Performance-Based Stock Option Agreement dated February 7, 2020		10-K	March 11, 2020	10.11(f)
10.13†	Amended and Restated 2018 Employee Director and Consultant Equity Incentive Plan		8-K	June 17, 2021	10.1
10.14†	Employee Stock Purchase Plan, as amended through September 27, 2019		10-Q	November 5, 2019	10.1
10.15†	2004 Non-Employee Director Compensation and Deferred Stock Unit Plan, as amended and restated on December 15, 2022	X			
10.16†	Form of Proprietary Information, Inventions and Competition Agreement between the Registrant and each of its executive officers		10-Q	February 8, 2007	10.15
10.17†	Change in Control Severance Agreement dated as of March 31, 2017 between the Registrant and Anna Berkenblit		10-Q	May 5, 2017	10.3
10.18†	Change in Control Severance Agreement dated as of March 31, 2017 between the Registrant and Mark J. Enyedy		10-Q	May 5, 2017	10.4
10.19†	Change in Control Severance Agreement dated as of January 5, 2021 between the Registrant and Renee Lentini	X			
10.20†	Change in Control Severance Agreement dated as of December 29, 2022 between the Registrant and Michael J. Vasconcelles	X			
10.21†	Change in Control Severance Agreement dated as of July 20, 2020 between the Registrant and Susan Altschuller, Ph.D.		10-Q	August 5, 2020	10.4
10.22†	Change in Control Severance Agreement dated as of June 1, 2020 between the Registrant and Stacy Coen		10-K	March 1, 2021	10.19
10.23†	Offer Letter dated as of December 29, 2022 between the Registrant and Michael J. Vasconcelles	X			
10.23(a)†	First Amendment to Offer Letter dated as of December 29, 2022 between the Registrant and Michael J. Vasconcelles	X			

Exhibit Number	Exhibit Description	Filed with this Form 10-K	Incorporated by Reference		
			Form	Filing Date with SEC	Exhibit Number
10.24†	Compensation Policy for Non-Employee Directors, as amended through December 15, 2022	X			
10.25†	Severance Pay Plan for Vice Presidents and Higher, as amended through June 20, 2019		10-Q	August 7, 2019	10.1
10.26†	Summary of ImmunoGen Incentive Bonus Plan		8-K	February 20, 2018	10.1
10.27†	Inducement Equity Incentive Plan, as amended December 15, 2022	X			
10.27(a)†	Form of Non-Qualified Stock Option Agreement under the Inducement Equity Incentive Plan		8-K	December 20, 2019	10.2
10.27(b)†	Form of Restricted Stock Unit Agreement (Inducement Plan), as amended February 3, 2023	X			
10.27(c)†	Form of Performance-Based Stock Option Agreement (February 2020) under the Inducement Equity Incentive Plan		10-Q	August 5, 2020	10.2
10.28	Open Market Sale Agreement℠, dated December 18, 2020, by and between the Registrant and Jeffries LLC		8-K	December 18, 2020	10.1
21	Subsidiaries of the Registrant	X			
23	Consent of Ernst & Young LLP	X			
31.1	Certification of the principal executive officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	X			
31.2	Certification of the principal financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	X			
32	Certifications of principal executive officer and principal financial officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	X			
101	Financial statements from the annual report on Form 10-K of ImmunoGen, Inc. for the year ended December 31, 2022 formatted in inline XBRL (eXtensible Business Reporting Language): (i) the Consolidated Balance Sheets; (ii) the Consolidated Statements of Operations and Comprehensive Loss; (iii) the Consolidated Statements of Shareholder's Equity (Deficit); (iv) the Consolidated Statements of Cash Flows; and (v) the Notes to Consolidated Financial Statements	X			
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)	X			

* Portions of this Exhibit were omitted, as indicated by [***], and have been filed separately with the Secretary of the Commission pursuant to the Registrant's application requesting confidential treatment.

** Certain confidential portions of this Exhibit were omitted by means of marking such portions with brackets [***] because the identified confidential portions (i) are not material and (ii) is the type of information the Registrant treats as private or confidential.

† Exhibit is a management contract or compensatory plan, contract or arrangement required to be filed as an exhibit to this report on Form 10-K.

Item 16. Form 10-K Summary

None

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

IMMUNOGEN, INC.

By: /s/Mark J. Enyedy
Mark J. Enyedy
President and
Chief Executive Officer
(Principal Executive Officer)

Dated: March 1, 2023

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant in the capacities and on the dates indicated.

Signature	Title	Date
/s/ MARK J. ENYEDY Mark J. Enyedy	President, Chief Executive Officer and Director (Principal Executive Officer)	March 1, 2023
/s/ RENEE LENTINI Renee Lentini	Vice President - Finance, Chief Accounting Officer, and Interim Chief Financial Officer (Principal Accounting Officer and Principal Financial Officer)	March 1, 2023
/s/ STEPHEN C. MCCLUSKI Stephen C. McCluski	Chairman of the Board of Directors	March 1, 2023
/s/ STUART A. ARBUCKLE Stuart A. Arbuckle	Director	March 1, 2023
/s/ MARK GOLDBERG, M.D. Mark Goldberg, M.D.	Director	March 1, 2023
/s/ TRACEY L. MCCAIN Tracey L. McCain	Director	March 1, 2023
/s/ DEAN J. MITCHELL Dean J. Mitchell	Director	March 1, 2023
/s/ KRISTINE PETERSON Kristine Peterson	Director	March 1, 2023
/s/ HELEN THACKRAY, M.D. Helen Thackray, M.D.	Director	March 1, 2023
/s/ RICHARD J. WALLACE Richard J. Wallace	Director	March 1, 2023

DESCRIPTION OF THE REGISTRANT'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

ImmunoGen, Inc. ("ImmunoGen," "we," "us" or the "Company") has one class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"): common stock, $.01 par value per share ("Common Stock"). The Common Stock is listed on The Nasdaq Global Select Market.

DESCRIPTION OF COMMON STOCK

We are authorized to issue 600,000,000 shares of Common Stock, par value $.01 per share.

The following summary of certain provisions of our Common Stock does not purport to be complete. You should refer to our restated articles of organization, as amended, and our amended and restated by-laws, both of which are included as exhibits to the Company's Annual Report on Form 10-K and certain other of the Company's filings with the Securities and Exchange Commission. The summary below is also qualified by provisions of applicable law.

General

Holders of Common Stock are entitled to one vote for each share held of record on all matters submitted to a vote of the shareholders, and do not have cumulative voting rights. Subject to preferences that may be applicable to any outstanding shares of preferred stock, holders of Common Stock are entitled to receive ratably such dividends, if any, as may be declared from time to time by our board of directors out of funds legally available for dividend payments. The holders of Common Stock have no preferences or rights of conversion, exchange, pre-emption or other subscription rights. There are no redemption or sinking fund provisions applicable to the Common Stock. In the event of any liquidation, dissolution or winding-up of our affairs, holders of Common Stock will be entitled to share ratably in our assets that are remaining after payment or provision for payment of all of our debts and obligations and after liquidation payments to holders of outstanding shares of preferred stock, if any.

Transfer Agent and Registrar

The transfer agent and registrar for our Common Stock is Broadridge Corporate Issuer Solutions, Inc.

The Nasdaq Global Select Market

Our Common Stock is listed for quotation on The Nasdaq Global Select Market under the symbol "IMGN."

CERTAIN PROVISIONS OF MASSACHUSETTS LAW AND OF THE COMPANY'S ARTICLES OF ORGANIZATION AND BY-LAWS

Anti-Takeover Provisions under Massachusetts law and our Massachusetts Articles of Organization and By-Laws

Provisions of Massachusetts law and our restated articles of organization, as amended, and amended and restated by-laws contain other provisions that are intended to enhance the likelihood of continuity and stability in the composition of the board of directors and which may have the effect of delaying, deferring or preventing a future

takeover or change in control of our company unless such takeover or change in control is approved by our board of directors.

These provisions, summarized below, are intended to discourage coercive takeover practices and inadequate takeover bids. These provisions are also designed to encourage persons seeking to acquire control of us to first negotiate with our board of directors. We believe that the benefits of increased protection of our potential ability to negotiate with the proponent of an unfriendly or unsolicited proposal to acquire or restructure us outweigh the disadvantages of discouraging these proposals because negotiation of these proposals could result in an improvement of their terms.

Massachusetts statutory business combinations provisions. We are subject to Chapter 110F of the Massachusetts General Laws, an anti-takeover law. In general, this statute prohibits a publicly-held Massachusetts corporation from engaging in a "business combination" with an "interested stockholder" for a period of three years after the date of the transaction in which the person becomes an interested stockholder, unless (i) the interested stockholder obtains the approval of the board of directors prior to becoming an interested stockholder, (ii) the interested stockholder acquires 90% of the outstanding voting stock of the corporation (excluding shares held by certain affiliates of the corporation) at the time it becomes an interested stockholder, or (iii) the business combination is approved by both the board of directors and the holders of two-thirds of the outstanding voting stock of the corporation (excluding shares held by the interested stockholder). Generally, an "interested stockholder" is a person who, together with affiliates and associates, owns (or at any time within the prior three years did own) 5% or more of the outstanding voting stock of the corporation. A "business combination" includes a merger, a stock or asset sale, and certain other transactions resulting in a financial benefit to the interested shareholders.

Massachusetts General Laws Chapter 110D, entitled "Regulation of Control Share Acquisitions," in general provides that any shareholder of a company subject to this statute who acquires 20% or more of the outstanding voting stock of a company may not vote such stock unless the shareholders of the company so authorize. Although our amended and restated by-laws currently exclude us from this statute, the board of directors may amend our by-laws to subject us to this statute prospectively.

Chapter 110C of the Massachusetts General Laws requires the person commencing a takeover bid to file certain information with the Secretary of the Commonwealth of Massachusetts and the target company and provides that a bidder who fails to disclose its intent to gain control over a target corporation prior to acquiring 5% of the target company's stock is precluded from making any takeover bid for a period of one year after crossing the 5% threshold.

Blank check preferred stock. Our restated articles of organization, as amended, allow our board of directors to issue shares of preferred stock without the approval of our shareholders, which is referred to as "blank check" preferred stock. The effects of such issuance, among other things, could include the dilution in the voting power of our Common Stock if the preferred stock has voting rights and the reduction or restriction in the rights of holders of our Common Stock to receive a payment in the event of any liquidation, dissolution or winding-up of our company. In some circumstances, the issuance of shares of preferred stock may render more difficult or expensive or tend to discourage a merger, tender offer or proxy contest, the assumption of control by a holder of a large block of our securities or the removal of incumbent management. In addition, the board of directors could also utilize the shares of preferred stock in order to adopt a shareholder rights plan, or "poison pill," which could have the effect of discouraging or delaying a takeover of the company.

Advance notice provisions for shareholder proposals and shareholder nominations of directors. Our amended and restated by-laws provide that, for nominations to the board of directors or for other business to be properly brought by a shareholder before a meeting of shareholders, the shareholder must first have given timely notice of the proposal in writing to our Secretary. For an annual meeting, a shareholder's notice generally must be delivered not less than 45 days nor more than 75 days prior to the anniversary of the mailing date of the proxy statement for the previous year's annual meeting. For special meetings called to elect directors, a shareholder's notice must generally be delivered not less than 60 days (or ten days after public disclosure of the meeting date if later) nor more than 90

days prior to the meeting. Detailed requirements as to the form of the notice and information required in the notice are specified in the amended and restated by-laws. If it is determined that business was not properly brought before a meeting in accordance with our amended and restated by-laws, such business will not be conducted at the meeting. Although our amended and restated by-laws do not give our board of directors the power to approve or disapprove shareholder nominations of candidates or proposals regarding other business to be conducted at a special or annual meeting, our amended and restated by-laws may have the effect of precluding the conduct of some business at a meeting if the proper procedures are not followed or may discourage or defer a potential acquirer from conducting a solicitation of proxies to elect its own slate of directors or otherwise attempting to obtain control of us.

Classified board of directors. Section 8.06(b) of the Massachusetts Business Corporation Act provides that unless a company decides otherwise, the terms of directors of a public Massachusetts company shall be staggered by dividing the directors into three groups, as nearly equal in number as possible, with only one group of directors being elected each year. Sections 8.06(d) and (e) of the Massachusetts Business Corporation Act provide that when directors are so classified, (i) shareholders may remove directors only for cause, (ii) the number of directors shall be fixed only by the vote of the board of directors, (iii) vacancies and newly created directorships shall be filled solely by the affirmative vote of a majority of the remaining directors, and (iv) a decrease in the number of directors will not shorten the term of any incumbent director. Our board of directors opted out of this staggered board of directors requirement, and all of our directors currently serve for one-year terms and are elected annually. Under Section 8.06(c)(2) of the Massachusetts Business Corporation Act, our board of directors may opt into the staggered board of directors requirements of Section 8.06(b) and application of Sections 8.06(d) and (e). If the board of directors opts into this structure, these provisions are likely to increase the time required for shareholders to change the composition of the board of directors. For example, in general, at least two annual meetings would be necessary for shareholders to effect a change in a majority of the members of the board of directors. The provision for a classified board could prevent a party who acquires control of a large portion of our outstanding Common Stock from obtaining control of our board of directors until our second annual shareholders meeting following the date the acquirer obtains the stock interest. The classified board provision could have the effect of discouraging a potential acquirer from making a tender offer or otherwise attempting to obtain control of us and could increase the likelihood that incumbent directors will retain their positions.

Shareholder can only act by unanimous written consent and restrictions on who can call a special meeting of shareholders. Although our restated articles of organization, as amended, and amended and restated by-laws allow our shareholders to act by written consent, such written consent must be signed by all shareholders entitled to vote on the matter approved. This significantly restricts the ability of our shareholders to act by written consent and essentially provides that our shareholders may only act at a duly called shareholders meeting. In addition, special meetings of the shareholders may be called only by our President, our board of directors and one or more shareholders holding at least 40% of our voting stock.

Limitations on Liability and Indemnification of Officers and Directors

Our restated articles of organization, as amended, limit the liability of our officers and directors to the fullest extent permitted by the Massachusetts Business Corporation Act. Our amended and restated by-laws provide that we will indemnify our officers and directors to the fullest extent permitted by such law.

Form of Restricted Stock Unit Agreement

IMMUNOGEN, INC.
RESTRICTED STOCK UNIT TERMS AND CONDITIONS

The following supplements the Grant Detail (the "Grant Detail") to which these Restricted Stock Unit Terms and Conditions apply, and together with the Grant Detail, constitutes the "Restricted Stock Unit Agreement" referenced in the Grant Detail.

This Restricted Stock Unit Agreement is entered into and made effective as of the grant date referenced in the Grant Detail (the "Grant Date") and is between ImmunoGen, Inc., a Massachusetts corporation (the "Company"), and the employee or consultant of the Company (the "Participant") referenced in the Grant Detail. Certain capitalized terms, to the extent not defined where they first appear in this Restricted Stock Unit Agreement, are defined in the Company's Amended and Restated 2018 Employee, Director and Consultant Equity Incentive Plan (as amended from time to time, the "Plan").

1. Grant of Award. The Company hereby grants to the Participant on the Grant Date an award (the "Award") of the number of restricted stock units (the "RSUs") referenced in the Grant Detail, giving the Participant a contingent entitlement to receive, without payment and pursuant to and subject to the terms and conditions set forth in this Restricted Stock Unit Agreement and in the Plan, one share of Common Stock (a "Share") with respect to each RSU forming part of the Award, subject to adjustment pursuant to paragraph 25 of the Plan in respect of transactions occurring after the Grant Date.

2. Vesting of Award.

(a) The Award shall vest as to the specified percentage of the RSUs on each vesting date set forth in the Grant Detail (each, a "vesting date"), provided in each case that the Participant is then, and since the Grant Date has continuously been, employed by or providing services to the Company or an Affiliate.

(b) Except as expressly set forth in the Participant's Change in Control Severance Agreement with the Company (or other individual agreement between the Participant and the Company), if any, if the Participant ceases to be employed by or ceases to provide services to the Company or an Affiliate for any reason prior to a vesting date, then as of the date of such termination of employment or service, all then unvested RSUs shall immediately be forfeited to the Company for no consideration and this Restricted Stock Unit Agreement shall terminate and be of no further force or effect.

3. Delivery of Shares.

(a) Subject to Sections 5 and 7 below, the Company shall, as soon as practicable and in all events no later than thirty (30) days following the applicable vesting date, transfer to the Participant (or, in the event of the Participant's death, to the person to whom the Award has passed by will or the laws of descent and distribution) the number of Shares that equals the vested portion of the Award. No Shares will be transferred pursuant to the Award unless and until all legal requirements applicable to the issuance or transfer of such shares have been complied with to the satisfaction of the Administrator.

(b) The Participant understands that once Shares have been delivered, including by book entry, to the Participant in respect of the RSUs, the Participant will be free to sell such Shares,

subject to applicable requirements of federal and state securities laws and compliance with all Company policies relating to trading in Company securities.

(c) Until such time as Shares are issued to the Participant pursuant to Section 3(a), the Participant shall have no rights as a stockholder with respect to any Shares underlying the Award, including, but not limited to any voting or dividend rights.

4. Prohibitions on Transfer and Sale. The Award may not be transferred except as expressly permitted under paragraph 13 of the Plan.

5. Forfeiture; Recovery of Compensation. The Administrator may cancel, rescind, withhold or otherwise limit or restrict the Award at any time if the Participant is not in compliance with all applicable provisions of this Restricted Stock Unit Agreement and the Plan. By accepting, or being deemed to have accepted, the Award, the Participant expressly acknowledges and agrees that his or her rights, and those of any permitted transferee of the Award, under the Award, including the right to any Shares acquired under the Award or proceeds from the disposition thereof, are subject to paragraph 34 of the Plan (including any successor provision). The Participant further agrees to be bound by the terms of any clawback or recoupment policy of the Company that applies to incentive compensation that includes Awards such as the RSUs. Nothing in the preceding sentence may be construed as limiting the general application of Section 6 of this Restricted Stock Unit Agreement.

6. Incorporation of the Plan. The Participant specifically understands and agrees that the RSUs and the Shares to be issued under the Plan will be issued to the Participant pursuant to the Plan, a copy of which Plan the Participant acknowledges he or she has read and understands and by which Plan he or she agrees to be bound. The provisions of the Plan are incorporated herein by reference.

7. Taxes.

(a) The Participant expressly acknowledges and agrees that the vesting and/or settlement of the RSUs acquired hereunder may give rise to "wages" subject to withholding. Except as otherwise prescribed by the Administrator, the number of Shares necessary to satisfy the minimum statutory withholding tax obligations on the vesting date or settlement date, as applicable, will automatically be released by the Participant from the Shares otherwise deliverable to the Participant hereunder on such date to a broker or other third-party intermediary acceptable to the Company (the "Broker") and sold in order to satisfy such withholding tax obligations ("Sell to Cover"). The Participant will be responsible for all third-party administration processing fees in connection with such Sell to Cover. In addition, the Participant may be subject to and taxed in respect of short-term capital gains or losses that reflect the difference in the withholding tax liability determined on the date that the Award vests and/or settles hereunder and the sales price actually achieved.

(b) In connection with the implementation of the Sell to Cover provision described in Section 7(a) above, the Participant hereby authorizes the Company to instruct the Broker to sell a number of Shares to be issued upon the vesting or settlement of the Award to satisfy the minimum statutory withholding tax obligations, as described in Section 7(a) above.

(c) Notwithstanding anything in this Agreement to the contrary, the Participant acknowledges and agrees that the Sell to Cover provision may not cover the Participant's full tax liability as it relates to the vesting and settlement of the Award and that the Participant shall remain fully responsible for his or her tax obligations in respect of the Award in all cases.

(d) The Participant further acknowledges and agrees as follows:

(i) The Sell to Cover provision contemplated by this Restricted Stock Unit Agreement is adopted to permit the Participant to sell a number of Shares issued upon the vesting or settlement of the Award sufficient to pay the statutory minimum amount of withholding taxes that become due as a result of the vesting or settlement of the Award.

(ii) The Broker is under no obligation to arrange for any sale in connection with the Sell to Cover provision at any particular price.

(iii) The Participant hereby authorizes the Broker to remit directly to the Company the proceeds necessary to cover the Participant's tax liability as it relates to the vesting and settlement of the Award as provided in Section 7(a) above, and to retain the amount required to cover all applicable fees and commissions due to, or required to be collected by, the Broker relating to the Sell to Cover.

(iv) The Participant hereby appoints the Company as his or her agent and attorney-in-fact to instruct the Broker with respect to the number of Shares to be sold under the Sell to Cover provision contemplated by this Restricted Stock Unit Agreement.

(v) The Participant hereby waives any claims he or she may have against the Company and its directors, officers or employees now or in the future related to the Company's instructions to a Broker or any actions taken by the Broker in effecting sales or otherwise and shall indemnify and hold the Company and its directors, officers, employees and agents harmless from any losses, costs, damages, or expenses relating to any sale under the Sell to Cover provision contemplated by this Restricted Stock Unit Agreement.

(vi) It may not be possible to sell Shares due to, among other reasons, (A) a legal or contractual restriction applicable to the Participant or to the Broker, (B) a market disruption, (C) rules governing order execution priority on the Nasdaq Global Select Market or (D) if the Company determines in its sole discretion that sales may not be effected under the Sell to Cover provision.

(e) No Shares will be delivered pursuant to the Award unless and until the Participant has remitted to the Company in cash or by check (or by such other means as may be acceptable to the Administrator) an amount sufficient to satisfy all taxes required to be withheld in connection with the vesting or settlement of the Award, whether through the Sell to Cover (to the extent available) or otherwise. The Participant authorizes the Company and its Affiliates to withhold any amounts due in respect of any required tax withholdings or payments from any amounts otherwise owed to the Participant, but nothing in this sentence may be construed as relieving the Participant of any liability for satisfying his or her obligation under the preceding provisions of this Section 7.

8. Participant Acknowledgements and Authorizations.

The Participant acknowledges the following:

(a) Neither the grant of the Award, nor the issuance of Shares upon the vesting of the Award, will give the Participant any right to be retained in the employ or service of the Company or any of its Affiliates, affect the right of the Company or any of its Affiliates to discharge the Participant at any time, or affect any right of the Participant to terminate his or her employment or service at any time.

(b) The Plan is discretionary in nature and may be suspended or terminated by the Company at any time.

(c) The grant of this Award is considered a one-time benefit and does not create a contractual or other right to receive any other award under the Plan, benefits in lieu of awards or any other benefits in the future.

(d) The Plan is a voluntary program of the Company and future awards, if any, will be at the sole discretion of the Company, including, but not limited to, the timing of any grant, the amount of any award, vesting provisions and the purchase price, if any.

(e) The value of this Award is an extraordinary item of compensation outside of the scope of the Participant's employment. As such the Award is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension, or retirement benefits or similar payments. The future value of the Shares is unknown and cannot be predicted with certainty.

9. Notices. Any notices to the Company required or permitted by the terms of this Restricted Stock Unit Agreement or the Plan shall be given by recognized courier service, facsimile, registered or certified mail, return receipt requested, addressed as follows:

ImmunoGen, Inc.
Attn: Finance
830 Winter Street
Waltham, MA 02451

or to such other address or addresses of which notice in the same manner has previously been given. Any such notice shall be deemed to have been given upon the earlier of receipt, one business day following delivery to a recognized courier service or three business days following mailing by registered or certified mail.

10. Governing Law. This Agreement shall be construed and enforced in accordance with the law of the Commonwealth of Massachusetts, without giving effect to the conflict of law principles thereof.

11. Data Privacy. By accepting the Award, the Participant acknowledges that the processing of certain personal data by the Company and each Affiliate (and any agent of the Company or any Affiliate administering the Plan or providing Plan record keeping services) is necessary for the performance of contractual duties to the Participant under the Award in order to facilitate the grant of the Award and the issuance of Shares and the administration of the Plan. Any storage, transfer or processing of personal data shall be in accordance with applicable law and, where required, in accordance with any Company Privacy Notice made available to the Participant.

12. No Guarantee of Tax Consequences. The Company makes no guarantee of any tax consequences associated with the Award. The Award is intended to be exempt from, or comply with, Section 409A of the Code and shall be construed by the Administrator accordingly. Notwithstanding the preceding, in no event will the Company have any liability relating to the failure or alleged failure of any payment or benefit under this Restricted Stock Unit Agreement to comply with, or be exempt from, the requirements of Section 409A of the Code.

Form of Director Option Agreement

IMMUNOGEN, INC.

NON-QUALIFIED STOCK OPTION TERMS AND CONDITIONS

The following supplements the Grant Detail (the "Grant Detail") to which these Non-Qualified Stock Option Terms and Conditions apply, and together with the Grant Detail, constitutes the "Option Agreement" referenced in the Grant Detail.

This Option Agreement is entered into and made effective as of the grant date referenced in the Grant Detail (the "Date of Grant") and is between ImmunoGen, Inc., a Massachusetts corporation (the "Company"), and the non-employee director of the Company (the "Non-Employee Director") referenced in the Grant Detail. Certain capitalized terms, to the extent not defined where they first appear in this Option Agreement, are defined in the Company's Amended and Restated 2018 Employee, Director and Consultant Equity Incentive Plan (as amended from time to time, the "Plan").

1. GRANT OF OPTION.

Pursuant to the provisions of the Plan and the Company's Compensation Policy for Non-Employee Directors (as in effect from time to time), the Company has granted to the Non-Employee Director the right and option (the "Option") to purchase up to the number of shares of the Company's common stock, $.01 par value per share (the "Shares"), referenced in the Grant Detail, on the terms and conditions and subject to all the limitations set forth herein, under United States securities and tax laws, and in the Plan, which is incorporated herein by reference. The Non-Employee Director acknowledges receipt of a copy of the Plan.

The Option evidenced by the Option Agreement is a non-statutory option (that is, an option that is not intended to qualify as an ISO) and is granted to the Non-Employee Director in connection with the Non-Employee Director's service with the Company.

2. EXERCISE PRICE.

The per share exercise price of the Shares covered by the Option shall be as referenced as "Grant Price" in the Grant Detail (the "Exercise Price"), subject to adjustment, as provided in Paragraph 25 the Plan in respect of transactions occurring after the date hereof. Payment shall be made in accordance with Paragraph 10 of the Plan.

3. VESTING OF OPTION.

The term "vest" as used herein with respect to the Option or any portion thereof means to become exercisable and the term "vested" with respect to the Option (or any portion thereof) means that the Option (or portion thereof) is then exercisable. Unless earlier terminated, forfeited, relinquished or expired, the Option will vest [on a quarterly basis over one (1) year as to twenty-five percent (25%) of the Shares per quarter on each of September 1, December 1, March 1 and June 1 following the Date of Grant, beginning with the first such date to occur

following the Date of Grant, with the number of Shares that vests on any such date being rounded down to the nearest whole Share, except for the fourth vesting date when one hundred percent (100%) of the Shares shall be vested, provided in each case that the Non-Employee Director is then, and since the Date of Grant has continuously been, a member of the Board of Directors][1] [on a quarterly basis over three (3) years as to eight and one-third percent (8-1/3%) of the Shares per quarter on each of September 1, December 1, March 1 and June 1 following the Date of Grant, beginning with the first such date to occur following the Date of Grant, with the number of Shares that vests on any such date being rounded down to the nearest whole Share, except for the twelfth vesting date when one hundred percent (100%) of the Shares shall be vested, provided in each case that the Non-Employee Director is then, and since the Date of Grant has continuously been, a member of the Board of Directors][2].

Notwithstanding the foregoing, in the event of a Change of Control, all of the Shares which are not then vested under this Option shall become fully vested and immediately exercisable immediately prior to the Change of Control, provided that the Non-Employee Director is then, and since the Date of Grant has continuously been, a member of the Board of Directors.

