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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, 2021

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, $.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. ☒

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, 2021: $1,314,157,331 (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 16, 2022: 220,530,899 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 15, 2022 are incorporated by reference into Part III of this report.

ImmunoGen, Inc.

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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 product candidates, including mirvetuximab soravtansine;
- 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 our 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.
- 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.

- 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 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 currently do not have the direct sales, marketing, or distribution capabilities necessary to successfully commercialize our products on a large scale and may be unable to establish such capabilities.
- If we are unable to protect our intellectual property rights adequately, the value of our technology and our product candidates could be diminished.
- We expect to file for approval for mirvetuximab soravtansine from the FDA through the use of accelerated approval pathways. If unable to obtain approval under an accelerated pathway, we may be required to conduct additional preclinical studies or clinical trials beyond those that we currently contemplate, which could increase the expense of obtaining, and delay the receipt of, necessary marketing approvals. Even if we receive accelerated approval from the FDA, if our confirmatory trials do not verify clinical benefit, or if we do not comply with rigorous post-marketing requirements, the FDA may seek to withdraw accelerated approval.
- Side effects, serious adverse events, or other undesirable properties could arise from the use of mirvetuximab soravtansine or our other clinical product candidates and, in turn, could delay or halt clinical trials, delay or prevent its regulatory approval, limit the commercial profile of its labeling, if approved, or result in significant negative consequences following any marketing approval.
- We have received orphan drug designation for mirvetuximab soravtansine 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 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.
- 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. KYMRIAH® is a registered trademark of Novartis AG. 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 clinical-stage biotechnology company focused on developing 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 anti-cancer 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 addressing both solid tumors and hematologic malignancies.

Mirvetuximab Soravtansine

Our lead program is mirvetuximab soravtansine (mirvetuximab), a first-in-class investigational 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. Following consultation with the U.S. Food and Drug Administration (FDA), we initiated two trials of mirvetuximab in patients with platinum-resistant ovarian cancer whose tumors express high levels of FRα (FRα-high): SORAYA, a single-arm clinical trial that could lead to accelerated approval, pending FDA review; and MIRASOL, a randomized Phase 3 clinical trial that, if successful, could lead to full approval in this setting.

SORAYA was designed to study mirvetuximab in patients with FRα-high platinum-resistant epithelial ovarian, primary peritoneal, or fallopian tube cancer and who have been treated with up to three prior regimens—at least one of which included bevacizumab. The primary endpoint for the study was confirmed objective response rate (ORR) as assessed by investigator, including complete and partial responses, and the key secondary endpoint was duration of response (DOR). ORR was also assessed by blinded independent central review (BICR). The study was designed to assess ORR as compared to a null hypothesis of a 12% ORR, based on expectations with available single agent chemotherapy from the AURELIA study in patients with platinum-resistant ovarian cancer and one to two prior lines of therapy.

SORAYA enrolled 106 patients with a median of three prior lines of therapy (range one to four; 51% had three prior lines of therapy and 48% had one to two prior lines of therapy). All patients received prior bevacizumab; 48% of patients received a prior poly ADP-ribose polymerase (PARP) inhibitor. As of the November 16, 2021 cutoff date, the median follow-up time was 8.1 months.

ORR by investigator was 32.4% (95% confidence interval (CI): 23.6%, 42.2%), including five complete responses (CRs). ORR by BICR was 31.6% (95% CI: 22.4%, 41.9%), including five CRs. Responses were observed regardless of prior PARP inhibitor or number of prior lines of therapy.

As of the November 16, 2021 cutoff date, median DOR was 5.9 months (95% CI: 5.6, 7.7). With nearly half of responders continuing on therapy, the duration of response continues to evolve, and, with longer follow-up, median DOR could increase.

Mirvetuximab was observed to be well-tolerated, consistent with safety data seen in more than 700 patients treated in the broader mirvetuximab program. Treatment-related adverse events (AEs) led to dose reductions in 19% of patients, dose delays in 32% of patients, and discontinuations in 7% of patients.

The most common treatment-related AEs included blurred vision (41% all grades; 6% grade 3+), keratopathy (35% all grades; 9% grade 3+), and nausea (29% all grades; 0% grade 3+).

We plan to submit a biologics license application (BLA) to the FDA in the first quarter of 2022 for accelerated approval of mirvetuximab in second through fourth-line patients with FRα-positive, platinum-resistant ovarian cancer. Thereafter, we plan to seek full approval pending a positive MIRASOL Phase 3 trial.

Beyond FRα-high, platinum-resistant ovarian cancer in patients who had one or more prior lines of therapy, our strategy is to move mirvetuximab into platinum-sensitive disease through supplemental approval and become the combination agent of choice in ovarian cancer. To this end, we initiated PICCOLO, a single-arm study of mirvetuximab monotherapy in later-line platinum-sensitive patients. We have also generated encouraging data in recurrent platinum-sensitive disease with the combination of mirvetuximab plus carboplatin and are supporting investigator-sponsored trials (ISTs) with this combination in a single-arm study in the neoadjuvant setting and in a randomized study comparing mirvetuximab combined with carboplatin to standard of care in patients with recurrent platinum-sensitive disease. We also intend to initiate a company-sponsored single-arm Phase 2 study (0420) of this combination followed by mirvetuximab continuation in FRα-low, medium, and high patients with platinum-sensitive disease. Results from this study and our ongoing ISTs will inform a path to the potential registration for mirvetuximab plus carboplatin and, in parallel, could support compendia listing for this combination.

In addition, we presented mature data from our Phase 1b FORWARD II trial of mirvetuximab plus Avastin® (bevacizumab) in recurrent ovarian cancer in an oral presentation at the American Society for Clinical Oncology Annual Meeting in June 2021. The combination demonstrated a 64% ORR, 11.8 month median DOR, and 10.6 month median progression free survival. Most AEs were low grade and the most common treatment related adverse events were gastrointestinal or ocular issues. We believe these data could support compendia listing for this combination in close

proximity to the initial monotherapy approval of mirvetuximab. Furthermore, we recently aligned with FDA on GLORIOSA, a potential randomized Phase 3 study of mirvetuximab plus bevacizumab maintenance in FRα-high recurrent platinum-sensitive disease. We expect to initiate this potential label-enabling study in the second quarter of 2022.

Pivekimab Sunirine

Pivekimab sunirine (pivekimab, 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 pivekimab 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 pivekimab for the treatment of patients with relapsed or refractory BPDCN. Based on feedback from the FDA, we amended our ongoing 801 Phase 2 study, known as CADENZA, to include a new cohort of up to 20 frontline BPDCN patients. We expect to generate top-line data for this frontline cohort in the second half of 2022. At the 2021 American Society of Hematology (ASH) Annual Meeting in December 2021, we presented a poster highlighting three frontline patients who were enrolled in Study 801 prior to opening of the pivotal frontline cohort; all three of these patients achieved clinical complete response (CRc) as of the data cutoff date.

Our 802 study, which is a Phase 1b/2 study designed to determine the safety, tolerability, and preliminary antileukemia activity of pivekimab when administered in combination with azacytidine (AZA) and venetoclax (VEN) to patients with relapsed and frontline CD123-positive AML, is in dose-escalation, enrolling relapsed and refractory (R/R) patients to determine the recommended Phase 2 dose of pivekimab for the triplet combination regimen. At ASH 2021, we shared data in an oral presentation showing responses across all cohorts/doses and schedules (efficacy evaluable population, n=46). As of the cutoff date, the ORR was 48%, with a composite complete remission (CCR) rate of 30%. Higher intensity cohorts (n=29) were associated with higher response rates, including an ORR of 59% and a CCR rate of 38%. Significant activity was also observed in the FLT3 mutant subset (n=9), with ORR and CCR rates of 89% and 78%, respectively. The toxicity profile was manageable in this R/R AML population with multiple prior therapies. The most common treatment emergent AEs of any grade seen in >20% of patients were infusion-related reactions, febrile neutropenia, dyspnea, fatigue, hypophosphatemia, diarrhea, hypokalemia, nausea, vomiting, and pneumonia. Cytopenias and infections were consistent with those observed with the AZA+VEN regimen in this R/R population. No tumor lysis syndrome, veno-occlusive disease, capillary leak, or cytokine release were observed. The 30-day mortality was 0%.

We are in the final stages of determining the recommended Phase 2 dose for this triplet combination and expect to initiate expansion cohorts in relapsed and frontline patients this year.

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. We presented preclinical data on IMGC936 at the American Association for Cancer Research (AACR) Annual Meeting in April 2021, demonstrating anti-tumor activity in multiple solid tumor models. We continue to enroll patients in the Phase 1 study for this program and expect initial data in 2022.

IMGN151 is our next generation anti-FRα product candidate in preclinical 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. In January 2022, we submitted an IND application to evaluate IMGN151 in a planned Phase 1 clinical trial in patients with recurrent endometrial cancer and recurrent, high-grade serous epithelial ovarian, primary peritoneal, or fallopian tube cancers. In February 2022, the FDA placed a clinical hold on our IND application pending the resolution of certain chemistry, manufacturing, and controls, or CMC, information requests. We are generating data responsive to the requests and anticipate filing these responses mid-year, which we believe will enable us to proceed with the study in due course thereafter.

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 generate revenue, mitigate expenses, enhance our capabilities, and extend the reach of our proprietary platform. The most advanced partner program is Roche’s marketed product, KADCYLA® (ado-trastuzumab emtansine). Our ADC technology is also used in candidates in clinical development with a number of partners. We have evolved our partnering approach to pursue relationships where we can gain access to technology and complementary capabilities, such as our technology swap with CytomX Therapeutics, Inc. (CytomX), as well as co-development and co-commercialization arrangements, such as our relationship with MacroGenics.

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	Mirvetuximab – Greater China	Phase 3
CytomX	CD166, EpCAM	Phase 2
Debiopharm	CD37[2]	Phase 2
Bayer	Mesothelin	Phase 1
Novartis	cKit, pCadherin, CDH6, CCR7, 1 other[1]	Phase 1
Oxford BioTherapeutics/Menarini	CD205[3]	Phase 1
Fusion	Undisclosed	Phase 1
Viridian	IGF-1R non-cancer radiopharmaceuticals	Phase 1

[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 the business relationships underlying each of the foregoing programs. 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.

Roche

In 2000, we granted Genentech, now a unit of Roche, an exclusive development and commercialization license to use our maytansinoid technology with antibodies that target HER2. Roche’s KADCYLA resulted from this license.

KADCYLA was approved for marketing in the U.S., EU, and Japan in 2013. We are entitled to receive up to a total of $44 million in milestone payments, of which we have received $39 million to date, and also tiered royalties on the commercial sales of KADCYLA or any other resulting products as described below. Roche is responsible for the development, manufacturing, and marketing of any products resulting from this license.

In 2015, Immunity Royalty Holdings, L.P. (IRH) paid us $200 million to purchase our right to receive 100% of the royalty payments on commercial sales of KADCYLA arising under our development and commercialization license with Genentech, until IRH had received aggregate KADCYLA royalties equal to $235 million or $260 million, depending on when the aggregate KADCYLA royalties received by IRH reached a specified milestone. Once the applicable threshold was met, we would thereafter have received 85% and IRH would have received 15% of the KADCYLA royalties for the remaining royalty term. In January 2019, we sold our 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 $65.2 million, net of fees. Simultaneously, OMERS purchased IRH's right to the royalties we previously sold to IRH as described above, thereby obtaining the rights to 100% of the royalties received from that date on.

We also granted Roche, through its Genentech unit, exclusive development and commercialization licenses to use our maytansinoid ADC technology with antibodies to four specified targets, which were granted under the terms of a separate, now expired 2000 right-to-test agreement with Genentech. For each of these licenses, we are entitled to receive up to a total of $38 million in milestone payments and also royalties on the sales of any resulting products. Roche is responsible for the development, manufacturing, and marketing of any products resulting from these licenses. The standard termination provisions discussed below apply to these licenses.

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 mirvetuximab 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 mirvetuximab commercial sales by Huadong in Greater China. Huadong is responsible for the development and commercialization of mirvetuximab 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 mirvetuximab, that specifically binds to FRα. We retain all rights to mirvetuximab in the rest of the world. The standard termination provisions discussed below apply to this license.

CytomX

In 2016, we granted CytomX an exclusive development and commercialization license to our maytansinoid and IGN ADC technology for use with Probodies™ that target CD166 under a now-expired reciprocal right-to-test agreement. We are entitled to receive up to a total of $160 million in milestone payments plus royalties on the commercial sales of any resulting product. CytomX is responsible for the manufacturing, product development, and marketing of any products resulting from this license. The standard termination provisions discussed below apply to this license.

In 2017, we took exclusive development and commercialization licenses to CytomX's proprietary Probody technology for use with Probodies that target two specified targets under the same reciprocal right-to-test agreement. We terminated one of these licenses for convenience prior to the end of 2017 and terminated the second license in December 2019 in connection with the grant of the EpCAM license to CytomX discussed below.

In December 2019, we granted CytomX an exclusive development and commercialization license to our maytansinoid and IGN ADC technology for use with antibodies (and Probodies™ developed therefrom) that target EpCAM. In January 2020, we received a $7.5 million upfront license payment and are entitled to receive up to a total of $355 million in milestone payments plus royalties on the commercial sales of any resulting product. CytomX is responsible for the manufacturing, product development, and marketing of any products resulting from this license. The standard termination provisions discussed below apply to this license.

Debiopharm

In May 2017, Debiopharm International S.A. (Debiopharm) acquired our IMGN529 program, a clinical-stage anti-CD37 ADC for the treatment of patients with B-cell malignancies, such as non-Hodgkin lymphomas (NHL). Under the terms of the Exclusive License and Asset Purchase agreement, we received a $25.0 million upfront payment for specified assets related to IMGN529 and an exclusive license to additional intellectual property necessary or useful for Debiopharm to develop and commercialize IMGN529 (now known as Debio 1562). We also received a $5.0 million milestone payment upon transfer of certain ImmunoGen technologies related to the program and were entitled to receive a $25.0 million milestone payment upon IMGN529 entering a Phase 3 clinical trial.

In October 2021, we and Debiopharm amended the Exclusive License and Asset Purchase agreement, pursuant to which we are entitled to receive a percentage of all payments generated from future sublicenses of Debio 1562, including upfront fees, milestones, and royalties, up to an aggregate of $30.0 million and in lieu of the potential $25.0 million development milestone payment under the original agreement. The standard termination provisions discussed below apply to this agreement.

Bayer

In 2008, we granted Bayer an exclusive development and commercialization license to use our maytansinoid ADC technology with antibodies or other proteins that target mesothelin. We are entitled to receive, for each product developed and marketed by Bayer under this agreement, up to a total of $170.5 million in milestone payments plus royalties on the commercial sales of any resulting products. Bayer is responsible for the development, manufacturing, and marketing of any products resulting from this license. The standard termination provisions discussed below apply to this license.

Novartis

We granted Novartis exclusive development and commercialization licenses to our maytansinoid and IGN ADC technology for use with antibodies to six specified targets under a now-expired right-to-test agreement established in 2010. In May 2018, Novartis terminated one of its six development and commercialization licenses. With respect to each remaining license, we are entitled to receive up to a total of $199.5 million in milestone payments, plus royalties on the commercial sales of any resulting products. Novartis is responsible for the manufacturing, product development, and marketing of any products resulting from this agreement. The standard termination provisions discussed below apply to these licenses.

Oxford BioTherapeutics/Menarini

In 2013, we granted Amgen, Inc. (Amgen) an exclusive development and commercialization license to our maytansinoid ADC technology for use with antibodies that target CD205 under a now-expired right-to-test agreement, which Amgen sublicensed to Oxford BioTherapeutics, which is developing MEN 1309 with Menarini. With respect to this license, we are entitled to receive up to a total of $34 million in milestone payments, plus royalties on the commercial sales of any resulting products. Amgen (or its sublicensee(s)) is responsible for the manufacturing, product development, and marketing of any products resulting from this development and commercialization license. The standard termination provisions discussed below apply to this license.

Fusion

In December 2016, we entered into an exclusive license agreement to a specified target with Fusion Pharmaceuticals Inc. (Fusion). We are entitled to receive up to a total of $50 million in milestone payments plus royalties on the commercial sales of any resulting products. Fusion is responsible for the manufacturing, development, and marketing of any products resulting from the license. The standard termination provisions discussed below apply to this license.

Viridian

In October 2020, we entered into a license agreement with Viridian Therapeutics, Inc. (Viridian) pursuant to which we 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 milestone payments plus royalties on the commercial sales of any resulting product. Viridian is responsible for the manufacturing, development, and marketing of any products resulting from the license agreement. 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.

Other Agreements

From time to time, we have entered into additional agreements with some of our collaborators pursuant to which we have provided certain Chemistry, Manufacturing and Controls (CMC)-related development and pre-pivotal ADC manufacturing services, or supplied ADC payloads, with respect to products they are developing under their licenses with us, with respect to which we have been entitled to receive payments at mutually negotiated rates.

Patents, Trademarks and Trade Secrets

ImmunoGen has a substantial and robust intellectual property portfolio comprising nearly 1,500 issued patents and over 600 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 of DM1, DM4, and DM21, as well as methods of using the same. These issued patents remain in force until various times between 2022 and 2038. With regard to our IGN payload agents, we have 35 issued U.S. patents covering various aspects of our DNA-acting cytotoxic payload agents, which will expire at various times between 2030 and 2042. 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 all cases, 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 remain in force until various times between 2023 and 2034. We also have 20 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 2040. 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 all cases, 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. In addition to the platform patent strategy described above and specific to mirvetuximab, we have 21 issued U.S. patents and 13 pending U.S. applications covering various embodiments of the composition of matter and methods of treatment using mirvetuximab, expiring at various times between 2031 and 2042. 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.

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, 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 obtain 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, we have continued to move our clinical studies forward while adapting to meet the evolving challenges of the COVID-19 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 manufacturing and supply chain perspective, we believe we have sufficient inventory on hand for all of our ongoing and near-term studies and to support the launch of mirvetuximab, if approved. From a regulatory perspective, since the beginning of the pandemic, we have received timely reviews of our submissions to the U.S. Food and Drug Administration (FDA) and other health authorities covering our clinical trial applications.

The impact of 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 studies.

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 products such as those we are developing. 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

- FDA 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 FDA 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 study 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 study 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 Phase 4 clinical 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 discuss 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 some of our product candidates, including mirvetuximab and potentially others, we plan to work with collaborators to develop or obtain access to *in vitro* companion diagnostic tests to identify appropriate patients for these targeted therapies.

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 indicated that it would apply 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 Federal Food, Drug, and Cosmetic Act, 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 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. FDA 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 similar regulatory requirements that apply to approved drugs.

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. 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 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 FDA requests for additional information or clarification. 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 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 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 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, or fails to submit a request for approval of a pediatric formulation.

Patent Term Restoration and Marketing Exclusivity

Depending upon the timing, duration, and specifics of FDA 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.

Pediatric exclusivity is a 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 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 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 product exclusivity. Orphan product 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. Orphan drug exclusivity could block the approval of one of our products for seven years if a competitor obtains approval of the same drug as defined by the FDA and we are not able to show the clinical superiority of our drug or if our product candidate is determined to be contained within the competitor's product for the same indication or disease. The FDA continues to periodically provide additional clarification, and in July 2018 published a final guidance entitled, "Clarification of Orphan Designation of Drugs and Biologics for Pediatric Subpopulations of Common Diseases."

Mirvetuximab has been granted orphan drug designation by the FDA in the United States, and orphan medicinal product status by the European Medicines Agency (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 BPDCN and by the EMA for the treatment of BPDCN. In the U.S., if mirvetuximab receives FDA marketing approval for the use for which the orphan drug status was granted, we could be entitled to seven years of market exclusivity that would begin on the date of approval. In the EU, orphan designation could provide us with ten years of market exclusivity that would begin after mirvetuximab receives marketing authorization for the use for which it was granted. We may pursue these designations for other indications for other product candidates intended for qualifying patient populations.

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 FDA 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 calendar 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 is a marker, 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-marketing clinical trials to confirm the appropriateness of the surrogate marker trial. Failure to conduct required post-approval studies, confirm a clinical benefit during post-marketing studies, 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. Based on the results of SORAYA, we expect to submit an application for accelerated approval of mirvetuximab in the applicable patient population to the FDA. If we receive accelerated approval, 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.

Any drug products manufactured or distributed by us or our partners pursuant to FDA approvals 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 FDA promotion and advertising requirements. Compliance with these requirements will require us to expend significant time, money, and effort.

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-market 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; and
- consent decrees, corporate integrity agreements, debarment or exclusion from federal healthcare programs, or mandated modification of promotional materials and labeling and issuance of corrective information, that may result in restrictions on the product or even complete withdrawal of the product from the market.

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 state enforcement authorities.

Although we currently have no products approved for commercial sale, if we obtain marketing approval for any product candidates in the future, 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), 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)). Laws and regulations have also been enacted by the federal government and various states to regulate the sales and marketing practices of pharmaceutical manufacturers with marketed products, including laws that require manufacturers to adopt certain compliance standards or to disclose financial interactions with health care providers to the government and public. 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.

Given the lack of clarity in laws and their implementation, any future activities (if we obtain approval and/or reimbursement from federal healthcare programs for our product candidates) could be subject to challenge.

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 FDA 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 may be longer or shorter than that required for FDA approval.

Under European Union regulatory systems, a company may submit marketing authorization applications either under a centralized or decentralized procedure. The centralized procedure, which is compulsory for medicinal products produced by biotechnology or those medicinal products containing new active substances for specific indications such as the treatment of AIDS, cancer, neurodegenerative disorders, diabetes, viral diseases, and designated orphan medicines, and optional for other medicines which are highly innovative. Under the centralized procedure, a marketing application is submitted to the EMA where it will be evaluated by the Committee for Medicinal Products for Human Use. A favorable opinion typically results in the grant by the EMA of a single marketing authorization that is valid for all European Union member states within 67 days of receipt of the opinion. The initial marketing authorization is valid for five years, but once renewed is usually valid for an unlimited period. The decentralized procedure provides for approval by one or more "concerned" member states based on an assessment of an application performed by one member state, known as the "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 states. The reference member state prepares a draft assessment and drafts of the related materials within 120 days after receipt of a valid application. Within 90 days of receiving the reference member state's assessment report, each concerned member state must decide whether to approve the assessment report and related materials. If a member state does not recognize the marketing authorization, the disputed points are eventually referred to the EMA, whose decision is binding on all member states.

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.

Reimbursement

Significant uncertainty exists regarding the coverage and reimbursement status of products approved by the FDA and other government authorities. Sales of our products will 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 drug product for which we obtain approval, 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.

Within the U.S., for any approved products, 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 and drugs specifically. *See "Risks Related to Government Regulation - Unfavorable pricing regulations, third-party reimbursement practices, or healthcare reform initiatives applicable to our product candidates could limit our potential product revenue."* 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 our product candidates, if approved, 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 generally tend to be significantly lower.

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.

Information about our Executive Officers

ImmunoGen's executive officers are appointed by the Board of Directors at the first meeting of the Board following the annual meeting of shareholders or at other Board meetings as appropriate and hold office until the first Board meeting following the next annual meeting of shareholders and until a successor is chosen, subject to prior death, resignation, or removal. Information regarding our executive officers is presented below. Ages are as of December 31, 2021.

Mark J. Enyedy, age 58, joined ImmunoGen in 2016, and has served as our President and Chief Executive Officer since that time. Prior to joining ImmunoGen, he served in various executive capacities at Shire PLC, a pharmaceutical company, from 2013 to 2016, including as Executive Vice President and Head of Corporate Development from 2014 to 2016, where he led Shire's strategy, M&A, and corporate planning functions and provided commercial oversight of Shire's pre-Phase 3 portfolio. Prior to joining Shire, he served as Chief Executive Officer and a director of Proteostasis Therapeutics, Inc., a biopharmaceutical company, from 2011 to 2013. Prior to joining Proteostasis, he served for 15 years at Genzyme Corporation, a biopharmaceutical company, most recently as President of the Transplant, Oncology, and Multiple Sclerosis divisions. Mr. Enyedy holds a JD from Harvard Law School and practiced law prior to joining Genzyme. Mr. Enyedy is also a director of LogicBio Therapeutics, Inc., Ergomed PLC, the Biotechnology Innovation Organization (BIO), and The American Cancer Society of Eastern New England. Within the past five years, he also served as a director of Akebia Therapeutics, Inc., Fate Therapeutics, Inc., and Keryx Biopharmaceuticals, Inc.

Susan Altschuller, PhD, age 40, joined ImmunoGen in July 2020, and has served as our Senior Vice President and Chief Financial Officer since that time. Dr. Altschuller joined ImmunoGen from Alexion Pharmaceuticals, where she served as Head of Investor Relations, and later, Head of Enterprise Finance. Prior to joining Alexion, Dr. Altschuller was Head of Investor Relations at Bioverativ, where she served as the primary interface with Wall Street and led all investor-related activities for the launch of the Biogen spin-off in 2017. Early in her career, Dr. Altschuller held positions at Biogen in various functions of increasing responsibility, including investor relations, corporate finance, and commercial finance. Dr. Altschuller holds a PhD in Biomedical Engineering from the Illinois Institute of Technology and an MBA from the MIT Sloan School of Management. Dr. Altschuller also serves as a director of Vestaron Corporation.

Anna Berkenblit, MD, age 52, joined ImmunoGen in 2015, and has served as our Senior Vice President and Chief Medical Officer since 2019. Prior to that, she served as our Vice President and Chief Medical Officer from 2015 to 2019. Prior to joining ImmunoGen, she served as Senior Vice President and Head of Clinical Research at H3 Biomedicine Inc., a pharmaceutical company, from 2013 to 2015. Dr. Berkenblit holds a Doctor of Medicine degree

from Harvard Medical School and a master's degree from the Harvard/MIT Health & Sciences clinical investigator training program. Dr. Berkenblit is also a director of Surrozen, Inc.

Stacy Coen, age 51, joined ImmunoGen in June 2020, and has served as our Senior Vice President and Chief Business Officer since that time. Ms. Coen joined ImmunoGen from Editas Medicine, a biopharmaceutical company, where she served as Vice President of Business Development, from 2017 to 2020. Prior to that, she spent twenty years in roles of increasing responsibility in the area of business development at Sanofi Genzyme, a pharmaceutical company, from 1997 to 2017. Ms. Coen holds an MBA, Business Management, Finance, and Healthcare, from the University of Virginia, Darden Graduate School of Business Administration. Ms. Coen currently serves as a member of the board of directors of FibroBiologics and as a member of the Board of Trustees of the Huntington's Disease Society of America.

Kristen Harrington-Smith, age 49, joined ImmunoGen in November 2021, and has served as our Senior Vice President and Chief Commercial Officer since that time. Ms. Harrington-Smith joined ImmunoGen from Novartis Pharmaceuticals, a pharmaceutical company, where she served as Vice President and US Commercial Head of Hematology from 2020 to 2021. In this role, she led the commercial teams responsible for a broad portfolio of therapies in both benign and malignant hematologic diseases. In her previous role at Novartis, Ms. Harrington-Smith was the Vice President and US Commercial Head of CAR-T from 2016 to 2020, launching KYMRIAH®, the first chimeric antigen receptor (CAR) T-cell therapy, building management, sales, marketing, and market access teams. Ms. Harrington-Smith received a BA from Williams College and an MBA from the Kenan-Flagler Business School at the University of North Carolina. Ms. Harrington-Smith also serves as a member of the board of directors of eFFECTOR Therapeutics.

Theresa G. Wingrove, PhD, age 64, joined ImmunoGen in 2011, and has served as our Senior Vice President, Regulatory Affairs and Quality since 2018. Prior to that she served as our Vice President, Regulatory Affairs and Quality from 2017 to 2018, and prior to that as our Vice President, Regulatory Affairs for more than five years. Dr. Wingrove holds a PhD in biochemical toxicology from the University of Rochester School of Medicine and Dentistry and completed her postdoctoral work at the University of Rochester Medical Center.

Human Capital Resources

As of December 31, 2021, we had 106 full-time employees, of whom 75 were engaged in research and development activities. Of the 75 research and development employees, 56 employees hold post-graduate degrees, of which 20 hold Ph.D. degrees and 4 hold M.D. degrees. We consider our relations with our employees to be good. None of our employees is covered by a collective bargaining agreement. 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. To support these objectives, our human resources programs are designed to acquire talent to create a high-performing and diverse workforce; develop employees to prepare them for critical roles and leadership positions for the future; reward and support employees through competitive pay and benefits; and enhance our culture through efforts aimed at making the workplace more engaging and inclusive. At ImmunoGen, prejudice, racism, and intolerance are unacceptable. We are committed to diversity, equity, and inclusion across all aspects of our organization, including in our hiring, promotion, and development practices.

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, 2021, we had an accumulated deficit of $1.5 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, and clinical trials continue. We intend to continue to invest significantly in our product candidates. We may encounter technological or regulatory 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 (which we sold partial cash rights to in 2015 and the remainder in 2019). We have not generated any revenue from product sales. Because of the numerous risks and uncertainties associated with developing 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 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 our product candidates. We may never generate revenues from the commercial sale of internal products. Even if we do successfully develop products that can be marketed and sold commercially, we will need to generate significant revenues from those products 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.

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 our product candidates.

We will continue to expend substantial resources developing and commercializing new and existing 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 our product candidates, as well as providing certain support to our collaborators in the development of their products. We believe that our current cash and cash equivalents will be sufficient to meet our current and projected operating and capital requirements for at least the next 12 months. 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 and achieve product sales. In addition, our product candidates, if approved, may not achieve commercial success. Our commercial revenues, if any, will be derived from sales of products that may not be commercially available for several years, if ever. 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
- 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. Any additional fundraising efforts may divert our management from their day-to-day activities, which may adversely affect our ability to develop and commercialize 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 financing, if available, may involve covenants that could restrict our business activities. If we are unable to raise additional funds through equity or debt financing when needed, we may be required to delay, scale back, or eliminate expenditures for some of our development programs, including restructuring our operations, refinancing or restructuring our debt, or grant rights to develop and market product candidates that we would otherwise prefer to internally develop and market. If we are required to grant such rights, the ultimate value of these 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 ImmunoGen's 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, 2021, we had federal NOLs of $471.6 million available to reduce federal taxable income, if any, that begin to expire in 2028 through 2037, and $536.6 million of federal NOLs that can be carried forward indefinitely. As of December 31, 2021, we also had $77.9 million of federal credit carryforwards that expire beginning in 2023. 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

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. The current outbreak of COVID-19 has spread worldwide, including countries where we are currently conducting our clinical trials, including our MIRASOL trial. The COVID-19 pandemic is still evolving, and to date has led to 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.

The continued impact of COVID-19 globally could adversely affect our clinical trial operations in the United States and elsewhere, including our ability to recruit and retain patients, principal investigators, and site staff who, as healthcare providers, may have heightened exposure to COVID-19. 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 studies. Even with the approval of vaccines for COVID-19, the pandemic may further delay enrollment in trials due to prioritization of hospital resources toward the pandemic, 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. In addition, there could be a potential effect of COVID-19 to the business at FDA or other health authorities, which could result in delays of reviews and approvals, including with respect to our product candidates. COVID-19 may also affect employees of third-party contract research organizations located in affected geographies that we rely upon to carry out our clinical trials. The continuation of the COVID-19 pandemic, including the development of new variants of the virus, or the spread of another infectious disease, could also negatively affect the

operations at our third-party manufacturers, which could result in delays or disruptions in the supply of our product candidates if we need additional materials. Additionally, interruption in the manufacture and/or global shipping affecting the transport of clinical trial materials, such as patient samples, product candidates, and other supplies used in our clinical trials may negatively affect our trials.

The trading prices for our common stock and other biotechnology companies have also been highly volatile as a result of the COVID-19 pandemic. We, therefore, may face difficulties raising capital through sales of our common stock or equity linked to our common stock, or such sales may be on unfavorable terms or unavailable.

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.

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.

Our ADC technology yields novel product candidates for the treatment of cancer. To date, only one ADC using our technology, KADCYLA, has obtained marketing approval. Our ADC product candidates and/or our collaborators' ADC product candidates 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 product candidates that are safe, effective, and commercially viable treatments for cancer or such product candidates fail to obtain or maintain FDA approval, our business will be severely harmed.

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

Before obtaining regulatory approval for the commercial sale of any product candidates, we and our collaborators must demonstrate through clinical testing that our product candidates 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 mirvetuximab, our FORWARD I Phase 3 clinical trial evaluating mirvetuximab 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 mirvetuximab, SORAYA and MIRASOL, to support the potential approval of mirvetuximab as a monotherapy. We reported positive top-line data from our SORAYA trial, however, results from our ongoing MIRASOL study may not show positive results consistent with our SORAYA trial, post hoc exploratory analyses of the FORWARD I results, or earlier successful trials of mirvetuximab as monotherapy 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 FDA. We cannot be sure that submission of an IND will result in the FDA allowing our clinical trials to begin on the timelines we expect, if at all, as FDA 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 product candidates for various reasons, including:

- occurrence of unacceptable toxicities or side effects;
- ineffectiveness of the product candidate;
- 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 product candidates to ensure their 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.

Any failure or substantial delay in successfully completing clinical trials and obtaining regulatory approval for our product candidates or our collaborators' 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 studies 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 candidate.

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 approval for, and to commercialize, our product candidates may be harmed, which may negatively affect our business, financial condition, results of operations, and prospects.

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

Even if clinical trials demonstrate the safety and efficacy of our product candidates, including mirvetuximab, and those of our collaborators, and the necessary regulatory approvals are obtained, our and our collaborators' products may not gain market acceptance among physicians, patients, healthcare payers, and other members of the medical community. The degree of market acceptance of any products that we or our collaborators develop will depend on a number of factors, including:

- their level of clinical efficacy and safety;
- 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 payers; and
- the quality of the distribution capabilities of the party(ies) responsible to market and distribute the product(s).

Physicians may not prescribe any of our future products until such time as clinical data or other factors demonstrate the safety and efficacy of those products as compared to conventional drugs and other treatments. Even if the clinical safety and efficacy of our products are established, 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.

We currently do not have the direct sales, marketing, or distribution capabilities necessary to successfully commercialize our products on a large scale and may be unable to establish such capabilities.

We currently intend to commercialize mirvetuximab ourselves in the United States and the European Union. We may choose to rely on third parties to market and sell mirvetuximab outside of the United States and the European Union, either through distributor or outlicensing arrangements. For example, in October 2020, we entered into a collaboration and license agreement with Huadong under which Huadong will exclusively develop and commercialize mirvetuximab in Greater China. We retain all rights to mirvetuximab in the rest of the world. At this time, we do not have any significant direct sales, marketing, or distribution capabilities. In addition, arrangements with third parties to develop and commercialize mirvetuximab or other future potential products could significantly limit the revenues we derive from these compounds, and these third parties, including Huadong, may fail to commercialize our compounds successfully.

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

The use of 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 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 if we or our collaborators begin commercial production of our proposed product candidates, including mirvetuximab. 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 our proposed 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 our potential products, including mirvetuximab. Our competitors include research institutions, pharmaceutical companies, and biotechnology companies, such as Pfizer, Seattle Genetics, Roche, Astellas, AstraZeneca, Daiichi Sankyo, GlaxoSmithKline, AbbVie, 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 U.S. 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 our product candidates;

- obtain FDA and other regulatory approvals or reach the market with their products more rapidly than we can, reducing the potential sales of our product candidates;
- 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.

Our product candidates, including mirvetuximab, if approved and commercialized, 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, if our product candidates are approved and commercialized, we 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 studies 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 one of our potential products were approved in the United States or Europe, it could have a negative effect on sales and gross profits of the potential 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 product candidates obsolete or noncompetitive or result in treatments or cures superior to any therapy developed by us.

We have a limited number of authorized and unreserved shares available for future issuance, which may impair our ability to conduct future financings and other transactions.

Our restated articles of organization, as amended, currently authorizes us to issue up to 300,000,000 shares of common stock and 5,000,000 shares of preferred stock. Following the closing of our December 2021 public offering of common stock, we have a limited number of authorized shares of common stock available for future issuance that are not already issued or reserved for issuance.

If we are unable to enter into new arrangements to issue shares of our common stock or securities convertible or exercisable into shares of our common stock because we do not have a sufficient number of authorized, unissued, and unreserved shares of common stock, our ability to complete equity-based financings or other transactions that involve the potential issuance of our common stock or securities convertible or exercisable into our common stock, will be limited. In lieu of issuing common stock or securities convertible into our common stock in any future equity financing transactions, we may need to issue some or all of our authorized but unissued shares of preferred stock, which would likely have superior rights, preferences, and privileges to those of our common stock, or we may need to issue debt that is not convertible into shares of our common stock, which may require us to grant security interests in our assets and property and/or impose covenants upon us that restrict our business. If we are unable to issue additional shares of common stock or securities convertible or exercisable into our common stock, our ability to enter into strategic transactions such as acquisitions of companies or technologies, may also be limited. If we propose to amend our restated articles of organization, as amended, to increase our authorized shares of common stock, such a proposal would require the approval by the holders of a majority of the shares of our common stock outstanding and entitled to vote, and we cannot assure you that such a proposal would be adopted. If we are unable to complete financing, strategic, or other transactions due to our inability to issue additional shares of common stock or securities convertible or exercisable into our common stock, our financial condition and business prospects may be materially harmed.

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 for particular product candidates, our business could be severely affected.

The development and commercialization of 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 existing and future 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 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 product candidates under our agreements with them. Any of our collaborators may slow or discontinue the development of a product candidate 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 candidate 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 products. 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 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 products 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 severely 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 mirvetuximab or any other 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 mirvetuximab or any other 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. 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 all of the DM4 used in mirvetuximab 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 our product candidates and our collaborators' products candidates.

We rely on a sole third-party supplier, Società Italiana Corticosteroidi S.r.l, to manufacture the DM4 used in mirvetuximab. 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 our product candidates and our collaborators' product candidates, 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, and any delay or interruption in such manufacturers' operations could impair our ability to advance clinical trials and commercialization of our product candidates.

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 our potential products. We have established relationships with third-party manufacturers to provide materials for our clinical trials and are developing relationships with these and other third-party manufacturers that we believe will be necessary to continue the development of our product candidates and to supply commercial quantities of these product candidates if they are approved. 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 clinical trials may be delayed, thereby delaying the submission of applications for regulatory approval and the market introduction and subsequent commercialization of our potential products. Any such delays may lower our revenues and potential profitability.

The facilities used to manufacture our product candidates (drug substance and drug product) 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. Often, but not always, these inspections are triggered by marketing authorization submissions. In the United States, if we want to change manufacturers or add additional manufacturers after our product candidate is approved, the FDA must approve a supplemental BLA. We are completely dependent on our contract manufacturers for compliance with cGMPs in connection with the manufacture of 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 develop, obtain marketing approval for, or market our product candidates, if approved. 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 product candidates or drugs, if approved, operating restrictions and criminal prosecutions, any of which could significantly and adversely affect our business and supplies of our product candidates.

We depend on a small number of collaborators for a substantial portion of our revenue. The loss of, or a material reduction in activity by, any one of these collaborators could result in a substantial decline in our revenue.

We have and will continue to have collaborations with a limited number of companies. As a result, our financial performance depends, in part, on the efforts and overall success of these companies. Also, the failure of any one of our

collaborators to perform its obligations under its agreement with us, including making any royalty, milestone, or other payments to us, could have an adverse effect on our financial condition. Further, any material reduction by any one of our collaborators in its level of commitment of resources, funding, personnel, and interest in continued development under its agreement with us could have an adverse effect on our financial condition. If a present or future collaborator of ours were to be involved in a business combination, the collaborator's continued pursuit and emphasis on our product development program could be delayed, diminished, or terminated.