4. CESSATION OF SERVICE.

If the Non-Employee Director ceases to be a member of the Board of Directors (for any reason other than a termination of the Non-Employee Director's service for Cause), except as expressly provided below, any portion of the Option that has not vested as of such cessation of service shall be immediately forfeited to the Company for no consideration, and any vested portion of the Option that is then outstanding will remain exercisable for the eighteen (18)-month period after the date the Non-Employee Director ceases to be a member of the Board of Directors, or until the Final Exercise Date (as defined below), whichever is earlier, and, to the extent the Option is not then exercised, it may not be exercised thereafter.

In the event of the cessation of the Non-Employee Director's service as a member of the Board of Directors due to the death or Disability of the Non-Employee Director, upon such cessation of service, the Option to the extent then unvested shall vest as to a pro rata portion through the date of death or the date of Disability, as applicable, of any additional vesting rights that would have accrued on the next vesting date had the Non-Employee Director's service as a member of the Board of Directors not ceased due to the death or Disability of the Non-Employee Director. The proration shall be based upon the number of days accrued in the current vesting period prior to the date of death or the date of Disability, as applicable.

In the event the Non-Employee Director's service is terminated by the Company or an Affiliate for Cause, the Non-Employee Director's right to exercise any unexercised portion of this Option (whether vested or unvested) shall cease immediately as of the time the Non-Employee Director is notified his or her service is terminated for Cause, and this Option shall thereupon terminate. Notwithstanding anything herein to the contrary, if subsequent to the Non-Employee Director's termination of service, but prior to the exercise of the Option, the Board of Directors determines that, either prior or subsequent to the Non-Employee Director's termination of service, the Non-Employee Director engaged in conduct which would constitute Cause, then

[1] Note to Draft: To be included for annual grants.
[2] Note to Draft: To be included for initial grants.

the Non-Employee Director shall immediately cease to have any right to exercise the Option and this Option shall thereupon terminate.

5. EXERCISE OF OPTION.

No portion of the Option may be exercised until such portion vests. Subject to the terms and conditions of this Option Agreement, the Option may be exercised by notice to the Company or its designee stating the number of Shares with respect to which the Option is being exercised, and shall be delivered in such form as may be designated from time to time by the Company. Payment of the Exercise Price for such Shares shall be made in accordance with Paragraph 10 of the Plan. The Company shall deliver such Shares as soon as practicable after the notice shall be received, provided, however, that the Company may delay issuance of such Shares until completion of any action or obtaining of any consent, which the Company deems necessary under any applicable law (including, without limitation, state securities or "blue sky" laws). The Shares as to which the Option shall have been so exercised shall be registered in the Company's share register in the name of the person so exercising the Option (or, if the Option shall be exercised by the Non-Employee Director and if the Non-Employee Director shall so request in the notice exercising the Option, shall be registered in the name of the Non-Employee Director and another person jointly, with right of survivorship) and shall be delivered as provided above to or upon the written order of the person exercising the Option. In the event the Option shall be exercised by any person other than the Non-Employee Director, such notice shall be accompanied by appropriate proof of the right of such person to exercise the Option. All Shares that shall be purchased upon the exercise of the Option as provided herein shall be fully paid and nonassessable. The latest date on which the Option or any portion thereof may be exercised is the tenth (10^{th}) anniversary of the Date of Grant (the "Final Exercise Date") and, if not exercised by such date, the Option or any remaining portion thereof will thereupon immediately terminate.

6. PARTIAL EXERCISE.

Exercise of this Option to the extent above stated may be made in part at any time and from time to time within the above limits, except that no fractional share shall be issued pursuant to this Option.

7. NON-ASSIGNABILITY.

The Option shall not be transferable by the Non-Employee Director otherwise than by will or by the laws of descent and distribution. However, the Non-Employee Director, with the approval of the Administrator, may transfer the Option for no consideration to or for the benefit of the Non-Employee Director's Immediate Family (including, without limitation, to a trust for the benefit of the Non-Employee Director's Immediate Family or to a partnership or limited liability company for one or more members of the Non-Employee Director's Immediate Family), subject to such limits as the Administrator may establish, and the transferee shall remain subject to all the terms and conditions applicable to the Option prior to such transfer and each such transferee shall so acknowledge in writing as a condition precedent to the effectiveness of such transfer. Except as provided in the previous sentence, the Option shall be exercisable, during the Non-Employee Director's lifetime, only by the Non-Employee Director (or, in the event of legal incapacity or incompetency, by the Non-Employee Director's guardian or representative) and shall not be assigned, pledged or hypothecated in any way (whether by operation of law or

otherwise) and shall not be subject to execution, attachment or similar process. Any attempted transfer, assignment, pledge, hypothecation or other disposition of the Option or of any rights granted hereunder contrary to the provisions of this Section 7, or the levy of any attachment or similar process upon the Option shall be null and void. The term "Immediate Family" shall mean the Non-Employee Director's spouse, former spouse, parents, children, stepchildren, adoptive relationships, sisters, brothers, nieces, nephews and grandchildren (and, for this purpose, shall also include the Non-Employee Director).

8. NO RIGHTS AS SHAREHOLDER UNTIL EXERCISE.

The Non-Employee Director shall have no rights as a shareholder with respect to Shares subject to this Option Agreement until registration of the Shares in the Company's share register in the name of the Non-Employee Director. Except as is expressly provided in the Plan with respect to certain changes in the capitalization of the Company, no adjustment shall be made for dividends or similar rights for which the record date is prior to the date of such registration.

9. ADJUSTMENTS.

The Plan contains provisions covering the treatment of Options in a number of contingencies such as stock splits and mergers. Provisions in the Plan for adjustment with respect to stock subject to Options and the related provisions with respect to successors to the business of the Company are hereby made applicable hereunder and are incorporated herein by reference.

10. TAXES.

The Non-Employee Director is responsible for satisfying and paying all taxes arising from or due in connection with the Option, its exercise or a disposition of any Shares acquired upon exercise of the Option. The Company will have no liability or obligation related to the foregoing.

11. INCORPORATION OF PLAN.

Notwithstanding anything herein to the contrary, this Option Agreement shall be subject to and governed by all the terms and conditions of the Plan, including the powers of the Administrator set forth in Paragraphs 4 and 25 of the Plan. Capitalized terms in this Option Agreement shall have the meaning specified in the Plan, unless a different meaning is specified herein. The Non-Employee Director acknowledges receipt of a copy of the Plan.

12. FORFEITURE; RECOVERY OF COMPENSATION.

The Administrator may cancel, rescind, withhold or otherwise limit or restrict the Option at any time if the Non-Employee Director is not in compliance with all applicable provisions of this Option Agreement and the Plan. By accepting, or being deemed to have accepted, the Option, the Non-Employee Director expressly acknowledges and agrees that his or her rights, and those of any permitted transferee of the Option, under the Option, including the right to any Shares acquired under the Option or proceeds from the disposition thereof, are subject to Paragraph 34 of the Plan (including any successor provision). The Non-Employee Director

further agrees to be bound by the terms of any clawback or recoupment policy of the Company that applies to incentive compensation that includes equity awards such as the Option. Nothing in the preceding sentence may be construed as limiting the general application of Section 11 of this Option Agreement.

13. NO OBLIGATION TO MAINTAIN RELATIONSHIP.

Neither the grant of the Option, nor the issuance of Shares pursuant to the Option, will confer upon the Non-Employee Director any rights with respect to continuation of service as a director of the Company, any right to otherwise be retained in the employ or service of the Company or any of its Affiliates, affect the right of the Company or any of its Affiliates to discharge the Non-Employee Director at any time, or affect any right of the Non-Employee Director to terminate his or her service at any time. The Non-Employee Director acknowledges: (i) that the Plan is discretionary in nature and may be suspended or terminated by the Company at any time; (ii) that the grant of the Option is a one-time benefit which does not create any contractual or other right to receive future grants of options, or benefits in lieu of options; (iii) that the Non-Employee Director's participation in the Plan is voluntary; and (iv) that the Option is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments.

14. NOTICES.

Any notices to the Company required or permitted by the terms of this Option Agreement or the Plan shall be given by recognized courier service, facsimile, registered or certified mail, return receipt requested, addressed as follows:

ImmunoGen, Inc.
Attn: Finance
830 Winter Street
Waltham, MA 02451

or to such other address or addresses of which notice in the same manner has previously been given. Any such notice shall be deemed to have been given upon the earlier of receipt, one business day following delivery to a recognized courier service or three business days following mailing by registered or certified mail.

15. GOVERNING LAW.

This Option Agreement shall be construed and enforced in accordance with the law of the Commonwealth of Massachusetts, without giving effect to the conflict of law principles thereof.

16. BENEFIT OF AGREEMENT.

Subject to the provisions of the Plan and the other provisions hereof, this Option Agreement shall be for the benefit of and shall be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

17. ENTIRE AGREEMENT.

This Option Agreement, together with the Plan, embodies the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements and understandings relating to the subject matter hereof. No statement, representation, warranty, covenant or agreement not expressly set forth in this Option Agreement shall affect or be used to interpret, change or restrict, the express terms and provisions of this Option Agreement, provided, however, in any event, this Option Agreement shall be subject to and governed by the Plan.

18. MODIFICATIONS AND AMENDMENTS.

The terms and provisions of this Option Agreement may be modified or amended as provided in the Plan.

19. WAIVERS AND CONSENTS.

Except as provided in the Plan, the terms and provisions of this Option Agreement may be waived, or consent for the departure therefrom granted, only by written document executed by the party entitled to the benefits of such terms or provisions. No such waiver or consent shall be deemed to be or shall constitute a waiver or consent with respect to any other terms or provisions of this Option Agreement, whether or not similar. Each such waiver or consent shall be effective only in the specific instance and for the purpose for which it was given, and shall not constitute a continuing waiver or consent.

20. DATA PRIVACY.

By accepting the Option, the Non-Employee Director acknowledges that the processing of certain personal data by the Company and each Affiliate (and any agent of the Company or any Affiliate administering the Plan or providing Plan record keeping services) is necessary for the performance of contractual duties to the Non-Employee Director under the Option Agreement in order to facilitate the grant of the Option and the issuance of Shares and the administration of the Plan. Any storage, transfer or processing of personal data shall be in accordance with applicable law and, where required, in accordance with any Company Privacy Notice made available to the Non-Employee Director.

RESTRICTED STOCK UNIT AGREEMENT FOR NON-EMPLOYEE DIRECTORS UNDER THE IMMUNOGEN, INC. AMENDED AND RESTATED 2018 EMPLOYEE, DIRECTOR AND CONSULTANT EQUITY INCENTIVE PLAN

Name of Grantee: [•]
No. of Restricted Stock Units Granted: [•]
Grant Date: [•]

This agreement (this "Agreement") evidences an award (the "Award") of restricted stock units granted by ImmunoGen, Inc. (the "Company") to the individual named above (the "Grantee"), pursuant to the ImmunoGen, Inc. Amended and Restated 2018 Employee, Director and Consultant Equity Incentive Plan (as amended from time to time, the "Plan"). The Company hereby grants, on the date set forth above (the "Grant Date"), the number of restricted stock units listed above (the "Restricted Stock Units") to the Grantee, giving the Grantee a contingent entitlement to receive, without payment and pursuant to and subject to the terms and conditions set forth in this Agreement and in the Plan, one share of Common Stock (a "Share") with respect to each Restricted Stock Unit forming part of the Award, subject to adjustment pursuant to paragraph 25 of the Plan in respect of transactions occurring after the date hereof.

1. Restrictions on Transfer of Award. The Award may not be transferred except as expressly permitted under paragraph 13 of the Plan.

2. Vesting of Award. [The Award shall vest as to one hundred percent (100%) of the Restricted Stock Units on the one-year anniversary of the Grant Date, or, if sooner, on the date of the Company's next annual meeting of shareholders following the Grant Date, provided in each case that the Grantee is then, and since the Grant Date has continuously been, a member of the Board of Directors.][1] [The Award shall vest as to one-third (1/3) of the Restricted Stock Units on each of the first, second, and third anniversaries of the Grant Date, with the number of Restricted Stock Units that vests on any such date being rounded down to the nearest whole Restricted Stock Unit, except for the third anniversary of the Grant Date when one hundred percent (100%) of the Restricted Stock Units shall be vested, provided in each case that the Grantee is then, and since the Grant Date has continuously been, a member of the Board of Directors.][2]

Notwithstanding the foregoing, all unvested Restricted Stock Units shall vest immediately prior to the occurrence of a Change of Control, provided that the Grantee is then, and since the Grant Date has continuously been, a member of the Board of Directors.

3. Forfeiture. In the event the Grantee ceases to be a member of the Board of Directors prior to the applicable vesting date(s), all Restricted Stock Units that have not vested as of the Grantee's cessation of service on the Board of Directors shall be immediately forfeited to the Company for no consideration; provided, however, that in the event of the cessation of the

[1] Note to Draft: To be included for annual grants.
[2] Note to Draft: To be included for initial grants.

Grantee's service as a member of the Board of Directors due to the death or Disability of the Grantee, upon such cessation of service, the Award to the extent then unvested, shall vest in full.

4. Delivery of Shares; Settlement of Award.

(a) Except as otherwise elected pursuant to any timely and valid deferral election form submitted under the ImmunoGen, Inc. 2004 Non-Employee Director Compensation and Deferred Share Unit Plan (as amended from time to time, the "Deferral Plan"), the Company shall, as soon as practicable and in all events no later than thirty (30) days following the applicable vesting date, transfer to the Grantee (or, in the event of the Grantee's death, to the person to whom the Award has passed by will or the laws of descent and distribution) the number of Shares that equals the vested portion of the Award. No Shares will be transferred pursuant to the Award unless and until all legal requirements applicable to the issuance or transfer of such shares have been complied with to the satisfaction of the Administrator.

(b) The Grantee understands that once Shares have been delivered by book entry to the Grantee in respect of the Restricted Stock Units, the Grantee will be free to sell such Shares, subject to applicable requirements of federal and state securities laws and compliance with all Company policies relating to trading in Company securities.

(c) Until such time as Shares are issued to the Grantee pursuant to Section 4(a), the Grantee shall have no rights as a stockholder with respect to any shares of Common Stock underlying the Award, including, but not limited to any voting rights, provided however, that (i) with respect to Restricted Stock Units for which a deferral election has not been made under the Deferral Plan, upon the delivery of any Shares in respect of any vested Restricted Stock Units subject hereto, the Grantee shall be entitled to a cash payment by the Company in an amount equal to the amount that the Grantee would have received, if any, as a regular cash dividend had the Grantee held such Shares from the Grant Date to the date such Shares are delivered hereunder, and (ii) with respect to Restricted Stock Units for which a deferral election has been made under the Deferral Plan, the terms of the Deferral Plan shall govern.

5. Forfeiture; Recovery of Compensation. The Administrator may cancel, rescind, withhold or otherwise limit or restrict the Award at any time if the Grantee is not in compliance with all applicable provisions of this Agreement and the Plan. By accepting, or being deemed to have accepted, the Award, the Grantee expressly acknowledges and agrees that his or her rights, and those of any permitted transferee of the Award, under the Award, including the right to any Shares acquired under the Award or proceeds from the disposition thereof, are subject to paragraph 34 of the Plan (including any successor provision). The Grantee further agrees to be bound by the terms of any clawback or recoupment policy of the Company that applies to incentive compensation that includes Awards such as the Restricted Stock Units. Nothing in the preceding sentence may be construed as limiting the general application of Section 6 of this Agreement.

6. Incorporation of Plan. Notwithstanding anything herein to the contrary, this Agreement shall be subject to and governed by all the terms and conditions of the Plan, including the powers of the Administrator set forth in paragraphs 4 and 25 of the Plan. Capitalized terms

in this Agreement shall have the meaning specified in the Plan, unless a different meaning is specified herein. The Grantee acknowledges receipt of a copy of the Plan.

7. Tax Withholding. The Grantee understands that he or she (and not the Company) shall be responsible for his or her own tax liability arising from or due in connection with the grant or vesting of the Restricted Stock Units and/or the delivery of any Shares hereunder. The Company shall have no liability or obligation relating to the foregoing.

8. No Guarantee of Tax Consequences. The Company makes no guarantee of any tax consequences associated with the Award. The Award is intended to be exempt from, or comply with, Section 409A of the Code and shall be construed by the Administrator accordingly. Notwithstanding the preceding, in no event will the Company have any liability relating to the failure or alleged failure of any payment or benefit under this Agreement to comply with, or be exempt from, the requirements of Section 409A of the Code.

9. Notice. Notice hereunder shall be given to the Company at its principal place of business, and shall be given to the Grantee at the address set forth below, or in either case at such other address as one party may subsequently furnish to the other party in writing.

10. Continuation of Service. Neither the grant of the Award, nor the issuance of Shares pursuant to the Award, will confer upon the Grantee any rights with respect to continuation of service as a director of the Company, any right to otherwise be retained in the employ or service of the Company or any of its Affiliates, affect the right of the Company or any of its Affiliates to discharge the Grantee at any time, or affect any right of the Grantee to terminate his or her service at any time.

11. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Massachusetts, without giving effect to the conflict of law principles thereof.

12. Data Privacy. By entering into this Agreement, the Grantee acknowledges that the processing of certain personal data by the Company and each Affiliate (and any agent of the Company or any Affiliate administering the Plan or providing Plan record keeping services) is necessary for the performance of contractual duties to the Grantee under this Agreement in order to facilitate the grant of the Award and the issuance of Shares and the administration of the Plan. Any storage, transfer or processing of personal data shall be in accordance with applicable law and, where required, in accordance with any Company Privacy Notice made available to the Grantee.

13. Counterparts. This Agreement may be executed in one or more counterparts, and by different parties hereto on separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Signature page follows.]

IMMUNOGEN, INC.

By: _____
Title:

The foregoing Agreement is hereby accepted and the terms and conditions thereof hereby agreed to by the undersigned.

Dated: _____ _____
Grantee's Signature
Grantee's name and address:

IMMUNOGEN, INC.
2004 NON-EMPLOYEE DIRECTOR COMPENSATION AND DEFERRED SHARE UNIT PLAN
(amended and restated effective as of December 15, 2022)

WHEREAS, the Board of Directors (the "Board") of ImmunoGen, Inc. (the "Company") previously established the ImmunoGen, Inc. 2004 Non-Employee Director Compensation and Deferred Share Unit Plan (as amended from time to time, the "Plan"), initially effective July 1, 2004;

WHEREAS, on September 5, 2006 the Board determined to make changes to certain of the terms and conditions of the Plan;

WHEREAS, on September 16, 2009 the Board determined to make additional changes to certain of the terms and conditions of the Plan; and

WHEREAS, on December 15, 2022 the Board has determined to make additional changes to certain of the terms and conditions of the Plan, effective as of this same date with respect to compensation for services to be performed on and following January 1, 2023.

NOW, THEREFORE BE IT RESOLVED, that amounts deferred under the Plan prior to the Effective Date (as defined below) shall continue in accordance with the terms of the Plan as in effect at the time such amount was deferred, unless otherwise redeferred in accordance with Section 4.5 following the Effective Date; and

FURTHER RESOLVED, that the Company, through this instrument establishes the ImmunoGen, Inc. 2004 Non-Employee Director Compensation and Deferred Share Unit Plan, as amended and restated effective as of December 15, 2022 with respect to compensation for services to be performed on and following January 1, 2023, as follows:

Section 1. Interpretation

1.1. Purpose

The purpose of the Plan is to facilitate holdings of Deferred Share Units by the Company's Non-Employee Directors and thereby align their interests more closely with those of the Company's shareholders.

1.2. Definitions

Wherever used in the Plan, unless otherwise defined, the following terms shall have the meanings set forth below:

(a) **"Affiliate"** means a corporation which, for purposes of Section 424 of the Code, is a parent or subsidiary of the Company, direct or indirect;

(b) **"Annual Director Fees"** means the cash compensation earned by a Non-Employee Director pursuant to the Company's Compensation Policy for Non-Employee Directors then in effect;

(c) **"Beneficiary"** has the meaning set forth in Section 2.6;

(d) **"Board"** means the Board of Directors of the Company;

(e) **"Change of Control"** means the occurrence of any of the following events but, in each case, only if such transaction meets the requirements of a "change in control event" within the meanings of Treas. Reg. § 1.409A-3(i)(5) (with respect to compensation for services to be performed on and following January 1, 2023):

(i) Ownership. Any "Person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended) becomes the "Beneficial Owner") (as defined in Rule 13d-3 under said Act), directly or indirectly, of securities of the Company representing 50% or more of the total voting power represented by the Company's then outstanding voting securities (excluding for this purpose any such voting securities held by the Company or its Affiliates or by any employee benefit plan of the Company) pursuant to a transaction or a series of related transactions which the Board of Directors does not approve; or

(ii) Merger/Sale of Assets. (A) A merger or consolidation of the Company whether or not approved by the Board of Directors, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or the patent of such corporation) at least 50% of the total voting power represented by the voting securities of the Company or such surviving entity or parent of such corporation, as the case may be, outstanding immediately after such merger or consolidation; or (B) the shareholders of the Company approve an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets; or

(iii) Change in Board Composition. A change in the composition of the Board of Directors, as a result of which fewer than a majority of the directors are Incumbent Directors. "Incumbent Directors" shall mean directors who either (A) are directors of the Company as of the Effective Date, or (B) are elected, or nominated for election, to the Board of Directors with the affirmative vote of at least a majority of the Incumbent Directors at the time of such election or nomination (but shall not include an individual whose election or

nomination is in connection with an actual or threatened proxy contest relating to the election of directors to the Company).

(f) **"Code"** means the United States Internal Revenue Code of 1986, as amended;

(g) **"Committee"** means the committee of the Board to which the Board has delegated power to act under or pursuant to the provisions of the Plan, initially the Governance and Nominating Committee of the Board, and any individual or individuals to whom such authority has been further delegated by such committee;

(h) **"Common Stock"** means shares of the Company's common stock, $.01 par value per share;

(i) **"Company"** means ImmunoGen, Inc., a Massachusetts corporation;

(j) **"Deferred Share Unit"** means a unit credited by the Company to a Non-Employee Director by way of a bookkeeping entry in the books of the Company, the value of which at any particular date shall be the Fair Market Value of a share of Common Stock at that date;

(k) **"DSU Account"** has the meaning set forth in Section 2.2;

(l) **"Effective Date"** has the meaning set forth in Section 1.3;

(m) **"Election Form"** means a document substantially in the form attached as Schedule A hereto, as such form may be amended or revised from time to time;

(n) **"Fair Market Value"** means:

(i) If the Common Stock is listed on a national securities exchange or traded in the over-the-counter market and sales prices are regularly reported for the Common Stock, the closing or last price of the Common Stock on the Composite Tape or other comparable reporting system for the trading day on the applicable date, and if such applicable date is not a trading day, the last market trading day prior to such date;

(ii) If the Common Stock is not traded on a national securities exchange but is traded on the over-the-counter market, if sales prices are not regularly reported for the Common Stock for the trading day referred to in clause (i), and if bid and asked prices for the Common Stock are regularly reported, the mean between the bid and the asked price for the Common Stock at the close of trading in the over-the-counter market for the trading day on which Common Stock was traded on the applicable date, and if such

applicable date is not a trading day, the last market trading day prior to such date; and

(iii) If the Common Stock is neither listed on a national securities exchange nor traded in the over-the-counter market, such value as the Committee, in good faith, shall determine with respect to any particular date;

(o) **"Non-Employee Director"** means a member of the Board who is not an employee of the Company or any Affiliate;

(p) **"Plan"** means this ImmunoGen, Inc. 2004 Non-Employee Director Compensation and Deferred Share Unit Plan, as amended and restated from time to time;

(q) **"Quarter"** means a fiscal quarter of the Company which, until changed by the Company, shall be the three-month periods ending September 30, December 31, March 31 and June 30 in any calendar year;

(r) **"RSU Grant"** means the annual or such other restricted stock unit awards granted to a Non-Employee Director under the Stock Plan in respect of his or her Board service;

(s) **"SFS Election"** has the meaning set forth in Section 4.2;

(t) **"Specified Employee"** means an individual who is determined by the Committee to be a specified employee as defined in subsection (a)(2)(B)(i) of Section 409A of the Code. The Committee may, but need not, elect in writing, subject to the applicable limitations under Section 409A of the Code, any of the special elective rules prescribed in Section 1.409A-1(i) of the Treasury Regulations for purposes of determining "specified employee" status. Any such written election shall be deemed part of the Plan;

(u) **"Specified Time Election"** has the meaning set forth in Section 4.3;

(v) **"Stock Plan"** means, as applicable, the Company's 2018 Employee, Director and Consultant Equity Incentive Plan, the Company's 2016 Employee, Director and Consultant Equity Incentive Plan, or the Company's 2006 Employee, Director and Consultant Equity Incentive Plan, as each may be amended from time to time;

(w) **"Stock Unit Fund"** has the meaning set forth in Section 2.3; and

(x) **"Termination Date"** means, with respect to a Non-Employee Director, the date upon which such Non-Employee Director ceases to be a member of the Board for any reason whatsoever, including death or disability.

1.3. Effective Date

The Plan, as most recently amended and restated, shall be effective as of December 15, 2022 with respect to compensation for services to be performed on and following January 1, 2023 (the "Effective Date").

1.4. Eligibility

Each Non-Employee Director shall be eligible to participate in the Plan.

1.5. Construction

All references in the Plan to the masculine shall also include the feminine and all references to the singular shall also include the plural and vice versa, as the context shall require. If any provision of the Plan is determined to be illegal or invalid for any reason, in whole or in part, such illegality or invalidity shall not affect the remaining parts of the Plan and the Plan shall be construed and enforced as if the illegal or invalid provision had not been included. Headings wherever used herein are for reference purposes only and do not limit or extend the meaning of the provisions contained herein. A reference to a "Section" means a section of the Plan, unless expressly stated otherwise.

1.6. Governing Law

The Plan shall be governed by and construed in accordance with the laws of The Commonwealth of Massachusetts.

Section 2. Administration of the Plan

2.1. Administration

The Committee shall have complete discretionary authority and power to (a) construe, interpret and administer the Plan and any agreement or instrument entered into under the Plan, (b) establish, amend and rescind any rules and regulations relating to the Plan, (c) make any other determinations that the Committee deems necessary or desirable for the administration of the Plan, including without limitation decisions regarding eligibility to participate and the amount and value of any payment, and (d) delegate to other persons any duties and responsibilities relating to the administration of the Plan. The Committee may correct any defect or supply any omission or reconcile any inconsistency or ambiguity in the Plan in the manner and to the extent the Committee deems, in its sole and absolute discretion, necessary or desirable. No member of the Committee shall be liable for any action or determination made in good faith. Any decision of the Committee with respect to the administration and interpretation of the Plan shall be binding and conclusive for all purposes and on all persons, including the Company, all Non-Employee Directors and any other person claiming an entitlement or benefit through any Non-Employee Director. All expenses of administration of the Plan shall be borne by the Company.

2.2. DSU Accounts

The Company shall maintain in its books and records an account for each Non-Employee Director (a "DSU Account") recording at all times the number of Deferred Share Units credited to such Non-Employee Director's DSU Account. A Non-Employee Director shall at all times have a nonforfeitable right to his or her Deferred Share Units, provided that, with respect to that portion, if any, of Deferred Share Units credited in respect of RSU Grants, such nonforfeitable right shall commence as of the applicable vesting date of the underlying RSU Grant. Upon payment or distribution in satisfaction of Deferred Share Units credited to a Non-Employee Director in the manner described herein, such Deferred Share Units shall be cancelled. After the end of each calendar year, the Company shall provide each Non-Employee Director with a written statement showing the balance in such Non-Employee Director's DSU Account as at the end of the applicable calendar year.