We depend on our collaborators for the determination of royalty payments. We may not be able to detect errors, and payment calculations may call for retroactive adjustments.

The royalty payments we may receive are determined by our collaborators based on their reported net sales. Each collaborative partner's calculation of the royalty payments is subject to and dependent upon the adequacy and accuracy of its sales and accounting functions, and errors may occur from time to time in the calculations made by a collaborative partner. Our agreement with Genentech provides us the right to audit the calculations and sales data for the associated royalty payments related to sales of KADCYLA; however, such audits may occur many months following our recognition of the royalty revenue, may require us to adjust our royalty revenues in later periods and generally require audit-related costs on our part.

Royalty rates under our license agreements with our collaborators may vary over the royalty term depending on our intellectual property rights and the existence of certain third-party competing products.

Most of our license agreements with our collaborators provide that the royalty rates are subject to downward adjustment in the absence of ImmunoGen patent rights covering various aspects of the manufacture, use, or sale of the products developed under such licenses, or if certain third-party products compete with the particular product covered by the license agreement.

Risks Related to Our Intellectual Property

If we are unable to protect our intellectual property rights adequately, the value of our technology 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 our 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.

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, or priority of invention, which could result in substantial cost to us. An adverse decision in such a proceeding may result in 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, 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 potential 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 potential 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 potential products even when we are aware of third-party patents that may be relevant to our potential 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 potential 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 potential 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 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 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 our potential products. 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 potential 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

We expect to file for approval for mirvetuximab from the FDA through the use of accelerated approval pathways. If unable to obtain approval under an accelerated pathway, we may be required to conduct additional preclinical studies or clinical trials beyond those that we currently contemplate, which could increase the expense of obtaining, and delay the receipt of, necessary marketing approvals. Even if we receive accelerated approval from the FDA, if our confirmatory trials do not verify clinical benefit, or if we do not comply with rigorous post-marketing requirements, the FDA may seek to withdraw accelerated approval.

We are seeking approval for mirvetuximab for the treatment of FRα-high platinum-resistant epithelial ovarian, primary peritoneal, or fallopian tube cancer with one to three prior lines of therapy under the accelerated approval pathway.

The FDA may not accept our application for accelerated approval, may not grant such approval on a timely basis, or may not grant approval at all. The FDA or foreign regulatory authorities may determine that results from the SORAYA trial do not demonstrate an improvement over available therapies or address an unmet need or may otherwise find that our application does not meet the conditions for accelerated approval, including due to insufficient duration or response or unacceptable toxicities, and could require us to conduct further studies prior to considering our application or granting approval of any type. We might not be able to fulfill the FDA's requirements in a timely manner, which would cause delays, or approval might not be granted because our submission is deemed incomplete by the FDA. A failure to obtain accelerated approval or any other form of expedited development, review, or approval for mirvetuximab would result in a longer time period to commercialization of mirvetuximab, would increase the cost of development of mirvetuximab, and would harm our competitive position in the marketplace.

Moreover, even if we receive accelerated approval from the FDA, we will be subject to rigorous post-marketing requirements, including the completion of confirmatory post-market clinical trial(s) to verify the clinical benefit of mirvetuximab, and submission to the FDA of all promotional materials 30-120 days prior to their dissemination. Products that receive accelerated approval may be subject to expedited withdrawal procedures if post-marketing studies 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-market study, a post-market study does not confirm the predicted clinical benefit, 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.

Side effects, serious adverse events, or other undesirable properties could arise from the use of mirvetuximab or our other clinical product candidates and, in turn, could delay or halt clinical trials, delay or prevent its regulatory approval, limit the commercial profile of its labeling, if approved, or result in significant negative consequences following any marketing approval.

Undesirable side effects or serious adverse events caused by mirvetuximab or our other clinical product candidates could cause us or regulatory authorities to interrupt, delay, or halt respective clinical trials and could result in a restrictive label or the delay or denial 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.

In our Phase 3 SORAYA trial evaluating the safety and efficacy of mirvetuximab monotherapy in patients with FRα-high platinum-resistant epithelial ovarian, primary peritoneal, or fallopian tube cancer who had been previously treated with Avastin® (bevacizumab), the most commonly reported treatment-related adverse events included ocular events and low grade gastrointestinal events. Treatment-related adverse events leading to drug discontinuation occurred in 7% of patients.

In the randomized Phase 3 FORWARD I trial evaluating mirvetuximab compared to chemotherapy in women with FRα-positive, platinum-resistant epithelial ovarian, primary peritoneal, or fallopian tube cancer, the most common drug-related adverse events included nausea, blurred vision, and keratopathy.

In the Phase 1b FORWARD II study, doublet combinations of mirvetuximab with carboplatin and with bevacizumab were studied, as well as a triplet of mirvetuximab with carboplatin and bevacizumab. In these combinations, no new safety signals were seen; adverse events observed with the combinations were as expected based on the side effect profiles of each agent and duration of therapy.

Additionally, if mirvetuximab receives marketing approval, and we or others later identify undesirable side

effects or serious adverse events caused by mirvetuximab, a number of potentially significant negative consequences could result, including:

- we may suspend or be forced to suspend marketing of mirvetuximab;
- we may be obliged to conduct a product recall or product withdrawal;
- regulatory authorities may suspend, vary, or withdraw their approvals of mirvetuximab;
- regulatory authorities may order the seizure of mirvetuximab;
- 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 the commercial success of mirvetuximab;
- we may be required to conduct post-marketing studies;
- 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 mirvetuximab, if approved.

We have received orphan drug designation for mirvetuximab 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.

Mirvetuximab 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 drug 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 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 drug candidates, we may never receive such designations. Even if we receive orphan drug designation for any of our drug candidates, 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 necessary regulatory approvals.

We and our collaborators may not receive the regulatory approvals necessary to commercialize our product candidates, which would cause our business to be severely harmed. Pharmaceutical product candidates, including those in development by us and our collaborators, 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 our potential products or our collaborators' potential products 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 candidate, 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 candidate'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-marketing studies. FDA may approve our product 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 the addition of labeling statements, including warnings, contra-indications, or precautions. 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 of our or our collaborators' product candidates, 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 products. The effect of government regulation may be to:

- delay marketing of potential products for a considerable period of time;
- limit the indicated uses for which potential products 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 product candidates 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.

Our and our collaborators' product candidates will remain subject to ongoing regulatory review even if they receive marketing approval. 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.

Even if we or our collaborators receive regulatory approval to market a particular product candidate, the approval could be conditioned on us or our collaborators conducting costly post-approval studies 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. After receiving marketing approval, the manufacturing, labeling, packaging, adverse event reporting, storage, advertising, promotion, and record-keeping related to the product remain subject to extensive regulatory requirements. We do not have prior experience complying with regulations pertaining to products that have already received marketing approval and, therefore, 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 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.

The FDA, EMA, or comparable foreign regulatory authorities could require the clearance or approval of a companion diagnostic device as a condition of approval for our product candidates, which would require substantial financial resources and could delay regulatory approval.

The FDA has indicated that approval of a companion diagnostic device may be necessary for some of our product candidates, including mirvetuximab. We may face significant delays or obstacles in obtaining approval of our product candidates as the FDA may take the position that a companion diagnostic device is required prior to granting approval of the marketing application. In addition, we may be dependent on the sustained cooperation and effort of third-party collaborators with whom we may partner in the future to develop companion diagnostics. We and our current, potential, and future 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. For example, the FDA has indicated that a companion diagnostic will be required for mirvetuximab and we have partnered with Ventana Medical Systems to develop the FRα companion diagnostic. The PMA for the companion diagnostic will be submitted concurrently with the BLA for mirvetuximab to allow for contemporaneous FDA review of the BLA and PMA. Any delay or failure by us or our potential and future collaborators to develop or obtain regulatory clearance or approval of such companion diagnostics, if necessary, could delay or prevent approval of our product candidates.

Unfavorable pricing regulations, third-party reimbursement practices, or healthcare reform initiatives applicable to our product candidates could limit our potential product revenue.

Regulations governing drug pricing and reimbursement vary widely from country to country. Some countries require approval of the sales price of a drug before it can be marketed. Some countries restrict the physicians that can authorize the use of more expensive medications. Some countries establish treatment guidelines to help limit the use of more expensive therapeutics and the pool of patients that receive them. In some countries, including the United States, third-party payers frequently seek discounts from list prices and are increasingly challenging the prices charged for medical products. Because our product candidates are in the development stage, we do not know the level of reimbursement, if any, we will receive for any products that we are able to successfully develop. If the reimbursement for any of our product candidates is inadequate in light of our development and other costs, our ability to achieve profitability would be affected. *See "Regulatory Matters – Reimbursement"*.

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"). More recently, on June 17, 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 federal and state health care reform efforts, a number of which have focused on regulation of prices or payment for drug products, including legislation on drug importation and legislation and regulation revising the Medicaid drug rebate program. Recent state legislative efforts to address drug costs have generally focused on increasing transparency around drug costs or limiting drug prices.

Healthcare reform efforts have been and may continue to be subject to scrutiny and legal challenge. For example, courts temporarily enjoined regulations that would implement a new "most favored nation" payment model for select drugs covered under Medicare Part B that was to take effect on January 1, 2021 and would limit payment based on international drug price and CMS subsequently issued a notice of proposed rulemaking to rescind and remove the regulations. As another 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 recent legislation imposed a moratorium on implementation of the rule until January 1, 2026.

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.

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 regulation at the federal and state level, including laws intended to prevent fraud and abuse in the healthcare industry. These laws, some of which will apply only if and when we have an approved product, 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 manufacturer 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 corrupt 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 studies or may prescribe or purchase 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 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. 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, California adopted the California Consumer Privacy Act of 2018 (CCPA), which became effective in January 2020. The CCPA has been characterized as the first “GDPR-like” privacy statute to be enacted in the United States because it mirrors a number of the key provisions of the EU GDPR. The CCPA establishes a new privacy framework for covered businesses by creating an expanded definition of personal information, establishing new data privacy rights for consumers in the State of California, imposing special rules on the collection of consumer data from minors, and creating a new and potentially severe statutory damages framework for violations of the CCPA and for businesses that fail to implement reasonable security procedures and practices to prevent data breaches. The California Privacy Rights Act will impose additional obligations on companies processing personal information of California residents beyond those found in the CCPA when it takes effect in January 2023.

We expect to be subject to additional privacy laws at both the U.S. state level and abroad as many jurisdictions worldwide in addition to those examples discussed above have either recently passed data privacy legislation or are considering enacting such legislation.

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 of our current and future product candidates depends largely on retaining the services of our existing personnel and hiring additional qualified scientific personnel to perform research and development. 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. We will also need to hire personnel with expertise in clinical testing, government regulation, manufacturing, sales, marketing, distribution, and finance. 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 delay the development of our product candidates and 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 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. In addition, we have limited experience with respect to laws governing the commercial sale of pharmaceutical products. We will need to implement measures to maintain compliance with these laws if any of our product candidates are approved. The failure to adequately implement and maintain these measures could negatively affect our sales and marketing activities and our business.

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, if any, 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. In 2020, we sublet approximately 65,000 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 16, 2022, we had 389 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 clinical-stage biotechnology company focused on developing the next generation of 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 anti-cancer 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 addressing both solid tumors and hematologic malignancies.

Our Business

Our lead program is mirvetuximab, a first-in-class investigational ADC targeting FRα, a cell-surface protein over-expressed in a number of epithelial tumors, including ovarian, endometrial, and non-small-cell lung cancers. Following consultation with the FDA, we initiated two trials of mirvetuximab in patients with platinum-resistant ovarian cancer whose tumors express FRα-high: SORAYA, a single-arm clinical trial that could lead to accelerated approval, pending FDA review; and MIRASOL, a randomized Phase 3 clinical trial that, if successful, could lead to full approval in this setting.

Beyond FRα-high, platinum-resistant ovarian cancer in patients who had one or more prior lines of therapy, our strategy is to move mirvetuximab into platinum-sensitive disease and become the combination agent of choice in ovarian cancer. To this end, we initiated PICCOLO, a single-arm study of mirvetuximab monotherapy in later-line platinum-sensitive patients. We have also generated encouraging data in recurrent platinum-sensitive disease with the combination of mirvetuximab plus carboplatin and are supporting ISTs with this combination in a single-arm study in the neoadjuvant setting and in a randomized study comparing mirvetuximab combined with carboplatin to standard of care in patients with recurrent platinum-sensitive disease. We also intend to initiate a single-arm Phase 2 study (0420) of this combination followed by mirvetuximab continuation in FRα-low, medium, and high patients with platinum-sensitive disease. Results from this study and our ongoing ISTs will inform a path to the potential registration for mirvetuximab plus carboplatin and, in parallel, could support compendia listing for this combination.

In addition, we presented mature data from our Phase 1b FORWARD II trial of mirvetuximab plus Avastin® (bevacizumab) in recurrent ovarian cancer in an oral presentation at the American Society for Clinical Oncology Annual Meeting in June 2021 and believe the data could support compendia listing for this combination in close proximity to the initial monotherapy approval of mirvetuximab. Furthermore, we recently aligned with FDA on GLORIOSA, a potential randomized Phase 3 study of mirvetuximab plus bevacizumab maintenance in FRα-high recurrent platinum-sensitive disease. We expect to initiate this potential label-enabling study in the second quarter of 2022.

Pivekimab, 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 class. Our IGNs are designed to alkylate DNA without cross-linking, which has provided a broad therapeutic index in preclinical models. We are advancing pivekimab in clinical trials for patients with BPDCN and 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 pivekimab for the treatment of patients with relapsed or refractory BPDCN. Based on feedback from the FDA, we amended our ongoing 801 Phase 2 study, known as CADENZA, to include a new cohort of up to 20 frontline BPDCN patients. We now expect to generate top-line data for this frontline cohort in the second half of 2022.

We are also conducting our 802 study for pivekimab, which is a Phase 1b/2 study designed to determine the safety, tolerability, and preliminary antileukemia activity of pivekimab when administered in combination with azacytidine and venetoclax to patients with relapsed and frontline CD123-positive AML. This study is in dose-escalation, enrolling relapsed and refractory patients to determine the recommended Phase 2 dose of pivekimab for the triplet combination regimen. We are in the final stages of determining the recommended Phase 2 dose for this triplet

combination and expect to initiate expansion cohorts in relapsed and frontline patients this year.

In addition, we are advancing 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. We continue to enroll patients in the Phase 1 study for this program and expect initial data in 2022.

IMGN151 is our next generation anti-FRα product candidate in preclinical 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. In January 2022, we submitted an IND application to evaluate IMGN151 in a planned Phase 1 clinical trial in patients with recurrent endometrial cancer and recurrent, high-grade serous epithelial ovarian, primary peritoneal, or fallopian tube cancers. In February 2022, the FDA placed a clinical hold on our IND application pending the resolution of certain chemistry, manufacturing, and controls, or CMC, information requests. We are generating data responsive to the requests and anticipate filing these responses mid-year, which we believe will enable us to proceed with the study in due course thereafter.

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.

To date, we have not generated revenues from commercial sales of internal products, and 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 the potential commercialization of our portfolio. As of December 31, 2021, we had $478.8 million in cash and cash equivalents compared to $293.9 million as of December 31, 2020.

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:

- 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, we have continued to move our clinical studies forward while adapting to meet the evolving challenges of the COVID-19 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 manufacturing and supply chain perspective, we believe we have sufficient

inventory on hand for all of our ongoing and near-term studies and to support the launch of mirvetuximab, if approved. 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.

The impact of 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 studies.

Results of Operations

For a discussion related to the results of operations for 2020 compared to 2019, 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, 2020 filed with the SEC on March 1, 2021.

Revenues

For 2021, our total revenues decreased to $69.9 million compared to $132.3 million for 2020, driven by decreases in license and milestone fees and non-cash royalty revenue, both of which are discussed further below.

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 2021 and 2020 was $22.7 million and $63.7 million, respectively. In 2020, we recognized $60.5 million of previously deferred license revenue upon Jazz's opt-out of its right to the last remaining license under its collaboration and option agreement, which drove the decrease in license and milestone fee revenue in 2021 compared to 2020. Partially offsetting this decrease, we recorded $7.4 million of revenue related to partner milestones achieved in 2021 and, pursuant to our license agreement with Huadong executed in October 2020, upon delivery of initial clinical supply in 2021, we recorded $14.6 million of the $40.0 million upfront payment previously deferred.

Deferred revenue of $92.1 million as of December 31, 2021 includes $28.5 million related to the collaboration with Huadong and $57.6 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, $46.8 million and $68.5 million of non-cash royalties on net sales of KADCYLA were recorded and included in royalty revenue for 2021 and 2020, respectively. The decrease in non-cash royalty revenue in 2021 compared to 2020 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. Pursuant to the terms of these agreements, we expect to recognize less non-cash royalty revenue in 2022 and subsequent years as compared to 2021 and prior years. See further details regarding these agreements in Note F, "Liability Related to Sale of Future Royalties," of the Consolidated Financial Statements.

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, and (v) 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 $151.1 million and $114.6 million for 2021 and 2020, respectively, with increased expenses related to personnel, third-party staffing costs, contract services, external manufacturing costs, and clinical trial costs, 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	**2021**	**2020**	**(Decrease)**
Preclinical and clinical testing	$ 99,971	$ 75,430	24,541
Process and product development	7,010	5,430	1,580
Manufacturing operations	44,136	33,732	10,404
Total research and development expenses	$ 151,117	$ 114,592	$ 36,525

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, and the cost of clinical trials. Such expenses include those related to personnel, third-party staffing, patient enrollment at our clinical testing sites, consultant fees, contract services, and facilities. Preclinical and clinical testing expenses increased to $100.0 million for 2021 compared to $75.4 million for 2020. This increase is primarily the result of increased clinical trial, personnel, and third-party staffing costs related to advancing the MIRASOL, SORAYA, PICCOLO, and IMGC936 studies and increased third-party service fees in support of commercial readiness.

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 $7.0 million for 2021 compared to $5.4 million for 2020, due primarily to increased personnel and third-party staffing 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 $10.4 million to $44.1 million for 2021 compared to 2020. The increase in 2021 is principally due to increases in external manufacturing activity across our programs, and to a lesser extent, increases in personnel and third-party staffing costs.

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, was $20.6 million and $20.2 million for 2021 and 2020, 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 and we expect these cost fluctuations to continue in the future.

General and Administrative Expenses

General and administrative expenses increased $5.2 million to $43.8 million for 2021 due primarily to increases in professional services and personnel expenses, including $2.0 million of greater stock-based compensation driven largely by expense recorded in 2021 related to certain performance stock options becoming probable of vesting.

Restructuring Charges

During 2020, we recorded $1.5 million of restructuring charges, primarily incremental retention benefits, related to the restructuring of the business in 2019. No similar expense was recorded in 2021.

Investment Income, net

Investment income for 2021 and 2020 was $0.1 million and $0.7 million, respectively. The decrease in 2021 was driven by a decrease 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 F, "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 2021 and 2020, we recorded $13.1 million and $23.1 million, respectively, of non-cash interest expense, which includes amortization of deferred financing costs. The decrease in 2021 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 19.5%. 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) Income, net

Other (expense) income, net for 2021 and 2020 was $(1.1) million and $0.5 million, respectively, consisting of foreign currency exchange (losses) gains related to obligations with non-U.S. dollar-based suppliers and Euro cash balances maintained to fulfill them during the respective periods.

Liquidity and Capital Resources

For a discussion related to our cash flows for 2020 compared to 2019, 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, 2020 filed with the SEC on March 1, 2021.

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

	As of December 31,	
	2021	2020
Cash and cash equivalents	$ 478,750	$ 293,856
Working capital	399,054	201,931
Shareholders' equity	325,586	89,570

	Year Ended December 31,	
	2021	2020
Cash used for operating activities	$ (169,416)	$ (78,620)
Cash (used for) provided by investing activities	(1,434)	509
Cash provided by financing activities	355,744	195,742

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, 2021, we had $478.8 million in cash and cash equivalents. Net cash used for operating activities was $169.4 million and $78.6 million during 2021 and 2020, respectively. The principal use of cash in operating activities for these periods was to fund our net loss, adjusted for non-cash items, with 2020 benefiting from a $40.0 million upfront payment from Huadong pursuant to a collaboration and license agreement.

Net cash (used for) provided by investing activities was $(1.4) million and $0.5 million for 2021 and 2020, respectively, and represent cash outflows from capital expenditures, net of proceeds generated from the sale of capital assets. Capital expenditures for all periods presented consisted primarily of furniture and improvements related to COVID-19 safety measures, computer and office equipment, and dedicated equipment at third-party manufacturing vendors. During 2020, as a result of our restructuring of the business in 2019, we sold excess equipment generating proceeds of $1.5 million.

Net cash provided by financing activities was $355.7 million and $195.7 million for 2021 and 2020, respectively. 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. 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. Additionally, during 2021, we sold 6.7 million shares 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 $45.8 million. 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, 2021, $102.7 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 January 2020, pursuant to a public offering, we issued and sold 24.5 million shares of common stock, resulting in net proceeds of $97.7 million. Additionally in September 2020, we entered into an Open Market Sale Agreement℠ with Jefferies, LLC as sales agent, pursuant to which we could offer and sell, from time to time, shares of our common stock in 2020 having an aggregate offering price of up to $100.0 million. Under the September Sale Agreement, we offered and sold approximately 20.0 million shares of our common stock resulting in net proceeds of $96.5 million.

Net cash provided by financing activities for 2021 and 2020 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 conduct research and development activities and to potentially commercialize our portfolio;
- noncancelable in-process and future manufacturing obligations; and
- substantial facility lease obligations as described in Note J, “Leases,” included in this Annual Report on Form 10-K.

We anticipate that our current capital resources will enable us to meet our operational expenses and capital requirements for more than twelve months after the date of this report. We may raise additional funds through equity, debt, and other financings or generate revenues from collaborators through a combination of upfront license payments,

milestone payments, royalty payments, and research funding. We cannot provide assurance that we will be able to obtain additional debt, equity, or other financing or generate revenues from collaborators on terms acceptable to us or at all. Should we or our partners not meet some or all of the terms and conditions of our various collaboration agreements or if we are not successful in securing future collaboration agreements, we may elect or be required to secure alternative financing arrangements, and/or defer or limit some or all of our research, development, and/or clinical projects.

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, 2021. 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, 2021 and 2020, 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, 2021, 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, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021 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, 2021, 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 February 28, 2022 expressed an unqualified opinion thereon.

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 $15.6 million at December 31, 2021 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 performed analytical procedures over clinical trial accruals and 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
February 28, 2022

IMMUNOGEN, INC.

CONSOLIDATED BALANCE SHEETS

In thousands, except per share amounts

	December 31, 2021	December 31, 2020
ASSETS		
Cash and cash equivalents	$ 478,750	$ 293,856
Accounts receivable	4,467	35
Unbilled receivable	2,345	11
Contract assets	3,000	—
Non-cash royalty receivable	4,115	22,451
Prepaid and other current assets	7,322	7,901
Total current assets	499,999	324,254
Property and equipment, net of accumulated depreciation	4,663	5,760
Operating lease right-of-use assets	12,392	14,072
Other assets	8,711	10,986
Total assets	$ 525,765	$ 355,072
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable	$ 18,434	$ 9,538
Accrued compensation	5,469	4,620
Other accrued liabilities	23,077	29,320
Convertible 4.5% senior notes, net of deferred financing costs of $0 and $7, respectively	—	2,093
Current portion of liability related to the sale of future royalties, net of deferred financing costs of $198 and $319, respectively	6,077	44,357
Current portion of operating lease liability	3,537	3,146
Current portion of deferred revenue	44,351	29,249
Total current liabilities	100,945	122,323
Deferred revenue, net of current portion	47,717	80,860
Operating lease liability, net of current portion	15,244	18,651
Liability related to the sale of future royalties, net of current portion and deferred financing costs of $381 and $584, respectively	34,967	41,082
Other long-term liabilities	1,306	2,586
Total liabilities	200,179	265,502
Commitments and contingencies (Note I)		
Shareholders' equity:		
Preferred stock, $.01 par value; authorized 5,000 shares; no shares issued and outstanding as of each of December 31, 2021 and December 31, 2020	—	—
Common stock, $.01 par value; authorized 300,000 shares; 220,361 and 194,998 shares issued and outstanding as of December 31, 2021 and December 31, 2020, respectively	2,204	1,950
Additional paid-in capital	1,794,525	1,419,460
Accumulated deficit	(1,471,143)	(1,331,840)
Total shareholders' equity	325,586	89,570
Total liabilities and shareholders' equity	$ 525,765	$ 355,072

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,		
	2021	2020	2019
Revenues:			
Non-cash royalty revenue related to the sale of future royalties	$ 46,808	$ 68,529	$ 47,415
License and milestone fees	22,650	63,742	34,788
Research and development support	398	28	68
Total revenues	69,856	132,299	82,271
Operating expenses:			
Research and development	151,117	114,592	114,522
General and administrative	43,812	38,600	38,489
Restructuring charge	—	1,487	21,433
Total operating expenses	194,929	154,679	174,444
Loss from operations	(125,073)	(22,380)	(92,173)
Investment income, net	51	729	4,424
Non-cash interest expense on liability related to the sale of future royalties and convertible senior notes	(13,103)	(23,107)	(16,879)
Interest expense on convertible senior notes	(47)	(95)	(95)
Other (expense) income, net	(1,131)	481	590
Net loss	$ (139,303)	$ (44,372)	$ (104,133)
Basic and diluted net loss per common share	$ (0.68)	$ (0.25)	$ (0.70)
Basic and diluted weighted-average common shares outstanding	206,147	176,153	148,311
Total comprehensive loss	$ (139,303)	$ (44,372)	$ (104,133)

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 (Deficit)
Balance at December 31, 2018	**149,400**	**$ 1,494**	**$ 1,192,813**	**$ (1,183,335)**	**$ 10,972**
Net loss	—	—	—	(104,133)	(104,133)
Issuance of common stock pursuant to the exercise of stock options and employee stock purchase plan	1,150	11	2,862	—	2,873
Restricted stock award forfeitures	(414)	(4)	4	—	—
Stock option and restricted stock compensation expense	—	—	13,830	—	13,830
Directors' deferred share unit compensation	—	—	337	—	337
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**

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,		
	2021	2020	2019
Cash flows from operating activities:			
Net loss	$ (139,303)	$ (44,372)	$ (104,133)
Adjustments to reconcile net loss to net cash used for operating activities:			
Non-cash royalty revenue related to sale of future royalties	(39,155)	(68,529)	(47,415)
Non-cash interest expense on liability related to sale of future royalties and convertible senior notes	13,103	23,107	16,879
Depreciation and amortization	2,017	2,101	4,028
(Gain) loss on sale/disposal of fixed assets and impairment charges	—	(691)	1,689
Operating lease right-of-use asset impairment	—	—	694
Stock and deferred share unit compensation	17,475	14,321	14,167
Change in operating assets and liabilities:			
Accounts receivable	(4,432)	7,465	(5,799)
Unbilled receivable	(2,334)	990	(384)
Contract asset	(3,000)	3,631	(3,131)
Prepaid and other current assets	579	(2,476)	(963)
Operating lease right-of-use assets	1,680	1,515	1,331
Other assets	2,275	(7,202)	(75)
Accounts payable	9,148	(819)	(1,045)
Accrued compensation	849	(4,100)	(2,189)
Other accrued liabilities	(7,261)	16,734	(6,146)
Deferred revenue	(18,041)	(17,323)	46,630
Operating lease liability	(3,016)	(2,972)	(2,505)
Net cash used for operating activities	(169,416)	(78,620)	(88,367)
Cash flows from investing activities:			
Purchases of property and equipment	(1,434)	(917)	(2,845)
Proceeds from sale of equipment	—	1,426	2,312
Net cash (used for) provided by investing activities	(1,434)	509	(533)
Cash flows from financing activities:			
Payments upon settlement of convertible senior notes	(1,100)	—	—
Proceeds from issuance of common stock under stock plans	3,769	1,471	2,873
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	154,030	194,271	—
Net cash provided by financing activities	355,744	195,742	2,873
Net change in cash and cash equivalents	184,894	117,631	(86,027)
Cash and cash equivalents, beginning of period	293,856	176,225	262,252
Cash and cash equivalents, end of period	$ 478,750	$ 293,856	$ 176,225
Supplemental cash flow information:			
Cash paid during the year for interest	$ 47	$ 95	$ 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 of antibody-drug conjugates, or ADCs. The Company has generally incurred operating losses and negative cash flows from operations since inception, incurred a net loss of $139.3 million during the year ended December 31, 2021, and had an accumulated deficit of approximately $1.5 billion as of December 31, 2021. The Company has primarily funded these losses through payments received from its collaborations and equity, convertible debt, and other financings. To date, the Company has had no revenues from commercial sales of its own products and management expects to continue to incur substantial operating losses for at least the near term as the Company incurs significant operating expenses related to research and development and potential commercialization of its portfolio.

At December 31, 2021, the Company had $478.8 million of cash and cash equivalents on hand. The Company anticipates that its current capital resources will enable it to meet its operational expenses and capital expenditures for more than twelve months after these financial statements are issued. The Company may raise additional funds through equity, debt, or other financings or generate revenues from collaborators through a combination of upfront license payments, milestone payments, royalty payments, and research funding. There can be no assurance that the Company will be able to obtain additional equity, debt, or other financing or generate revenues from collaborators on terms acceptable to the Company or at all. The failure of the Company to obtain sufficient funds on acceptable terms when needed 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, and/or clinical projects.

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, 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 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, 2021 up through the date the Company issued these financial statements. On February 14, 2022, the Company and Eli Lilly and Company ("Lilly") entered into a license agreement, pursuant to which the Company granted Lilly worldwide exclusive rights to research, develop, and commercialize ADCs based on the Company's novel camptothecin technology. Under the terms of the license agreement, the Company is entitled to receive an upfront payment of $13 million, reflecting initial targets selected by Lilly, and up to an additional $32.5 million if Lilly selects the maximum number of additional targets over the four year-period following the effective date of the license agreement. In addition, Lilly will be obligated to pay the Company, on a target-by-target basis, development, regulatory, and commercial milestones. In total, the Company could earn up to $1.7 billion in target selection fees and development, regulatory, and commercial milestones if all targets are selected and all milestones are realized. The Company is also eligible 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. The Company did not have any other material subsequent events.

Revenue Recognition

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, 2021, the Company had the following types of material 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)

  Fusion Pharmaceuticals (one exclusive single-target license)

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

  Novartis (five 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, 2020, pursuant to notices received, the exclusive development and commercialization licenses granted to each of Biotest and Takeda and the collaboration and option agreement with Jazz 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 the case of Debiopharm, no royalties will be received. 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, except for the Debiopharm license, 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, 2021, the aggregate amount of the transaction price allocated to remaining performance obligations comprising deferred revenue was $92.1 million. The Company expects to recognize revenue on approximately 48%, 41%, and 11% 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, 2021 and 2020 (in thousands):

Year ended December 31, 2021	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

Year ended December 31, 2020	Balance at December 31, 2019	Additions	Deductions	Impact of Netting	Balance at December 31, 2020
Contract asset	$ 3,631	$ —	$ (8,000)	$ 4,369	$ —
Contract liabilities (deferred revenue)	$ 127,432	$ 42,050	$ (63,742)	$ 4,369	$ 110,109

During the years ended December 31, 2021, 2020, and 2019 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,		
	2021	2020	2019
Revenue recognized in the period from:			
Amounts included in contract liabilities at the beginning of the period	$ 22,765	$ 61,872	$ 14,817
Performance obligations satisfied in previous periods	$ 5,500	$ —	$ 12,672

Pursuant to the Company's license agreement executed with Hangzhou Zhongmei Huadong Pharmaceutical Co., Ltd. (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 and $3.2 million was deferred and will be recorded as revenue, along with the remaining $25.4 million from the upfront license fee, upon delivery of clinical material in 2022. 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. 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 E, "Liability Related to Sale of Future Royalties." Lastly, pursuant to a research agreement, the Company received a $1.6 million upfront option fee that is 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.

The Company recorded the following during the year ended December 31, 2019: (i) license and milestone fee revenue of $7.7 million for probable development milestones pursuant to license agreements with CytomX and Novartis, with another $0.3 million deferred which represents the amount allocated to future rights to technological improvements; a $3.6 million contract asset was recorded in December 2019 related to these probable milestones, net of a $4.4 million reduction in related contract liabilities; (ii) a $5.0 million regulatory milestone payment earned under its license agreement with Genentech, a member of Roche; the full amount of the milestone was recognized as revenue in the period as the amount allocated to future rights to technological improvements was not material; (iii) $14.5 million of previously deferred license revenue recognized upon the opt-out of the right to execute a license by Jazz; (iv) $65.2 million was recorded as deferred revenue as a result of a sale of the Company's residual rights to receive royalty payments on commercial sales of KADCYLA ® (ado-trastuzumab emtansine) as discussed in Note F; and (v) $0.3 million of revenue previously deferred related to numerous collaborators' rights to technological improvements. Additionally, $7.3 million of a $7.5 million upfront payment invoiced to CytomX pursuant to a license agreement executed in December 2019 was recorded as license and milestone fee revenue upon delivery of the license and $0.2 million was deferred until delivery of certain materials.

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.

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, 2021 or 2020. 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, 2021 and 2020, the Company held $478.8 million and $293.9 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 $0.2 million and $0.7 million of accrued capital expenditures as of December 31, 2021 and 2020, respectively, which have been treated as a non-cash investing activity and accordingly, 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, 2021 and 2020, the Company held certain assets that are required to be measured at fair value on a recurring basis. The following tables represent the fair value hierarchy for the Company's financial assets measured at fair value on a recurring basis as of each date (in thousands):

	Fair Value Measurements at December 31, 2021			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash equivalents	$ 460,298	$ 460,298	$ —	$ —

	Fair Value Measurements at December 31, 2020			
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash equivalents	$ 194,525	$ 194,525	$ —	$ —

The fair value of the Company's cash equivalents is based primarily on quoted prices from active markets.

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. The gross carrying amount and estimated fair value of the convertible 4.5% senior notes was $2.1 million and $4.3 million, respectively, as of December 31, 2020. The fair value of the convertible notes was influenced by interest rates, the Company's stock price and stock price volatility, and by prices observed in trading activity for the convertible notes. However, because there have been no trades involving the convertible notes since September 2019, the fair value as of December 31, 2020 uses Level 3 inputs. During 2021, $1.0 million of outstanding convertible 4.5% senior notes converted into 238,777 shares of the Company's common stock, par value $0.01 per share (common stock), with the remaining $1.1 million of convertible 4.5% senior notes paid in cash upon maturity on July 1, 2021.

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.

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, 2021 and 2020 (in thousands):

	December 31, 2021	December 31, 2020
Accrued contract payments	$ 5,558	$ 15,576
Accrued clinical trial costs	15,556	11,401
Accrued professional services	839	1,200
Accrued employee benefits	40	39
Accrued public reporting charges	309	319
Other current accrued liabilities	775	785
Total	$ 23,077	$ 29,320

Accrued contract payments included in the table above primarily relate to external manufacturing, regulatory, and quality-related services. The decrease in the balance as of December 31, 2021 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, and (v) 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. The Company recorded net gains (losses) of $0.7 million and $(1.7) million related to impairment charges and the sale/disposal of certain furniture and equipment during the years ended December 31, 2020, and 2019, respectively. There were no similar gains (losses) recorded during the year ended December 31, 2021.

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. Accordingly, during the year ended December 31, 2019, the Company recorded a $2.5 million asset impairment charge resulting from restructuring activities, the details of which are further discussed in Note I. Based on this evaluation, except for the impairment recognized during 2019, the Company believes that none of the Company’s remaining 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,		
	2021	2020	2019
Options outstanding to purchase common stock, shares issuable under the employee stock purchase plan, and unvested restricted stock/units at end of period	21,296	18,459	14,815
Common stock equivalents under treasury stock method for options, shares issuable under the employee stock purchase plan, and unvested restricted stock/units	2,546	1,301	1,020
Shares issuable upon conversion of convertible notes at end of period	—	501	501
Common stock equivalents under if-converted method for convertible notes	—	501	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, 2021, 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 16, 2021, 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 6,600,000 shares of the Company's common stock, as well as up to 22,392,986 shares of common stock, which represent the number of shares of common stock remaining under the 2018 Plan as of March 31, 2021, and shares of the Company's common stock represented by awards granted under the ImmunoGen, Inc. 2016 and 2006 Employee, Director and Consultant Equity Incentive Plans, that may 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 on or after March 31, 2021. The Inducement Plan was approved by the Board of Directors in December 2019, and pursuant to subsequent amendments, provided for the issuance of non-qualified option grants for up to 3,500,000 shares of the Company's common stock as of December 31, 2021. 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.

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,		
	2021	2020	2019
Dividend	None	None	None
Volatility	84.67%	85.07%	76.67%
Risk-free interest rate	0.80%	1.21%	2.20%
Expected life (years)	6.0	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, 2021, 2020, and 2019, were $5.07, $3.28, and $2.81 per share, respectively.

A summary of option activity under the option plans for 2021 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, 2020	18,398	$ 6.10		
Granted	5,324	7.15		
Exercised	(872)	3.51		
Forfeited/Canceled	(1,631)	8.59		
Outstanding at December 31, 2021	21,219	$ 6.28	7.34	$ 41,425
Exercisable at December 31, 2021	9,619	$ 7.10	5.87	$ 19,140
Vested and expected to vest at December 31, 2021	21,219	$ 6.28	7.34	$ 41,425

In 2020, the Company issued 2.6 million performance-based stock options to certain employees, all of which remained outstanding as of December 31, 2021, that will vest upon the achievement of specified performance goals. In October 2021, upon approval by the Compensation Committee of the Company's Board of Directors, certain terms of the performance-based stock option award agreements were modified. Pursuant to ASC 718, the Company determined the modification to be a Type IV (improbable-to-improbable) modification and revalued the modified awards as of the modification date. 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. The fair value of the performance-based options that could be expensed in future periods is $7.8 million.

A summary of restricted stock and restricted stock unit activity under the option plans for 2021 is presented below (in thousands, except weighted-average data):

	Number of Restricted Stock Shares	Weighted-Average Grant Date Fair Value
Unvested at December 31, 2020	61	$ 2.47
Granted	75	5.68
Vested	(2)	2.53
Forfeited	(57)	2.47
Unvested at December 31, 2021	77	$ 5.59

In June 2018, the Company's Board of Directors, with shareholder approval, adopted the Employee Stock Purchase Plan. Following the automatic 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 2021, 2020, and 2019, approximately 126,000, 122,000, and 356,000 shares, respectively, were issued to participating employees at fair values ranging from $1.20 to $2.29 per share.

Stock compensation expense related to stock options and restricted stock awards granted under the option plans and the ESPP was $16.8 million, $14.0 million, and $13.8 million during the years ended December 31, 2021, 2020, and 2019, respectively. As of December 31, 2021, the estimated fair value of unvested employee awards was $28.6 million. The weighted-average remaining vesting period for these awards is 2.9 years. Also included in stock and deferred stock unit compensation expense in the consolidated statements of cash flows for the years ended December 31, 2021, 2020, and 2019 is $0.7 million, $0.4 million, and $0.3 million, respectively, of expense recorded for directors' deferred share units, the details of which are discussed in Note H.