2.3. Notional Investment in Stock Unit Fund

The amount credited to a DSU Account will be notionally invested in a measurement fund for notional investment in shares of Common Stock (the "Stock Unit Fund"). Notional earnings credited to the Stock Unit Fund, including dividends, if any, with respect to Common Stock, shall remain allocated to the Stock Unit Fund and deemed to be reinvested in additional Deferred Share Units until such amounts are distributed. Except as otherwise determined by the Committee, amounts allocated to the Stock Unit Fund shall be distributable in the form of Common Stock.

2.4. Credit for Dividends on Deferred Share Units

To the extent dividends, if any, are declared on the Common Stock of the Company, a Non-Employee Director's DSU Account shall be credited with dividend equivalents in the form of additional Deferred Share Units. In the case of a cash dividend, such dividend equivalents shall be credited on the dividend payment date and shall be computed by dividing (a) the amount obtained by multiplying the amount of the dividend declared and paid per share of Common Stock by the number of Deferred Share Units credited to the Non-Employee Director's DSU Account on the record date for the payment of such dividend, by (b) the Fair Market Value of the Common Stock on the dividend payment date for such dividend, with fractions of Deferred Share Units so credited computed to four decimal points rounded down. In the case of a stock dividend, the number of additional Deferred Share Units shall be equal to the number of Deferred Share Units credited to the Non-Employee Director's DSU Account as of the record date for such dividend multiplied by the per share Common Stock dividend (including fractional shares) declared by the Company, computed to four decimal points rounded down. Any additional Deferred Share Units that are so credited related to an RSU Grant shall be subject to the same vesting terms and conditions as such underlying RSU Grant.

2.5. Share Adjustments and Reorganizations

If (a) there is any stock split, stock consolidation, reclassification, recapitalization or similar event affecting the Common Stock, (b) the Common Stock is exchanged in connection with a reorganization, including any merger, amalgamation, consolidation of the Company or

similar event, or a sale by the Company of all or substantially all of its assets, for a different number or class of shares or other securities of the Company or for shares or other securities of any other Company, (c) new, different or additional shares or other securities of the Company or of another company are received by holders of the Common Stock, or (d) any distribution is made to the holders of Common Stock (other than a cash dividend), then the Committee shall make such adjustments to the Deferred Share Units credited to the Non-Employee Directors' DSU Accounts as the Committee deems appropriate, in its sole discretion, to prevent dilution or enlargement of a Non-Employee Director's rights with respect to his or her DSU Account. Except as provided above, the issuance by the Company of any shares of Common Stock, or any rights, warrants, options or other securities convertible into or exchangeable for any shares of Common Stock, shall not affect the number of Deferred Share Units credited pursuant to the terms of the Plan.

2.6. Designation of Beneficiary

Upon his or her election or appointment to the Board, subject to applicable law, each Non-Employee Director shall designate, in accordance with such procedures adopted by the Committee from time to time, an individual as his or her beneficiary to receive any benefits that are payable under the Plan upon the death of such Non-Employee Director (the "Beneficiary"). The Non-Employee Director may, subject to applicable laws and in accordance with such procedures adopted by the Committee from time to time, change his or her Beneficiary at any time or from time to time. Where no Beneficiary has been validly designated by the Non-Employee Director, or the Beneficiary does not survive the Non-Employee Director, the Non-Employee Director's legal representative shall be his or her Beneficiary. In the event of a Non-Employee Director's death, the Beneficiary shall be entitled to exercise the rights of, and receive the benefits payable to, the Non-Employee Director under Section 4.

Section 3. <u>Amount of Deferrals</u>

3.1. Director Remuneration Deferrals

(a) Each Non-Employee Director may elect to defer any part or all of his or her Annual Director Fees in the form of Deferred Share Units, with the number of Deferred Share Units credited to the Non-Employee Director's DSU Account determined by dividing the dollar value of the cash deferred by the Fair Market Value of a share of Common Stock on the date such Deferred Share Units are credited to the individual's DSU Account. Any fractional Deferred Share Unit shall be calculated to four decimal points rounded down. Such Deferred Share Units credited in respect of Annual Director Fees shall be fully vested upon being credited to the individual's DSU Account and the Non-Employee Director's entitlement to the distribution of such Deferred Share Units shall be governed by the terms of this Plan.

(b) Each Non-Employee Director may elect to defer any part or all of his or her RSU Grants in the form of Deferred Share Units, with the number of Deferred Share Units credited to the Non-Employee Director's DSU

Account equal to the number of shares of Common Stock to be delivered in connection with the vesting or settlement of the deferred RSU Grant. Such Deferred Share Units credited in respect of RSU Grants shall be subject to the same vesting terms and conditions as the underlying RSU Grant.

3.2. Timing of Election

Each Non-Employee Director shall, if he or she chooses to defer Annual Director Fees or RSU Grants in accordance with Section 3.1 above, complete and deliver an Election Form to the Company by not later than December 31 of the year immediately preceding the calendar year in which the services giving rise to such compensation will be performed, or within 30 days following his or her first election or appointment to the Board, if later, in respect of amounts payable during the remainder of the calendar year following the date of such election in which such appointment occurs. If no timely election has been made, the Non-Employee Director shall be deemed to have elected to receive his or her Annual Director Fees in cash and his or her RSU Grants in the form of non-deferred restricted stock units. Notwithstanding the foregoing, an election (or non-election) made pursuant to this Section 3.2 shall remain in effect for subsequent calendar years until it is changed by the completion and delivery to the Company of a timely and new Election Form, in accordance with the terms of the Plan.

Section 4. Distribution of Deferred Share Units

4.1. In General

The Company shall distribute shares of Common Stock in respect of all fully-vested Deferred Share Units credited to the DSU Account of a Non-Employee Director in accordance with the deferral election (SFS Election or Specified Time Election) made by the Non-Employee Director on the Election Form with respect to such Deferred Share Units, or, if earlier, on the first to occur of (a) the death of the Non-Employee Director and (b) a Change of Control (each such date, an "Applicable Distribution Date"). In accordance with Section 4.6, the Company shall distribute such shares of Common Stock in a lump sum.

4.2. Distributions upon a Termination of Service

A Non-Employee Director may elect to have all or a portion of his or her vested Deferred Share Units credited to the Non-Employee Director's DSU Account distributed upon his or her termination of service from the Board (each such election, an "SFS Election").

4.3. Distributions at a Specified Time

A Non-Employee Director may elect to have all or a portion of his or her vested Deferred Share Units credited to the Non-Employee Director's DSU Account distributed on a specified date designated by the Non-Employee Director, including any redeferral date elected in accordance with Section 4.6 below (each such election, a "Specified Time Election"). Amounts are payable pursuant to a Specified Time Election if objectively determinable amounts are payable at a date or dates that are objectively determinable at the time the amount is deferred, in accordance with Treasury Regulations Section 1.409A-3(i)(1). If a Non-Employee Director has

a separation from service (other than due to the Non-Employee Director's death) that occurs before any Specified Time Election made by the Non-Employee Director pursuant to this Section 4.3, any Deferred Share Units credited to the Non-Employee Director's DSU Account and subject to such Specified Time Election will continue to be subject to such Specified Time Election and will not be distributed upon the Non-Employee Director's separation from service (not including a separation from service due to the Non-Employee Director's death).

4.4. Distributions Upon a Change of Control.

Upon a Change of Control, the Company shall pay to the Non-Employee Director in a lump sum payment the balance of the Non-Employee Director's DSU Account, calculated as of the date of the distribution due to a Change of Control. Such lump sum payment shall be made within sixty (60) days of the Change of Control. Amounts credited to the DSU Account may be settled in cash in the event of a distribution following a Change of Control.

4.5. Distributions Upon Death.

If a Non-Employee Director dies, his or her designated Beneficiary or Beneficiaries will be entitled to receive the balance of his or her vested DSU Account, calculated as of the date of the distribution due to death. Distribution to the Beneficiary or Beneficiaries will be made in a lump sum payment within sixty (60) days of the Non-Employee Director's death.

4.6. Distribution Process

(a) Subject to Section 5.7 below, and absent the earlier death of the Non-Employee Director or a Change of Control, upon the occurrence of an Applicable Distribution Date, the Company shall issue to such Non-Employee Director, in accordance with the form of distribution elected by the Non-Employee Director on his or her Election Form, that number of shares of Common Stock equal to the number of fully vested Deferred Share Units credited to the Non-Employee Director's DSU Account (rounded down to the nearest whole share in the event of any fractional shares) in a lump sum within sixty (60) days following the Applicable Distribution Date.

(b) Upon the issuance of shares of Common Stock in respect of the Non-Employee Director's fully vested Deferred Share Units, the Company shall be fully discharged in so doing and all Deferred Share Units credited to the Non-Employee Director's DSU Account, whether vested or unvested, shall, as provided for in Section 2.2, be cancelled. The shares of Common Stock issued in respect of a Non-Employee Director's Deferred Share Units hereunder shall be issued pursuant to the Company's applicable Stock Plan.

Any termination of service triggering payment of amounts under the Plan must constitute a "separation from service" under Section 409A of the Code before distribution of such amounts can commence.

(c) Notwithstanding anything to the contrary herein, any Deferred Share Units settled in shares of Common Stock shall reduce the number of shares available for grant under the applicable Stock Plan. To the extent required under applicable law, including applicable listing standards, if the Committee determines that settlement of Deferred Share Units in shares of Common Stock could reasonably be expected to result in an issuance of shares of Common Stock in excess of the limit set forth under such Stock Plan (as the same may from time to time be increased by amendment, subject to shareholder approval to the extent required), the Committee may require that a portion or all of the Deferred Share Units in affected Non-Employee Directors' DSU Accounts be settled in cash.

4.7. Change in Time or Method of Distribution

A Non-Employee Director's election with respect to the time and manner of distribution of his or her Deferred Share Units may be modified and/or delayed by the Non-Employee Director according to the following rules:

(a) The subsequent election shall take effect not earlier than 12 months after the date on which the subsequent election is made;

(b) Except in the case of the Non-Employee Director's death, the payment with respect to which an election is made must be deferred for a period of at least five years from the date the payment otherwise would have been made; and

(c) In the case of a Specified Time Election under Section 4.3, a subsequent election may not be made less than 12 months prior to the date of the first scheduled payment under such Specified Time Election.

Section 5. General

5.1. Unfunded Plan

The Plan is designed to be an unfunded arrangement. It is specifically recognized by both the Company and each Non-Employee Director that this Plan is only a general corporate commitment and that each Non-Employee Director must rely upon the general credit of the Company for the fulfillment of its obligations. Under all circumstances the rights of participants in this Plan to any asset held by the Company will be no greater than the rights expressed in this Plan. Nothing contained in this Plan will constitute a guarantee by the Company that the assets of the Company will be sufficient to pay any benefits under this Plan or would place the participant in a secured position ahead of general creditors of the Company. The Plan will not create any lien, claim, encumbrance, right, title or other interest of any kind whatsoever in any participant in any asset held by the Company. No specific assets of the Company have been or will be set aside, or will in any way be transferred to any trust or will be pledged in any way for the performance of the Company's obligations under this Plan that would remove those assets from being subject to the general creditors of the Company.

5.2. Successors and Assigns

The Plan shall be binding on the Company and its successors and assigns and each Non-Employee Director and his or her heirs and legal representatives and on any receiver or trustee in bankruptcy or representative of creditors of the Company or Non-Employee Director, as the case may be.

5.3. Amendment or Termination of the Plan

The Board may amend or terminate the Plan at any time as it deems necessary or appropriate, but no such amendment or termination shall, without the consent of the Non-Employee Director or unless required by law, adversely affect the rights of a Non-Employee Director with respect to vested Deferred Share Units to which the Non-Employee Director is then entitled under the Plan.

If the Board terminates the Plan, no additional Deferred Share Units will be credited to the DSU Account of a Non-Employee Director after the effective date of such termination, but previously credited Deferred Share Units shall remain outstanding, be entitled to dividend equivalents as provided under the Plan, and be distributed in accordance with the terms and conditions of the Plan existing at the time of termination. The Plan will finally terminate for all purposes when the last remaining Non-Employee Director receives distribution of all vested Deferred Share Units which have been credited to his or her DSU Account.

5.4. Applicable Trading Policies

The Committee and each Non-Employee Director will ensure that all actions taken and decisions made by the Committee or the Non-Employee Director, as the case may be, pursuant to the Plan comply with all applicable laws, including securities and income tax laws, and all applicable policies, guidelines or similar requirements of the Company relating to conflicts of interest, business and ethical conduct.

5.5. Limitations on Rights of Non-Employee Directors

(a) Except as specifically set out in the Plan, no Non-Employee Director or any other person shall have any claim or right to any cash, shares of Common Stock, or other benefit in respect of Deferred Share Units credited pursuant to the Plan.

(b) Any and all of the rights of the Non-Employee Directors respecting Deferred Share Units or other benefits under the Plan shall not be transferable or assignable other than by will or the laws of descent and distribution, nor shall they be pledged, encumbered or charged, and any attempt to do so shall be void.

(c) Neither the Plan nor any amount credited hereunder shall be construed as conferring upon a Non-Employee Director a right to be retained as a member of the Board or a claim or right to any future amounts or other benefits under the Plan.

(d) Under no circumstances shall Deferred Share Units be considered Common Stock of the Company nor shall they entitle any Non-Employee Director or other person to exercise any voting rights or any other rights attaching to the ownership of Common Stock, except with respect to the crediting of dividend equivalent amounts pursuant to Section 2.4, nor shall any Non-Employee Director or other person be considered the owner of Common Stock by virtue of this Plan until such time, if any, as shares of Common Stock are delivered to the Non-Employee Director hereunder.

(e) Any liability of the Company to any Non-Employee Director with respect to receipt of Deferred Share Units shall be based solely upon contractual obligations created by the Plan. Neither the Committee nor the Board shall be liable for any actions taken in accordance with the terms of the Plan.

5.6. Compliance with Law

The obligations of the Company to deliver shares of Common Stock with respect to Deferred Share Units pursuant to the terms of the Plan are subject to compliance with all applicable laws and regulations. In connection with the Plan, each Non-Employee Director shall comply with all applicable laws and regulations and shall furnish the Company with any and all information and undertakings as may be required to ensure compliance therewith.

5.7. Applicable Taxes and Deductions

The Company will have the right to withhold from any amount payable hereunder any applicable federal, state and local taxes. Any reduction in accordance with the foregoing shall, to the extent applicable, be effected in accordance with Section 409A of the Code and Treasury Regulation thereunder.

This Plan is intended to comply with Section 409A of the Code or an exemption thereunder and shall be construed and administered in accordance with Section 409A of the Code. Notwithstanding any other provision of this Plan, payments provided under this Plan may only be made upon an event and in a manner that complies with Section 409A of the Code or an applicable exemption thereunder. For purposes of Section 409A of the Code, references to termination of service will be interpreted consistent with the definition of "separation from service" in Section 409A of the Code (after giving effect to the presumptions contained therein), to the extent required under Section 409A of the Code, and each installment in a series of payments will be treated as a separate "payment."

Notwithstanding anything to the contrary in this Plan, if at the time of a Non-Employee Director's termination of service, the Non-Employee Director is a Specified Employee, to the extent required to comply with Section 409A of the Code, any and all amounts payable under this Plan on account of such separation from service that would (but for this provision) be payable within six months following the date of termination will instead be paid on the next business day following the expiration of such six-month period or, if earlier, upon the Non-Employee Director's death.

Notwithstanding the foregoing, the Company makes no representations that the payments and benefits provided under this Plan comply with Section 409A of the Code and in no event shall the Company be liable for all or any portion of any taxes, penalties, interest or other expenses that may be incurred by a Non-Employee Director on account of non-compliance with Section 409A of the Code.

Exhibit 10.15

SCHEDULE A

IMMUNOGEN, INC.
COMPENSATION ELECTION FORM FOR NON-EMPLOYEE DIRECTORS

INDIVIDUAL ELECTION FORM

(Attached.)

[Remainder of Page Intentionally Left Blank]

IMMUNOGEN, INC.
COMPENSATION ELECTION FORM FOR NON-EMPLOYEE DIRECTORS

INDIVIDUAL ELECTION FORM

The undersigned hereby confirms that I have read, and agree to abide by, the terms of the ImmunoGen, Inc. Compensation Policy for Non-Employee Directors of the Board of Directors (the "Board") and the ImmunoGen, Inc. 2004 Non-Employee Director Compensation and Deferred Share Unit Plan, as the same may be amended and in effect from time to time (the "Plan"). I understand that I may make annual elections in accordance with the terms of the Plan. In accordance with those terms, I make the following elections with respect to the compensation specified below to be paid to me as a Non-Employee Director with respect to services to be performed in calendar year 2023 (*and thereafter, unless I timely file a new deferral election form*), unless this is my first such compensation, in which case this election, if made within thirty (30) days of my initial appointment to the Board (the "30-Day Eligibility Date"), will be applicable with respect to compensation paid for services to be performed in calendar year 2022 subsequent to the 30-Day Eligibility Date:

I. Annual Fee Election (Board and Committee Service; Otherwise Payable in Cash)

A. I may elect to receive all such compensation in the form of cash, Deferred Stock Units ("DSUs"), shares of the Company's common stock, or a combination thereof. Accordingly, I elect to receive my Annual Meeting Fee as follows:

1. _____% in Cash (*100% of this option is the default*)

2. _____% in DSUs settling upon a termination of service from the Board (for any reason)

3. _____% in full value shares of ImmunoGen's common stock

4. **100 %** Total

II. Equity Grant Election (for Award Granted in 2023)

Non-employee directors will receive Restricted Stock Units ("RSUs"), which will vest one (1) year after grant, generally subject to providing continuous service as a Non-Employee Director through such date.

I may elect to defer settlement of any RSUs that vest by their terms for three (3) years or until my termination of service from the Board for any reason. Accordingly, I elect to have my 2023 RSU grant, to the extent it vests by its terms, settled as follows:

(Please choose only one option):

1. _____ settlement upon vesting (*i.e.*, one (1) year from grant) (*This option is the default*)

2. _____ settlement at a date three (3) years from vesting (*i.e., four (4) years from grant*)

3. _____ settlement upon a termination of service from the Board (for any reason)

III. Re-deferral of Previously Granted Director Fee Elections

Except as provided below, DSUs granted in previous years (*i.e.*, not including any grants made above under Section I.A.2.) are eligible for amendment of certain settlement terms (described herein as "re-deferring" such grants). Therefore, I may elect to re-defer the settlement of any previously vested DSU grants until at least the fifth anniversary of my termination of service from the Board for any reason. Any such re-deferral shall not take effect for at least twelve (12) months after the date such election is made. In addition, a re-deferral will not be effective if I retire or otherwise terminate service within twelve (12) months of the date such election is made. For convenience, a schedule of all previously vested DSU grants is attached as Schedule A. Using the grant-by-grant information provided on Schedule A, I hereby elect to re-defer my previously vested DSU grants as follows:

1. For Grant Nos. _____ [*please enter specific Grant Nos. from Schedule A*], I hereby request settlement upon my retirement/termination from the Board (*i.e.*, no change to my existing DSU settlement schedule) (*This option is the default*)

2. For the following Grant Nos., I hereby request re-deferred settlement as follows:

    a. For Grant Nos. _____ [*please enter specific Grant Nos. from Schedule A*], I hereby request re-deferred settlement at a date five (5) years from the date of my retirement/termination from the Board

    b. For Grant Nos. _____ [*please enter specific Grant Nos. from Schedule A*], I hereby request re-deferred settlement at a date six (6) years from the date of my retirement/termination from the Board

    c. For Grant Nos. _____ [*please enter specific Grant Nos. from Schedule A*], I hereby request re-deferred settlement at a date seven (7) years from the date of my retirement/termination from the Board

    d. For Grant Nos. _____ [*please enter specific Grant Nos. from Schedule A*], I hereby request re-deferred settlement at a date eight (8) years from the date of my retirement/termination from the Board

    e. For Grant Nos. _____ [*please enter specific Grant Nos. from Schedule A*], I hereby request re-deferred settlement at a date nine (9) years from the date of my retirement/termination from the Board

    f. For Grant Nos. _____ [*please enter specific Grant Nos. from Schedule A*], I hereby request re-deferred settlement at a date ten (10) years from the date of my retirement/termination from the Board

[Remainder of Page Intentionally Left Blank]

By signing below, I hereby acknowledge all of the following:

- I understand that by making the elections shown above as described in the Plan, I have agreed to defer the payment of certain proceeds from certain RSUs and DSUs in accordance with the terms of this deferral election and, prior to payment, that such deferred RSUs and DSUs shall remain part of the general assets of ImmunoGen, Inc., subject to the claims of creditors.
- I understand and accept that any change that I am requesting under a re-deferral election set forth in Section III above will result in a delay of five (5) or more years to my scheduled distribution date in compliance with Internal Revenue Code Section 409A ("Section 409A").
- I understand that if I am a "specified employee" at the time of my separation from service, I may be required to wait six (6) months until I receive the distribution referenced above.
- I understand that any election shown above will be irrevocable to the extent it is accepted by the Plan administrator and that any such election, and any future changes to such election (if available), will be subject to the terms of the Plan.
- I understand that any election shown above will remain in effect for future years unless I timely file a new deferral election form.
- I acknowledge that I have received a copy of the Plan and that I have carefully considered my personal tax and financial consequences of making the elections shown above.
- I acknowledge and agree that the Company has not provided me with any individual tax or financial advice with respect to any election shown above.

_____ _____

Signature Date Print Name

CHANGE IN CONTROL SEVERANCE AGREEMENT

This Agreement is entered into as of the 5th day of January, 2021 (the "***Effective Date***") by and between ImmunoGen, Inc., a Massachusetts corporation (the "***Company***"), and Renee Lentini (the "***Executive***").

WHEREAS, the Company recognizes that the Executive's service to the Company is very important to the future success of the Company;

WHEREAS, the Executive desires to enter into this Agreement to provide the Executive with certain financial protection in the event that her employment terminates under certain conditions following a change in control of the Company; and

WHEREAS the Board of Directors of the Company (the "***Board***") has determined that it is in the best interests of the Company to enter into this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Executive hereby agree as follows:

1. Definitions.

(a) Cause. For purposes of this Agreement, "***Cause***" shall mean that the Executive has (i) willfully committed an act or omission that materially harms the Company; (ii) been grossly negligent in the performance of the Executive's duties to the Company; (iii) willfully failed or refused to follow the lawful and proper directives of the Board; (iv) been convicted of, or pleaded guilty or *nolo contendere*, to a felony; (v) committed an act involving moral turpitude that is or is reasonably expected to be injurious to the Company or its reputation; (vi) committed an act relating to the Executive's employment or the Company involving, in the good faith judgment of the Board, material fraud or theft; (vii) breached any material provision of this Agreement or any nondisclosure or non-competition agreement between the Executive and the Company, as all of the foregoing may be amended prospectively from time to time; or (viii) breached a material provision of any code of conduct or ethics policy in effect at the Company, as all of the foregoing may be amended prospectively from time to time.

(b) Change in Control. For purposes of this Agreement, a "***Change in Control***" shall mean the occurrence of any of the following events:

(i) Ownership. Any "Person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended) becomes the "Beneficial Owner" (as defined in Rule 13d-3 under said Act), directly or indirectly, of securities of the Company representing 50% or more of the total voting power represented by the Company's then outstanding voting securities (excluding for this purpose any such voting securities held by the Company or its Affiliates (as defined in the Company's 2016 Employee, Director and Consultant Equity Incentive Plan) or by any employee benefit plan of the Company) pursuant to a transaction or a series of related transactions which the Board does not approve; or

(ii) Merger/Sale of Assets. (A) A merger or consolidation of the Company whether or not approved by the Board, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or the parent of such corporation) at least 50% of the total voting power represented by the voting securities of the Company or such surviving entity or parent of such corporation, as the case may be, outstanding immediately after such merger or consolidation; or (B) the stockholders of the Company approve an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets; or

(iii) Change in Board Composition. A change in the composition of the Board, as a result of which fewer than a majority of the directors are Incumbent Directors. "Incumbent Directors" shall mean directors who either (A) are directors of the Company as of December 10, 2016, or (B) are elected, or nominated for election, to the Board with the affirmative votes of at least a majority of the Incumbent Directors at the time of such election or nomination (but shall not include an individual whose election or nomination is in connection with an actual or threatened proxy contest relating to the election of directors to the Company).

(c) Disability. For purposes of this Agreement, "***Disability***" shall mean that the Executive (i) is unable to engage in any substantial gainful activity because of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of at least twelve (12) months, or (ii) is receiving income replacement benefits for a period of at least three (3) months under a Company-sponsored disability plan because of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of at least twelve (12) months. Whether the Executive has a Disability will be determined by a majority of the Board based on evidence provided by one or more physicians selected by the Board and approved by the Executive, which approval shall not be unreasonably withheld. In any case, if a disability is determined to trigger the payment of any "deferred compensation" as defined in Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), disability shall be determined in accordance with Section 409A of the Code.

(d) Good Reason. For purposes of this Agreement, "***Good Reason***" shall mean the occurrence of one or more of the following without the Executive's consent: (i) a change in the principal location at which the Executive performs her duties for the Company to a new location that is at least a forty (40) mile longer commute for the Executive from the prior work location; (ii) a material change in the Executive's authority, functions, duties or responsibilities as an executive of the Company, which would cause her position with the Company to become of less responsibility, importance or scope than her highest position with the Company at any time from the date of this Agreement to immediately prior to the Change in Control, provided, however, that such material change is not in connection with the termination of the Executive's employment by the Company for Cause or death or Disability and further provided that it shall not be considered a material change if the Company becomes a subsidiary of another entity and the Executive continues to hold a position in the subsidiary that is at least as high (in both title and scope of responsibilities) as the highest position she held with the Company at any time from the date of

this Agreement to immediately prior to the Change in Control; (iii) a material reduction in the Executive's annual base salary; or (iv) a material reduction in the Executive's target annual bonus as compared to the target annual bonus set for the previous fiscal year.

For purposes of any determination regarding the existence of Good Reason, any claim by the Executive that Good Reason exists shall be presumed to be correct unless the Company establishes by clear and convincing evidence that Good Reason does not exist.

2. Term of Agreement. The term of this Agreement (the "***Term***") shall commence on the Effective Date and shall continue in effect for two (2) years; provided, however, that commencing on the second anniversary of the Effective Date and continuing each anniversary thereafter, the Term shall automatically be extended for one (1) additional year unless, not later than nine (9) months before the conclusion of the Term, the Company or the Executive shall have given notice not to extend the Term; and further provided, however, that if a Change in Control shall have occurred during the Term, the Term shall expire on the last day of the twelfth (12^{th}) month following the month in which such Change in Control occurred. Notice of termination or termination of this Agreement shall not constitute Cause or Good Reason (both terms as defined above).

3. Termination; Notice; Severance Compensation.

(a) In the event that within a period of two (2) months before or twelve (12) months following the consummation of a Change in Control (such period, the "***Change in Control Period***") the Company elects to terminate the Executive's employment other than for Cause (but not including termination due to the Executive's Disability), then the Company shall give the Executive no less than sixty (60) days advance notice of such termination (the "***Company's Notice Period***"); provided that the Company may elect to require the Executive to cease performing work for the Company so long as the Company continues the Executive's full salary and benefits during the Company's Notice Period.