A summary of option activity for options vested during the years ended December 31, 2021, 2020, and 2019 is presented below (in thousands):

	Year Ended December 31,		
	2021	2020	2019
Total fair value of options vested	$ 15,839	$ 11,465	$ 13,747
Total intrinsic value of options exercised	3,322	746	556
Cash received from the exercise of stock options and ESPP purchases	3,769	1,471	2,873

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, 2021, 2020, and 2019 are included in the following table:

	Year Ended December 31,		
Collaborative Partner:	**2021**	**2020**	**2019**
Roche	67%	53%	64%
Huadong	24%	-%	-%
Jazz	-%	46%	18%
CytomX	-%	-%	13%

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

Recently Adopted Accounting Pronouncements

In December 2019, the FASB issued Accounting Standards Update ("ASU") 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes*, which is intended to simplify the accounting for income taxes. ASU 2019-12 removes certain exceptions to the general principles in ASC 740 and also clarifies and amends existing guidance to improve consistent application. The Company adopted the standard on January 1, 2021, and it did not have a material effect on the Company's consolidated financial statements.

In November 2018, the FASB issued ASU No. 2018-18, *Collaborative Arrangements (Topic 808): Clarifying the Interaction between Topic 808 and Topic 606*, which clarifies that certain transactions between participants in a collaborative arrangement should be accounted for under ASC 606 when the counterparty is a customer. In addition, ASU 2018-18 adds unit-of-account guidance to ASC 808 in order to align this guidance with ASC 606 and also precludes an entity from presenting consideration from a transaction in a collaborative arrangement as revenue from contracts with customers if the counterparty is not a customer for that transaction. This guidance is effective for annual reporting periods beginning after December 15, 2019, including interim periods within those annual reporting periods. The Company adopted the standard on January 1, 2020, and it did not have a material effect on the Company's consolidated financial statements.

In June 2016, the FASB issued ASU No. 2016-13, *Measurement of Credit Losses on Financial Instruments*, to require financial assets carried at amortized cost to be presented at the net amount expected to be collected based on

historical experience, current conditions, and forecasts. The ASU is effective for interim and annual periods beginning after December 15, 2019. Adoption of the ASU is on a modified retrospective basis. The Company adopted the standard on January 1, 2020, and it did not have a material effect on the Company's consolidated financial statements.

No other 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. Agreements

Significant Collaborative Agreements

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, 2021, the Company had received and recognized $39.0 million in milestone payments related to KADCYLA, including a $5.0 million regulatory milestone payment to the Company for a first extended indication, which is included in license and milestone fees for the year ended December 31, 2019.

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, $46.8 million, $68.5 million, and $47.4 million of non-cash royalties on net sales of KADCYLA were recorded and included in royalty revenue for the years ended December 31, 2021, 2020, and 2019. 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, 2021. Roche is responsible for the development, manufacturing, and marketing of any products resulting from these licenses.

Amgen/Oxford BioTherapeutics

Under a now-expired right-to-test agreement established in 2000, the Company granted Amgen an exclusive development and commercialization license for which the Company received a $1.0 million exercise fee and is entitled to receive up to a total of $34.0 million in development, regulatory, and sales-based milestone payments, plus royalties on the commercial sales of any resulting products. Through December 31, 2021, the Company had received and recognized a $1.0 million milestone payment under this agreement. Amgen subsequently sublicensed its rights under the license to Oxford BioTherapeutics Ltd. (OBT). Amgen (or its sublicensee(s)) is responsible for the manufacturing, development, and marketing of any products resulting from the license.

Bayer

In 2008, the Company granted Bayer an exclusive development and commercialization license to the Company's maytansinoid ADC technology for use with antibodies or other proteins that target mesothelin. The Company received a $4.0 million upfront payment upon execution of the agreement. For each compound developed and marketed by Bayer under this collaboration, the Company is entitled to receive a total of $170.5 million in development, regulatory, and sales-based milestone payments, plus royalties on the commercial sales of any resulting products. Through December 31, 2021, the Company had received and recognized an aggregate of $13.0 million in milestone payments under this agreement. Bayer is responsible for the research, development, manufacturing, and marketing of any products resulting from the license.

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.

For each of the remaining development and commercialization licenses, the Company is entitled to receive up to a total of $199.5 million in development, regulatory, and sales-based milestone payments, plus royalties on the commercial sales of any resulting products. In 2015 and 2016, Novartis initiated Phase 1 testing of three of its five product candidates, triggering a $5.0 million development milestone payment to the Company with each event. Novartis later discontinued clinical testing of these three products. In December 2019, a development milestone related to dosing a first patient in a Phase 1 clinical trial for a licensed product became probable of being attained. Accordingly, $4.7 million of the $5.0 million milestone that was allocated to the delivered license was recorded as revenue and is included in license and milestone fees for the year ended December 31, 2019, and $0.3 million that was allocated to future technological improvements was deferred and will be recognized as revenue ratably over the estimated term of the license. In September 2020, Novartis enrolled its first patient in the aforementioned Phase 1 clinical trial and remitted the $5.0 million milestone payment to the Company. 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, 2021, the Company had received and recognized an aggregate of $4.0 million in milestone payments under this agreement, of which $3.0 million is included as license and milestone fee revenue for the year ended December 31, 2019.

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, of which $7.3 million was recorded as license and milestone fee revenue upon delivery of the license to CytomX in December 2019 and $0.2 million was deferred until delivery of certain materials as these performance obligations were determined to be distinct. 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, 2021.

CytomX is responsible for the manufacturing, product development, and marketing of any products resulting from these licenses.

Fusion

In December 2016, the Company entered into an exclusive license agreement to a specified target with Fusion Pharmaceuticals Inc. The Company is entitled to receive up to a total of $50.0 million in development, regulatory, and sales-based milestone payments plus royalties on the commercial sales of any resulting products. Through December 31, 2021, the Company had received and recognized a $0.5 million milestone payment under this agreement. Fusion is responsible for the manufacturing, product development, and marketing of any products resulting from the license.

Debiopharm

In May 2017, Debiopharm International SA (Debiopharm) acquired the Company's IMGN529 program, a clinical-stage anti-CD37 ADC for the treatment of patients with B-cell malignancies, such as non-Hodgkin lymphomas (NHL). Under the terms of the Exclusive License and Asset Purchase agreement, the Company received a $25.0 million upfront payment for specified assets related to IMGN529 and an exclusive license to additional intellectual property necessary or useful for Debiopharm to develop and commercialize IMGN529 (now known as Debio 1562). The Company also received a $5.0 million milestone payment upon transfer of ImmunoGen technologies related to the

program (technology transfer) and was entitled to receive a $25.0 million milestone payment upon IMGN529 entering a Phase 3 clinical trial.

In October 2021, the Company and Debiopharm amended their agreement, pursuant to which the Company is entitled to receive a percentage of all payments generated from future sublicenses of Debio 1562, including upfront fees, milestones, and royalties, up to an aggregate of $30.0 million and in lieu of the potential $25.0 million development milestone payment under the original agreement.

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. In 2021, the Company received a $2.5 million payment related to a development milestone achieved in October 2021 and a second $3.0 million development milestone became probable of being achieved, which resulted in $5.5 million being allocated to the previously delivered license and recognized as revenue as a component of license and milestone fees for the year ended December 31, 2021. 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 mirvetuximab (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.

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. The Company has estimated the total clinical supply to be delivered during this time and will reassess the percentage of clinical supply that has been delivered on an ongoing basis. If a change in estimate is determined to be necessary, the Company will adjust revenue using a cumulative catch-up method.

In 2021, the first shipment of clinical supply was delivered to Huadong and, based on the total estimated clinical supply to be delivered, $14.6 million was recorded as license and milestone fee revenue. Additionally, in December 2021, the Company received a $5.0 million payment upon achievement of a development milestone, of which $1.8 million was recognized as license and milestone fee revenue in 2021 and $3.2 million was deferred and will be recorded as revenue as clinical supply is delivered in 2022. As of December 31, 2021, the total deferred revenue

balances related to the Huadong arrangement was $28.6 million and is expected to be recognized during 2022 as clinical supply is delivered.

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.

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 the years ended December 31, 2021, 2020, and 2019, are $6.7 million, $6.7 million, and $12.5 million of credits related to reimbursements from Jazz, respectively.

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. The amount allocated to the rights to future technological improvements under the relative selling price method was deemed immaterial and, therefore, not segregated from the license options. In conjunction with the opt-outs, the Company recognized $60.5 million and $14.5 million of the deferred upfront fee as license and milestone fee revenue in the years ended December 31, 2020 and 2019, respectively.

Takeda

In March 2015, the Company entered into a three-year right-to-test agreement with Takeda Pharmaceutical Company Limited (Takeda) through its wholly-owned subsidiary, Millennium Pharmaceuticals, Inc., pursuant to which the Company received a $20.0 million upfront payment. A first license was granted to Takeda in 2015, and in 2018, the right-to-test agreement expired without Takeda exercising its option to a second license. In 2020, Takeda terminated its exclusive development and commercialization license. As a result, the Company recorded the remaining $0.9 million balance of the upfront payment that had been allocated to future performance obligations under the license as revenue, which is included in license and milestone fees for the year ended December 31, 2020.

Biotest

In 2006, the Company granted Biotest an exclusive development and commercialization license to the Company’s maytansinoid ADC technology for use with antibodies that target CD138, pursuant to which the Company received a $1.0 million upfront payment. In 2020, Biotest terminated the license.

D. Property and Equipment

Property and equipment consisted of the following at December 31, 2021 and 2020 (in thousands):

	December 31, 2021	December 31, 2020
Leasehold improvements	$ 22,051	$ 21,890
Machinery and equipment	2,955	2,861
Computer hardware and software	5,846	5,636
Furniture and fixtures	3,265	3,039
Assets under construction	233	97
	$ 34,350	$ 33,523
Less accumulated depreciation	(29,687)	(27,763)
Property and equipment, net	$ 4,663	$ 5,760

Included in the table above are amounts capitalized for equipment under capital leases at December 31, 2021 and 2020 totaling $2.1 million, net of accumulated amortization of $1.6 million and $1.3 million, respectively. Depreciation expense was $2.0 million, $2.1 million , and $4.0 million for the years ended December 31, 2021, 2020 and 2019, respectively. As a result of the restructuring at the end of the second quarter of 2019, the Company recorded an impairment charge of $2.5 million to write down excess equipment to fair value. During the fourth quarter of 2019, the Company executed an agreement to liquidate the equipment and transferred title to assets with a cost basis of $14.2 million and accumulated depreciation of $12.9 million, for which the Company received a $2 million payment. During the year ended December 31, 2020, the Company liquidated the remaining equipment with a cost basis of $6.7 million for an additional $1.2 million payment to the Company.

E. 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, 2020 and 2019, respectively. 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.

F. 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, $7.7 million of revenue related to the residual rights was recorded and is included in non-cash royalty revenue for the year ended December 31, 2021. 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, 2021 and the period from inception (in thousands):

	Year Ended December 31, 2021	Period from inception to December 31, 2021
Liability related to sale of future royalties, net — beginning balance	$ 85,439	$ —
Proceeds from sale of future royalties, net	—	194,135
KADCYLA royalty payments received and paid	(57,490)	(263,857)
Non-cash interest expense recognized	13,095	110,766
Liability related to sale of future royalties, net — ending balance	$ 41,044	$ 41,044

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. Since inception, the Company's estimate of this total interest expense has resulted in an imputed annual interest rate of 10.5% and a current imputed interest rate of 19.5% as of December 31, 2021. 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.

G. Income Taxes

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,		
	2021	2020	2019
Loss before income tax expense	$ (139,303)	$ (44,372)	$ (104,133)
Expected tax benefit at 21%	$ (29,254)	$ (9,318)	$ (21,868)
Permanent differences	606	157	320
Incentive stock options	420	201	569
State tax benefit net of federal benefit	(7,376)	(2,250)	(6,726)
Change in valuation allowance, net	46,987	15,175	27,812
Federal research credit	(575)	(228)	(1,652)
Federal orphan drug credit	(7,429)	(6,218)	(4,426)
Expired loss and credit carryforwards	345	419	500
Withholding tax credit	(4,789)	—	—
Stock option expirations	1,065	2,062	5,471
Benefit for income taxes	$ —	$ —	$ —

At December 31, 2021, the Company had net operating loss, or NOL, carryforwards of $471.6 million available to reduce federal taxable income, if any, that begin to expire in 2028 through 2037 and an additional $536.6 million of

federal NOL carryforwards that can be carried forward indefinitely. The Company has $839.6 million of NOL carryforwards available to reduce state taxable income, if any, that expire in 2033 through 2041. The Company also has federal and state credit carryforwards of $77.9 million and $12.1 million, respectively, available to offset federal and state income taxes, which expire beginning in 2023 and foreign tax credits of $5.4 million that expire in 2030 and 2031. 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, 2021 and 2020 are as follows (in thousands):

	December 31,	
	2021	2020
Deferred tax assets:		
Net operating loss carryforwards	$ 264,773	$ 220,286
Research and development tax credit carryforwards	92,832	80,694
Property and other intangible assets	1,150	871
Deferred revenue	25,153	30,082
Stock-based compensation	12,286	9,940
Operating lease liability	5,170	6,033
Other liabilities	1,737	1,514
Royalty sale	10,247	17,455
Total deferred tax assets	$ 413,348	$ 366,875
Deferred tax liabilities:		
Stock-based compensation	(91)	(58)
Operating lease right of use asset	(3,386)	(3,844)
Royalty sale transaction costs	(158)	(247)
Total deferred tax liabilities	$ (3,635)	$ (4,149)
Valuation allowance	(409,713)	(362,726)
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, 2021 and 2020. The valuation allowance increased by $47.0 million during the year ended December 31, 2021 due primarily to additional net loss incurred during the year.

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. During fiscal year 2015, 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. This study was updated through December 31, 2021 resulting in the same conclusion. Additionally, 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, 2021 and 2020, 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.

H. Capital Stock

Common Stock Reserved

At December 31, 2021, the Company had reserved 33.6 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, 2021, 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, 2021, holders of options issued under the option plans exercised their rights to acquire an aggregate of 872,000 shares of

common stock at prices ranging from $1.84 to $7.07 per share. The total proceeds to the Company from these option exercises were $3.1 million. Additionally, during 2021 and pursuant to the Company's ESPP, approximately 126,000 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 2021, 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, 2021 related to the grant of 166,000 deferred share units and 52,000 deferred share units previously granted;
- $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; and
- $0.3 million in compensation expense during the year ended December 31, 2019 related to the grant of 63,000 deferred share units and 18,000 deferred share units previously granted.

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 352,000, 300,000, and 108,000 options in the years ended December 31, 2021, 2020, and 2019, and the related stock compensation expense is included in the amounts discussed in the "Stock-Based Compensation" section of footnote B above.

I. Restructuring Charge

2019 Corporate Restructuring

On June 26, 2019, the Board of Directors approved a plan to restructure the business to focus resources on continued development of mirvetuximab and a select portfolio of three earlier-stage product candidates, resulting in a significant reduction of the Company's workforce, with a majority of these employees separating from the business by mid-July 2019 and most of the remaining affected employees transitioning over varying periods of time of up to 12 months. Communication of the plan to the affected employees was substantially completed on June 27, 2019.

As a result of the workforce reduction, the Company recorded a $16.0 million charge for severance during the year ended December 31, 2019 related to a pre-existing plan in accordance with ASC 712, *Compensation-Nonretirement Postemployment Benefits*, as such amounts were probable and reasonably estimable. The estimate was reduced during 2020 to $15.3 million due to minor adjustments to the plan. The related cash payments were substantially paid out by June 30, 2020. In addition, a charge of $4.0 million was incurred for incremental retention benefits over the same time period, of which $1.6 million and $2.4 million was recorded during the years ended December 31, 2020 and 2019, respectively.

A summary of activity against the 2019 corporate restructuring charge related to the employee terminations is as follows:

	Employee Termination Benefits Costs
Balance at December 31, 2020	$ 784
Additional charges/adjustments during the period	—
Payments during the period	(443)
Balance at December 31, 2021	$ 341

In addition to the termination benefits and other related charges, the Company has sub-leased laboratory and office space at 830 Winter Street in Waltham, Massachusetts no longer used in the business. The decision to vacate part of its corporate office resulted in a change in asset groupings and also represented an impairment indicator. The Company determined and continues to believe that the related right-of-use asset and leasehold improvements are recoverable based on expected sublease income, and therefore, no impairment has been recorded.

In addition, the Company also decided to liquidate excess laboratory equipment and expected the proceeds to be less than the carrying value. As a result, in 2019, the Company recorded an impairment charge of $2.5 million to write down the equipment to fair value based on current market re-sale estimates obtained.

Charge Related to Unoccupied Office Space

The Company sought to sub-lease 10,281 square feet of unoccupied office space at 930 Winter Street in Waltham, Massachusetts that was leased in 2016. During 2019, the Company recorded a $0.6 million impairment charge related to this lease, which represented the remaining balance of the right to use asset as the likelihood of finding a sub-lessor had diminished significantly as the lease approached termination in August 2021.

J. 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. During 2020, the Company executed four subleases for approximately 65,000 square feet through the remaining initial term of the lease. The balance of the space will be used by the Company.

In addition to the real estate lease noted above, the Company currently has a lease agreement through March 2027 for the rental of copier equipment.

Upon adoption of ASC 842, *Leases*, in 2019, a ROU asset of $17.6 million and a lease liability of $27.3 million were recorded and are identified separately in the Company's consolidated balance sheets for the existing operating leases. There was no impact to the consolidated statements of operations. Upon adoption, the amount of the ROU assets recorded was offset by the applicable unamortized lease incentive and straight-line lease liability balances of $9.7 million and, therefore, there was no impact to accumulated deficit. There were no initial direct costs related to the leases to consider. The Company's operating lease liabilities related to its real estate lease agreements were calculated using a collateralized incremental borrowing rate. 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. Lease expense for operating lease payments is recognized on a straight-line basis over the lease term, which for the years ended December 31, 2021, 2020, and 2019 was $4.0 million, $4.0 million, and $4.3 million, respectively, and is included in operating expenses in the consolidated income statements.

During 2019, the Company recorded $0.6 million of impairment charges related to its 930 Winter Street lease, which represents the remaining balance of the right to use asset as the likelihood of finding a sub-lessor has diminished significantly as the lease approaches termination. Cash paid against operating lease liabilities during the years ended December 31, 2021 and 2020 was $5.3 million and $5.5 million, respectively. As of December 31, 2021, the Company's ROU assets and lease liabilities for operating leases totaled $12.4 million and $18.8 million, respectively, and the weighted average remaining term of the operating leases is approximately 4.25 years.

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

2022	$ 5,363
2023	5,503
2024	5,522
2025	5,543
2026	1,429
Thereafter	13
Total lease payments	23,373
Less imputed interest	(4,592)
Total lease liabilities	$ 18,781

In addition to the amounts in the table above, the Company is also responsible for variable operating costs and real estate taxes approximating $3.4 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, 2021 and 2020, the Company recorded $4.9 million and $2.8 million of sublease income, respectively, inclusive of the sublessees' proportionate share of operating expenses and real estate taxes for the period.

Two of the four sublease agreements include 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 $13.3 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.

K. Commitments and Contingencies

Manufacturing Commitments

As of December 31, 2021, 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 $7.1 million, which will be paid in 2022. Additionally, pursuant to commercial agreements for future production of antibody, the Company's noncancelable commitments total $41.6 million at December 31, 2021.

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 mirvetuximab with capped development and sales-based milestone payments totaling $18.0 million, of which $3.0 million was recorded as research and development expense during the year ended December 31, 2021.

Litigation

The Company is not party to any material litigation.

L. 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, 2021, 2020 and 2019, the Company's contributions to the 401(k) Plan totaled $0.5 million, $0.4 million, and $0.8 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, 2021. 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, 2021 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, 2021. 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, 2021, 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, 2021, 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, 2021 and 2020, 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, 2021, and the related notes and our report dated February 28, 2022 expressed an unqualified opinion thereon.

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
February 28, 2022

(c) Changes in Internal Control Over Financial Reporting

There have not been any 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, 2021 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), except that information required by Item 10 concerning our executive officers appears in Part I, Item 1 of 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)
3.2	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		10-K	March 1, 2021	4.3
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*	Development and License Agreement dated as of October 20, 2008 by and between the Registrant and Bayer HealthCare AG		10-Q	May 9, 2018	10.3
10.3*	Multi-Target Agreement dated as of October 8, 2010 by and between the Registrant and Novartis Institutes for BioMedical Research, Inc.		10-Q/A	August 19, 2015	10.2
10.3(a)*	First Amendment, effective as of March 29, 2013, to Multi-Target Agreement by and between the Registrant and Novartis Institutes for BioMedical Research, Inc.		10-Q	May 6, 2013	10.1
10.4*	Clinical Supply Agreement effective as of December 12, 2010 by and between the Registrant and Società Italiana Corticosteroidi S.r.l. (Sicor)		10-Q	February 8, 2011	10.1
10.5*	Exclusive License and Asset Purchase Agreement dated as of May 23, 2017 by and between the Registrant and Debiopharm International, S.A.		10-Q	August 4, 2017	10.1
10.6**	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
10.7*	Royalty Purchase Agreement dated as of January 8, 2019 among the Registrant, Hurricane, LLC, Immunity Royalty Holdings, L.P., and OMERS IP Healthcare Holdings Limited		10-K	March 1, 2019	10.13
10.8	First Amendment to Agreements dated as of December 9, 2013 by and between the Registrant and Eli Lilly and Company	X			
10.9	Development and License Agreement with Biogen Idec., Inc. dated October 1, 2006	X			

Exhibit Number	Exhibit Description	Filed with this Form 10-K	Incorporated by Reference		
			Form	Filing Date with SEC	Exhibit Number
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		S-8	November 15, 2006	99.4
10.10(b)†	Form of Non-Qualified Stock Option Agreement for Executives		S-8	November 15, 2006	99.5
10.10(c)†	Form of Non-Qualified Stock Option Agreement for Directors		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 Restricted Stock Agreement for all employees (including executives)		S-8	November 21, 2012	99.1
10.10(i)†	Form of Incentive Stock Option for all employees (including executives)		8-K	April 26, 2016	10.1
10.10(j)†	Form of Non-Qualified Stock Option Agreement for all employees (including executives)		8-K	April 26, 2016	10.2
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		8-K	December 13, 2016	10.2
10.11(b)†	Form of Non-Qualified Stock Option Agreement for employees		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
10.11(e)†	Form of Restricted Stock Agreement for employees		10-Q	August 4, 2017	10.3
10.11(f)†	Form of Performance-Based Restricted Stock Agreement dated February 21, 2017 and June 14, 2017		10-Q	August 4, 2017	10.4
10.12†	2018 Employee, Director and Consultant Equity Incentive Plan		8-K	June 22, 2018	10.1
10.12(a)†	Form of Incentive Stock Option Agreement		8-K	June 22, 2018	10.2
10.12(b)†	Form of Non-Qualified Stock Option Agreement for employees		8-K	June 22, 2018	10.3
10.12(c)†	Form of Restricted Stock Unit Agreement		8-K	June 22, 2018	10.4
10.12(d)†	Form of Non-Qualified Stock Option Agreement for Non-Employee Directors		8-K	June 22, 2018	10.5
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 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 on September 16, 2009		10-Q	November 4, 2009	10.1
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

Exhibit Number	Exhibit Description	Filed with this Form 10-K	Incorporated by Reference		
			Form	Filing Date with SEC	Exhibit Number
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 March 31, 2017 between the Registrant and Thomas Ryll		10-Q	May 5, 2017	10.7
10.20†	Change in Control Severance Agreement dated as of March 31, 2017 between the Registrant and Theresa G. Wingrove		10-Q	May 5, 2015	10.9
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†	Change in Control Severance Agreement dated November 15, 2021 between the Registrant and Kristen Harrington-Smith	X			
10.24†	Compensation Policy for Non-Employee Directors, as amended through December 16, 2021	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		10-Q	May 10, 2021	10.1
10.27(a)†	Form of Non-Qualified Stock Option Agreement		8-K	December 20, 2019	10.2
10.27(b)†	Form of Restricted Stock Unit Agreement		8-K	December 20, 2019	10.3
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	Certifications of the principal executive officer and 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, 2021 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: February 28, 2022

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)	February 28, 2022
/s/ SUSAN ALTSCHULLER Ph.D. Susan Altschuller Ph.D.	Senior Vice President and Chief Financial Officer (Principal Financial Officer)	February 28, 2022
/s/ RENEE LENTINI Renee Lentini	Vice President – Finance (Principal Accounting Officer)	February 28, 2022
/s/ STEPHEN C. MCCLUSKI Stephen C. McCluski	Chairman of the Board of Directors	February 28, 2022
/s/ STUART A. ARBUCKLE Stuart A. Arbuckle	Director	February 28, 2022
/s/ MARK GOLDBERG, M.D. Mark Goldberg, M.D.	Director	February 28, 2022
/s/ TRACEY L. MCCAIN Tracey L. McCain	Director	February 28, 2022
/s/ DEAN J. MITCHELL Dean J. Mitchell	Director	February 28, 2022
/s/ KRISTINE PETERSON Kristine Peterson	Director	February 28, 2022
/s/ HELEN THACKRAY, M.D. Helen Thackray, M.D.	Director	February 28, 2022
/s/ RICHARD J. WALLACE Richard J. Wallace	Director	February 28, 2022

Exhibit 10.8

Certain identified information has been excluded from the exhibit because it is both (i) not material and (ii) is the type of information that the registrant treats as private or confidential. Triple asterisks denote omissions.

FIRST AMENDMENT TO AGREEMENTS

This First Amendment to Agreements (the **"First Amendment"**) is made effective as of the date of the last signature below (the **"First Amendment Effective Date"**) by and between **ImmunoGen, Inc.**, a Massachusetts corporation (**"ImmunoGen"**), with its principal place of business being 830 Winter Street, Waltham, Massachusetts 02451, USA, and **Eli Lilly and Company**, an Indiana corporation (**"Lilly"**), with its principal place of business at Lilly Corporate Center, Indianapolis, Indiana 46285. ImmunoGen and Lilly are sometimes hereinafter referred to individually as a **"Party"** and collectively as the **"Parties."**

WHEREAS, ImmunoGen and Lilly are parties to that certain Multi-Target Agreement made effective as of December 19, 2011 (the **"Multi-Target Agreement"**) and that certain License Agreement made effective as of August 26, 2013 (the **"8/26/2013 License Agreement"**); and

WHEREAS, the Parties desire to amend the Multi-Target Agreement and the 8/26/2013 License Agreement in the manner set forth in this First Amendment; and

WHEREAS, the capitalized terms used in this First Amendment and not otherwise defined herein shall have the meanings ascribed to them in the Multi-Target Agreement and the 8/26/2013 License Agreement, as applicable;

NOW, THEREFORE, in consideration of the foregoing premises and mutual covenants herein contained, the Parties agree and covenant as follows.

Multi-Target Agreement

I. Section 3.3 of the Multi-Target Agreement is hereby deleted in its entirety and replaced with the following:

3.3 Number of Exclusive Licenses; Upfront Fees. Anything contained in this Agreement to the contrary notwithstanding, Lilly may take Exclusive Licenses to up to a total of **three (3)** Reserve Option Targets during the Term. Except as set forth below, each Exclusive License shall provide for an upfront fee, payable by Lilly to ImmunoGen within [***] days following the Effective Date of such Exclusive License. From and after the First Amendment Effective Date, (a) no upfront fee is due for one (1) of the two (2) remaining Exclusive Licenses available hereunder (the **"No Upfront Fee License"**), and (b) the upfront fee for the other of the two (2) remaining Exclusive Licenses available hereunder shall be Two Million United States Dollars ($2,000,000). Lilly shall have the right to designate in its sole discretion which Exclusive License taken after the First Amendment Effective Date shall be the No Upfront Fee License. For purposes of clarity, Lilly's designation of the first Exclusive License taken after the First Amendment Effective Date as the No Upfront Fee License shall not create any obligation on the part of Lilly to take the remaining Exclusive License hereunder. Subject to Section 3.4 hereof, if an Exclusive License is terminated at any time for any reason, such terminated Exclusive License shall nevertheless continue to be counted against the aggregate number of Exclusive Licenses available to Lilly under this Section 3.3.

II. Section 5.1 of the Multi-Target Agreement is hereby amended by adding the following new paragraph at the end thereof:

In connection with Lilly's exercise of its right to extend the term of this Agreement beyond the Initial Term or the First Extended Term in accordance with Sections 8.1(b) and 8.1(c) hereof, Lilly agrees in each case to pay ImmunoGen a Term extension fee (the **"Extension Fee"**) in the amount of [***] ($[***]) payable in accordance with Section 5.3 hereof at any time prior to the expiration of the Initial Term or the First Extended Term, as the case may be, which Extension Fees shall be non-refundable and non-creditable.

III. Section 8.1 of the Multi-Target Agreement is hereby deleted in its entirety and replaced with the following:

8.1 Term.

(a) Initial Term. The term of this Agreement shall commence on the Effective Date and shall continue until the third (3rd) anniversary of the Effective Date, subject to earlier termination in accordance with Section 8.2 hereof (the **"Initial Term"**).

(b) First Extended Term. If this Agreement has not been terminated in accordance with Section 8.2 hereof (other than termination by Lilly in accordance with Section 8.2(b) hereof) on or before the expiration of the Initial Term, then Lilly may extend the term of this Agreement from the end of the Initial Term until June 19, 2015, subject to earlier termination in accordance with Section 8.2 hereof (the **"First Extended Term"**), by providing written notice and by paying the Extension Fee in accordance with Section 5.1 hereof at any time prior to the expiration of the Initial Term.

(c) Second Extended Term. If this Agreement has not been terminated in accordance with Section 8.2 hereof (other than termination by Lilly in accordance with Section 8.2(b) hereof) on or before the expiration of the First Extended Term, then Lilly may extend the term of this Agreement from the end of the First Extended Term until December 19, 2015, subject to earlier termination in accordance with Section 8.2 hereof (the **"Second Extended Term"**), by providing written notice and by paying another Extension Fee in accordance with Section 5.1 hereof at any time prior to the expiration of the First Extended Term. The Initial Term, together with the First Extended Term and the Second Extended Term, if applicable, shall be referred to herein collectively as the **"Term."** The foregoing notwithstanding, the Term shall automatically expire once Lilly has taken the maximum number of Exclusive Licenses available to Lilly pursuant to Section 3.3 hereof.

IV. Footnotes 2, 3 and 4 to the form of License Agreement attached to the Multi-Target Agreement as **Schedule A** are hereby deleted in their entirety and replaced with the following:

(2) Insert Zero U.S. Dollars ($0.00) in the No Upfront Fee License taken under the Multi-Target Agreement after the First Amendment Effective Date. Insert Two Million U.S. Dollars ($2,000,000) in any other Exclusive License taken under the Multi-Target Date after the First Amendment Effective Date.

(3) Insert $[***] in the No Upfront Fee License taken under the Multi-Target Agreement after the First Amendment Effective Date. Insert $[***] in any other Exclusive License taken under the Multi-Target Agreement after the First Amendment Effective Date.

(4) Insert $[***] in the No Upfront Fee License taken under the Multi-Target Agreement after the First Amendment Effective Date. Insert $[***] in any other Exclusive License taken under the Multi-Target Agreement after the First Amendment Effective Date.

8/26/2013 License Agreement

V. Sections 5.1 and 5.2 of the 8/26/2013 License Agreement are hereby deleted in their entirety and replaced with the following:

5.1 Upfront Fee. In consideration of the grant of the license described in Section 2.1 hereof and the mutual covenants contained in the First Amendment, Lilly hereby agrees to pay ImmunoGen an upfront fee (the **"Upfront Fee"**) in the amount of Two Million United States Dollars ($2,000,000) payable in accordance with Section 5.6(d) hereof within [***] days after the First Amendment Effective Date, which Upfront Fee shall be non-refundable and non-creditable.

5.2 Milestone Payments for Licensed Products. In further consideration of the grant of the license by ImmunoGen hereunder, and subject to the other terms of this Agreement, Lilly will make the following payments to ImmunoGen in accordance with Section 5.6(d) hereof within [***] days after Lilly's receipt of an invoice from ImmunoGen reflecting the first occurrence of each of the milestones set forth below:

Clinical Milestones	**Milestone Payment**
(a) Initiation of first Phase I Clinical Study for a Licensed Product	$ 5.0 Million
[***]	$ [***]
[***]	$ [***]
Regulatory Milestones	
[***]	$ [***]
[***]	$ [***]

Sales Milestones		
[***]	$	[***]
[***]	$	[***]
[***]	$	[***]
[***]	$	[***]

If the milestone described in [***] above occurs before milestone described in [***] above, the milestone payment payable upon the occurrence of the milestone described in [***] above shall be increased from $[***] to $[***], and no milestone payment will be payable with respect to any [***] of the [***]. It is hereby acknowledged and agreed that any milestone payment shall be [***], with respect to the [***] of the [***], regardless of how many times [***] is [***] and [***]. All milestone payments shall be nonrefundable and noncreditable. Lilly shall notify ImmunoGen of the achievement of each milestone hereunder as provided in Section 3.5(b) hereof.

Miscellaneous

VI. The Parties hereby confirm and agree that each of the Multi-Target Agreement and the 8/26/2013 License Agreement, as amended by this First Amendment, remains in full force and effect. References in the Multi-Target Agreement to "Agreement" mean the Multi-Target Agreement as amended by this First Amendment, and references in the 8/26/2013 License Agreement to "Agreement" mean the 8/26/2013 License Agreement as amended by this First Amendment.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Parties have caused this First Amendment to Agreements to be executed by their duly authorized representatives.

IMMUNOGEN, INC.		**ELI LILLY AND COMPANY**	
By:	/s/ Peter Williams	By:	/s/ Jan M. Lundberg
Name:	Peter Williams	Name:	Jan M. Lundberg, PhD
Title:	Vice President	Title:	Executive Vice President, Science & Technology and President, LRL
Date:	12/9/2013	Date:	12/4/2013

Certain identified information has been excluded from the exhibit because it is both (i) not material and (ii) is the type of information that the registrant treats as private or confidential. Triple asterisks denote omissions.

DEVELOPMENT AND LICENSE AGREEMENT

This Development and License Agreement (this "Agreement") is made effective as of October 1, 2004 (the "Effective Date") by and between Biogen Idec MA Inc., a Massachusetts corporation with its principal place of business at 14 Cambridge Center, Cambridge, Massachusetts 02142 ("Biogen Idec"), and ImmunoGen, Inc., a Massachusetts corporation with its principal place of business at 128 Sidney Street, Cambridge, Massachusetts 02139 ("ImmunoGen"). Biogen Idec and ImmunoGen are sometimes each hereinafter referred to individually as a "Party" and collectively as the "Parties".

WHEREAS, Biogen Idec is the owner of or otherwise controls certain rights in proprietary technology and know-how relating to certain **[***]** Antibodies (as defined below); and

WHEREAS, ImmunoGen is the owner of or otherwise controls certain rights in proprietary technology and know-how relating to or otherwise useful in the conjugation of maytansine derivatives to binding proteins; and

WHEREAS, pursuant to the terms and conditions set forth herein, Biogen Idec desires to obtain from ImmunoGen, and ImmunoGen desires to grant to Biogen Idec, a license under certain of ImmunoGen's technology and/or intellectual property rights to develop and commercialize one or more Licensed Products (as defined below).

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereby agree as follows:

1. DEFINITIONS

Whenever used in the Agreement with an initial capital letter, the terms defined in this Section 1 shall have the meanings specified.

1.1. "**Adverse Drug Experience"** is defined in 21 CFR 310.305, 21 CFR 314.80, and 21 CFR 600.80, as amended, or any replacements thereof.

1.2. "**Affiliate**" shall mean any corporation, firm, limited liability company, partnership or other entity which directly or indirectly controls or is controlled by or is under common control with a Party to this Agreement. For purposes of this Section 1.2, "control" means ownership, directly or indirectly through one or more Affiliates, of fifty percent (50%) or more of the shares of stock entitled to vote for the election of directors, in the case of a corporation, or fifty percent (50%) or more of the equity interests in the case of any other type of legal entity, or status as a general partner in the case of any partnership, or any other arrangement whereby a Party controls or has the right to control the Board of Directors or equivalent governing body or management of a corporation or other entity.

1.3. "**Agreement**" shall mean this Development and License Agreement between the Parties, dated as of the Effective Date, including any exhibits, schedules or other attachments hereto and incorporated herein, as any of the foregoing may be validly amended from time to time. In the event of any inconsistency between the terms of this Agreement and the terms of any exhibits, schedules or other attachments incorporated herein, unless the Parties expressly agree otherwise in writing, the terms of this Agreement shall govern.

1.4. "**Antibody**" shall mean a composition comprising a whole antibody or fragment thereof (whether polyclonal or monoclonal, multiple or single chain, recombinant, transgenic animal derived or naturally occurring, and any constructs thereof) or having been derived from nucleotide sequences encoding, or amino acid sequences of, such an antibody or fragment.

1.5. "[***]" shall mean any Program Technology that is a structural modification, formulation, method of use, administration or delivery of an **[***] [***]** or other **[***]** not **[***]** to a **[***] [***]**.

1.6. "**[***] Antibody**" shall mean any Antibody that is Controlled by Biogen Idec and that binds with a protein encoded by any gene within the **[***]** Gene Family.

1.7. "**Biogen Idec Background Technology**" means any Technology used by Biogen Idec, or provided by Biogen Idec for use, in the Research Program that is useful in the Field and that is (a) Controlled by Biogen Idec as of the Effective Date or (b) Controlled by Biogen Idec and developed or conceived by employees of, or consultants to, Biogen Idec on and after the Effective Date in the conduct of activities outside the Research Program and without the use of any Licensed Technology, Licensed Patent Rights or Joint Program Technology.

1.8. "**Biogen Idec Patent Rights**" shall mean all Patent Rights with respect to Biogen Idec Background Technology.

1.9. "**Biogen Idec Program Technology**" shall mean any Program Technology made solely by employees of, or agents or others obligated to assign inventions to, Biogen Idec or a Biogen Idec Affiliate.

1.10. "BLA" shall mean a biologics license application (as defined in Title 21 of the United States Code of Federal Regulations, as amended from time to time) filed with the FDA seeking Regulatory Approval to market and sell any Licensed Product in the United States for a particular indication within the Field.

1.11. "**Clinical Materials**" shall mean any MAY Compound and/or **[***]**-MAY Conjugates supplied by ImmunoGen to Biogen Idec pursuant to Section 4.3 and/or the Supply Agreement for use in human clinical testing.

1.12. "**Collaboration Committee**" shall mean the committee with representatives of each Party established as set forth in Section 3.4.

1.13. "**Combination Product**" shall mean a product containing both a Licensed Product and one or more other active ingredients in addition to the Licensed Product that are not covered by the Licensed Patent Rights or do not incorporate Licensed Technology where the other active ingredients have independent, additive or synergistic diagnostic, prophylactic or therapeutic effect in the disease or indication for which the Combination Product is labeled, whether the Licensed Product and the other active ingredients are together in a physical mixture or packaged and priced together as a single product.

1.14. "**Commercialization**" or "**Commercialize**" shall mean any and all activities constituting importing, marketing, distributing, offering for sale, selling, making, having made, exporting, having exported and supporting the Licensed Product in the Territory for use in the Field. Commercialization shall include, but not be limited to, promotion as well as post-approval clinical trial and regulatory activities, including Adverse Drug Experience reporting. When used as a verb, Commercialize shall mean to engage in Commercialization.