(b) In the event that during the Change in Control Period, the Executive elects to terminate his employment for Good Reason, then the Executive shall give the Company no less than thirty (30) days and no more than sixty (60) days advance notice of such termination (the "***Executive's Notice Period***") by indicating the specific termination provision in this Agreement relied upon and setting forth in reasonable detail any facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated (the "***Executive's Termination Notice***"); provided that the Company may elect to require the Executive to cease performing work for the Company so long as the Company continues the Executive's full salary and benefits during the Executive's Notice Period. In order to effect a termination for Good Reason pursuant to this Agreement, the Executive must give the Executive's Termination Notice not later than ninety (90) days following the occurrence of the Good Reason. The Company shall have the opportunity to cure the Good Reason condition within thirty (30) days following receipt of the Executive's Termination Notice, provided that if the Company has not notified the Executive in writing of its intention to cure the Good Reason Condition within ten (10) days following receipt of the Executive's Termination Notice, the Company shall be deemed to have irrevocably elected not to cure the Good Reason condition. If the Company elects not to cure the Good Reason condition, or has failed to cure the Good Reason condition within the applicable thirty (30)-day

period, the Executive must separate from service no later than nine (9) months following initial occurrence of the Good Reason condition. If, within ten (10) days following the earlier of (i) the Company's election not to cure the Good Reason condition, or (ii) expiration of the thirty (30)-day cure period, either (A) the Company notifies the Executive in writing that it disputes whether the Executive has given the Executive's Termination Notice in good faith and established Good Reason to quit, or (B) the Executive notifies the Company in writing that the Company has failed to cure the Good Reason condition, then the Executive's termination date (the "***Termination Date***") shall be extended until the sooner of (x) the resolution of the dispute by mutual agreement of the parties, or (y) final order, decree or judgment of an arbitrator (which the parties agree is not appealable), during which time (1) the Executive shall not be required to perform work for the Company, and (2) the Company shall continue to pay the Executive's full salary in effect immediately prior to the Executive giving the Executive's Termination Notice (or, if higher, immediately prior to the change in control), and continue the Executive as a participant in all compensation, benefit and insurance plans in which the Executive was participating when the Executive's Termination Notice was given; provided that the amounts paid under this Section are in addition to all other amounts due under this Agreement and shall not be offset against or reduce any other amounts due under this Agreement.

(c) In the event that during the Change in Control Period the Executive's employment with the Company is terminated by the Company other than for Cause (but not including termination due to the Executive's death or Disability), or by the Executive for Good Reason, then, contingent upon the Executive's execution of a release of claims against the Company in substantially the form attached hereto as Exhibit A (the "***Release***") the Executive shall be entitled to, in addition to any amounts due to the Executive for services rendered prior to the termination date:

(i) a lump sum payment from the Company in an amount equal to the sum of the Executive's Annual Salary and the Executive's target annual bonus for the fiscal year in which the termination occurs (without giving effect to any event or circumstance constituting Good Reason) at one hundred percent (100%) of such target annual bonus, which shall be paid on the sixtieth (60^{th}) day following the Executive's Termination Date, provided that the Release is executed and effective by then or the Executive shall forfeit the payment of such amount;

(ii) all outstanding options, restricted stock and other similar rights held by the Executive, which shall become one hundred percent (100%) vested on the sixtieth (60^{th}) day following the Executive's Termination Date, provided that the Release is executed and effective by then or the Executive shall forfeit the vesting;

(iii) provided Executive elects continuation of medical insurance coverage for the Executive and/or the Executive's family subject to and in accordance with the Consolidated Omnibus Budget Reconciliation Act ("***COBRA***"), the Company will subsidize the Executive's COBRA premium at the same percentage as it subsidized health insurance premiums for the Executive immediately prior to the Executive's Termination Date (or, if more favorable to the Executive, immediately prior to the consummation of the Change in Control) (the "***COBRA Premium Subsidy***") for a period of up to twelve (12) months from the Executive's Termination Date;

provided that the Company shall have no obligation to provide the COBRA Premium Subsidy after the date the Executive becomes eligible for medical coverage with another employer or becomes entitled to Medicare, notice of which the Executive shall provide to the Company within five (5) business days of the eligibility event. If the Company determines that the COBRA Premium Subsidy is taxable income to the Executive, the income will be reported on Form W-2 as imputed income; and

(iv) the Company shall pay the cost of providing the Executive with outplacement services up to a maximum of $40,000, provided that (A) the Executive begins to use such services within six (6) months following the Executive's Termination Date, and (B) such services are provided by an outplacement services provider approved by the Company (which approval shall not be unreasonably withheld, conditioned or delayed). Such payment shall be made by the Company directly to the service provider promptly following the presentation to the Company of documentation of the enrollment by the Executive with the provider of outplacement services and the service provider's invoice for such services. In no event will the Executive be entitled to receive the cash value of the outplacement services in lieu of the outplacement services.

For purposes of this Agreement, "***Annual Salary***" shall mean the Executive's annual base salary then in effect or, if higher, in effect at the time of the Change in Control, excluding reimbursements and amounts attributable to stock options and other non-cash compensation; and the "***Severance Compensation***" shall mean the compensation set forth in (i), (ii), (iii), and (iv) above.

(d) If any of the benefits set forth in this Agreement are deferred compensation as defined in Section 409A of the Code, any termination of employment triggering payment of such benefits must constitute a "separation from service" under Section 409A of the Code before, subject to subsection (e) below, a distribution of such benefits can commence. For purposes of clarification, this Section shall not cause any forfeiture of benefits on the part of the Executive, but shall only act as a delay until such time as a "separation from service" occurs. In addition, the Company Notice Period and the Executive Notice Period shall be interpreted and administered in accordance with Section 409A of the Code and the "separation from service" rules thereunder. In particular, if a waiver of the Company Notice Period or the Executive Notice Period triggers a "separation from service," such waiver shall constitute a termination and any amounts due to the Executive over the remaining portion of the applicable notice period shall be deemed additional severance under Section 3(c)(ii) of this Agreement and paid accordingly. In addition, any applicable notice or release periods and dates of payment shall be adjusted accordingly.

(e) Notwithstanding any other provision with respect to the timing of payments, if, at the time of the Executive's termination, the Executive is deemed to be a "specified employee" (within the meaning of Code Section 409A, and any successor statute, regulation and guidance thereto) of the Company, then solely to the extent necessary to comply with the requirements of Code Section 409A, any payments to which the Executive may become entitled under this Agreement which are subject to Code Section 409A (and not otherwise exempt from its application) will be withheld until the first (1st) business day of the seventh (7th) month following the termination of the Executive's employment, at which time the Executive shall be paid an aggregate amount

equal to the accumulated, but unpaid, payments otherwise due to the Executive under the terms of this Agreement.

(f) Notwithstanding any other provision of this Agreement to the contrary, to the extent any payment contemplated hereunder is subject to the Executive's execution of the Release, the Release must be executed no later than ninety (90) days following the Termination Date. If this 90-day period starts in one tax year and ends in the next, then the payments may not commence until the later of the end of the Release revocation period or the first day of that next tax year.

(g) If any payment or benefit the Executive would receive under this Agreement, when combined with any other payment or benefit the Executive receives pursuant to a Change in Control ("***Payment***") would (i) constitute a "parachute payment" within the meaning of Code Section 280G, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "***Excise Tax***"), then such Payment shall be either (x) the full amount of such Payment or (y) such less amount as would result in no portion of the Payment being subject to the Excise Tax, whichever of the foregoing amounts, taking into account the applicable federal, state, and local employments taxes, income taxes, and the Excise Tax results in the Executive's receipt, on an after-tax basis, of the greater amount of the Payment, notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. The Company shall, in a manner compliant with Code Section 409A, determine in good faith which payment(s) or benefit(s) to reduce based on what provides the best economic result for the Executive. The Company shall provide the Executive with sufficient information to support its determination and to allow the Executive to file and pay any required taxes.

4. No Duplication of Compensation. The Severance Compensation shall replace, and be provided in lieu of, any severance or similar compensation, excepting payment during the resolution of a dispute regarding Good Reason as provided in Section 3(b), that may be provided to the Executive under any other agreement or arrangement in relation to termination of employment; provided, however, that this prohibition against duplication shall not be construed to otherwise limit the Executive's rights to payments or benefits provided under any pension plan (as defined in Section 3(2) of the Employee Retirement Income Security Act of 1974, as amended), deferred compensation, stock, stock option or similar plan sponsored by the Company. This Agreement supersedes any other agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof which may have been made by either party.

5. No Mitigation. If the Executive's employment with the Company terminates following a Change in Control, the Executive is not required to seek other employment or to attempt in any way to reduce any amounts payable to the Executive by the Company pursuant to Section 3 or Section 14. Except as set forth in Section 4, the amount of any payment or benefit provided for in this Agreement shall not be reduced by any compensation earned by the Executive as the result of employment by another employer (with the exception of the COBRA Premium Subsidy, which shall terminate when the Executive becomes eligible for medical insurance through another employer or the Executive becomes entitled to Medicare), by retirement benefits, by offset against any amount claimed to be owed by the Executive to the Company, or otherwise.

6. Confidentiality, Non-Competition, and Assignment of Inventions. The Company's obligations under this Agreement are contingent upon the Executive's execution of the Company's

Proprietary Information, Inventions, and Competition Agreement (the "***Proprietary Information Agreement***"). The parties agree that the obligations set forth in the Proprietary Information Agreement shall survive termination of this Agreement and termination of the Executive's employment, regardless of the reason for such termination.

7. Enforceability. If any provision of this Agreement shall be deemed invalid or unenforceable as written, this Agreement shall be construed, to the greatest extent possible, or modified, to the extent allowable by law, in a manner which shall render it valid and enforceable. No invalidity or unenforceability of any provision contained herein shall affect any other portion of this Agreement.

8. Notices. Except as otherwise specifically provided herein, any notice required or permitted by this Agreement shall be in writing and shall be delivered as follows with notice deemed given as indicated: (i) by personal delivery when delivered personally; (ii) by overnight courier upon written verification of receipt; (iii) by telecopy or facsimile transmission upon acknowledgment of receipt of electronic transmission; or (iv) by certified or registered mail, return receipt requested, upon verification of receipt. Notices to the Executive shall be sent to the last known address in the Company's records or such other address as the Executive may specify in writing. Notices to the Company shall be sent to the Company's Chairman of the Board (or if the Chairman of the Board is also the CEO, to the Company's Lead Director), or to such other Company representative as the Company may specify in writing.

9. Claims for Benefits. All claims by the Executive for benefits under this Agreement shall be directed to and determined by the Board and shall be in writing. Any denial by the Board of a claim for benefits under this Agreement shall be delivered to the Executive in writing and shall set forth the specific reasons for the denial and the specific provisions of this Agreement relied upon. The Board shall afford a reasonable opportunity to the Executive for a review of the decision denying a claim and shall further allow the Executive to appeal to the Board a decision of the Board within sixty (60) days after notification by the Board that the Executive's claim has been denied. In no event shall the Board's claims or appeals determination be given any deference or weight in any subsequent legal proceeding.

Any further dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration, paid for by the Company, in Boston, Massachusetts, in accordance with the rules of the American Arbitration Association then in effect; provided, however, that the evidentiary standards set forth in this Agreement shall apply; and further provided that the parties agree that the binding arbitration protocol shall be structured such that a decision will issue not later than ninety (90) days following notice in the event of a dispute concerning Good Reason pursuant to Section 3(b). Judgment may be entered on the arbitrator's award in any court having jurisdiction. Notwithstanding any provision of this Agreement to the contrary, the Executive shall be entitled to seek specific performance of the Executive's right to be paid until the Termination Date during the pendency of any dispute or controversy arising under of in connection with this Agreement.

10. Modifications and Amendments. The terms and provisions of this Agreement may be modified or amended only by written agreement executed by the Company and the Executive. The Company and the Executive agree that they will jointly execute an amendment to modify this

Agreement to the extent necessary to comply with or be exempt from the requirements of Code Section 409A, or any successor statute, regulation and guidance thereto; provided that no such amendment shall increase the total financial obligation of the Company under this Agreement.

11. Waivers and Consents. The terms and provisions of this Agreement may be waived, or consent for the departure therefrom granted, only by a written document executed by the party entitled to the benefits of such terms or provisions. No such waiver or consent shall be deemed to be or shall constitute a waiver or consent with respect to any other terms or provisions of this Agreement, whether or not similar. Each such waiver or consent shall be effective only in the specific instance and for the purpose for which it was given, and shall not constitute a continuing waiver or consent.

12. Binding Effect; Assignment. The Agreement will be binding upon and inure to the benefit of (a) the heirs, executors and legal representatives of the Executive upon the Executive's death and (b) any successor of the Company. Any such successor of the Company will be deemed substituted for the Company under the terms of the Agreement for all purposes. For this purpose, "successor" means any person, firm, corporation or other business entity which at any time, whether by purchase, merger or otherwise, directly or indirectly acquires all or substantially all of the assets or business of the Company. None of the rights of the Executive to receive any form of compensation payable pursuant to the Agreement may be assigned or transferred except by will or the laws of descent and distribution. Any other attempted assignment, transfer, conveyance or other disposition of the Executive's right to compensation or other benefits will be null and void.

13. Governing Law. This Agreement and the rights and obligations of the parties hereunder shall be construed in accordance with and governed by the law of the Commonwealth of Massachusetts, without giving effect to the conflict of law principles thereof.

14. Attorneys' Fees. The Company shall pay to the Executive all legal fees and expenses incurred by the Executive in disputing in good faith any issue hereunder relating to the termination of the Executive's employment, in seeking in good faith to obtain or enforce any benefit or right provided by this Agreement. Such payments shall be made within five (5) business days after delivery of the Executive's written requests for payment accompanied with such evidence of fees and expenses incurred as the Company reasonably may require.

15. Withholding. The Company is authorized to withhold, or to cause to be withheld, from any payment or benefit under the Agreement the full amount of any applicable withholding taxes.

16. Tax Consequences. The Company does not guarantee the tax treatment or tax consequences associated with any payment or benefit arising under this Agreement.

17. Acknowledgment. The Executive acknowledges that she has had the opportunity to discuss this matter with and obtain advice from her private attorney, has had sufficient time to, and has carefully read and fully understands all the provisions of the Agreement, and is knowingly and voluntarily entering into the Agreement.

18. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

19. Section 409A. The parties hereto intend that the payments and benefits provided by this Agreement shall be exempt to the maximum extent from the requirements of Code Section 409A and related regulations and Treasury pronouncements, and this Agreement shall be interpreted accordingly. To the extent subject to Code Section 409A, the Agreement shall be interpreted to comply with such requirements. Each separately identified payment or benefit hereunder shall be deemed to be a separately determinable payment for purposes of Code Section 409A, and each payment to be made in installments shall be deemed a series of separate payments. If any provision provided herein could result in the imposition of an additional tax under the provisions of Code Section 409A, the Executive and the Company agree that such provision will be reformed to avoid imposition of any such additional tax in the manner that the Executive and the Company mutually agree is appropriate to comply with or be exempt from Code Section 409A.

20. Reimbursements. To the extent there are any reimbursements of expenses under this Agreement including, without limitation, under Section 14 hereof, payments with respect to such reimbursements shall be made no later than on or before the last day of the calendar year following the calendar year in which the relevant expense is incurred. The amount of expenses eligible for reimbursement during a calendar year may not affect the expenses eligible for reimbursement in any other calendar year and any such reimbursements may not be exchanged or liquidated for any other benefit or payment.

[Signature page follows]

IN WITNESS WHEREOF, the parties have executed and delivered this Change in Control Severance Agreement as of the day and year first above written.

COMPANY:

IMMUNOGEN, INC.

_____/s/ Mark Enyedy_____
Name: Mark J. Enyedy
Title: President and Chief Executive Officer

EXECUTIVE:

_____/s/ Renee Lentini_____
Name: Renee Lentini

Exhibit A

GENERAL RELEASE

1. General Release. In consideration of the payments and benefits to be made under that certain Change in Control Severance Agreement, dated January 5, 2021 (the "***Agreement***"), Renee Lentini (the "***Executive***"), with the intention of binding the Executive and the Executive's heirs, executors, administrators and assigns, does hereby release, remise, acquit and forever discharge ImmunoGen, Inc. (the "***Company***") and each of its subsidiaries and affiliates (collectively, the "***Company Affiliated Group***"), their present and former officers, directors, executives, agents, insurers, attorneys, employees, and employee benefits plans (and the fiduciaries thereof), and the successors, predecessors, and assigns of each of the foregoing (collectively with the Company Affiliated Group, the "***Company Released Parties***"), of and from any and all claims, actions, causes of action, complaints, charges, demands, rights, damages, debts, sums of money, accounts, financial obligations, suits, expenses, attorneys' fees and liabilities of whatever kind or nature in law, equity or otherwise, whether accrued, absolute, contingent, unliquidated or otherwise and whether now known or unknown, suspected or unsuspected which the Executive, individually or as a member of a class, now has, owns or holds, or has at any time heretofore had, owned or held, against any Company Released Party in any capacity, including, without limitation, any and all claims (i) arising out of or in any way connected with the Executive's service to any member of the Company Affiliated Group (or the predecessors thereof) in any capacity, or the termination of such service in any such capacity, (ii) for severance or vacation benefits, unpaid wages, rights in or for equity based awards, salary or incentive payments, (iii) for breach of contract, wrongful discharge, impairment of economic opportunity, defamation, intentional infliction of emotional harm or other tort and (iv) for any violation of applicable state and local labor and employment laws (including, without limitation, all laws concerning unlawful and unfair labor and employment practices), any and all claims based on the Employee Retirement Income Security Act of 1974 ("***ERISA***"), any and all claims arising under the civil rights laws of any federal, state or local jurisdiction, including, without limitation, Title VII of the Civil Rights Act of 1964 ("***Title VII***"), the Age Discrimination in Employment Act ("***ADEA***"), the Americans with Disabilities Act ("***ADA***"), Sections 503 and 504 of the Rehabilitation Act the Family and Medical Leave Act, the Massachusetts Fair Employment Practices Act, the Massachusetts Payment of Wages Law, An Act Relative to Domestic Violence, and any and all claims under any whistleblower laws or whistleblower provisions of other laws.

2. No Admissions. The Executive acknowledges and agrees that this General Release is not to be construed in any way as an admission of any liability whatsoever by any Company Released Party, any such liability being expressly denied.

3. Application to all Forms of Relief. This General Release applies to any relief no matter how called, including, without limitation, wages, back pay, front pay, compensatory damages, liquidated damages, punitive damages for pain or suffering, costs and attorney's fees and expenses.

4. Specific Waiver. The Executive specifically acknowledges that her acceptance of the terms of this General Release is, among other things, a specific waiver of her rights, claims and causes of action under Title VII, ADEA, ADA, the Massachusetts Fair Employment Practices Act and any state or local law or regulation in respect of discrimination of any kind; provided, however, that nothing herein shall be deemed, nor does anything herein purport, to be a waiver of any right or claim or cause of action which by law the Executive is not permitted to waive.

The Executive expressly agrees and understands that the release of claims contained herein is a ***General Release*** and that any references to specific claims arising out of or in connection with the Executive's employment or termination are not intended to limit the release of claims. The Executive expressly agrees and understands that this ***General Release*** means that the Executive is releasing, remising and discharging the Released Parties from and with respect to all claims, whether known or unknown, asserted or unasserted, and whether or not the claims arise out of or in connection with the Executive's employment or termination, or otherwise, to the extent permitted by law.

5. No Complaints or Other Claims. The Executive acknowledges and agrees that she has not, with respect to any transaction or state of facts existing prior to the date hereof, filed any complaints, charges or lawsuits against any Company Released Party with any governmental agency, court or tribunal. This General Release does not: (i) prohibit or restrict Executive from communicating, providing relevant information to or otherwise cooperating with the U.S. Equal Employment Opportunity Commission or any other governmental authority with responsibility for the administration of fair employment practices laws regarding a possible violation of such laws or responding to any inquiry from such authority, including an inquiry about the existence of this General Release or its underlying facts, or (ii) require Executive to notify the Company of such communications or inquiry.

6. Conditions of General Release.

(a) Terms and Conditions. From and after the date of termination of employment, the Executive shall abide by all the terms and conditions of this General Release and the terms and any conditions set forth in any employment or confidentiality agreements signed by the Executive, which is incorporated herein by reference.

(b) Confidentiality. The Executive shall not, without the prior written consent of the Company or as may otherwise be required by law or any legal process, or as is necessary in connection with any adversarial proceeding against any member of the Company Affiliated Group (in which case the Executive shall cooperate with the Company in obtaining a protective order at the Company's expense against disclosure by a court of competent jurisdiction), communicate, to anyone other than the Company and those designated by the Company or on behalf of the Company in the furtherance of its business, any trade secrets, confidential information, knowledge or data relating to any member of the Company Affiliated Group, obtained by the Executive during the Executive's employment by the Company that is not generally available public knowledge (other than acts by the Executive in violation of this General Release). This confidentiality obligation is in addition to, and not in lieu of, any other

contractual, statutory and common law confidentiality obligation of the Executive to the Company.

(c) Return of Company Material. The Executive represents that she has returned to the Company all Company Material (as defined below). For purposes of this Section 6(c), "***Company Material***" means any documents, files and other property and information of any kind belonging or relating to (i) any member of the Company Affiliated Group, (ii) the current and former suppliers, creditors, directors, officers, employees, agents and customers of any of them or (iii) the businesses, products, services and operations (including without limitation, business, financial and accounting practices) of any of them, in each case whether tangible or intangible (including, without limitation, credit cards, building and office access cards, keys, computer equipment, cellular telephones, pagers, electronic devices, hardware, manuals, files, documents, records, software, customer data, research, financial data and information, memoranda, surveys, correspondence, statistics and payroll and other employee data, and any copies, compilations, extracts, excerpts, summaries and other notes thereof or relating thereto), excluding only information (x) that is generally available public knowledge or (y) that relates to the Executive's compensation or Executive benefits.

(d) Cooperation. Following the date of termination of employment, the Executive shall reasonably cooperate with the Company upon reasonable request of the Board of Directors and be reasonably available to the Company with respect to matters arising out of the Executive's services to the Company Affiliated Group.

(e) Nondisparagement. The Executive acknowledges and agrees that, following execution of this General Release, she shall not make any statements that are professionally or personally disparaging about or adverse to the interests of any Company Released Party, including, but not limited to, any statements that disparage in any way whatsoever the Company's products, services, businesses, finances, financial condition, capabilities or other characteristics.

(f) Ownership of Inventions, Non-Disclosure, Non-Competition and Non-Solicitation. The Executive expressly acknowledges and agrees that the Proprietary Information, Inventions, and Competition Agreement executed by her is incorporated herein by reference, and shall survive the execution of this General Release in full force and effect pursuant to its terms.

(g) No Representation. The Executive acknowledges that, other than as set forth in this General Release and the Agreement, (i) no promises have been made to her and (ii) in signing this General Release the Executive is not relying upon any statement or representation made by or on behalf of any Company Released Party and each or any of them concerning the merits of any claims or the nature, amount, extent or duration of any damages relating to any claims or the amount of any money, benefits, or compensation due the Executive or claimed by the Executive, or concerning the General Release or concerning any other thing or matter.

(h) Injunctive Relief. In the event of a breach or threatened breach by the Executive of this Section 6, the Executive agrees that the Company shall be entitled to injunctive relief in a court of appropriate jurisdiction to remedy any such breach or threatened breach, the Executive acknowledging that damages would be inadequate or insufficient.

7. Voluntariness. The Executive agrees that she is relying solely upon her own judgment; that the Executive is over eighteen years of age and is legally competent to sign this General Release; that the Executive is signing this General Release of her own free will; that the Executive has read and understood the General Release before signing it; and that the Executive is signing this General Release in exchange for consideration that she believes is satisfactory and adequate.

8. Legal Counsel. The Executive acknowledges that she has been informed of the right to consult with legal counsel and has been encouraged to do so.

9. Complete Agreement/Severability. Other than the agreements and/or obligations specifically referenced as surviving herein, this General Release constitutes the complete and final agreement between the parties and supersedes and replaces all prior or contemporaneous agreements, negotiations, or discussions relating to the subject matter of this General Release. All provisions and portions of this General Release are severable. If any provision or portion of this General Release or the application of any provision or portion of the General Release shall be determined to be invalid or unenforceable to any extent or for any reason, all other provisions and portions of this General Release shall remain in full force and shall continue to be enforceable to the fullest and greatest extent permitted by law.

10. Acceptance. The Executive acknowledges that she has been given a period of twenty-one (21) days within which to consider this General Release, unless applicable law requires a longer period, in which case the Executive shall be advised of such longer period and such longer period shall apply. The Executive may accept this General Release at any time within this period of time by signing the General Release and returning it to the Company.

11. Revocability. This General Release shall not become effective or enforceable until seven (7) calendar days after the Executive signs it. The Executive may revoke her acceptance of this General Release at any time within that seven (7) calendar day period by sending written notice to the Company. Such notice must be received by the Company within the seven (7) calendar day period in order to be effective and, if so received, would void this General Release for all purposes.

12. Governing Law. Except for issues or matters as to which federal law is applicable, this General Release shall be governed by and construed and enforced in accordance with the laws of the Commonwealth of Massachusetts without giving effect to the conflicts of law principles thereof.

[Signature page follows]

IN WITNESS WHEREOF, the Executive has executed this General Release as of the date last set forth below.

EXECUTIVE

_____ Date: _____

Name: Renee Lentini

ADDENDUM A TO MICHAEL J. VASCONCELLES OFFER LETTER

CHANGE IN CONTROL SEVERANCE AGREEMENT

This Agreement is entered into as of the 29th day of December, 2022 (the "***Effective Date***") by and between ImmunoGen, Inc., a Massachusetts corporation (the "***Company***"), and Michael Vasconcelles (the "***Executive***").

WHEREAS, the Company recognizes that the Executive's service to the Company is very important to the future success of the Company;

WHEREAS, the Executive desires to enter into this Agreement to provide the Executive with certain financial protection in the event that Executive's employment terminates under certain conditions following a' change in control of the Company; and

WHEREAS the Board of Directors of the Company (the "***Board***") has determined that it is in the best interests of the Company to enter into this Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Executive hereby agree as follows:

1. Definitions.

(a) Cause. For purposes of this Agreement, "***Cause***" shall mean that the Executive has (i) willfully committed an act or omission that materially harms the Company; (ii) been grossly negligent in the performance of the Executive's duties to the Company; (iii) willfully failed or refused to follow the lawful and proper directives of the Board; (iv) been convicted of, or pleaded guilty or *nolo contendere*, to a felony; (v) committed an act involving moral turpitude that is or is reasonably expected to be injurious to the Company or its reputation; (vi) committed an act relating to the Executive's employment or the Company involving, in the good faith judgment of the Board, material fraud or theft; (vii) breached any material provision of this Agreement or any nondisclosure or non-competition agreement between the Executive and the Company, as all of the foregoing may be amended prospectively from time to time; or (viii) breached a material provision of any code of conduct or ethics policy in effect at the Company, as all of the foregoing may be amended prospectively from time to time.

(b) Change in Control. For purposes of this Agreement, a "***Change in Control***" shall mean the occurrence of any of the following events:

(i) Ownership. Any "Person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended) becomes the "Beneficial Owner" (as defined in Rule 13d-3 under said Act), directly or indirectly, of securities of the Company representing 50% or more of the total voting power represented by the Company's then outstanding voting securities (excluding for this purpose any such voting securities held by the Company or its Affiliates (as defined in the Company's 2018 Employee, Director and Consultant Equity Incentive Plan) or by any employee benefit plan of the Company)

pursuant to a transaction or a series of related transactions which the Board does not approve; or

(ii) Merger/Sale of Assets. (A) A merger or consolidation of the Company whether or not approved by the Board, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or the parent of such corporation) at least 50% of the total voting power represented by the voting securities of the Company or such surviving entity or parent of such corporation, as the case may be, outstanding immediately after such merger or consolidation; or (B) the stockholders of the Company approve an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets; or

(iii) Change in Board Composition. A change in the composition of the Board, as a result of which fewer than a majority of the directors are Incumbent Directors. "Incumbent Directors" shall mean directors who either (A) are directors of the Company as of June 16, 2021, or (B) are elected, or nominated for election, to the Board with the affirmative votes of at least a majority of the Incumbent Directors at the time of such election or nomination (but shall not include an individual whose election or nomination is in connection with an actual or threatened proxy contest relating to the election of directors to the Company).