1.15. "**Confidential Information**" shall mean, with respect to a Party (the "receiving Party"), all information which is disclosed by the other Party (the "disclosing Party") to the receiving Party hereunder or to any of its employees, consultants, Affiliates or Sublicensees, except to the extent that the receiving Party can demonstrate by written record or other suitable physical evidence that such information, (a) prior to the disclosure is demonstrably known to the receiving Party or its Affiliates other than by virtue of a prior confidential disclosure to such Party or its Affiliates; (b) as of the date of disclosure is in, or subsequently enters, the public domain, through no fault or omission of the receiving Party; (c) is obtained from a Third Party having a lawful right to make such disclosure free from any obligation of confidentiality to the disclosing Party; or (d) is independently developed by or for the receiving Party without reference to or reliance upon any Confidential Information of the Disclosing Party. For purposes of clarity, subject to the exceptions in the preceding sentence or as otherwise set forth in this

Agreement, (a) any technical or financial information of a disclosing Party disclosed at any meeting of the Collaboration Committee, or disclosed through an audit or other report shall constitute Confidential Information of such disclosing Party, (b) the terms of this Agreement, to the extent not disclosed in a public filing or press release permitted under Section 6 of this Agreement, shall constitute Confidential Information of each Party unless otherwise specified, (c) all know-how and trade secrets disclosed by ImmunoGen to Biogen Idec in connection with the licenses set forth in Section 2.1 of this Agreement shall constitute Confidential Information of ImmunoGen, and (d) all know-how and trade secrets disclosed by Biogen Idec to ImmunoGen in connection with the license set forth in Section 2 of this Agreement shall constitute Confidential Information of Biogen Idec.

1.16. "**Consumer Price Index or CPI"** shall mean the CPI for All Urban Consumers published from time to time by the Bureau of Labor Statistics of the United States Department of Labor.

1.17. "**Contract Year**" shall mean the period beginning on the Effective Date and ending on December 31, 2004 and each succeeding calendar year thereafter during the Term.

1.18. "**Control**" or "**Controlled**" shall mean, with respect to any Patent Rights Technology or Proprietary Materials (including, without limitation, any MAY Compound, **[***]** Antibody or other proprietary biologic material covered under this Agreement), the possession by a Party of the ability to grant a license or sublicense (other than by rights granted in this Agreement) of such Patent Rights or Technology and the rights thereto or to supply such Proprietary Materials as provided for in this Agreement without violating the terms of any arrangement or agreement between such Party or its Affiliates and any Third Party.

1.19. "**Cost**" shall mean, with respect to any Preclinical Materials or Clinical Materials manufactured and QC tested by ImmunoGen, ImmunoGen's fully-burdened costs (including the costs associated with product testing and release activities) of producing and packaging such Preclinical or Clinical Materials, including the sum of the following components: (a) direct costs, including (1) materials directly used in producing and packaging such Preclinical Materials or Clinical Materials and (2) with respect to any Preclinical Materials or Clinical Materials obtained by ImmunoGen from a Third Party and supplied to Biogen Idec without modification, the amount paid by ImmunoGen to such Third Party for the same; (b) an allocation of manufacturing overhead costs, including manufacturing and quality labor and manufacturing and quality supervisory services, operating and administrative costs of the manufacturing and quality departments and occupancy costs which are allocable to company departments based on space occupied or headcount, or another activity-based method; (c) any other reasonable out-of-pocket costs borne by ImmunoGen for the testing, transport, customs clearance, duty, insurance and/or storage of such Preclinical Materials or Clinical Materials; and (d) ImmunoGen's general and administrative costs, including purchasing, human resources, payroll, information system and accounting, which are allocable to its departments based on space occupied or headcount or another activity-based method, according to GAAP. Manufacturing overhead costs under the foregoing clause (b) and administrative costs under the foregoing clause (d) are allocable to each batch of Preclinical Material and/or Clinical Material produced based upon the **[***]** of **[***]**, or any portion of a **[***]**, that a manufacturing **[***]** is **[***]** to the **[***]** (including **[***]** and **[***]**) of **[***]**-MAY Conjugate at ImmunoGen's facilities. Notwithstanding the foregoing, Cost shall not include the cost of purchasing any Dedicated Equipment pursuant to Section 4.4 of this Agreement.

1.20. "**[***] Gene Family**" shall mean the family of human **[***]** genes that encode the proteins known as, **[***]** or **[***]** (**[***]**) **[***]**, the polypeptide sequences which are set forth on Schedule C attached hereto, any polynucleotide encoding an amino acid sequence at least **[***]**% identical to the aforementioned polypeptide sequences.

1.21. "**[***]-MAY Conjugate**" shall mean any conjugate of an **[***]** Antibody with a MAY Compound.

1.22. "**Dedicated Equipment**" shall mean any equipment, instrument or machinery used by ImmunoGen exclusively in the manufacturing of Preclinical Materials or Clinical Materials.

1.23. "**Development**" and "**Develop**" shall mean, with respect to any Licensed Product, all activities with respect to such Licensed Product relating to research and development in connection with seeking, obtaining and/or maintaining any Regulatory Approval for such Licensed Product in the Field in the Territory, including without limitation, all pre-clinical research and development activities, test method development and stability testing,

toxicology, formulation, process development, manufacturing scale-up, development-stage manufacturing, quality assurance/quality control development and performance, all activities relating to developing the ability to manufacture any Licensed Product or any component thereof (including, without limitation, process development work), and all other activities relating to seeking, obtaining and/or maintaining any Regulatory Approvals from the FDA and/or any Foreign Regulatory Authority and Adverse Drug Experience reporting.

1.24. "**Drug Approval Application**" shall mean any application for Regulatory Approval (including pricing and reimbursement approvals) required prior to any commercial sale or use of a Licensed Product in any country or jurisdiction in the Territory, including, without limitation, (a) any BLA, NDA or other regulatory application filed with the FDA prior to any commercial sale or use of a Licensed Product in the United States, and (b) any MAA or other equivalent regulatory application filed with any Foreign Regulatory Authority for Regulatory Approval (including pricing and reimbursement approvals) required prior to any commercial sale or use of a Licensed Product in any other country or jurisdiction in the Territory.

1.25. "**Effective Date**" shall mean the date first written above in the introductory paragraph to this Agreement.

1.26. "**EMEA**" shall mean the European Medicines Agency and any successor agency or authority thereto.

1.27. "**FDA**" shall mean the United States Food and Drug Administration and any successor agency or authority thereto.

1.28. "**Field**" shall mean all human therapeutic, diagnostic and prophylactic uses.

1.29. "**First Commercial Sale**" shall mean the date of the first commercial transfer or disposition to a Third Party of a Licensed Product by or on behalf of Biogen Idec or any Affiliate or Sublicensee of Biogen Idec.

1.30. "**Foreign Regulatory Authority**" shall mean the EMEA and any other applicable supranational, national, federal, state or local regulatory agency, department, bureau or other governmental entity of any country or jurisdiction in the Territory (other than the FDA in the United States), having responsibility in such country or jurisdiction for any Regulatory Approvals of any kind in such country or jurisdiction, and any successor agency or authority thereto.

1.31. "**Full Time Equivalent**" or "**FTE**" shall mean the equivalent of one person-year of work on the Research Program, consisting of **[***]** or **[***]**, and which is carried out by employees, contractors or agents of ImmunoGen having the appropriate scientific expertise to conduct such activities. For the purposes of this Agreement, **[***]** person **[***]** be **[***]** as **[***]** than **[***]** **[***]** in any given year.

1.32. "**FTE Cost**" shall mean, for any period during the Term of this Agreement, the FTE Rate multiplied by the number of FTEs expended over such period.

1.33. "**FTE Rate**" shall mean, for the **[***]** **[***]** **[***]** Contract Year commencing on the Effective Date, **[***]**; and, for each Contract Year thereafter, the result obtained by multiplying **[***]** by the sum of (1+CPI) where CPI is a fraction, the numerator of which is the difference between the Consumer Price Index as of the last month of the immediately preceding Contract Year and the Consumer Price Index as of the month immediately preceding the Effective Date and the denominator of which is the Consumer Price Index as of the month immediately preceding the Effective Date.

1.34. "**GMPs**" shall mean all good manufacturing practices under Title 21 of the United States Code of Federal Regulations, as amended from time to time.

1.35. "**Gross Sales**" shall mean the gross amount invoiced by Biogen Idec or its Affiliates or Sublicensees for sales of a Licensed Product to Third Parties in the Territory, including sales to distributors. Note for purposes of clarification, Gross Sales will include Biogen Idec's revenue from distributors, and not revenue of the distributors themselves. A sale or transfer of a Licensed Product by Biogen Idec to one of its Affiliates or Sublicensees shall not be considered a sale to a Third Party for the purpose of this provision but the resale of such Licensed Product by

such Affiliate or Sublicensee to a Third Party shall be a sale for such purposes. In the event the Licensed Product is sold in the form of a Combination Product, Gross Sales will be determined by multiplying actual Gross Sales of such Combination Product by the fraction A/(A + B), where A is the invoice price of the Licensed Product, if sold separately, and B is the invoice price of any other active component or components in the combination, if sold separately, in each case in the same country and in the same class, purity and dosage as in the Combination Product. If, on a country-by-country basis, the other active component or components in the combination are not sold separately in such country, Gross Sales shall be calculated by multiplying actual Gross Sales of such Combination Product by the fraction A/C where A is the invoice price of the Licensed Product if sold separately, and C is the invoice price of the Combination Product, in each case in the same country and in the same class, purity and dosage as in the Combination Product. If, on a country-by-country basis, the Licensed Product component of the Combination Product is not sold separately in such country, but the other active component or components are sold separately, Gross Sales shall be calculated by multiplying actual Gross Sales of such Combination Product by the fraction (C-B)/C where B is the invoice price of the other active component or components, if sold separately, and C is the invoice price of the Combination Product, in each case in the same country and in the same class, purity and dosage as in the Combination Product. If, on a country-by-country basis, neither the Licensed Product nor the other active component or components of the Combination Product is sold separately in such country, Gross Sales, for such Combination Product shall be determined by the Parties in good faith.

1.36. "**ImmunoGen Materials**" shall mean any Proprietary Materials Controlled by ImmunoGen and used by ImmunoGen, or provided by ImmunoGen for use, in the Research Program. ImmunoGen Materials shall include, without limitation, any MAY Compound.

1.37. "**ImmunoGen Program Technology**" shall mean any Program Technology made solely by employees of, or agents or others obligated to assign inventions to, ImmunoGen or an ImmunoGen Affiliate.

1.38. "**Improvements**" shall mean, collectively, **[***]**, Licensed Technology Improvements, **[***]** and MAY Compound Improvements.

1.39. "**IND**" shall mean an investigational new drug application (as defined in Title 21 of the United States Code of Federal Regulations, as amended from time to time) filed or to be filed with the FDA with regard to any Licensed Product.

1.40. "**Indemnitees**" and "**Indemnifying Party**" shall have the meanings set forth in Section 9.

1.41. "**Joint Program Technology**" shall mean any Program Technology made jointly by at least one employee or agent to, or other person obligated to assign inventions to, ImmunoGen or an ImmunoGen Affiliate, and by at least on employee or agent to, or other person obligated to assign inventions to, Biogen Idec or a Biogen Idec Affiliate.

1.42. "**Licensed Patent Rights**" shall mean any Patent Rights which are Controlled by ImmunoGen or its Affiliates as of the Effective Date or become Controlled by ImmunoGen or its Affiliates during the Term (including without limitation ImmunoGen's interest in any Improvements Controlled by ImmunoGen or an ImmunoGen Affiliate, and ImmunoGen Program Technology and Joint Program Technology covered by Patent Rights), to the extent necessary or useful to Develop, have Developed, Commercialize, have Commercialized, make, have made, use, have used, sell, have sold, offer for sale, import, have imported, export and have exported any **[***]**-MAY Conjugate in the Field in the Territory. Certain Licensed Patent Rights existing as of the Effective Date are set forth in Schedule A attached hereto and incorporated herein by reference.

1.43. "**Licensed Product**" shall mean any product (a) that incorporates, is comprised of, or is otherwise derived from Licensed Technology, or (b) the Development, Commercialization, manufacture, use, sale, offer for sale, importation or exportation of which would, but for the license granted herein, infringe a Valid Claim of the Licensed Patent Rights.

1.44. "**Licensed Technology**" shall mean any Technology which is Controlled by ImmunoGen or its Affiliates as of the Effective Date or becomes Controlled by ImmunoGen of its Affiliates during the Term (including without limitation ImmunoGen's interest in any Improvements Controlled by ImmunoGen or its Affiliates,

ImmunoGen Program Technology and Joint Program Technology), which is necessary or useful for the Development, Commercialization, manufacture, use, sale, offer for sale, import or export of any **[***]**-MAY Conjugate in the Field in the Territory.

1.45. "**Licensed Technology Improvements**" shall mean any Technology (including without limitation any Program Technology), other than **[***] [***]**, MAY Compound Improvements or **[***] [***]**, conceived or reduced to practice in the course of Development of Licensed Products as a result of the use of Licensed Technology or Licensed Patent Rights or ImmunoGen Materials, that is an enhancement, improvement or modification to the Licensed Technology or to an invention claimed in the Licensed Patent Rights. Licensed Technology Improvements does not include modifications related to humanization or other structural modifications, formulation, method of use, administration or delivery of an Antibody.

1.46. "[***]" shall mean any Program Technology that is an **[***]**, **[***]** or **[***]** to **[***]** useful for **[***]** a **[***]** or **[***]**, such as a **[***]**, to **[***]** or other **[***]**.

1.47. "**MAA**" shall mean an application filed with the EMEA to market and sell any Licensed Product in the European Union or any country or territory therein for a particular indication within the Field.

1.48. "**MAY Compound**" shall mean any and all maytansinoid compounds, including, without limitation (a) N2'-deacetyl-N2'-(3-mercapto-1-oxopropyl)-maytansine (CAS No. 139504-50-0) (commonly referred to as DM1); (b) N2'-deacetyl-N2-(4-mercapto-1-oxopentyl)-maytansine (commonly referred as DM3); and (c) N2'-deacetyl-N2-(4-mercapto-4-methyl-1-oxopentyl)-maytansine (commonly referred as DM4), and all fragments, variants and derivatives of such maytansinoid compounds.

1.49. "MAY Compound Improvements" shall mean any Technology (including without limitation any Program Technology) conceived or reduced to practice in the course of Development of Licensed Products, that is an enhancement, improvement or modification of a MAY Compound, and any compositions or methods useful for the manufacture of such MAY Compound.

1.50. "MTA" shall mean that certain Material Transfer and Evaluation Agreement between Biogen, Inc. and ImmunoGen dated **[***]**, **[***]**, as amended by amendments dated **[***]**, **[***]**, **[***]**, **[***]**, **[***]**, **[***]** and **[***]**, **[***]**.

1.51. "**NDA**" shall mean a new drug application (as defined in Title 21 of the United States Code of Federal Regulations, as amended from time to time) filed with the FDA seeking Regulatory Approval to market and sell any Licensed Product in the United States for a particular indication within the Field.

1.52. "**Net Sales**" shall mean Gross Sales of a Licensed Product less applicable Sales Returns and Allowances.

1.53. "**Patent Rights**" shall mean the rights and interests in and to any and all issued patents and pending patent applications (including inventor's certificates, applications for inventor's certificates, statutory invention registrations, applications for statutory invention registrations, utility models, and any foreign equivalents thereof) in any country or jurisdiction in the Territory, including any and all provisionals, non-provisionals, substitutions, continuations, continuations-in-part, divisionals and other continuing applications, supplementary protection certificates, renewals, and all letters patent on any of the foregoing, and any and all reissues, reexaminations, extensions, confirmations, registrations and patents of addition on any of the foregoing.

1.54. "**Phase II Clinical Trial**" shall mean, as to a particular Licensed Product for a particular indication, a controlled and lawful study in humans of the safety, dose ranging and efficacy of such Licensed Product for such indication, which is prospectively designed to generate sufficient data (if successful) to commence a Pivotal Clinical Trial of such Licensed Product for such indication.

1.55. "**Pivotal Clinical Trial**" shall mean, as to a particular Licensed Product for a particular indication, a controlled and lawful study in humans of the safety and efficacy of such Licensed Product for such indication, which

is prospectively designed to demonstrate statistically whether such Licensed Product is safe and effective for use in such indication in a manner sufficient to file an NDA or BLA to obtain Regulatory Approval to market and sell that Licensed Product in the United States or in any other country in the Territory for the indication under investigation in such study.

1.56. "**Preclinical Materials**" shall mean any MAY Compound and/or **[***]**-MAY Conjugates supplied by ImmunoGen to Biogen Idec under Section 4.2 for the purpose of conducting research activities and/or preclinical testing with respect to a Licensed Product.

1.57. "**Program Technology**" shall mean any Technology, whether or not patentable, conceived or reduced to practice in the conduct of the Research Program, or during manufacture of Preclinical Material or Clinical Material.

1.58. "**Proprietary Materials**" shall mean any tangible chemical, biological or physical research materials that are furnished by or on behalf of one Party to the other Party in connection with this Agreement, regardless of whether such materials are specifically designated as proprietary by the transferring Party.

1.59. "**Regulatory Approval**" shall mean any and all approvals (including pricing and reimbursement approvals), product and establishment licenses, registrations or authorizations of any kind of any Regulatory Authority necessary for the development, pre-clinical and/or human clinical testing, manufacture, quality testing, supply, use, storage, importation, export, transport, marketing and sale of a Licensed Product (or any component thereof) for use in the Field in any country or other jurisdiction in the Territory.

1.60. "**Regulatory Authority**" shall mean the FDA and/or a Foreign Regulatory Authority.

1.61. "**Research Plan**" shall mean the written plan describing the research activities to be carried out by each Party pursuant to this Agreement.

1.62. "**Research Program**" shall mean the research activities in the Field commencing after the Effective Date to be conducted by the Parties pursuant to Section 3.1 of this Agreement and reflected in the Research Plan.

1.63. "**Sales Returns and Allowances**" shall mean the sum of (a) and (b), where: (a) is a provision, determined by Biogen Idec under U.S. GAAP for sales of Licensed Product in the Territory for (i) trade, cash and quantity discounts on Licensed Product (other than price discounts granted at the time of invoicing and which are already included in the determination of Gross Sales), (ii) credits or allowances given or made for rejection or return of previously sold Licensed Product or for rebates or retroactive price reductions (including Medicare, Medicaid and similar types of rebates and chargebacks), (iii) taxes, duties or other governmental charges levied on or measured by the billing amount for Licensed Product, as adjusted for rebates and refunds (excluding income and franchise taxes), (iv) charges for freight and insurance directly related to the distribution of Licensed Product, to the extent included in Gross Sales, and (v) credits for allowances given or made for wastage replacement, indigent patient and any other sales programs for Licensed Product to the extent the sale of the Licensed Product was included in Gross Sales and the credit is applied against such Gross Sales; and (b) is a periodic adjustment of the provision determined in (a) to reflect amounts actually incurred by Biogen Idec in the Territory for items (i), (ii), (iii), (iv) and (v) in clause (a).

1.64. "**Sublicensee**" shall mean any Third Party expressly sublicensed by Biogen Idec in accordance with Section 2.1(a)(ii) of this Agreement. A Sublicensee shall not include (a) a distributor or other Third Party who purchases Licensed Products for the sole purpose of selling such Licensed Products but not to make, have made or formulate Licensed Product (other than a license to perform final packaging of Licensed Product) or (b) a Third Party who primarily performs sales and/or marketing activities with respect to such Licensed Products.

1.65. "**Target**" shall mean any antigen with which a particular Antibody interacts, and any fragment, peptide or epitope thereof.

1.66. "**Technology**" shall mean and include any and all unpatented proprietary ideas, trade secrets, inventions, discoveries, data, results, formulae, designs, specifications, methods, processes, formulations, techniques, know-how, technical information (including, without limitation, structural and functional information),

process information, pre-clinical information, clinical information, and any and all proprietary biological, chemical, pharmacological, toxicological, pre-clinical, clinical, assay, control and manufacturing data and materials.