(c) Disability. For purposes of this Agreement, "***Disability***" shall mean that the Executive (i) is unable to engage in any substantial gainful activity because of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of at least twelve (12) months, or (ii) is receiving income replacement benefits for a period of at least three (3) months under a Company-sponsored disability plan because of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of at least twelve (12) months. Whether the Executive has a Disability will be determined by a majority of the Board based on evidence provided by one or more physicians selected by the Board and approved by the Executive, which approval shall not be unreasonably withheld. In any case, if a disability is determined to trigger the payment of any "deferred compensation" as defined in Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), disability shall be determined in accordance with Section 409A of the Code.

(d) Good Reason. For purposes of this Agreement, "***Good Reason***" shall mean the occurrence of one or more of the following without the Executive's consent: (i) a change in the principal location at which the Executive performs Executive's duties for the Company to a new location that is at least a forty (40) mile longer commute for the Executive from the prior work location; (ii) a material change in the Executive's authority, functions, duties or responsibilities as an executive of the Company, which would cause Executive's position with the Company to become of less responsibility, importance or scope than Executive's highest position with the Company at any time from the date of this Agreement to immediately prior to the Change in Control, provided, however, that such material change is not in connection with the termination of

the Executive's employment by the Company for Cause or death or Disability and further provided that it shall not be considered a material change if the Company becomes a subsidiary of another entity and the Executive continues to hold a position in the subsidiary that is at least as high (in both title and scope of responsibilities) as the highest position Executive held with the Company at any time from the date of this Agreement to immediately prior to the Change in Control; (iii) a material reduction in the Executive's annual base salary; or (iv) a material reduction in the Executive's target annual bonus as compared to the target annual bonus set for the previous fiscal year.

For purposes of any determination regarding the existence of Good Reason, any claim by the Executive that Good Reason exists shall be presumed to be correct unless the Company establishes by clear and convincing evidence that Good Reason does not exist.

2. Term of Agreement. The term of this Agreement (the "***Term***") shall commence on the Effective Date and shall continue in effect for two (2) years; provided, however, that commencing on the second anniversary of the Effective Date and continuing each anniversary thereafter, the Term shall automatically be extended for one (1) additional year unless, not later than nine (9) months before the conclusion of the Term, the Company or the Executive shall have given notice not to extend the Term; and further provided, however, that if a Change in Control shall have occurred during the Term, the Term shall expire on the last day of the twelfth (12^{th}) month following the month in which such Change in Control occurred. Notice of termination or termination of this Agreement shall not constitute Cause or Good Reason (both terms as defined above).

3. Termination; Notice; Severance Compensation.

(a) In the event that within a period of two (2) months before or twelve (12) months following the consummation of a Change in Control (such period, the "***Change in Control Period***") the Company elects to terminate the Executive's employment other than for Cause (but not including termination due to the Executive's Disability), then the Company shall give the Executive no less than sixty (60) days advance notice of such termination (the "***Company's Notice Period***"), provided that the Company may elect to require the Executive to cease performing work for the Company so long as the Company continues the Executive's full salary and benefits during the Company's Notice Period.

(b) In the event that during the Change in Control Period, the Executive elects to terminate employment for Good Reason, then the Executive shall give the Company no less than thirty (30) days and no more than sixty (60) days advance notice of such termination (the "***Executive's Notice Period***") by indicating the specific termination provision in this Agreement relied upon and setting forth in reasonable detail any facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated (the "***Executive's Termination Notice***"), provided that the Company may elect to require the Executive to cease performing work for the Company so long as the Company continues the Executive's full salary and benefits during the Executive's Notice Period. In order to effect a termination for Good Reason pursuant to this Agreement, the Executive must give the Executive's Termination Notice not later than ninety (90) days following the occurrence of the Good Reason. The Company shall

have the opportunity to cure the Good Reason condition within thirty (30) days following receipt of the Executive's Termination Notice, provided that if the Company has not notified the Executive in writing of its intention to cure the Good Reason Condition within ten (10) days following receipt of the Executive's Termination Notice, the Company shall be deemed to have irrevocably elected not to cure the Good Reason condition. If the Company elects not to cure the Good Reason condition or has failed to cure the Good Reason condition within the applicable thirty (30)-day period, the Executive must separate from service no later than nine (9) months following initial occurrence of the Good Reason condition. If, within ten (10) days following the earlier of (i) the Company's election not to cure the Good Reason condition, or (ii) expiration of the thirty (30)- day cure period, either (A) the Company notifies the Executive in writing that it disputes whether the Executive has given the Executive's Termination Notice in good faith and established Good Reason to quit, or (B) the Executive notifies the Company in writing that the Company has failed to cure the Good Reason condition, then the Executive's termination date (the "***Termination Date***") shall be extended until the sooner of (x) the resolution of the dispute by mutual agreement of the parties, or (y) final order, decree or judgment of an arbitrator (which the parties agree is not appealable), during which time (1) the Executive shall not be required to perform work for the Company, and (2) the Company shall continue to pay the Executive's full salary in effect immediately prior to the Executive giving the Executive's Termination Notice (or, if higher, immediately prior to the change in control), and continue the Executive as a participant in all compensation, benefit and insurance plans in which the Executive was participating when the Executive's Termination Notice was given; provided that the amounts paid under this Section are in addition to all other amounts due under this Agreement and shall not be offset against or reduce any other amounts due under this Agreement.

(c) In the event that during the Change in Control Period the Company terminates the Executive's employment other than for Cause (but not including termination due to the Executive's death or Disability), or the Executive terminates employment for Good Reason, then, contingent upon the Executive's execution of a release of claims against the Company in substantially the form attached to this Agreement as Exhibit A (the "***Release***"), the Executive shall be entitled to, in addition to any amounts due to the Executive for services rendered prior to the termination date:

(i) a lump sum payment from the Company in an amount equal to one and one-half (1.5) times the sum of the Executive's Annual Salary and the Executive's target annual bonus for the fiscal year in which the termination occurs (without giving effect to any event or circumstance constituting Good Reason) at one hundred percent (100%) of such target annual bonus, which shall be paid on the sixtieth (60^{th}) day following the Executive's Termination Date, provided that the Release is executed and effective by then or the Executive shall forfeit the payment of such amount;

(ii) all outstanding options, restricted stock and other similar rights held by the Executive, which shall become one hundred percent (100%) vested on the sixtieth (60^{th}) day following the Executive's Termination Date, provided that the Release is executed and effective by then or the Executive shall forfeit the vesting;

(iii) provided Executive elects continuation of medical insurance coverage for the Executive and/or the Executive's family subject to and in accordance with the

Consolidated Omnibus Budget Reconciliation Act **(**"***COBRA***"), the Company will subsidize the Executive's COBRA premium at the same percentage as it subsidized health insurance premiums for the Executive immediately prior to the Executive's Termination Date (or, if more favorable to the Executive, immediately prior to the consummation of the Change in Control) (the "***COBRA Premium Subsidy***") for a period of up to eighteen (18) months from the Executive's Termination Date; provided that the Company shall have no obligation to provide the COBRA Premium Subsidy after the date the Executive becomes eligible for medical coverage with another employer or becomes entitled to Medicare, notice of which the Executive shall provide to the Company within five (5) business days of the eligibility event. If the Company determines that the COBRA Premium Subsidy is taxable income to the Executive, the income will be reported on Form W-2 as imputed income; and

(iv) the Company shall pay the cost of providing the Executive with outplacement services up to a maximum of $40,000, provided that (A) the Executive begins to use such services within six (6) months following the Executive's Termination Date, and (B) such services are provided by an outplacement services provider approved by the Company (which approval shall not be unreasonably withheld, conditioned, or delayed). Such payment shall be made by the Company directly to the service provider promptly following the presentation to the Company of documentation of the enrollment by the Executive with the provider of outplacement services and the service provider's invoice for such services. In no event will the Executive be entitled to receive the cash value of the outplacement services in lieu of the outplacement services.

For purposes of this Agreement, "***Annual Salary***" shall mean the Executive's annual base salary then in effect or, if higher, in effect at the time of the Change in Control, excluding reimbursements and amounts attributable to stock options and other non-cash compensation; and the "***Severance Compensation***" shall mean the compensation set forth in (i), (ii), (iii), and (iv) above.

(d) If any of the benefits set forth in this Agreement are deferred compensation as defined in Section 409A of the Code, any termination of employment triggering payment of such benefits must constitute a "separation from service" under Section 409A of the Code before, subject to subsection (e) below, a distribution of such benefits can commence. For purposes of clarification, this Section shall not cause any forfeiture of benefits on the part of the Executive, but shall only act as a delay until such time as a "separation from service" occurs. In addition, the Company Notice Period and the Executive Notice Period shall be interpreted and administered in accordance with Section 409A of the Code and the "separation from service" rules thereunder. In particular, if a waiver of the Company Notice Period or the Executive Notice Period triggers a "separation from service," such waiver shall constitute a termination and any amounts due to the Executive over the remaining portion of the applicable notice period shall be deemed additional severance under Section 3 (c)(ii) of this Agreement and paid accordingly. In addition, any applicable notice or release periods and dates of payment shall be adjusted accordingly.

(e) Notwithstanding any other provision with respect to the timing of payments, if, at the time of the Executive's termination, the Executive is deemed to be a "specified employee"

(within the meaning of Code Section 409A, and any successor statute, regulation and guidance thereto) of the Company, then solely to the extent necessary to comply with the requirements of Code Section 409A, any payments to which the Executive may become entitled under this Agreement which are subject to Code Section 409A (and not otherwise exempt from its application) will be withheld until the first (1st) business day of the seventh (7th) month following the termination of the Executive's employment, at which time the Executive shall be paid an aggregate amount equal to the accumulated, but unpaid, payments otherwise due to the Executive under the terms of this Agreement.

(f) Notwithstanding any other provision of this Agreement to the contrary, to the extent any payment contemplated hereunder is subject to the Executive's execution of the Release, the Release must be executed no later than ninety (90) days following the Termination Date. If this 90-day period starts in one tax year and ends in the next, then the payments may not commence until the later of the end of the Release revocation period or the first day of that next tax year.

(g) If any payment or benefit the Executive would receive under this Agreement, when combined with any other payment or benefit the Executive receives pursuant to a Change in Control **(**"***Payment***") would (i) constitute a "parachute payment" within the meaning of Code Section 280G, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "***Excise Tax***"), then such Payment shall be either (x) the full amount of such Payment or (y) such less amount as would result in no portion of the Payment being subject to the Excise Tax, whichever of the foregoing amounts, taking into account the applicable federal, state, and local employments taxes, income taxes, and the Excise Tax results in the Executive's receipt, on an after-tax basis, of the greater amount of the Payment, notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. The Company shall, in a manner compliant with Code Section 409A, determine in good faith which payment(s) or benefit(s) to reduce based on what provides the best economic result for the Executive. The Company shall provide the Executive with sufficient information to support its determination and to allow the Executive to file and pay any required taxes.

4. No Duplication of Compensation. The Severance Compensation shall replace, and be provided in lieu of, any severance or similar compensation, excepting payment during the resolution of a dispute regarding Good Reason as provided in Section 3(b), that may be provided to the Executive under any other agreement or arrangement in relation to termination of employment; provided, however, that this prohibition against duplication shall not be construed to otherwise limit the Executive's rights to payments or benefits provided under any pension plan (as defined in Section 3(2) of the Employee Retirement Income Security Act of 1974, as amended), deferred compensation, stock, stock option or similar plan sponsored by the Company. This Agreement supersedes any other agreements or representations, oral or otherwise, express or implied, with respect to the subject matter hereof which may have been made by either party.

5. No Mitigation. If the Executive's employment with the Company terminates following a Change in Control, the Executive is not required to seek other employment or to attempt in any way to reduce any amounts payable to the Executive by the Company pursuant to Section 3 or Section 14. Except as set forth in Section 4, the amount of any payment or benefit provided for in this Agreement shall not be reduced by any compensation earned by the Executive as the result of

employment by another employer (with the exception of the COBRA Premium Subsidy, which shall terminate when the Executive becomes eligible for medical insurance through another employer or the Executive becomes entitled to Medicare), by retirement benefits, by offset against any amount claimed to be owed by the Executive to the Company, or otherwise.

6. Confidentiality, Non-Competition, and Assignment of Inventions. The Company's obligations under this Agreement are contingent upon the Executive's execution of the Company's Proprietary Information, Inventions, and Competition Agreement (the "***Proprietary Information Agreement***"). The parties agree that the obligations set forth in the Proprietary Information Agreement shall survive termination of this Agreement and termination of the Executive's employment, regardless of the reason for such termination.

7. Enforceability. If any provision of this Agreement shall be deemed invalid or unenforceable as written, this Agreement shall be construed, to the greatest extent possible, or modified, to the extent allowable by law, in a manner which shall render it valid and enforceable. No invalidity or unenforceability of any provision contained herein shall affect any other portion of this Agreement.

8. Notices. Except as otherwise specifically provided herein, any notice required or permitted by this Agreement shall be in writing and shall be delivered as follows with notice deemed given as indicated: (i) by personal delivery when delivered personally; (ii) by overnight courier upon written verification of receipt; (iii) by telecopy or facsimile transmission upon acknowledgment of receipt of electronic transmission; or (iv) by certified or registered mail, return receipt requested, upon verification of receipt. Notices to the Executive shall be sent to the last known address in the Company's records or such other address as the Executive may specify in writing. Notices to the Company shall be sent to the Company's Chairman of the Board (or if the Chairman of the Board is also the CEO, to the Company's Lead Director), or to such other Company representative as the Company may specify in writing.

9. Claims for Benefits. All claims by the Executive for benefits under this Agreement shall be directed to and determined by the Board and shall be in writing. Any denial by the Board of a claim for benefits under this Agreement shall be delivered to the Executive in writing and shall set forth the specific reasons for the denial and the specific provisions of this Agreement relied upon. The Board shall afford a reasonable opportunity to the Executive for a review of the decision denying a claim and shall further allow the Executive to appeal to the Board a decision of the Board within sixty (60) days after notification by the Board that the Executive's claim has been denied. In no event shall the Board's claims or appeals determination be given any deference or weight in any subsequent legal proceeding.

Any further dispute or controversy arising under or in connection with this Agreement shall be settled exclusively by arbitration, paid for by the Company, in Boston, Massachusetts, in accordance with the rules of the American Arbitration Association then in effect; provided, however, that the evidentiary standards set forth in this Agreement shall apply; and further provided that the parties agree that the binding arbitration protocol shall be structured such that a decision will issue not later than ninety (90) days following notice in the event of a dispute concerning Good Reason pursuant to Section 3(b). Judgment may be entered on the arbitrator's

award in any court having jurisdiction. Notwithstanding any provision of this Agreement to the contrary, the Executive shall be entitled to seek specific performance of the Executive's right to be paid until the Termination Date during the pendency of any dispute or controversy arising under of in connection with this Agreement.

10. Modifications and Amendments. The terms and provisions of this Agreement may be modified or amended only by written agreement executed by the Company and the Executive. The Company and the Executive agree that they will jointly execute an amendment to modify this Agreement to the extent necessary to comply with or be exempt from the requirements of Code Section 409A, or any successor statute, regulation and guidance thereto; provided that no such amendment shall increase the total financial obligation of the Company under this Agreement.

11. Waivers and Consents. The terms and provisions of this Agreement may be waived, or consent for the departure therefrom granted, only by a written document executed by the party entitled to the benefits of such terms or provisions. No such waiver or consent shall be deemed to be or shall constitute a waiver or consent with respect to any other terms or provisions of this Agreement, whether or not similar. Each such waiver or consent shall be effective only in the specific instance and for the purpose for which it was given and shall not constitute a continuing waiver or consent.

12. Binding Effect; Assignment. The Agreement will be binding upon and inure to the benefit of (a) the heirs, executors and legal representatives of the Executive upon the Executive's death and (b) any successor of the Company. Any such successor of the Company will be deemed substituted for the Company under the terms of the Agreement for all purposes. For this purpose, "successor" means any person, firm, corporation or other business entity which at any time, whether by purchase, merger or otherwise, directly or indirectly acquires all or substantially all of the assets or business of the Company. None of the rights of the Executive to receive any form of compensation payable pursuant to the Agreement may be assigned or transferred except by will or the laws of descent and distribution. Any other attempted assignment, transfer, conveyance or other disposition of the Executive's right to compensation or other benefits will be null and void.

13. Governing Law. This Agreement and the rights and obligations of the parties hereunder shall be construed in accordance with and governed by the law of the Commonwealth of Massachusetts, without giving effect to the conflict of law principles thereof.

14. Attorneys' Fees. The Company shall pay to the Executive all legal fees and expenses incurred by the Executive in disputing in good faith any issue hereunder relating to the termination of the Executive's employment, in seeking in good faith to obtain or enforce any benefit or right provided by this Agreement. Such payments shall be made within five (5) business days after delivery of the Executive's written requests for payment accompanied with such evidence of fees and expenses incurred as the Company reasonably may require.

15. Withholding. The Company is authorized to withhold, or to cause to be withheld, from any payment or benefit under the Agreement the full amount of any applicable withholding taxes.

16. Tax Consequences. The Company does not guarantee the tax treatment or tax consequences associated with any payment or benefit arising under this Agreement.

17. Acknowledgment. The Executive acknowledges that Executive has had the opportunity to discuss this matter with and obtain advice from Executive's private attorney, has had sufficient time to, and has carefully read and fully understands all the provisions of the Agreement, and is knowingly and voluntarily entering into the Agreement.

18. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

19. Section 409A. The parties hereto intend that the payments and benefits provided by this Agreement shall be exempt to the maximum extent from the requirements of Code Section 409A and related regulations and Treasury pronouncements, and this Agreement shall be interpreted accordingly. To the extent subject to Code Section 409A, the Agreement shall be interpreted to comply with such requirements. Each separately identified payment or benefit hereunder shall be deemed to be a separately determinable payment for purposes of Code Section 409A, and each payment to be made in installments shall be deemed a series of separate payments. If any provision provided herein could result in the imposition of an additional tax under the provisions of Code Section 409A, the Executive and the Company agree that such provision will be reformed to avoid imposition of any such additional tax in the manner that the Executive and the Company mutually agree is appropriate to comply with or be exempt from Code Section 409A.

20. Reimbursements. To the extent there are any reimbursements of expenses under this Agreement including, without limitation, under Section 14 hereof, payments with respect to such reimbursements shall be made no later than on or before the last day of the calendar year following the calendar year in which the relevant expense is incurred. The amount of expenses eligible for reimbursement during a calendar year may not affect the expenses eligible for reimbursement in any other calendar year and any such reimbursements may not be exchanged or liquidated for any other benefit or payment.

[Signature Page follows]

IN WITNESS WHEREOF, the parties have executed and delivered this Change in Control Severance Agreement as of the day and year first above written.

COMPANY:

IMMUNOGEN, INC.

/s/ Mark J. Enyedy
Mark J. Enyedy
President and Chief Executive Officer

EXECUTIVE

/s/ Michael J. Vasconcelles
Michael J. Vasconcelles

Exhibit A

GENERAL RELEASE

1. General Release. In consideration of the payments and benefits to be made under that certain Change in Control Severance Agreement, dated _____ (the "***Agreement***"), _____ (the "***Executive***"), with the intention of binding the Executive and the Executive's heirs, executors, administrators and assigns, does hereby release, remise, acquit and forever discharge ImmunoGen, Inc. (the "***Company***") and each of its subsidiaries and affiliates (collectively, the "***Company Affiliated Group***"), their present and former officers, directors, executives, agents, insurers, attorneys, employees, and employee benefits plans (and the fiduciaries thereof), and the successors, predecessors, and assigns of each of the foregoing (collectively with the Company Affiliated Group, the "***Company Released Parties***"), of and from any and all claims, actions, causes of action, complaints, charges, demands, rights, damages, debts, sums of money, accounts, financial obligations, suits, expenses, attorneys' fees and liabilities of whatever kind or nature in law, equity or otherwise, whether accrued, absolute, contingent, unliquidated or otherwise and whether now known or unknown, suspected or unsuspected which the Executive, individually or as a member of a class, now has, owns or holds, or has at any time heretofore had, owned or held, against any Company Released Party in any capacity, including, without limitation, any and all claims (i) arising out of or in any way connected with the Executive's service to any member of the Company Affiliated Group (or the predecessors thereof) in any capacity, or the termination of such service in any such capacity, (ii) for severance or vacation benefits, unpaid wages, rights in or for equity based awards, salary or incentive payments, (iii) for breach of contract, wrongful discharge, impairment of economic opportunity, defamation, intentional infliction of emotional harm or other tort and (iv) for any violation of applicable state and local labor and employment laws (including, without limitation, all laws concerning unlawful and unfair labor and employment practices), any and all claims based on the Employee Retirement Income Security Act of 1974 **(**"***ERISA***"), any and all claims arising under the civil rights laws of any federal, state or local jurisdiction, including, without limitation, Title VII of the Civil Rights Act of 1964 **(**"***Title VIC***), the Age Discrimination in Employment Act **(**"***ADEA***"), the Americans with Disabilities Act **(**"***ADA***"), Sections 503 and 504 of the Rehabilitation Act the Family and Medical Leave Act, the Massachusetts Fair Employment Practices Act, the Massachusetts Payment of Wages Law, An Act Relative to Domestic Violence, and any and all claims under any whistleblower laws or whistleblower provisions of other laws.

2. No Admissions. The Executive acknowledges and agrees that this General Release is not to be construed in any way as an admission of any liability whatsoever by any Company Released Party, any such liability being expressly denied.

3. Application to all Forms of Relief. This General Release applies to any relief no matter how called, including, without limitation, wages, back pay, front pay, compensatory damages, liquidated damages, punitive damages for pain or suffering, costs and attorney's fees and expenses.

4. Specific Waiver. The Executive specifically acknowledges that acceptance of the terms of this General Release is, among other things, a specific waiver of Executive's rights, claims and causes of action under Title VII, ADEA, ADA, the Massachusetts Fair Employment Practices Act and any state or local law or regulation in respect of discrimination of any kind; provided, however, that nothing herein shall be deemed, nor does anything herein purport, to be a waiver of any right or claim or cause of action which by law the Executive is not permitted to waive.

The Executive expressly agrees and understands that the release of claims contained herein is a ***General Release*** and that any references to specific claims arising out of or in connection with the Executive's employment or termination are not intended to limit the release of claims. The Executive expressly agrees and understands that this ***General Release*** means that the Executive is releasing, remising and discharging the Released Parties from and with respect to all claims, whether known or unknown, asserted or unasserted, and whether or not the claims arise out of or in connection with the Executive's employment or termination, or otherwise, to the extent permitted by law.

5. No Complaints or Other Claims. The Executive acknowledges and agrees that Executive has not, with respect to any transaction or state of facts existing prior to the date hereof, filed any complaints, charges, or lawsuits against any Company Released Party with any governmental agency, court, or tribunal. This General Release does not: (i) prohibit or restrict Executive from communicating, providing relevant information to or otherwise cooperating with the U.S. Equal Employment Opportunity Commission or any other governmental authority with responsibility for the administration of fair employment practices laws regarding a possible violation of such laws or responding to any inquiry from such authority, including an inquiry about the existence of this General Release or its underlying facts, or (ii) require Executive to notify the Company of such communications or inquiry.

6. Conditions of General Release.

(a) Terms and Conditions. From and after the date of termination of employment, the Executive shall abide by all the terms and conditions of this General Release and the terms and any conditions set forth in any employment or confidentiality agreements signed by the Executive, which is incorporated herein by reference.

(b) Confidentiality. The Executive shall not, without the prior written consent of the Company or as may otherwise be required by law or any legal process, or as is necessary in connection with any adversarial proceeding against any member of the Company Affiliated Group (in which case the Executive shall cooperate with the Company in obtaining a protective order at the Company's expense against disclosure by a court of competent jurisdiction), communicate, to anyone other than the Company and those designated by the Company or on behalf of the Company in the furtherance of its business, any trade secrets, confidential information, knowledge or data relating to any member of the Company Affiliated Group, obtained by the Executive during the Executive's employment by the Company that is not generally available public knowledge (other than acts by the Executive in violation of this General Release). This confidentiality obligation is in addition to, and not in lieu of, any other

contractual, statutory, and common law confidentiality obligation of the Executive to the Company.

(c) Return of Company Material. The Executive represents that Executive has returned to the Company all Company Material (as defined below). For purposes of this Section 6(c), "***Company Material***" means any documents, files and other property and information of any kind belonging or relating to (i) any member of the Company Affiliated Group, (ii) the current and former suppliers, creditors, directors, officers, employees, agents and customers of any of them or (iii) the businesses, products, services and operations (including without limitation, business, financial and accounting practices) of any of them, in each case whether tangible or intangible (including, without limitation, credit cards, building and office access cards, keys, computer equipment, cellular telephones, pagers, electronic devices, hardware, manuals, files, documents, records, software, customer data, research, financial data and information, memoranda, surveys, correspondence, statistics and payroll and other employee data, and any copies, compilations, extracts, excerpts, summaries and other notes thereof or relating thereto), excluding only information (x) that is generally available public knowledge or (y) that relates to the Executive's compensation or Executive benefits.

(d) Cooperation. Following the date of termination of employment, the Executive shall reasonably cooperate with the Company upon reasonable request of the Board of Directors and be reasonably available to the Company with respect to matters arising out of the Executive's services to the Company Affiliated Group.

(e) Nondisparagement. The Executive acknowledges and agrees that, following execution of this General Release, Executive shall not make any statements that are professionally or personally disparaging about or adverse to the interests of any Company Released Party, including, but not limited to, any statements that disparage in any way whatsoever the Company's products, services, businesses, finances, financial condition, capabilities or other characteristics.

(f) Ownership of Inventions, Non-Disclosure, Non-Competition and Non-Solicitation. The Executive expressly acknowledges and agrees that the Proprietary Information, Inventions, and Competition Agreement executed by Executive is incorporated herein by reference, and shall survive the execution of this General Release in full force and effect pursuant to its terms.

(g) No Representation. The Executive acknowledges that, other than as set forth in this General Release and the Agreement, (i) no promises have been made to Executive and (ii) in signing this General Release the Executive is not relying upon any statement or representation made by or on behalf of any Company Released Party and each or any of them concerning the merits of any claims or the nature, amount, extent or duration of any damages relating to any claims or the amount of any money, benefits, or compensation due the Executive or claimed by the Executive, or concerning the General Release or concerning any other thing or matter.

(h) Injunctive Relief. In the event of a breach or threatened breach by the Executive of this Section 6, the Executive agrees that the Company shall be entitled to injunctive relief in a court of appropriate jurisdiction to remedy any such breach or threatened breach, the Executive acknowledging that damages would be inadequate or insufficient.

7. Voluntariness. The Executive agrees that Executive is relying solely upon Executive's own judgment; that the Executive is over eighteen years of age and is legally competent to sign this General Release; that the Executive is signing this General Release of Executive's own free will; that the Executive has read and understood the General Release before signing it; and that the Executive is signing this General Release in exchange for consideration that Executive believes is satisfactory and adequate.

8. Legal Counsel. The Executive acknowledges that Executive has been informed of the right to consult with legal counsel and has been encouraged to do so.

9. Complete Agreement/Severability. Other than the agreements and/or obligations specifically referenced as surviving herein, this General Release constitutes the complete and final agreement between the parties and supersedes and replaces all prior or contemporaneous agreements, negotiations, or discussions relating to the subject matter of this General Release. All provisions and portions of this General Release are severable. If any provision or portion of this General Release or the application of any provision or portion of the General Release shall be determined to be invalid or unenforceable to any extent or for any reason, all other provisions and portions of this General Release shall remain in full force and shall continue to be enforceable to the fullest and greatest extent permitted by law.

10. Acceptance. The Executive acknowledges that Executive has been given a period of twenty-one (21) days within which to consider this General Release, unless applicable law requires a longer period, in which case the Executive shall be advised of such longer period and such longer period shall apply. The Executive may accept this General Release at any time within this period of time by signing the General Release and returning it to the Company.

11. Revocability. This General Release shall not become effective or enforceable until seven (7) calendar days after the Executive signs it. The Executive may revoke acceptance of this General Release at any time within that seven (7) calendar day period by sending written notice to the Company. Such notice must be received by the Company within the seven (7) calendar day period in order to be effective and, if so received, would void this General Release for all purposes.

12. Governing Law. Except for issues or matters as to which federal law is applicable, this General Release shall be governed by and construed and enforced in accordance with the laws of the Commonwealth of Massachusetts without giving effect to the conflicts of law principles thereof.

[Signature page follows]

IN WITNESS WHEREOF, the Executive has executed this General Release as of the date last set forth below.

EXECUTIVE

_____ Date: _____

November 12, 2022

Michael J. Vasconcelles

Dear Mike:

I am delighted to offer you the full-time position of Executive Vice President, Research, Development, and Medical Affairs at ImmunoGen, Inc. ("ImmunoGen" or the "Company"). This offer is made based on the following terms:

1. **Reporting.** Your role as the Executive Vice President, Research, Development, and Medical Affairs. This is a Corporate Officer position and is considered an Executive Officer position for purposes of the Severance Pay Plan. In your role, you will report directly to me.

2. **Start Date.** Your anticipated first day of employment will be no later than January 3, 2023 (the "Start Date"), subject to change by mutual agreement between you and ImmunoGen.

3. **Job Duties.** Your duties as an employee of the Company shall be commensurate with your role as an Executive Vice President, Research, Development, and Medical Affairs and shall be as determined by me in consultation with you. You agree to devote your best efforts during all business time to the performance of such responsibilities and agree that you will not perform any professional work outside your work for the Company without pre-approval from the Company, provided, however, that the foregoing shall not limit you from serving on the board of directors, advisory board, or similar body of another entity as permitted under ImmunoGen's Code of Corporate Conduct, and receiving compensation for such service.

4. **Work Location.** You will be expected to primarily work out of ImmunoGen's offices in Waltham, Massachusetts in accordance with our current hybrid-work schedule, which requires in-office attendance three days per week and allows for remote work up to two days per week.

5. **Annual Salary.** Upon commencement of your employment, you initially will be paid an annual base salary of $600,000, paid bi-weekly, less applicable federal, state, and/or local payroll and withholding taxes.

6. **Sign-On Bonus.** In addition to your annual base salary, subject to the terms of this letter, ImmunoGen will pay you a sign-on-bonus in the amount of $300,000 (the "Sign-On Bonus"), which will be paid to you on your first day of employment. If, within 12 months of your Start Date, you terminate your employment with the Company (other than by reason of death, disability, or for Good Reason as that term is defined in the "Change in Control Severance Agreement" (the "CIC Agreement"), or the Company terminates your employment for Cause (as that term is defined in the CIC Agreement), you agree to reimburse ImmunoGen a pro rata portion of your Sign-On Bonus (based on a period of 365 days). You agree to make any payment owed to ImmunoGen within 30 days of your termination date.

7. **Discretionary Annual Bonus.** You will be eligible for a discretionary annual bonus with a target of 45% of your annual base salary. If your employment begins in calendar year 2022, or your Start Date is postponed beyond January 3, 2023, your annual bonus will be pro-rated based on your Start Date. Bonuses are determined at the discretion of the Board of Directors and are based on a combination of Company and individual performance.

8. **Initial Equity Grant.** In consideration of your employment by the Company, ImmunoGen will grant you a stock option award covering 800,000 shares of our common stock (the "Stock Option Award") in accordance with the terms of the Company's Inducement Equity Incentive Plan. The Stock Option Award will vest over four years, with one-quarter of the shares covered by the award vesting on the first anniversary of the grant date, and thereafter an additional 6.25% of the shares covered by the award vesting on each succeeding quarterly anniversary of the grant date. The grant date for your Stock Option Award will be your Start Date. The per share strike price for the Stock Option Award will be the closing sale price

of ImmunoGen shares as reported on the Nasdaq Global Select Market on the grant date. ImmunoGen agrees that it will assess and discuss with you any material change in the Company valuation between the date of this Offer Letter and your Start Date which substantially alters the value of this initial equity grant and will consider adjusting the Stock Option Award to account for intervening factors affecting the value of the initial equity grant.

9. **Annual Equity Award.** Beginning in 2024, you will be eligible to receive an equity award grant under the 2018 Employee, Director and Consultant Equity Incentive Plan (or any successor plan) that is similar to those granted to other senior executives of the Company of comparable status, subject to variation based on individual performance. Any such grant is subject to the approval of the Compensation Committee of ImmunoGen's Board of Directors and will be made in conjunction with the Company's annual equity awards to employees, which generally occur in February or March of each year, subject to your continued employment.

10. **Benefits.** You will also be entitled to participate in the Company's benefit plans to the same extent as, and subject to the same terms, conditions and limitations as are generally applicable to Senior Executives of the Company. These benefits currently include paid time off, life, health, dental, and disability insurance, and a 401(k) retirement benefit. For a more detailed description of the benefits and the eligibility requirements, please consult the summary plan descriptions for the applicable programs, which will be made available to you upon request. Please note that these benefits may be modified in any way, at any time, by ImmunoGen at its sole discretion, with or without prior notice.

11. **Business Expense Reimbursement.** ImmunoGen will reimburse you for reasonable travel, entertainment, and other business expenses incurred by you in the performance of your duties, in accordance with the Company's expense reimbursement process.

12. **Vacation.** You are eligible to accrue up to 25 days of vacation time per calendar year. On your Start Date, you will immediately begin to accrue vacation time (accrued on a monthly basis) and will earn a pro-rata share of your 25-day annual allotment from your Start Date through the end of calendar year 2022. Under ImmunoGen's current vacation policy, you may carry over 10 days of vacation time from one calendar year to the following calendar year.

13. **Severance.** As an executive officer, you will be eligible for a severance arrangement that, under certain circumstances, will provide you with benefits in the event of your employment termination during specified periods preceding and following a change of control of the Company. The terms of the severance arrangement are set forth in the CIC Agreement attached to this letter as Addendum A. You will also be eligible to participate in the Company's Severance Pay Plan for Vice Presidents and Higher ("Severance Pay Plan" attached as Addendum B) which, under certain circumstances, will provide you with benefits in connection with a termination of your employment other than for Cause, and outside the context of a change in control of the Company. Your position as Executive Vice President, Research, Development, and Medical Affairs is considered an "Executive Officer" position for purposes of the Severance Pay Plan. The terms of the CIC Agreement and Severance Pay Plan will govern the provision of these benefits, modified as follows:

    a. With respect to Section IV(D) of the Severance Pay Plan, the word "material" is added to the third line, so that the section now reads: "Any Severance Benefits to which you may be entitled shall immediately cease upon the determination by the Company that you violated the ***material*** terms of the separation agreement or the Proprietary Information, Inventions and Competition Agreement between you and the Company."

    b. With respect to Section III(B)(2) of the Severance Pay Plan, any bonus amounts shall be paid no later than March 15 of the calendar year following the calendar year in which the Termination Date (as defined in the Severance Pay Plan) occurs.

c. With respect to Section III(A) of the Severance Pay Plan, any amount of Severance Pay that constitutes "deferred compensation" within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended will be paid in a lump sum on the sixtieth (60th) day following the Termination Date (as defined in the Severance Pay Plan), subject to Sections 11(C) and IV of the Severance Pay Plan.

d. With respect to Section II(C) of the Severance Pay Plan, the form of separation agreement as referenced therein and to be delivered to you in accordance with the terms of Section II(C) is attached to this offer letter as Addendum C.

e. With respect to Section 1(a) of the CIC Agreement, if the Company determines that your conduct meets the definition of Cause as provided for in subsections (ii), (vii), or (viii) of Section 1(a) and such conduct is susceptible of cure, you will be afforded a reasonable period (not to exceed twenty (20) business days) after receiving initial written notice from the Company regarding the conduct to substantially cure such conduct prior to the Company taking any action to terminate your employment for Cause.

f. With respect to Section 3(c)(ii) of the CIC Agreement, all outstanding options, restricted stock, and other similar rights held by you, shall become one hundred percent (100%) vested on the Termination Date (as defined in the CIC Agreement).

g. With respect to Section 3(c)(iv) of the CIC Agreement, any outplacement services must be used, and expenses paid, no later than December 31 of the second calendar year following the calendar year in which the Termination Date (as defined in the CIC Agreement) occurs.

h. With respect to Section 3(f) of the CIC Agreement, the Release (as defined in the CIC Agreement) must be executed and irrevocable no later than sixty (60) days following the Termination Date (as defined in the CIC Agreement), and the 90- day period referenced in Section 3(f) is amended to be the "60-day period".

i. With respect to Section 9 of the CIC Agreement, to the extent that there is a dispute concerning Good Reason pursuant to Section 3(b) of the CIC Agreement, the Company agrees to continue to pay your salary until the arbitration process as provided for in Section 9 of the CIC Agreement is concluded and a decision issued. To the extent that you prevail at arbitration, the Company will pay your reasonable attorney's fees and costs incurred by you related to such arbitration.

14. **Work Authorization and Verification.** ImmunoGen is required by the Immigration and Naturalization Service to verify that each employee is eligible to work in the United States. To that end, a list of acceptable forms of identification is attached. Please bring with you one item on List A, or a combination of one item on List B and List C. This offer is contingent upon your being able to establish that you are legally authorized to work in the United States.

15. **At-Will Employment.** Your employment with ImmunoGen will be at-will, terminable by either you or the Company at any time, for any legal reason, with or without notice. Nothing in this section modifies your rights under the CIC Agreement or Severance Pay Plan, but those agreements do not change the at-will nature of your employment with ImmunoGen.

16. **Proprietary Information and Inventions Agreement.** On your first day of employment, you will be required to sign our Proprietary Information and Inventions Agreement (attached as Addendum D), the CIC Agreement, and an acknowledgement that you agree to be bound by the Company's Insider Trading Policy. Copies of each of these documents accompany this letter. By accepting this offer and signing below, you acknowledge that your employment by the Company will not violate any agreement that you may have with a former employer or third party and that if there is any question that you are subject to such

agreement, you agree to provide a copy of that agreement to ImmunoGen before or in conjunction with returning this signed letter.

17. **Attorney's Fees.** The Company agrees to reimburse you for attorney's fees incurred for the review of this offer letter and other employment documents and agreements, subject to a cap of $15,000.

This offer will expire by close of business on November 23, 2022. Please acknowledge your understanding and agreement with the employment terms set forth in this letter by signing below.

I look forward to you joining ImmunoGen and to a productive and collaborative relationship.

Sincerely,

/s/ Mark J. Enyedy
Mark J. Enyedy
President and Chief Executive Officer

Acknowledged and agreed to:

/s/ Michael J. Vasconcelles
Michael J. Vasconcelles

December 7, 2022
Michael J. Vasconcelles

Re: First Amendment to Offer Letter

Dear Mike:

Further to our conversation and in reference to the terms of your Offer Letter dated November 12, 2022 (the "**Offer Letter**"), this First Amendment to the Offer Letter (the "**First Amendment**") sets out the understanding between us and modifications to the Offer Letter as follows:

1. Unless otherwise specifically set forth below, any capitalized terms used in this First Amendment shall have the meanings ascribed to them in the Offer Letter.

2. Effective as of the date of this First Amendment to the Offer Letter, numbered Paragraph 8 of the Offer Letter shall be amended as follows:

   Initial Equity Grant. In consideration of your employment by the Company, ImmunoGen will grant you a stock option award covering 960,000 shares of our common stock (the "Stock Option Award") in accordance with the terms of the Company's Inducement Equity Incentive Plan. The Stock Option Award will vest over four years, with one-quarter of the shares covered by the award vesting on the first anniversary of the grant date, and thereafter an additional 6.25% of the shares covered by the award vesting on each succeeding quarterly anniversary of the grant date. The grant date for your Stock Option Award will be your Start Date. The per share strike price for the Stock Option Award will be the closing sale price of ImmunoGen shares as reported on the Nasdaq Global Select Market on the grant date. ImmunoGen agrees that it will assess and discuss with you any material change in the Company valuation between the date of this Offer Letter and your Start Date which substantially alters the value of this initial equity grant and will consider adjusting the Stock Option Award to account for intervening factors affecting the value of the initial equity grant.

3. This First Amendment shall form an integral part of the Offer Letter. Unless expressly specified herein, all other terms and conditions in the Offer Letter shall remain in full force and effect.

4. If there is any contradiction or discrepancy between the terms of this First Amendment and those of the Offer Letter and/or any other agreement, the terms of this First Amendment shall control.

If you agree to the modifications set forth in this First Amendment, please sign and date below and return the signed document to me by email at mark.enyedy@immunogen.com.

Sincerely,

/s/ Mark J. Enyedy
Mark J. Enyedy
President and Chief Executive Officer

Acknowledged and agreed to:

/s/ Michael J. Vasconcelles
Michael J. Vasconcelles

December 10, 2022
Date

ImmunoGen, Inc.

Compensation Policy for Non-Employee Directors

(Effective December 15, 2022)

Objective

It is the objective of ImmunoGen, Inc. to compensate non-employee members (each, a "Director") of the Board of Directors (the "Board") in a manner that will enable the recruitment and retention of highly qualified Directors by fairly compensating them for their services as Directors.

Cash Compensation

Annual meeting fee for non-employee Directors:	$45,000 per annum, paid quarterly
Additional annual fees:	
(a) Lead Director / Chairman of the Board:[1]	$35,000 per annum, paid quarterly
(b) Chairman of the Audit Committee:	$20,000 per annum, paid quarterly
(c) Chairman of the Compensation Committee:	$15,000 per annum, paid quarterly
(d) Chairman of the G&N Committee:	$15,000 per annum, paid quarterly
(e) Other members of the Audit Committee	$10,000 per annum, paid quarterly
(f) Other members of the Compensation Committee	$7,500 per annum, paid quarterly
(g) Other members of the G&N Committee	$7,500 per annum, paid quarterly
(h) Members of the Clinical Committee	$7,500 per annum, paid quarterly

Quarterly payments shall be paid in arrears within 30 days following the end of each calendar quarter.[2] A non-employee Director may elect to receive any or all of his or her cash compensation in the form of deferred stock units ("DSUs") under the Company's 2004 Non-Employee Director Compensation and Deferred Share Unit Plan, as amended and restated as of December 15, 2022 (the "Deferred Share Unit Plan"), with the value of such DSUs determined by dividing the quarterly payment amount by the closing price per share of the Company's common stock, $0.01 par value ("Common Stock") on the Nasdaq Global Select Market on the determination date, which shall be the last day of the calendar quarter for which the retainer is being paid, rounded down to the nearest whole share.

[1] Payable to non-employee Chairman of the Board only.

[2] Quarterly payments will be appropriately pro-rated for Directors who retire, resign, or are otherwise removed from the Board prior to the end of a calendar quarter.

All deferral elections with respect to quarterly payments under the Deferred Share Unit Plan shall be made annually by December 31st of the year prior to the year of service to which the quarterly payment relates, with such election being effective for all payments to be made in the following calendar year. New non-employee Directors shall make their elections within 30 days of their initial appointment or election to the Board for all payments to be made in that calendar year. Any such election shall be prospective only for compensation attributable to services performed after the effective date of such election and any amounts covered by such election shall be prorated as necessary. Each non-employee Director shall be deemed to have elected to receive his or her quarterly payments in cash for periods prior to any such election or if no timely election shall have been made. Notwithstanding the foregoing, a previous deferral election made by a non-employee Director pursuant to the Deferred Share Unit Plan shall remain in effect for subsequent calendar years until it is changed by the timely and effective completion, signature and delivery to the Company of a new election form, in accordance with the terms of the Deferred Share Unit Plan.

Following an effective election as described above, DSUs shall be granted without any further action by the Compensation Committee of the Board (the "Compensation Committee"). These awards are fully vested as to all of the issued DSUs on the date of grant.

A non-employee Director may also elect to be issued, on each quarterly payment date, a number of shares of Common Stock under the Company's Amended and Restated 2018 Employee, Director and Consultant Equity Incentive Plan (the "2018 Plan") determined by dividing the quarterly payment amount by the closing price per share of Common Stock on the Nasdaq Global Select Market on the determination date, which shall be the last day of the calendar quarter for which the retainer is being paid, rounded down to the nearest whole share. Any such election to receive shares of Common Stock in lieu of all, or a portion, of a cash retainer must be delivered in writing (including electronic mail) on an annual basis by December 31st of the year prior to the year of service to which the quarterly payment relates.

Equity Compensation

1. Restricted Stock Units (RSUs).

(a) Initial RSU Awards. New non-employee Directors will automatically be awarded, without any further action by the Compensation Committee, 30,000 RSUs (each RSU relating to one (1) share of Common Stock) on the date of their initial election or appointment to the Board (the "date of grant"). This award will vest pro rata, on an annual basis as to one-third (1/3) of the RSUs on each of the first, second, and third anniversaries of the date of grant, with the number of RSUs that vests on any such date being rounded down to the nearest whole RSU, except for the third anniversary of the date of grant when one hundred percent (100%) of the RSUs shall be vested, provided, in each case, that the non-employee Director is then, and since the date of grant has continuously been, a member of the Board, except as expressly provided for below.

(b) Annual RSU Awards. Non-employee Directors will automatically be awarded, on an annual basis and without further action by the Compensation Committee, 15,000 RSUs on the earlier of the date of the Company's annual meeting of shareholders or June 30 of the applicable year (the "date of grant"). These awards will vest on the one-year anniversary of the date of grant, or, if sooner, on the date of the Company's next annual meeting of shareholders following the date of grant, provided in each case that the non-employee Director is then, and since the date

of grant has continuously been, a member of the Board, except as expressly provided for below. If a non-employee Director is first elected to the Board other than at an annual meeting of shareholders, the number of RSUs subject to such non-employee Director's first annual RSU award shall be pro-rated, based on the number of days between his or her date of election and the date of grant of his or her first annual RSU award. If a non-Employee Director is first elected to the Board at an annual meeting of shareholders, he or she is ineligible to receive his or her first annual RSU award until the following year.[3]

(c) Terms of Grant. All RSU awards granted to non-employee Directors under this policy are granted under the 2018 Plan and are subject to the terms and conditions set forth in the 2018 Plan and the form of Restricted Stock Unit Agreement approved by the Board on December 15, 2022. In the event a Director ceases to serve as a member of the Board due to the death or Disability (as defined in the 2018 Plan) of the Director, upon such cessation of service, any then-unvested RSUs will fully vest. In the event of a Change of Control (as defined in the 2018 Plan), any then-unvested RSUs will fully vest, provided that the Director is then, and since the date of grant has continuously been, a member of the Board. All capitalized terms that are not defined herein shall have the meanings set forth in the 2018 Plan.

(d) Deferral of RSUs. All RSU awards granted to non-employee Directors are eligible for deferral and/or re-deferral, as the case may be, in each case pursuant to the terms of the Deferred Share Unit Plan.

2. Stock Options.

(a) Initial Stock Option Awards. New non-employee Directors will automatically be granted, without any further action by the Compensation Committee, a stock option award covering 44,000 shares of Common Stock on the date of their initial election or appointment to the Board (the "date of grant"). This award (i) will be granted with an exercise price equal to the closing price per share of the Common Stock on the Nasdaq Global Select Market on the date of grant, (ii) will vest pro rata, on a quarterly basis over a three-year period, as to eight and one-third percent (8-1/3%) of the number of shares covered by such award per quarter on each of September 1, December 1, March 1 and June 1 following the date of grant, beginning with the first such date to occur following the date of grant, with the number of underlying shares that vests on any such date being rounded down to the nearest whole share, except for the twelfth vesting date when one hundred percent (100%) of the underlying shares shall be vested, provided in each case that the non-employee Director is then, and since the date of grant has continuously been, a member of the Board, and (iii) will expire on the tenth (10th) anniversary of the date of grant.

(b) Annual Stock Option Grants. Non-employee Directors will automatically be granted, on an annual basis and without further action by the Compensation Committee, stock option awards covering 44,000 shares of Common Stock on the earlier of the date of the Company's annual meeting of shareholders or June 30 of the applicable year. These awards (i) will be granted with an exercise price equal to the closing price per share of the Common Stock on the Nasdaq Global Select Market on the date of grant, (ii) will vest pro rata, on a quarterly basis over

[3] Any Director who transitions from an employee director to a non-employee Director without a break in service shall not be eligible to receive an award of RSUs under paragraphs 1(a), but shall be eligible to receive awards under paragraph 1(b), beginning with the first annual meeting of shareholders on or after the date on which such Director ceases to be an employee of the Company.

a one-year period, as to twenty-five percent (25%) of the number of shares covered by such awards per quarter on each of September 1, December 1, March 1 and June 1 following the date of grant, beginning with the first such date to occur following the date of grant, with the number of underlying shares that vests on any such date being rounded down to the nearest whole share, except for the fourth vesting date when one hundred percent (100%) of the underlying shares shall be vested, provided in each case that the non-employee Director is then, and since the date of grant has continuously been, a member of the Board, and (iii) will expire on the tenth (10th) anniversary of the date of grant. If a non-employee Director is first elected to the Board other than at an annual meeting of shareholders, the number of shares covered by such non-employee Director's first annual stock option award shall be pro-rated, based on the number of days between his or her date of election and the date of grant of his or her first annual stock option award. If a non-employee Director is first elected to the Board at an annual meeting of shareholders, he or she is ineligible to receive his or her first annual stock option award until the following year.[4]

(c) Terms of Grant. All stock option awards to non-employee Directors under this policy are granted under the 2018 Plan and are subject to the terms and conditions set forth in the 2018 Plan and the form of Director Option Agreement approved by the Compensation Committee on December 15, 2022. In the event a Director ceases to serve as a member of the Board due to the death or Disability (as defined in the 2018 Plan) of the Director, upon such cessation of service, a pro rata portion of any then-unvested stock options will vest, with such pro rata portion determined based on the number of days accrued in the current vesting period prior to the date of the Director's death or Disability. In the event of a Change of Control (as defined in the 2018 Plan), any then-unvested stock options will fully vest, provided that the Director is then, and since the date of grant has continuously been, a member of the Board. All capitalized terms that are not defined herein shall have the meanings set forth in the 2018 Plan. Notwithstanding anything in the 2018 Plan or any Director Option Agreement to the contrary, in the event of the director's cessation of service on the Board (other than due to Cause, as defined in the 2018 Plan), each outstanding and vested stock option award shall remain exercisable until the earlier of (i) the end of the 18-month period measured from the non-employee Director's date of retirement and (ii) the expiration date for such stock option specified in the Director Option Agreement.

Expense Reimbursements

Directors are entitled to be reimbursed for their reasonable expenses incurred in connection with attendance at Board and committee meetings during their tenure as Directors. Any reimbursement in one calendar year shall not affect the amount that may be reimbursed in any other calendar year and a reimbursement (or right thereto) may not be exchanged or liquidated for another benefit or payment. Any business expense reimbursements subject to Section 409A of the Internal Revenue Code of 1986, as amended, shall be made no later than the

[4] Any Director who transitions from an employee to a non-employee Director without a break in service shall not be eligible to receive a stock option award under paragraph 2(a), but shall be eligible to receive awards under paragraph 2(b), beginning with the first annual meeting of shareholders on or after the date on which such Director ceases to be an employee of the Company.

end of the calendar year following the calendar year in which such business expense is incurred by the Director.

Approved by the Board of Directors: December 15, 2022

IMMUNOGEN, INC.

INDUCEMENT EQUITY INCENTIVE PLAN, AS AMENDED

1. *DEFINITIONS.*

Unless otherwise specified or unless the context otherwise requires, the following terms, as used in this ImmunoGen, Inc. Inducement Equity Incentive Plan, have the following meanings:

Administrator means the Board of Directors, unless it has delegated power to act on its behalf to the Committee, in which case the Administrator means the Committee.

Affiliate means a corporation which, for purposes of Section 424 of the Code, is a parent or subsidiary of the Company, direct or indirect.

Agreement means an agreement between the Company and a Participant delivered pursuant to the Plan, in such form as the Administrator shall approve.

Board of Directors means the Board of Directors of the Company.

Cause shall include (and is not limited to) dishonesty with respect to the Company or any Affiliate, insubordination, substantial malfeasance or non-feasance of duty, unauthorized disclosure of confidential information, breach by the Participant of any provision of any employment, consulting, advisory, nondisclosure, non-competition or similar agreement between the Participant and the Company or any Affiliate, and conduct substantially prejudicial to the business of the Company or any Affiliate provided, however that any provision in an agreement between the Participant and the Company or an Affiliate, which contains a conflicting definition of "cause" for termination and which is in effect at the time of such termination, shall supersede the definition in this Plan with respect to that Participant. The determination of the Administrator as to the existence of Cause will be conclusive on the Participant and the Company.

Change of Control means the occurrence of any of the following events:

(i) Ownership. Any "Person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended) becomes the "Beneficial Owner" (as defined in Rule 13d-3 under said Act), directly or indirectly, of securities of the Company representing 50% or more of the total voting power represented by the Company's then outstanding voting securities (excluding for this purpose any such voting securities held by the Company or its Affiliates or by any employee benefit plan of the Company)

pursuant to a transaction or a series of related transactions which the Board of Directors does not approve; or

(ii) Merger/Sale of Assets. (A) A merger or consolidation of the Company whether or not approved by the Board of Directors, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or the parent of such corporation) more than 50% of the total voting power represented by the voting securities of the Company or such surviving entity or parent of such corporation, as the case may be, outstanding immediately after such merger or consolidation; or (B) the sale or disposition by the Company of all or substantially all of the Company's assets in a transaction requiring shareholder approval; or

(iii) Change in Board Composition. A change in the composition of the Board of Directors, as a result of which fewer than a majority of the directors are Incumbent Directors. "Incumbent Directors" shall mean directors who either (A) are directors of the Company as of March 28, 2018, or (B) are elected, or nominated for election, to the Board of Directors with the affirmative votes of at least a majority of the Incumbent Directors at the time of such election or nomination (but shall not include an individual whose election or nomination is in connection with an actual or threatened proxy contest relating to the election of directors to the Company);

provided, that if any payment or benefit payable hereunder upon or following a Change of Control would be required to comply with the limitations of Section 409A(a)(2)(A)(v) of the Code in order to avoid an additional tax under Section 409A of the Code, such payment or benefit shall be made only if such Change in Control constitutes a change in ownership or control of the Company, or a change in ownership of the Company's assets in accordance with Section 409A of the Code.

Code means the United States Internal Revenue Code of 1986, as amended, including any successor statute, regulation and guidance thereto.

Committee means the compensation committee of the Board of Directors (as constituted in compliance with Rule 5605(d)(2) of the Nasdaq Listing Rules) in order to comply with the exemption from the stockholder approval requirement for "inducement grants" provided under Rule 5635(c)(4) of the Nasdaq Listing Rules.

Common Stock means shares of the Company's common stock, $.01 par value per share.

Company means ImmunoGen, Inc., a Massachusetts corporation.

Disability or *Disabled* means permanent and total disability as defined in Section 22(e)(3) of the Code.

Employee means any employee of the Company or of an Affiliate designated by the Administrator to be eligible to be granted one or more Stock Rights under the Plan.

Fair Market Value of a Share of Common Stock means:

(1) If the Common Stock is listed on a national securities exchange or traded in the over-the-counter market and sales prices are regularly reported for the Common Stock, the closing or, if not applicable, the last price of the Common Stock on the composite tape or other comparable reporting system for the trading day on the applicable date, and if such applicable date is not a trading day, the last market trading day prior to such date;

(2) If the Common Stock is not traded on a national securities exchange but is traded on the over-the-counter market, if sales prices are not regularly reported for the Common Stock for the trading day referred to in clause (1), and if bid and asked prices for the Common Stock are regularly reported, the mean between the bid and the asked price for the Common Stock at the close of trading in the over-the-counter market for the trading day on which Common Stock was traded on the applicable date, and if such applicable date is not a trading day, the last market trading day prior to such date; and

(3) If the Common Stock is neither listed on a national securities exchange nor traded in the over-the-counter market, such value as the Administrator, in good faith, shall determine in compliance with applicable laws.

Full Value Award means a Stock Grant or other Stock-Based Award whose intrinsic value is not solely dependent on appreciation in the price of the Common Stock after the date of grant.

Non-Qualified Option means an option which is not intended to qualify as an incentive stock option under Section 422 of the Code.

Option means a Non-Qualified Option granted under the Plan.

Participant means an Employee of the Company or an Affiliate to whom one or more Stock Rights are granted under the Plan. As used herein, “Participant” shall include “Participant’s Survivors” where the context requires.

Performance Based Award means a Stock Grant or Stock-Based Award which vests based on attainment of Performance Goals as set forth in Paragraph 9 hereof.

Performance Goals means performance goals determined by the Committee in its sole discretion and set forth in an Agreement. The satisfaction of Performance Goals shall be subject to certification by the Committee. The Committee has the authority to take appropriate action with respect to the Performance Goals (including, without limitation, to make adjustments to the Performance Goals or determine the satisfaction of the Performance Goals, in each case, in connection with a Corporate Transaction) provided that any such actions do not otherwise violate the terms of the Plan.

Plan means this ImmunoGen, Inc. Inducement Equity Incentive Plan.

Shares means shares of the Common Stock as to which Stock Rights have been or may be granted under the Plan or any shares of capital stock into which the Shares are changed or for which they are exchanged within the provisions of Paragraph 25 of the Plan. The Shares issued under the Plan may be authorized and unissued shares or shares held by the Company in its treasury, or both.

Stock-Based Award means a grant by the Company under the Plan of an equity award or an equity based award which is not an Option or a Stock Grant.

Stock Grant means a grant by the Company of Shares under the Plan.

Stock Right means a right to Shares or the value of Shares of the Company granted pursuant to the Plan -- a Non-Qualified Option, a Stock Grant or a Stock-Based Award.

Survivor means a deceased Participant's legal representatives and/or any person or persons who acquired the Participant's rights to a Stock Right by will or by the laws of descent and distribution.

2. *PURPOSES OF THE PLAN.*

The Plan is intended to advance the interests of the Company's shareholders by enhancing the Company's ability to attract new Employees who are expected to make important contributions to the Company and by providing such persons with equity ownership opportunities that are intended to better align the interests of such persons with those of the Company's shareholders. The Plan provides for the granting of Non-Qualified Options, Stock Grants and Stock-Based Awards. The Company intends that the Plan be reserved for persons to whom the Company may issue securities without shareholder approval as an inducement pursuant to Listing Rule 5635(c)(4) of the corporate governance rules of the Nasdaq Stock Market.

3. *SHARES SUBJECT TO THE PLAN.*

(a) The number of Shares which may be issued from time to time pursuant to this Plan shall be 13,500,000 shares of Common Stock, or the equivalent of such number of Shares after the Administrator, in its sole discretion, has interpreted the effect of any stock split, stock dividend, combination, recapitalization or similar transaction in accordance with Paragraph 25 of this Plan.

(b) If an Option ceases to be "outstanding", in whole or in part (other than by exercise), or if the Company shall reacquire (at not more than its original issuance price) any Shares issued pursuant to a Stock Grant or Stock-Based Award, or if any Stock Right expires or is forfeited, cancelled, or otherwise terminated or results in any Shares not being issued, the unissued or reacquired Shares which were subject to such Stock Right shall again be available for issuance from time to time pursuant to this Plan. Notwithstanding the foregoing, if a Stock Right is exercised, in whole or in part, by tender of Shares or if the Company's or an Affiliate's tax withholding obligation is satisfied by withholding Shares, the number of Shares deemed to have been issued under the Plan for purposes of the limitations set forth in Paragraph 3(a) above shall be the number of Shares that were subject to the Stock Right or portion thereof, and not the net number of Shares actually issued and any stock appreciation right to be settled in shares of Common Stock shall be counted in full against the number of Shares available for issuance under the Plan, regardless of the number of exercise gain shares issued upon settlement of the stock appreciation right. In addition, Shares repurchased by the Company with the proceeds of the option exercise price may not be reissued under the Plan.

(c) For purposes of determining the number of Shares available for issuance under Paragraph 3(a) above, (i) for the grant of any Option or similar Stock-Based Award one Share for each Share actually subject to such Option or similar Stock-Based Award shall be deducted, and (ii) for the grant of any Full Value Award, one and one-quarter (1.25) Shares for each Share actually subject to any such Full Value Award shall be deducted. If a Full Value Award expires, is forfeited, or otherwise lapses, the Shares that were subject to the Full Value Award shall be restored to the total number of Shares available for grant as were deducted as Full Value Awards pursuant to this paragraph. Except in the case of death, disability or Change of Control, or as provided in the next sentence, no Stock Right shall vest, and no right of the Company to restrict or reacquire Shares subject to Full Value Awards shall lapse, less than one (1) year from the date of grant. Notwithstanding the foregoing, Stock Rights may be granted having time-based vesting of less than one (1) year from the date of grant so long as no more than five percent (5%) of the Shares reserved for issuance under the Plan pursuant to Paragraph 3(a) above (as adjusted under Paragraph 25 of this Plan) may be granted in the aggregate pursuant to such awards.

4. *ADMINISTRATION OF THE PLAN.*

The Administrator of the Plan will be the Board of Directors, except to the extent the Board of Directors delegates its authority to the Committee, in which case the Committee shall be the Administrator. Subject to the provisions of the Plan, the Administrator is authorized to:

a. Interpret the provisions of the Plan and all Stock Rights and to make all rules and determinations which it deems necessary or advisable for the administration of the Plan;

b. Determine which Employees shall be granted Stock Rights;

c. Determine the number of Shares for which a Stock Right or Stock Rights shall be granted;

d. Specify the terms and conditions upon which a Stock Right or Stock Rights may be granted;

e. Make any adjustments in the Performance Goals included in any Performance-Based Awards;

f. Amend any term or condition of any outstanding Stock Right, other than reducing the exercise price or purchase price or extending the expiration date of an Option, provided that (i) such term or condition as amended is not prohibited by the Plan; (ii) any such amendment shall not impair the rights of a Participant under any Stock Right previously granted without such Participant's consent or in the event of death of the Participant the Participant's Survivors; and (iii) any such amendment shall be made only after the Administrator determines whether such amendment would cause any adverse tax consequences to the Participant, including, but not limited to, pursuant to Section 409A of the Code; and

g. Adopt any sub-plans applicable to residents of any specified jurisdiction as it deems necessary or appropriate in order to comply with or take advantage of any tax or other laws applicable to the Company or to Plan Participants or to otherwise facilitate the administration of the Plan, which sub-plans may include additional restrictions or conditions applicable to Stock Rights or Shares issuable pursuant to a Stock Right;

provided, however, that all such interpretations, rules, determinations, terms and conditions shall be made and prescribed in the context of not causing any adverse tax consequences under Section 409A of the Code. Subject to the foregoing, the interpretation and construction by the Administrator of any provisions of the Plan or of any Stock Right granted under it shall be final, unless otherwise determined by the Board of Directors, if the Administrator is the Committee. In addition, if the Administrator is the Committee, the Board of Directors may take any action under the Plan that would otherwise be the responsibility of the Committee.

Notwithstanding the foregoing, any grants of Stock Rights under the Plan made by the Board of Directors must be approved by a majority of the Company's independent directors (as defined in rule 5605(a)(2) of the Nasdaq Listing Rules) in order to comply with Nasdaq Listing Rule 5635(c)(4).

5. *ELIGIBILITY FOR PARTICIPATION.*

The Administrator will, in its sole discretion, name the Participants in the Plan, provided, however, that each Participant must be an Employee of the Company or of an Affiliate at the time a Stock Right is granted and a person to whom the Company may issue securities without shareholder approval as an inducement pursuant to Listing Rule 5635(c)(4) of the corporate governance rules of the Nasdaq Stock Market. Notwithstanding the foregoing, the Administrator may authorize the grant of a Stock Right to a person not then an Employee of the Company or of an Affiliate; provided, however, that the actual grant of such Stock Right shall be conditioned upon such person becoming eligible to become a Participant at or prior to the time of the execution of the Agreement evidencing such Stock Right. The granting of any Stock Right to any individual shall neither entitle that individual to, nor disqualify him or her from, participation in any other grant of Stock Rights or any grants under any other benefit plan established by the Company or any Affiliate for Employees.

6. *TERMS AND CONDITIONS OF OPTIONS.*

Each Option shall be set forth in writing in an Option Agreement, duly executed by the Company (or provided in electronic form by the Company) and, to the extent required by law or requested by the Company, by the Participant. The Administrator may provide that Options be granted subject to such terms and conditions, consistent with the terms and conditions specifically required under this Plan, as the Administrator may deem appropriate. The Option Agreements shall be subject to at least the following terms and conditions:

Each Option shall be a Non-Qualified Option and shall be subject to the terms and conditions which the Administrator determines to be appropriate and in the best interest of the Company, subject to the following minimum standards for any such Non-Qualified Option:

a. *Exercise Price:* Each Option Agreement shall state the exercise price (per share) of the Shares covered by each Option, which exercise price shall be determined by the Administrator but shall not be less than the Fair Market Value per share of Common Stock on the date of grant of the Option.

b. *Number of Shares:* Each Option Agreement shall state the number of Shares to which it pertains.

c. *Vesting Periods:* Each Option Agreement shall state the date or dates on which it first is exercisable and the date after which it may no longer be exercised, provided that each Option shall terminate not more than ten years from the date of the grant. Each Option Agreement may provide that the Option rights accrue or become exercisable in installments over a period of months or years, or upon the occurrence of certain conditions or the attainment of stated performance goals or events.

d. *Option Conditions:* Exercise of any Option may be conditioned upon the Participant’s execution of a Share purchase agreement in form satisfactory to the

Administrator providing for certain protections for the Company and its other shareholders, including requirements that:

i. The Participant's or the Participant's Survivors' right to sell or transfer the Shares may be restricted; and

ii. The Participant or the Participant's Survivors may be required to execute letters of investment intent and must also acknowledge that the Shares will bear legends noting any applicable restrictions.

7. *TERMS AND CONDITIONS OF STOCK GRANTS.*

Each Stock Grant to a Participant shall state the principal terms in an Agreement, duly executed by the Company (or provided in electronic form by the Company) and, to the extent required by law or requested by the Company, by the Participant. The Agreement shall be in a form approved by the Administrator and shall contain terms and conditions which the Administrator determines to be appropriate and in the best interest of the Company, subject to the following minimum standards:

(a) Each Agreement shall state the purchase price (per share), if any, of the Shares covered by each Stock Grant, which purchase price shall be determined by the Administrator but shall not be less than the minimum consideration required by the Massachusetts General Corporation Law on the date of the grant of the Stock Grant;

(b) Each Agreement shall state the number of Shares to which the Stock Grant pertains;

(c) Each Agreement shall include the terms of any right of the Company to restrict or reacquire the Shares subject to the Stock Grant, including the time period or attainment of Performance Goals upon which such rights shall accrue and the purchase price therefor, if any; and

(d) Dividends (other than stock dividends to be issued pursuant to Section 25 of the Plan) may accrue but shall not be paid prior to the time, and only to the extent that, the restrictions or rights to reacquire the Shares subject to the Stock Grant lapse.

8. *TERMS AND CONDITIONS OF OTHER STOCK-BASED AWARDS.*

The Administrator shall have the right to grant other Stock-Based Awards based upon the Common Stock having such terms and conditions as the Administrator may determine, including, without limitation, the grant of Shares based upon certain conditions, the grant of securities convertible into Shares and the grant of stock appreciation rights, phantom stock awards, stock units deferred or otherwise. The principal terms of each Stock-Based Award shall be set forth in an Agreement, duly executed by the Company (or provided in electronic form by the Company) and, to the extent required by law or requested by the Company, by the Participant. The Agreement

shall be in a form approved by the Administrator and shall contain terms and conditions which the Administrator determines to be appropriate and in the best interest of the Company. Each Agreement shall include the terms of any right of the Company including the right to terminate the Stock-Based Award without the issuance of Shares, the terms of any vesting conditions, Performance Goals or events upon which Shares shall be issued provided that dividends (other than stock dividends to be issued pursuant to Section 25 of the Plan) or dividend equivalents may accrue but shall not be paid prior to and only to the extent that, the Shares subject to the Stock-Based Award vest. Under no circumstances may the Agreement covering stock appreciation rights (a) have an exercise price (per share) that is less than the Fair Market Value per share of Common Stock on the date of grant or (b) expire more than ten years following the date of grant.

The Company intends that the Plan and any Stock-Based Awards granted hereunder be exempt from the application of Section 409A of the Code or meet the requirements of paragraphs (2), (3) and (4) of subsection (a) of Section 409A of the Code, to the extent applicable, and be operated in accordance with Section 409A so that any compensation deferred under any Stock-Based Award (and applicable investment earnings) shall not be included in income under Section 409A of the Code. Any ambiguities in the Plan shall be construed to effect the intent as described in this Paragraph 8.

9. *PERFORMANCE BASED AWARDS.*

The Committee shall determine whether, with respect to a performance period, the applicable Performance Goals have been met with respect to a given Participant and, if they have, to so certify and ascertain the amount of the applicable Performance-Based Award. No Performance-Based Awards will be issued for such performance period until such certification is made by the Committee. The number of Shares issued in respect of a Performance-Based Award determined by the Committee for a performance period shall be paid to the Participant at such time as determined by the Committee in its sole discretion after the end of such performance period and any dividends (other than stock dividends to be issued pursuant to Section 25 of the Plan) or dividend equivalents that accrue shall only be paid in respect of the number of Shares earned in respect of a Performance-Based Award.

10. *EXERCISE OF OPTIONS AND ISSUE OF SHARES.*

An Option (or any part or installment thereof) shall be exercised by giving written notice (in a form acceptable to the Administrator which may include electronic notice) to the Company or its designee, together with provision for payment of the aggregate exercise price in accordance with this Paragraph for the Shares as to which the Option is being exercised, and upon compliance with any other condition(s) set forth in the Option Agreement. Such notice shall be signed by the person exercising the Option, shall state the number of Shares with respect to which the Option is being exercised and shall contain any representation required by the Plan or the Option Agreement. Payment of the exercise price for the Shares as to which such Option is being exercised shall be made (a) in United States dollars in cash or by check, or (b) at the discretion of the Administrator, through delivery of shares of Common Stock having a Fair Market Value equal as of the date of

the exercise to the cash exercise price of the Option and held for at least six months (if required to avoid negative accounting treatment), or (c) at the discretion of the Administrator, by having the Company retain from the Shares otherwise issuable upon exercise of the Option, a number of shares having a Fair Market Value equal as of the date of exercise to the aggregate exercise price of the number of Shares being exercised, or (d) at the discretion of the Administrator, in accordance with a cashless exercise program established with a securities brokerage firm, and approved by the Administrator, or (e) at the discretion of the Administrator, by any combination of (a), (b), (c) and (d) above or (f) at the discretion of the Administrator, payment of such other lawful consideration as the Administrator may determine.

The Company shall then reasonably promptly deliver the Shares as to which such Option was exercised to the Participant (or to the Participant's Survivors, as the case may be). In determining what constitutes "reasonably promptly," it is expressly understood that the issuance and delivery of the Shares may be delayed by the Company in order to comply with any law or regulation (including, without limitation, state securities or "blue sky" laws) which requires the Company to take any action with respect to the Shares prior to their issuance. The Shares shall, upon delivery, be fully paid, non-assessable Shares.

The Administrator shall have the right to accelerate the date of exercise of any installment of any Option.

The Administrator may, in its discretion, amend any term or condition of an outstanding Option provided (i) such term or condition as amended is not prohibited by the Plan, (ii) any such amendment shall be made only with the consent of the Participant to whom the Option was granted, or in the event of the death of the Participant, the Participant's Survivors, if the amendment is adverse to the Participant, and (iii) any such amendment of any Option shall be made only after the Administrator determines whether such amendment would cause any adverse tax consequences for the holder of such Option including, but not limited to, pursuant to Section 409A of the Code.

11. *ACCEPTANCE OF STOCK GRANTS AND STOCK-BASED AWARDS AND ISSUE OF SHARES.*

A Stock Grant or Stock-Based Award (or any part or installment thereof) shall be accepted by executing the applicable Agreement and delivering it to the Company or its designee, together with provision for payment of the full purchase price, if any, in accordance with this Paragraph for the Shares as to which such Stock Grant or Stock-Based Award is being accepted, and upon compliance with any other conditions set forth in the applicable Agreement. Payment of the purchase price for the Shares as to which such Stock Grant or Stock-Based Award is being accepted shall be made (a) in United States dollars in cash or by check, or (b) at the discretion of the Administrator, through delivery of shares of Common Stock held for at least six months (if required to avoid negative accounting treatment) and having a Fair Market Value equal as of the date of acceptance of the Stock Grant or Stock Based-Award to the purchase price of the Stock Grant or Stock-Based Award, or (c) at the discretion of the Administrator, by any combination of (a) and (b) above; or (d) at the discretion of the Administrator, payment of such other lawful consideration as the Administrator may determine.

The Company shall then, if required by the applicable Agreement, reasonably promptly deliver the Shares as to which such Stock Grant or Stock-Based Award was accepted to the Participant (or to the Participant's Survivors, as the case may be), subject to any escrow provision set forth in the applicable Agreement. In determining what constitutes "reasonably promptly," it is expressly understood that the issuance and delivery of the Shares may be delayed by the Company in order to comply with any law or regulation (including, without limitation, state securities or "blue sky" laws) which requires the Company to take any action with respect to the Shares prior to their issuance.

12. *RIGHTS AS A SHAREHOLDER.*

No Participant to whom a Stock Right has been granted shall have rights as a shareholder with respect to any Shares covered by such Stock Right, except after due exercise of the Option or issuance of Shares as set forth in any Agreement, and tender of the aggregate exercise or full purchase price, if any, for the Shares being purchased pursuant to such exercise or acceptance and registration of the Shares in the Company's share register in the name of the Participant.

13. *ASSIGNABILITY AND TRANSFERABILITY OF STOCK RIGHTS.*

By its terms, a Stock Right granted to a Participant shall not be transferable by the Participant other than (i) by will or by the laws of descent and distribution, or (ii) as approved by the Administrator in its discretion and set forth in the applicable Agreement; provided that no Stock Right may be transferred by a Participant for value. The designation of a beneficiary of a Stock Right by a Participant, with the prior approval of the Administrator and in such form as the Administrator shall prescribe, shall not be deemed a transfer prohibited by this Paragraph. Except as provided above, a Stock Right shall only be exercisable or may only be accepted, during the Participant's lifetime, by such Participant (or by his or her legal representative) and shall not be assigned, pledged or hypothecated in any way (whether by operation of law or otherwise) and shall not be subject to execution, attachment or similar process. Any attempted transfer, assignment, pledge, hypothecation or other disposition of any Stock Right or of any rights granted thereunder contrary to the provisions of this Plan, or the levy of any attachment or similar process upon a Stock Right, shall be null and void.

14. *EFFECT ON OPTIONS OF TERMINATION OF SERVICE OTHER THAN FOR CAUSE OR DEATH OR DISABILITY.*

Except as otherwise provided in a Participant's Option Agreement, in the event of a termination of service (whether as an Employee, director or consultant) with the Company or an Affiliate before the Participant has exercised an Option, the following rules apply:

a. A Participant who ceases to be an Employee, director or consultant of the Company or of an Affiliate (for any reason other than termination for Cause, Disability, or

death for which events there are special rules in Paragraphs 15, 16, and 17, respectively), may exercise any Option granted to him or her to the extent that the Option is exercisable on the date of such termination of service, but only within such term as the Administrator has designated in a Participant's Option Agreement.

b. [Reserved]

c. The provisions of this Paragraph, and not the provisions of Paragraph 16 or 17, shall apply to a Participant who subsequently becomes Disabled or dies after the termination of employment, director status or consultancy; provided, however, in the case of a Participant's Disability or death within three months after the termination of employment, director status or consultancy, the Participant or the Participant's Survivors may exercise the Option within one year after the date of the Participant's termination of service, but in no event after the date of expiration of the term of the Option.

d. Notwithstanding anything herein to the contrary, if subsequent to a Participant's termination of employment, termination of director status or termination of consultancy, but prior to the exercise of an Option, the Administrator determines that, either prior or subsequent to the Participant's termination, the Participant engaged in conduct which would constitute Cause, then such Participant shall forthwith cease to have any right to exercise any Option.

e. A Participant to whom an Option has been granted under the Plan who is absent from the Company or an Affiliate because of temporary disability (any disability other than a Disability as defined in Paragraph 1 hereof), or who is on leave of absence for any purpose, shall not, during the period of any such absence, be deemed, by virtue of such absence alone, to have terminated such Participant's employment, director status or consultancy with the Company or with an Affiliate, except as the Administrator may otherwise expressly provide.

f. Except as required by law or as set forth in a Participant's Option Agreement, Options granted under the Plan shall not be affected by any change of a Participant's status within or among the Company and any Affiliates, so long as the Participant continues to be an Employee, director or consultant of the Company or any Affiliate.

15. *EFFECT ON OPTIONS OF TERMINATION OF SERVICE FOR CAUSE.*

Except as otherwise provided in a Participant's Option Agreement, the following rules apply if the Participant's service (whether as an Employee, director or consultant) with the Company or an Affiliate is terminated for Cause prior to the time that all his or her outstanding Options have been exercised:

a. All outstanding and unexercised Options as of the time the Participant is notified his or her service is terminated for Cause will immediately be forfeited.

b. Cause is not limited to events which have occurred prior to a Participant's termination of service, nor is it necessary that the Administrator's finding of Cause occur prior to termination. If the Administrator determines, subsequent to a Participant's termination of service but prior to the exercise of an Option, that either prior or subsequent to the Participant's termination the Participant engaged in conduct which would constitute Cause, then the right to exercise any Option is forfeited.

16. *EFFECT ON OPTIONS OF TERMINATION OF SERVICE FOR DISABILITY.*

Except as otherwise provided in a Participant's Option Agreement:

a. A Participant who ceases to be an Employee, director or consultant of the Company or of an Affiliate by reason of Disability may exercise any Option granted to such Participant:

(i) To the extent that the Option has become exercisable but has not been exercised on the date of Disability; and

(ii) In the event rights to exercise the Option accrue periodically, to the extent of a pro rata portion through the date of Disability of any additional vesting rights that would have accrued on the next vesting date had the Participant not become Disabled. The proration shall be based upon the number of days accrued in the current vesting period prior to the date of Disability.

b. A Disabled Participant may exercise such rights only within the period ending one year after the date of the Participant's Disability, notwithstanding that the Participant might have been able to exercise the Option as to some or all of the Shares on a later date if the Participant had not become Disabled and had continued to be an Employee, director or consultant or, if earlier, within the originally prescribed term of the Option.

c. The Administrator shall make the determination both of whether Disability has occurred and the date of its occurrence (unless a procedure for such determination is set forth in another agreement between the Company and such Participant, in which case such procedure shall be used for such determination). If requested, the Participant shall be examined by a physician selected or approved by the Administrator, the cost of which examination shall be paid for by the Company.

17. *EFFECT ON OPTIONS OF DEATH WHILE AN EMPLOYEE, DIRECTOR OR CONSULTANT.*

Except as otherwise provided in a Participant's Option Agreement:

a. In the event of the death of a Participant while the Participant is an Employee, director or consultant of the Company or of an Affiliate, such Option may be exercised by the Participant's Survivors:

(i) To the extent that the Option has become exercisable but has not been exercised on the date of death; and

(ii) In the event rights to exercise the Option accrue periodically, to the extent of a pro rata portion through the date of death of any additional vesting rights that would have accrued on the next vesting date had the Participant not died. The proration shall be based upon the number of days accrued in the current vesting period prior to the Participant's date of death.

b. If the Participant's Survivors wish to exercise the Option, they must take all necessary steps to exercise the Option within one year after the date of death of such Participant, notwithstanding that the decedent might have been able to exercise the Option as to some or all of the Shares on a later date if he or she had not died and had continued to be an Employee, director or consultant or, if earlier, within the originally prescribed term of the Option.

18. *EFFECT OF TERMINATION OF SERVICE ON STOCK GRANTS AND STOCK-BASED AWARDS.*

In the event of a termination of service (whether as an Employee, director or consultant) with the Company or an Affiliate for any reason before the Participant has accepted a Stock Grant or a Stock-Based Award and paid the purchase price, if required, such offer shall terminate.

For purposes of this Paragraph 18 and Paragraph 19 below, a Participant to whom a Stock Grant or a Stock-Based Award has been issued under the Plan who is absent from work with the Company or with an Affiliate because of temporary disability (any disability other than a Disability as defined in Paragraph 1 hereof), or who is on leave of absence for any purpose, shall not, during the period of any such absence, be deemed, by virtue of such absence alone, to have terminated such Participant's employment, director status or consultancy with the Company or with an Affiliate, except as the Administrator may otherwise expressly provide.

In addition, for purposes of this Paragraph 18 and Paragraph 19 below, any change of employment or other service within or among the Company and any Affiliates shall not be treated as a termination of employment, director status or consultancy so long as the Participant continues to be an Employee, director or consultant of the Company or any Affiliate.

19. *EFFECT ON STOCK GRANTS AND STOCK-BASED AWARDS OF TERMINATION OF SERVICE OTHER THAN FOR CAUSE OR DEATH OR DISABILITY.*

Except as otherwise provided in a Participant's Agreement, in the event of a termination of service (whether as an Employee, director or consultant), other than termination for Cause, Disability, or death for which events there are special rules in Paragraphs 20, 21, and 22, respectively, before all forfeiture provisions or Company rights of repurchase shall have lapsed, then the Company shall have the right to cancel or repurchase that number of Shares subject to a Stock Grant or Stock-Based Award as to which the Company's forfeiture or repurchase rights have not lapsed.

20. *EFFECT ON STOCK GRANTS AND STOCK-BASED AWARDS OF TERMINATION OF SERVICE FOR CAUSE.*

Except as otherwise provided in a Participant's Agreement, the following rules apply if the Participant's service (whether as an Employee, director or consultant) with the Company or an Affiliate is terminated for Cause:

a. All Shares subject to any Stock Grant or a Stock-Based Award that remain subject to forfeiture provisions or as to which the Company shall have a repurchase right shall be immediately forfeited to the Company as of the time the Participant is notified his or her service is terminated for Cause.

b. Cause is not limited to events which have occurred prior to a Participant's termination of service, nor is it necessary that the Administrator's finding of Cause occur prior to termination. If the Administrator determines, subsequent to a Participant's termination of service, that either prior or subsequent to the Participant's termination the Participant engaged in conduct which would constitute Cause, then all shares subject to any Stock Grant or Stock-Based Award that remained subject to forfeiture provisions or as to which the Company had a repurchase right on the date of termination shall be immediately forfeited to the Company.

21. *EFFECT ON STOCK GRANTS AND STOCK-BASED AWARDS OF TERMINATION OF SERVICE FOR DISABILITY.*

Except as otherwise provided in a Participant's Agreement, the following rules apply if a Participant ceases to be an Employee, director or consultant of the Company or of an Affiliate by reason of Disability: to the extent the forfeiture provisions or the Company's rights of repurchase have not lapsed on the date of Disability, they shall be exercisable; provided, however, that in the event such forfeiture provisions or rights of repurchase lapse periodically, such provisions or rights shall lapse to the extent of a pro rata portion of the Shares subject to such Stock Grant or Stock-Based Award through the date of Disability as would have lapsed had the Participant not become

Disabled. The proration shall be based upon the number of days accrued prior to the date of Disability.

The Administrator shall make the determination both of whether Disability has occurred and the date of its occurrence (unless a procedure for such determination is set forth in another agreement between the Company and such Participant, in which case such procedure shall be used for such determination). If requested, the Participant shall be examined by a physician selected or approved by the Administrator, the cost of which examination shall be paid for by the Company.

22. *EFFECT ON STOCK GRANTS AND STOCK-BASED AWARDS OF DEATH WHILE AN EMPLOYEE, DIRECTOR OR CONSULTANT.*

Except as otherwise provided in a Participant's Agreement, the following rules apply in the event of the death of a Participant while the Participant is an Employee, director or consultant of the Company or of an Affiliate: to the extent the forfeiture provisions or the Company's rights of repurchase have not lapsed on the date of death, they shall be exercisable; provided, however, that in the event such forfeiture provisions or rights of repurchase lapse periodically, such provisions or rights shall lapse to the extent of a pro rata portion of the Shares subject to such Stock Grant or Stock-Based Award through the date of death as would have lapsed had the Participant not died. The proration shall be based upon the number of days accrued prior to the Participant's death.

23. *PURCHASE FOR INVESTMENT.*

Unless the offering and sale of the Shares to be issued upon the particular exercise or acceptance of a Stock Right shall have been effectively registered under the Securities Act of 1933, as now in force or hereafter amended (the "1933 Act"), the Company shall be under no obligation to issue the Shares covered by such exercise unless and until the following conditions have been fulfilled:

a. The person(s) who exercise(s) or accept(s) such Stock Right shall warrant to the Company, prior to the receipt of such Shares, that such person(s) are acquiring such Shares for their own respective accounts, for investment, and not with a view to, or for sale in connection with, the distribution of any such Shares, in which event the person(s) acquiring such Shares shall be bound by the provisions of the following legend which shall be endorsed upon the certificate(s) evidencing their Shares issued pursuant to such exercise or such grant:

> "The shares represented by this certificate have been taken for investment and they may not be sold or otherwise transferred by any person, including a pledgee, unless (1) either (a) a Registration Statement with respect to such shares shall be effective under the Securities Act of 1933, as amended, or (b) the Company shall have received an opinion of counsel satisfactory to it that an exemption from registration under such Act is then available, and

(2) there shall have been compliance with all applicable state securities laws."

b. At the discretion of the Administrator, the Company shall have received an opinion of its counsel that the Shares may be issued upon such particular exercise or acceptance in compliance with the 1933 Act without registration thereunder.

24. *DISSOLUTION OR LIQUIDATION OF THE COMPANY.*

Upon the dissolution or liquidation of the Company, all Options granted under this Plan which as of such date shall not have been exercised and all Stock Grants and Stock-Based Awards which have not been accepted, to the extent required under the applicable Agreement, will terminate and become null and void; provided, however, that if the rights of a Participant or a Participant's Survivors have not otherwise terminated and expired, the Participant or the Participant's Survivors will have the right immediately prior to such dissolution or liquidation to exercise or accept any Stock Right to the extent that the Stock Right is exercisable or subject to acceptance as of the date immediately prior to such dissolution or liquidation. Upon the dissolution or liquidation of the Company, any outstanding Stock-Based Awards shall immediately terminate unless otherwise determined by the Administrator or specifically provided in the applicable Agreement.

25. *ADJUSTMENTS.*

Upon the occurrence of any of the following events, a Participant's rights with respect to any Stock Right granted to him or her hereunder shall be adjusted as hereinafter provided, unless otherwise specifically provided in a Participant's Agreement:

a. *Stock Dividends and Stock Splits.* If (i) the shares of Common Stock shall be subdivided or combined into a greater or smaller number of shares or if the Company shall issue any shares of Common Stock as a stock dividend on its outstanding Common Stock, or (ii) additional shares or new or different shares or other securities of the Company or other non-cash assets are distributed with respect to such shares of Common Stock, each Stock Right and the number of shares of Common Stock deliverable thereunder shall be appropriately increased or decreased proportionately, and appropriate adjustments shall be made, including in the exercise or purchase price per share and Performance Goals applicable to outstanding Performance-Based Awards, to reflect such events. The number of Shares subject to the limitations in Paragraph 3(a) and 4(c) shall also be proportionately adjusted upon the occurrence of such events.

b. *Corporate Transactions.* If the Company is to be consolidated with or acquired by another entity in a merger, consolidation, or sale of all or substantially all of the Company's assets or the acquisition of all of the outstanding voting stock of the Company in a single transaction or a series of related transactions by a single entity other than a transaction to merely change the state of incorporation (a "Corporate Transaction"), the Administrator or the board of directors of any entity assuming the obligations of the Company hereunder (the "Successor Board"), shall, as to

outstanding Options, either (i) make appropriate provision for the continuation of such Options by substituting on an equitable basis for the Shares then subject to such Options either the consideration payable with respect to the outstanding shares of Common Stock in connection with the Corporate Transaction or securities of any successor or acquiring entity; or (ii) upon written notice to the Participants, provide that such Options must be exercised (either (A) to the extent then exercisable, or (B) at the discretion of the Administrator, any such Options being made partially or fully exercisable for purposes of this Subparagraph), within a specified number of days of the date of such notice, at the end of which period the Options shall terminate; or (iii) terminate such Options in exchange for payment of an amount equal to the consideration payable upon consummation of such Corporate Transaction to a holder of the number of shares of Common Stock into which such Option would have been exercisable (either (A) to the extent then exercisable, or (B) at the discretion of the Administrator, any such Options being made partially or fully exercisable for purposes of this Subparagraph) less the aggregate exercise price thereof. For purposes of determining the payments to be made pursuant to Subclause (iii) above, in the case of a Corporate Transaction the consideration for which, in whole or in part, is other than cash, the consideration other than cash shall be valued at the fair value thereof as determined in good faith by the Board of Directors.

With respect to outstanding Stock Grants, the Administrator or the Successor Board, shall either (i) make appropriate provisions for the continuation of such Stock Grants on the same terms and conditions by substituting on an equitable basis for the Shares then subject to such Stock Grants either the consideration payable with respect to the outstanding shares of Common Stock in connection with the Corporate Transaction or securities of any successor or acquiring entity; or (ii) terminate all Stock Grants in exchange for payment of an amount equal to the consideration payable upon consummation of such Corporate Transaction to the holder of the number of shares of Common Stock comprising such Stock Grant (to the extent such Stock Grant is no longer subject to any forfeiture or repurchase rights then in effect or, at the discretion of the Administrator, all forfeiture and repurchase rights being waived upon such Corporate Transaction).

In taking any of the actions permitted under this Paragraph 25(b), the Administrator shall not be obligated by the Plan to treat all Stock Rights, all Stock Rights held by a Participant, or all Stock Rights of the same type, identically.

c. *Recapitalization or Reorganization.* In the event of a recapitalization or reorganization of the Company other than a Corporate Transaction pursuant to which securities of the Company or of another corporation are issued with respect to the outstanding shares of Common Stock, a Participant upon exercising an Option or accepting a Stock Grant after the recapitalization or reorganization shall be entitled to receive for the price paid upon such exercise or acceptance, if any, the number of replacement securities which would have been received if such Option had been exercised or Stock Grant accepted prior to such recapitalization or reorganization.

d. *Adjustments to Stock-Based Awards.* Upon the happening of any of the events described in Subparagraphs a, b or c above, any outstanding Stock-Based Award shall be appropriately adjusted to reflect the events described in such Subparagraphs. The Administrator or the Successor Board shall determine the specific adjustments to be made under this Paragraph

25, including, but not limited to the effect if any, of a Change of Control and, subject to Paragraph 4, its determination shall be conclusive.

e. *Modification of Options.* Notwithstanding the foregoing, any adjustments made pursuant to Subparagraph a, b or c above with respect to Options shall be made only after the Administrator determines whether such adjustments would cause any adverse tax consequences for the holders of such Options. If the Administrator determines that such adjustments made with respect to Options would cause an adverse tax consequence, it may refrain from making such adjustments, unless the holder of an Option specifically agrees in writing that such adjustment be made and such writing indicates that the holder has full knowledge of the consequences of such adjustment on his or her income tax treatment with respect to the Option.

26. *ISSUANCES OF SECURITIES.*

Except as expressly provided herein, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of shares subject to Stock Rights. Except as expressly provided herein, no adjustments shall be made for dividends paid in cash or in property (including without limitation, securities) of the Company prior to any issuance of Shares pursuant to a Stock Right.

27. *FRACTIONAL SHARES.*

No fractional shares shall be issued under the Plan and the person exercising a Stock Right shall receive from the Company cash in lieu of such fractional shares equal to the Fair Market Value thereof.

28. *[RESERVED]*

29. *WITHHOLDING.*

In the event that any federal, state, or local income taxes, employment taxes, Federal Insurance Contributions Act ("F.I.C.A.") withholdings or other amounts are required by applicable law or governmental regulation to be withheld from the Participant's salary, wages or other remuneration in connection with the exercise or acceptance of a Stock Right or upon the lapsing of any forfeiture provision or right of repurchase or for any other reason required by law, the Company may withhold from the Participant's compensation, if any, or may require that the Participant advance in cash to the Company, or to any Affiliate of the Company which employs or employed the Participant, the statutory minimum amount of such withholdings unless a different withholding arrangement, including the use of shares of the Company's Common Stock is authorized by the Administrator (and permitted by law). For purposes hereof, the fair market value of the shares withheld for purposes of payroll withholding shall be determined in the manner set

forth under the definition of Fair Market Value provided in Paragraph 1 above, as of the most recent practicable date prior to the date of exercise. If the Fair Market Value of the shares withheld is less than the amount of payroll withholdings required, the Participant may be required to advance the difference in cash to the Company or the Affiliate employer.

30. *[RESERVED]*

31. *TERMINATION OF THE PLAN.*

The Plan will terminate on December 19, 2029. The Plan may be terminated at an earlier date by vote of the Board of Directors of the Company; provided, however, that any such earlier termination shall not affect any Agreements executed prior to the effective date of such termination. Termination of the Plan shall not affect any Stock Rights theretofore granted.

32. *AMENDMENT OF THE PLAN AND AGREEMENTS.*

The Plan may be amended by the Administrator, including, without limitation, to the extent necessary to qualify the shares issuable upon exercise or acceptance of any outstanding Stock Rights granted, or Stock Rights to be granted, under the Plan for listing on any national securities exchange or quotation in any national automated quotation system of securities dealers. Other than as set forth in Paragraph 25 of the Plan, the Administrator may not without shareholder approval reduce the exercise price of an Option or cancel any outstanding Option in exchange for a replacement option having a lower exercise price, any Stock Grant, any other Stock-Based Award or for cash. In addition, the Administrator may not take any other action that is considered a direct or indirect "repricing" for purposes of the shareholder approval rules of the applicable securities exchange or inter-dealer quotation system on which the Shares are listed, including any other action that is treated as a repricing under generally accepted accounting principles. Any modification or amendment of the Plan shall not, without the consent of a Participant, adversely affect his or her rights under a Stock Right previously granted to him or her, unless such amendment is required by applicable law or necessary to preserve the economic value of such Stock Right. With the consent of the Participant affected, the Administrator may amend outstanding Agreements in a manner which may be adverse to the Participant but which is not inconsistent with the Plan. In the discretion of the Administrator, outstanding Agreements may be amended by the Administrator in a manner which is not adverse to the Participant. Notwithstanding the foregoing, except in the case of death, disability or Change of Control, outstanding Agreements may not be amended by the Administrator (or the Board) in a manner that would accelerate the exercisability or vesting of, or lapsing of any right by the Company to restrict or reacquire Shares subject to, all or any portion of any Option, Stock Grant or other Stock-Based Award. Nothing in this Paragraph 32 shall limit the Administrator's authority to take any action permitted pursuant to Paragraph 25.

33. *EMPLOYMENT OR OTHER RELATIONSHIP.*

Nothing in this Plan or any Agreement shall be deemed to prevent the Company or an Affiliate from terminating the employment, consultancy or director status of a Participant, nor to prevent a Participant from terminating his or her own employment, consultancy or director status or to give any Participant a right to be retained in employment or other service by the Company or any Affiliate for any period of time.

34. *CLAWBACK.*

Notwithstanding anything to the contrary contained in this Plan, the Company may recover from a Participant any compensation received from any Stock Right (whether or not settled) or cause a Participant to forfeit any Stock Right (whether or not vested) in the event that the Company's Incentive Compensation Recoupment Policy then in effect is triggered.

35. *SECTION 409A.*

If a Participant is a "specified employee" as defined in Section 409A of the Code (and as applied according to procedures of the Company and its Affiliates) as of his separation from service, to the extent any payment under this Plan or pursuant to the grant of a Stock-Based Award constitutes deferred compensation (after taking into account any applicable exemptions from Section 409A of the Code), and to the extent required by Section 409A of the Code, no payments due under this Plan or pursuant to a Stock-Based Award may be made until the earlier of: (i) the first day of the seventh month following the Participant's separation from service, or (ii) the Participant's date of death; provided, however, that any payments delayed during this six-month period shall be paid in the aggregate in a lump sum, without interest, on the first day of the seventh month following the Participant's separation from service.

The Administrator shall administer the Plan with a view toward ensuring that Stock Rights under the Plan that are subject to Section 409A of the Code comply with the requirements thereof and that Options under the Plan be exempt from the requirements of Section 409A of the Code, but neither the Administrator nor any member of the Board, nor the Company nor any of its Affiliates, nor any other person acting hereunder on behalf of the Company, the Administrator or the Board shall be liable to a Participant or any Survivor by reason of the acceleration of any income, or the imposition of any additional tax or penalty, with respect to a Stock Right, whether by reason of a failure to satisfy the requirements of Section 409A of the Code or otherwise.

36. *GOVERNING LAW.*

This Plan shall be construed and enforced in accordance with the law of The Commonwealth of Massachusetts.

******

Adopted: December 19, 2019
Amended: January 22, 2020
Amended: April 13, 2020
Amended: March 31, 2021
Amended: April 1, 2022
Amended: June 15, 2022

IMMUNOGEN, INC.

RESTRICTED STOCK UNIT TERMS AND CONDITIONS

The following supplements the Grant Detail (the "Grant Detail") to which these Restricted Stock Unit Terms and Conditions apply, and together with the Grant Detail, constitutes the "Restricted Stock Unit Agreement" referenced in the Grant Detail.

This Restricted Stock Unit Agreement is entered into and made effective as of the grant date referenced in the Grant Detail (the "Grant Date") and is between ImmunoGen, Inc., a Massachusetts corporation (the "Company"), and the employee of the Company (the "Participant") referenced in the Grant Detail. Certain capitalized terms, to the extent not defined where they first appear in this Restricted Stock Unit Agreement, are defined in the Company's Inducement Equity Incentive Plan (as amended from time to time, the "Plan").

1. Grant of Award. The Company hereby grants to the Participant on the Grant Date an award (the "Award") of the number of restricted stock units (the "RSUs") referenced in the Grant Detail, giving the Participant a contingent entitlement to receive, without payment and pursuant to and subject to the terms and conditions set forth in this Restricted Stock Unit Agreement and in the Plan, one share of Common Stock (a "Share") with respect to each RSU forming part of the Award, subject to adjustment pursuant to paragraph 25 of the Plan in respect of transactions occurring after the Grant Date. The Company and the Participant understand and agree that the Award shall be granted in compliance with Nasdaq Listing Rule 5635(c)(4) as a material inducement to the Participant entering into employment with the Company.

2. Vesting of Award.

(a) The Award shall vest as to the specified percentage of the RSUs on each vesting date set forth in the Grant Detail (each, a "vesting date"), provided in each case that the Participant is then, and since the Grant Date has continuously been, employed by the Company or an Affiliate.

(b) Except as expressly set forth in the Participant's Change in Control Severance Agreement with the Company (or other individual agreement between the Participant and the Company), if the Participant ceases to be employed by the Company or an Affiliate for any reason prior to a vesting date, then as of the date of such termination of employment, all then unvested RSUs shall immediately be forfeited to the Company for no consideration and this Restricted Stock Unit Agreement shall terminate and be of no further force or effect.

3. Delivery of Shares.

(a) Subject to Sections 5 and 7 below, the Company shall, as soon as practicable and in all events no later than thirty (30) days following the applicable vesting date, transfer to the Participant (or, in the event of the Participant's death, to the person to whom the Award has passed by will or the laws of descent and distribution) the number of Shares that equals the vested portion of the Award. No Shares will be transferred pursuant to the Award unless and until all legal requirements applicable to the issuance or transfer of such shares have been complied with to the satisfaction of the Administrator.

(b) The Participant understands that once Shares have been delivered, including by book entry, to the Participant in respect of the RSUs, the Participant will be free to sell such Shares,

subject to applicable requirements of federal and state securities laws and compliance with all Company policies relating to trading in Company securities.

(c) Until such time as Shares are issued to the Participant pursuant to Section 3(a), the Participant shall have no rights as a stockholder with respect to any Shares underlying the Award, including, but not limited to any voting or dividend rights.

4. Prohibitions on Transfer and Sale. The Award may not be transferred except as expressly permitted under paragraph 13 of the Plan.

5. Forfeiture; Recovery of Compensation. The Administrator may cancel, rescind, withhold or otherwise limit or restrict the Award at any time if the Participant is not in compliance with all applicable provisions of this Restricted Stock Unit Agreement and the Plan. By accepting, or being deemed to have accepted, the Award, the Participant expressly acknowledges and agrees that his or her rights, and those of any permitted transferee of the Award, under the Award, including the right to any Shares acquired under the Award or proceeds from the disposition thereof, are subject to paragraph 34 of the Plan (including any successor provision). The Participant further agrees to be bound by the terms of any clawback or recoupment policy of the Company that applies to incentive compensation that includes Awards such as the RSUs. Nothing in the preceding sentence may be construed as limiting the general application of Section 6 of this Restricted Stock Unit Agreement.

6. Incorporation of the Plan. The Participant specifically understands and agrees that the RSUs and the Shares to be issued under the Plan will be issued to the Participant pursuant to the Plan, a copy of which Plan the Participant acknowledges he or she has read and understands and by which Plan he or she agrees to be bound. The provisions of the Plan are incorporated herein by reference.

7. Taxes.

(a) The Participant expressly acknowledges and agrees that the vesting and/or settlement of the RSUs acquired hereunder may give rise to "wages" subject to withholding. Except as otherwise prescribed by the Administrator, the number of Shares necessary to satisfy the minimum statutory withholding tax obligations on the vesting date or settlement date, as applicable, will automatically be released by the Participant from the Shares otherwise deliverable to the Participant hereunder on such date to a broker or other third-party intermediary acceptable to the Company (the "Broker") and sold in order to satisfy such withholding tax obligations ("Sell to Cover"). The Participant will be responsible for all third-party administration processing fees in connection with such Sell to Cover. In addition, the Participant may be subject to and taxed in respect of short-term capital gains or losses that reflect the difference in the withholding tax liability determined on the date that the Award vests and/or settles hereunder and the sales price actually achieved.

(b) In connection with the implementation of the Sell to Cover provision described in Section 7(a) above, the Participant hereby authorizes the Company to instruct the Broker to sell a number of Shares to be issued upon the vesting or settlement of the Award to satisfy the minimum statutory withholding tax obligations, as described in Section 7(a) above.

(c) Notwithstanding anything in this Restricted Stock Unit Agreement to the contrary, the Participant acknowledges and agrees that the Sell to Cover provision may not cover the Participant's full tax liability as it relates to the vesting and settlement of the Award and that the

Participant shall remain fully responsible for his or her tax obligations in respect of the Award in all cases.

(d) The Participant further acknowledges and agrees as follows:

(i) The Sell to Cover provision contemplated by this Restricted Stock Unit Agreement is adopted to permit the Participant to sell a number of Shares issued upon the vesting or settlement of the Award sufficient to pay the statutory minimum amount of withholding taxes that become due as a result of the vesting or settlement of the Award.

(ii) The Broker is under no obligation to arrange for any sale in connection with the Sell to Cover provision at any particular price.

(iii) The Participant hereby authorizes the Broker to remit directly to the Company the proceeds necessary to cover the Participant's tax liability as it relates to the vesting and settlement of the Award as provided in Section 7(a) above, and to retain the amount required to cover all applicable fees and commissions due to, or required to be collected by, the Broker relating to the Sell to Cover.

(iv) The Participant hereby appoints the Company as his or her agent and attorney-in-fact to instruct the Broker with respect to the number of Shares to be sold under the Sell to Cover provision contemplated by this Restricted Stock Unit Agreement.

(v) The Participant hereby waives any claims he or she may have against the Company and its directors, officers or employees now or in the future related to the Company's instructions to a Broker or any actions taken by the Broker in effecting sales or otherwise and shall indemnify and hold the Company and its directors, officers, employees and agents harmless from any losses, costs, damages, or expenses relating to any sale under the Sell to Cover provision contemplated by this Restricted Stock Unit Agreement.

(vi) It may not be possible to sell Shares due to, among other reasons, (A) a legal or contractual restriction applicable to the Participant or to the Broker, (B) a market disruption, (C) rules governing order execution priority on the Nasdaq Global Select Market or (D) if the Company determines in its sole discretion that sales may not be effected under the Sell to Cover provision.

(e) No Shares will be delivered pursuant to the Award unless and until the Participant has remitted to the Company in cash or by check (or by such other means as may be acceptable to the Administrator) an amount sufficient to satisfy all taxes required to be withheld in connection with the vesting or settlement of the Award, whether through the Sell to Cover (to the extent available) or otherwise. The Participant authorizes the Company and its Affiliates to withhold any amounts due in respect of any required tax withholdings or payments from any amounts otherwise owed to the Participant, but nothing in this sentence may be construed as relieving the Participant of any liability for satisfying his or her obligation under the preceding provisions of this Section 7.

8. Participant Acknowledgements and Authorizations.

The Participant acknowledges the following:

(a) Neither the grant of the Award, nor the issuance of Shares upon the vesting of the Award, will give the Participant any right to be retained in the employ or service of the Company or any of its Affiliates, affect the right of the Company or any of its Affiliates to discharge the

Participant at any time, or affect any right of the Participant to terminate his or her employment at any time.

(b) The Plan is discretionary in nature and may be suspended or terminated by the Company at any time.

(c) The grant of this Award is considered a one-time benefit and does not create a contractual or other right to receive any other award under the Plan, benefits in lieu of awards or any other benefits in the future.

(d) The Plan is a voluntary program of the Company and future awards, if any, will be at the sole discretion of the Company, including, but not limited to, the timing of any grant, the amount of any award, vesting provisions and the purchase price, if any.

(e) The value of this Award is an extraordinary item of compensation outside of the scope of the Participant's employment. As such the Award is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments. The future value of the Shares is unknown and cannot be predicted with certainty.

9. Notices. Any notices to the Company required or permitted by the terms of this Restricted Stock Unit Agreement or the Plan shall be given by recognized courier service, facsimile, registered or certified mail, return receipt requested, addressed as follows:

ImmunoGen, Inc.
Attn: Finance
830 Winter Street
Waltham, MA 02451

or to such other address or addresses of which notice in the same manner has previously been given. Any such notice shall be deemed to have been given upon the earlier of receipt, one business day following delivery to a recognized courier service or three business days following mailing by registered or certified mail.

10. Governing Law. This Restricted Stock Unit Agreement shall be construed and enforced in accordance with the law of the Commonwealth of Massachusetts, without giving effect to the conflict of law principles thereof.

11. Data Privacy. By accepting the Award, the Participant acknowledges that the processing of certain personal data by the Company and each Affiliate (and any agent of the Company or any Affiliate administering the Plan or providing Plan record keeping services) is necessary for the performance of contractual duties to the Participant under the Award in order to facilitate the grant of the Award and the issuance of Shares and the administration of the Plan. Any storage, transfer or processing of personal data shall be in accordance with applicable law and, where required, in accordance with any Company Privacy Notice made available to the Participant.

12. No Guarantee of Tax Consequences. The Company makes no guarantee of any tax consequences associated with the Award. The Award is intended to be exempt from, or comply with, Section 409A of the Code and shall be construed by the Administrator accordingly. Notwithstanding the preceding, in no event will the Company have any liability relating to the failure or alleged failure of any payment or benefit under this Restricted Stock Unit Agreement to comply with, or be exempt from, the requirements of Section 409A of the Code.

Exhibit 21

SUBSIDIARIES

Name	Jurisdiction of Organization
Hurricane, LLC	Massachusetts
ImmunoGen US Holding, Inc.	Delaware
ImmunoGen Europe Limited	United Kingdom
ImmunoGen Switzerland GmbH	Switzerland
ImmunoGen BioPharma (Ireland) Limited	Ireland
ImmunoGen Securities Corp.	Massachusetts

EXHIBIT 23

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

(1) Registration Statement (Form S-8 Nos. 333-138713, 333-147738, 333-155540, 333-170788, 333-185086, 333-215196, 333-225281, 333-225860, 333-235632, 333-235633, 333-251548, 333-253753, 333-258629, 333-258631, 333-266451 and 333-266452) of ImmunoGen, Inc., and
(2) Registration Statement (Form S-3 No. 333-251502) of ImmunoGen, Inc.;

of our reports dated March 1, 2023, with respect to the consolidated financial statements of ImmunoGen, Inc. and the effectiveness of internal control over financial reporting of ImmunoGen, Inc. included in this Annual Report (Form 10-K) of ImmunoGen, Inc. for the year ended December 31, 2022.

/s/ Ernst & Young LLP

Boston, Massachusetts
March 1, 2023

EXHIBIT 31.1

CERTIFICATIONS UNDER SECTION 302

I, Mark J. Enyedy, certify that:

1. I have reviewed this Report on Form 10-K of ImmunoGen, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 1, 2023

/s/ Mark J. Enyedy

Mark J. Enyedy
President and Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.2

CERTIFICATIONS UNDER SECTION 302

I, Renee Lentini, certify that:

1. I have reviewed this Report on Form 10-K of ImmunoGen, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 1, 2023

/s/ Renee Lentini

Renee Lentini
Vice President – Finance, Chief Accounting Officer, and Interim Chief Financial Officer
(Principal Accounting Officer and Principal Financial Officer)

EXHIBIT 32

CERTIFICATIONS UNDER SECTION 906

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of ImmunoGen, Inc., a Massachusetts corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

The Report for the year ended December 31, 2022 (the "Form 10- K") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 1, 2023

/s/ Mark J. Enyedy

Mark J. Enyedy
President and Chief Executive Officer
(Principal Executive Officer)

Dated: March 1, 2023

/s/ Renee Lentini

Renee Lentini
Vice President – Finance, Chief Accounting Officer, and Interim Chief Financial Officer
(Principal Accounting Officer and Principal Financial Officer)

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.