1.67. "**Term**" shall mean the period commencing on the Effective Date and continuing until the expiration or termination of this Agreement in accordance with the terms hereof.

1.68. "**Territory**" shall mean all countries and jurisdictions of the world.

1.69. "**Third Party**", as to a Party, shall mean any entity other than the Party and its respective Affiliates.

1.70. "**Third Party Payments**" shall have the meaning set forth in Section 5.3(b).

1.71. "**Upfront Fee**" shall have the meaning set forth in Section 5.1(a).

1.72. "**Valid Claim**" shall mean a claim (i) of any issued, unexpired patent within the Licensed Patent Rights that (a) has not been finally cancelled, withdrawn, abandoned or rejected by any administrative agency or other body of competent jurisdiction, or (b) has not been revoked, held invalid, or declared unpatentable or unenforceable in a decision of a court or other body of competent jurisdiction that is unappealable or unappealed within the time allowed for appeal, or (c) has not been rendered unenforceable through disclaimer or otherwise, or (d) is not lost through an interference proceeding; or (ii) of any patent application within the Licensed Patent Rights that shall not have been (a) cancelled, withdrawn, abandoned, or (b) been pending for more than **[***]** (**[***]**) years.

2. GRANT OF RIGHTS

2.1 License Grants.

(a) Commercialization License.

(i) License to Biogen Idec. Subject to the terms and conditions of this Agreement, ImmunoGen hereby grants to Biogen Idec an exclusive, royalty-bearing license, including the right to grant sublicenses as described in Section 2.1(a)(ii) below, under the Licensed Patent Rights and Licensed Technology, to Develop, have Developed, Commercialize, have Commercialized, make, have made, use, have used, sell, have sold, offer for sale, import, have imported, export and have exported Licensed Products in the Field in the Territory. Biogen Idec shall have the full and unrestricted right to extend the licenses granted under this Section 2.1(a)(i) and elsewhere under this Agreement to its Affiliates. Biogen Idec shall promptly advise ImmunoGen in writing of any such extension to its Affiliates. **[***]** shall be responsible for paying any royalty obligations that ImmunoGen may have to any of its Affiliates or to any Third Party under agreements between ImmunoGen and such Affiliates or Third Parties in effect as of the Effective Date arising from the license grant herein.

(ii) Right to Sublicense. Biogen Idec shall have the right freely to grant sublicenses to all or any portion of its rights under the license rights granted pursuant to Section 2.1(a)(i) hereof to any Third Party; provided, however, that (1) ImmunoGen shall be notified in writing of each such sublicense, (2) any and all sublicenses shall be consistent with the terms and conditions of this Agreement, and (3) Biogen Idec shall remain obligated for the payment to ImmunoGen of all of its payment obligations hereunder, including, without limitation, the payment of any milestones and royalties described in Section 5 hereof.

(b) Research Licenses.

(i) Research License to Biogen Idec. Subject to the terms and conditions of this Agreement, during the Term of this Agreement, ImmunoGen hereby grants to Biogen Idec a fully paid up, non-exclusive, royalty free, worldwide license, without the right to grant sublicenses, under the Licensed Technology and Licensed Patent Rights for the sole purpose of conducting the activities required in the performance of its obligations hereunder as part of the Research Program.

(ii) Research License to ImmunoGen. Subject to the terms and conditions of this Agreement, during the Term of this Agreement, Biogen Idec hereby grants to ImmunoGen a paid-up, non-exclusive, royalty-free, worldwide license, without the right to grant sublicenses, under the Biogen Idec Background

Technology and Biogen Idec Patent Rights and Biogen Idec's interest in any Improvements Controlled by Biogen Idec or its Affiliates, Biogen Idec Program Technology and Joint Program Technology, for the sole purpose of conducting the activities required in the performance of its obligations hereunder as part of the Research Program.

2.2 Retained Rights and Covenants.

(a) Retained Rights. Subject to the other terms of this Agreement (including, without limitation, Sections 2.2(b) and 2.3), ImmunoGen retains the right to use the Licensed Technology and Improvements Controlled by ImmunoGen and practice the Licensed Patent Rights (i) to perform its obligations under this Agreement (including without limitation its obligation to manufacture Preclinical Materials and Clinical Materials in accordance with Section 4 of this Agreement) (ii) to develop, have developed, commercialize, have commercialized, make, have made, use, have used, sell, have sold, offer for sale, import, have imported, export and have exported any product that does not contain a conjugate of a MAY Compound to an Antibody which selectively and specifically binds with a protein encoded by a gene within the **[***]** Gene Family, and (iii) for any and all uses outside of the Field.

(b) Covenants. Notwithstanding anything to the contrary contained in this Agreement, ImmunoGen hereby agrees during the Term of this Agreement, that it shall not (i) grant to any Third Party any license or other right under any Patent Rights, Improvements or Technology Controlled by ImmunoGen or its Affiliates to develop, have developed, commercialize, have commercialized, make, have made, use, have used, sell, have sold, offer for
sale, import, have imported, export and have exported any product containing a conjugate of a MAY Compound to an Antibody which selectively and specifically binds with a protein encoded by a gene within the **[***]** Gene Family, or (ii) outside the performance of its obligations under this Agreement, develop, have developed, commercialize, have commercialized, make, have made, use, have used, sell, have sold, offer for sale, import, have imported, export and have exported any products containing a conjugate of a MAY Compound to an Antibody which selectively and specifically binds with a protein encoded by a gene within the **[***]** Gene Family.

2.3 Improvement Licenses.

(a) License to ImmunoGen. Biogen Idec hereby grants to ImmunoGen a non-exclusive, fully paid, irrevocable, royalty-free license, including, except as set forth below, the right to grant sublicenses, (i) under Biogen Idec's interest in Improvements Controlled by Biogen Idec or its Affiliates to manufacture Clinical Materials or Preclinical Materials pursuant to the terms of this Agreement, and/or each applicable Supply Agreement, (ii) under Biogen Idec's interest in **[***]**, MAY Compound Improvements, and Licensed Technology Improvements, Controlled by Biogen Idec or its Affiliates, to develop, have developed, commercialize, have commercialized, make, have made, use, sell, have sold, offer for sale, import, have imported, export, and have exported any product that is conjugated to a MAY Compound that is not a conjugate of a MAY Compound to an Antibody which selectively and specifically binds with a protein encoded by a gene within the **[***]** Gene Family, and (iii) under Biogen Idec's interest in MAY Compound Improvements and Licensed Technology Improvements Controlled by Biogen Idec or its Affiliates to exploit such MAY Compound Improvements and Licensed Technology Improvements for any and all uses outside of the Field. The licenses granted under Biogen Idec's interest in Improvements Controlled by Biogen Idec or its Affiliates are limited to such Improvements only. Notwithstanding the foregoing, ImmunoGen shall only be permitted to sublicense rights to Improvements granted by Biogen Idec under this Section 2.3(a) to any Third Party which has entered into an agreement with ImmunoGen involving the license to such Third Party of ImmunoGen's Technology used in the conjugation of maytansine derivatives to binding proteins ("ImmunoGen MAY Technology") and which contains Substantially Similar Grant Back Rights (as defined below) (each such Third Party, a "Qualified ImmunoGen MAY Licensee"). For purposes of this Agreement, "Substantially Similar Grant Back Rights" shall mean the grant by a Qualified ImmunoGen MAY Licensee to ImmunoGen of a non-exclusive license to MAY Improvement Patent Rights (as defined below) with the right to sublicense to all other Qualified ImmunoGen MAY Licensees, the grant by a Qualified ImmunoGen MAY Licensee of a non-exclusive license to MAY Improvement Patent Rights (as defined below) to all other Qualified ImmunoGen MAY Licensees, or the ownership by ImmunoGen of MAY Improvement Patent Rights, which ownership results in ImmunoGen Controlling such MAY Improvement Patent Rights. For purposes of the foregoing, "MAY Improvement Patent Rights" shall mean Patent Rights which are (a) discovered by (or on behalf of) such Qualified ImmunoGen MAY Licensee through the use of ImmunoGen MAY Technology and (b) which represent an enhancement or

improvement to ImmunoGen MAY Technology. Nothing in this Agreement or the course of dealings between the Parties or usage or custom in the industry or trade shall be construed to confer any other rights or licenses to any other intellectual property Controlled by Biogen Idec or its Affiliates by implication, estoppel or otherwise.

(b) Licenses to Biogen Idec. ImmunoGen hereby grants to Biogen Idec (i) a perpetual, worldwide, non-exclusive, fully paid, irrevocable, royalty-free license, including the right to **[***],** under ImmunoGen's interest in **[***]** Controlled by ImmunoGen or its Affiliates to develop, have developed, commercialize, have commercialized, make, have made, use, sell, have sold, offer for sale, import, have imported, export and have exported **[***]** for **[***]** and **[***]** and (ii) a **[***]** (even as to ImmunoGen) **[***]**, under ImmunoGen's interest in **[***]** Controlled by ImmunoGen or its Affiliates, to develop, have developed, commercialize, have commercialized, make, have made, use, sell, have sold, offer for sale, import, have imported, export and have exported **[***]** for **[***]** and **[***]**. The licenses granted under ImmunoGen's interest in Improvements Controlled by ImmunoGen or its Affiliates are limited to such Improvements only. Nothing in this Agreement or the course of dealings between the Parties or usage or custom in the industry or trade shall be construed to confer any other rights or licenses to any other intellectual property Controlled by ImmunoGen or its Affiliates by implication, estoppel or otherwise.

2.4 Right to [***]. In accordance with and subject to this Section 2.4, Biogen Idec shall have the right, at any time during the period commencing on the Effective Date and continuing until **[***]**, **[***]** (the "**[***]**") to **[***]** that ImmunoGen **[***]** into an **[***]** on **[***]** to the **[***]** set forth in this **[***]** (each, an "**[***]**") with respect to any Antibody (other than an **[***]** Antibody) and Target (each, a "**[***]**") by providing a written notice to ImmunoGen, which notice shall specify in reasonable detail the **[***]** that it wishes to be the subject of an **[***]** (the "**[***]**"). ImmunoGen shall provide a written notice to Biogen Idec within **[***]** (**[***]**) days of its receipt of any **[***]** specifying whether or not it wishes to **[***]** into an **[***]** with respect to the **[***]** (the "**[***]**"). In the event that ImmunoGen indicates in its **[***]** that it **[***]** to the **[***]** of an **[***]** with respect to the **[***]** described in the **[***]**, the Parties shall negotiate in good faith an **[***]** in the form of **[***]** with respect to the **[***]**. If in the **[***]**, ImmunoGen indicates that it does not wish to **[***]** into an **[***]** with respect to the **[***]** described in the **[***]**, ImmunoGen shall have no further obligations to Biogen Idec under this Section 2.4 with respect to the **[***]** described in the **[***]**. Notwithstanding anything to the contrary set forth in this Agreement, the Parties hereby agree that (a) on and after the expiration of the **[***]**, ImmunoGen shall have no further obligations to Biogen Idec under this Section 2.4 and (b) Biogen Idec shall have the right to select and maintain no more than **[***]** (**[***]**) **[***]** (in addition to **[***]**).

3. RESEARCH PROGRAM; DEVELOPMENT AND COMMERCIALIZATION OF LICENSED PRODUCTS

3.1 Research Program.

(a) Implementation of Research Program. As soon as practicable after the Effective Date, the Parties shall prepare a Research Plan which shall set forth with reasonable specificity the research objectives and tasks to be conducted by the Parties under the Research Program, which shall be designed to facilitate the selection of the appropriate **[***]** Antibodies and MAY Compound to be used in preparing the **[***]**-MAY Conjugate. Without limiting the foregoing, to the extent that Biogen Idec requests that ImmunoGen manufacture Preclinical Materials and Clinical Materials, ImmunoGen shall, in consultation with Biogen Idec, as part of the Research Program, conduct all process development activities as ImmunoGen determines in its discretion are reasonably necessary to produce the quantities of Preclinical Materials and Clinical Materials so ordered, which process development activities shall be **[***]** within the **[***]** of **[***]** to be **[***]** by Biogen Idec pursuant to Sections 4.2 and 4.3 of this Agreement, provided that **[***]** shall have **[***]**-**[***]** the **[***]** for such **[***]** activities. The Parties acknowledge and agree that Biogen Idec shall have the final decision making authority with respect to the establishment of, additions to and modifications of the Research Plan, provided that allocation of activities specifically to ImmunoGen under the Research Plan, including any amendments or updates to such activities, shall be subject to ImmunoGen's prior written consent, which consent shall not be unreasonably withheld. Each Party agrees that the activities assigned to it in the Research Plan shall be conducted diligently and in good scientific manner in accordance with accepted laboratory practices and in compliance with any and all laws, regulations and bioethical conventions applicable to the jurisdiction in which those activities take place.

(b) Collaborative Efforts and Reports. The Parties agree that the successful execution of the Research Program will require the collaborative use of both Parties' areas of expertise. The Parties shall keep the Collaboration Committee and each other fully informed about the status of the Research Program. Scientists at ImmunoGen and Biogen Idec shall cooperate in the performance of the Research Program and, subject to any confidentiality obligations to Third Parties, shall exchange information and materials in a mutually acceptable secure manner as necessary to carry out the Research Program, but subject to the provisions of Section 6 hereof. The Parties expect that such exchange of information and materials may involve short-term on-site visits (up to a few weeks) by scientists of each Party to the facilities of the other Party.

(c) Additional Obligations of ImmunoGen. Subject to the other terms of this Agreement, ImmunoGen may, **[***] [***] [***] [***]**, conduct such additional research activities that ImmunoGen determines, in its sole discretion are necessary or useful for the Development of Licensed Products. ImmunoGen shall provide Biogen Idec with all information and materials Controlled by ImmunoGen resulting from such research activities. Without limiting the generality of the foregoing, at Biogen Idec's request, ImmunoGen shall from time to time, provide Biogen Idec with technical assistance within ImmunoGen's area of expertise (or its subcontractors) concerning the Development of Licensed Products, provided that such technical assistance and expertise is within the scope of the Licensed Technology and/or Licensed Patent Rights covered under this Agreement. Such technical assistance and expertise shall include, but not be limited to, visits by ImmunoGen personnel to Biogen Idec and visits by Biogen Idec personnel to ImmunoGen (or its subcontractors), at Biogen Idec's expense, at such times and for such periods of time as may be reasonably acceptable to the Parties.

(d) Supply of Proprietary Materials. From time to time during the Research Program, either Party (the "transferring Party") may supply the other Party (the "recipient Party") with its Proprietary Materials for use in the Research Program. In connection therewith, the recipient Party hereby agrees that (i) it shall not use Proprietary Materials for any purpose other than exercising any rights specifically granted to it or reserved by it hereunder; (ii) it shall use the Proprietary Materials only in compliance with all applicable, federal, state, and local laws and regulations; (iii) it shall not transfer any Proprietary Materials to any Third Party without the prior written consent of the transferring Party, except as expressly permitted hereby or by Article 6; (iv) the transferring Party shall retain full ownership of all such Proprietary Materials; and (v) upon the expiration or termination of this Agreement, the recipient Party shall at the instruction of the transferring Party either destroy or return any Proprietary Materials which are not the subject of the grant of a continuing license hereunder.

(e) Transition of Services Being Provided by ImmunoGen. In the event that ImmunoGen fails to carry out its material obligation(s) under Section 3.1(a), 3.2(b) 4.2 or 4.3 of this Agreement, (i) Biogen Idec shall provide ImmunoGen with written notice which shall identify such material obligation(s) and (ii) solely to the extent ImmunoGen fails to remedy such failure on or before **[***]** (**[***]**) days of receipt of such notice, Biogen Idec may, in addition to other remedies available to it under this Agreement at law and in equity, assume such obligations which ImmunoGen has failed to carry out under such Sections or assign them to a Third Party. ImmunoGen agrees to reasonably cooperate with Biogen Idec in the transition of its activities under this Section 3.1(e) to Biogen Idec or a Third Party as contemplated by the preceding sentence, such cooperation to include without limitation using commercially reasonable efforts to **[***]** of **[***]** to permit Biogen Idec or a Third Party to carry out the activities transitioned under this Section 3.1(e). Upon completion of the transition of activities set forth above, the Parties shall negotiate in good faith an **[***]** to any provisions related to **[***]** and **[***]** from Biogen Idec to ImmunoGen under this Agreement to **[***]** for the **[***]** of such services.

3.2 Development and Commercialization.

(a) Responsibility. Subject to Section 3.3 of this Agreement, on and after the Effective Date, Biogen Idec shall have sole control and authority over the Development and Commercialization of Licensed Products in the Field in the Territory, including, without limitation, (i) research and all pre-clinical Development activities (including the assessment of alternative designs for the **[***]**-MAY Conjugate, the selection of the final **[***]** Antibody and MAY Compound to be used in the **[***]**-MAY Conjugate and the selection of the **[***]**-MAY Conjugate to be Developed as a Licensed Product, all preclinical and IND-enabling studies, including toxicology testing, any pharmaceutical development work on formulations or process development relating to any such Licensed Product), (ii) all activities related to human clinical trials (including any Phase II Clinical Trials and/or

Pivotal Trials), (iii) subject to Section 4 of this Agreement, all activities relating to manufacture and supply of all **[***]** Antibodies, all MAY Compounds, all **[***]**-MAY Conjugates and all Licensed Products, to the extent such activities relate to the Development and Commercialization of Licensed Products (including all required process development and scale up work with respect thereto), (iv) all Commercialization, activities relating to any Licensed Product, and (v) all activities relating to any regulatory filings, registrations, applications and Regulatory Approvals relating to any of the foregoing (including any INDs or foreign equivalents, any manufacturing facility validation and/or licensure, any Drug Approval Applications and any other Regulatory Approvals). Biogen Idec shall own all Technology arising from any such activities under this Agreement as well as all regulatory filings, registrations, applications and Regulatory Approvals relating to Licensed Products (including any INDs or foreign equivalents, any Drug Approval Applications and any other Regulatory Approvals), and all of the foregoing Technology, filings, registrations, applications and Regulatory Approvals relating to Licensed Products shall be considered Confidential Information solely owned by Biogen Idec. Notwithstanding the foregoing, ImmunoGen shall own all Technology arising from ImmunoGen's activities relating to the manufacture and supply of MAY Compounds and Licensed Products to Biogen Idec, and all such Technology shall be considered Confidential Information solely owned by ImmunoGen. All activities relating to Development and Commercialization of Licensed Products under this Agreement shall be undertaken at Biogen Idec's sole cost and expense, except as otherwise expressly provided in this Agreement.

(b) Licensed Technology and Information – Regulatory Authorities and Manufacturing. ImmunoGen shall disclose and make available to Biogen Idec in a timely manner all Licensed Technology requested by Biogen Idec for use by Biogen Idec, its Affiliates and Sublicensees in connection with Development and Commercialization activities and filings with Regulatory Authorities including, without limitation, the Licensed Technology relating to the manufacture and supply of MAY Compounds and Licensed Products owned by ImmunoGen under Section 3.2(a) and other Confidential Information and Proprietary Materials of ImmunoGen. Upon request by Biogen Idec and at Biogen Idec's expense, ImmunoGen shall transfer to Biogen Idec (and/or a Third Party designated by Biogen Idec) all manufacturing-related Licensed Technology (including without limitation Confidential Information, Proprietary Materials, batch records, assays and SOPs) necessary or useful for Biogen Idec and/or its designee to manufacture and supply Licensed Product and related materials (including without limitation, the MAY Compound and the **[***]**-MAY Conjugate, Preclinical Materials and Clinical Materials) and ImmunoGen shall use commercially reasonable efforts to ensure that such transfer of Licensed Technology is completed promptly following each such Biogen Idec request.

(c) Due Diligence. Biogen Idec will use commercially reasonable efforts to Develop Licensed Products, and to undertake investigations and actions required to obtain appropriate Regulatory Approvals necessary to market Licensed Products, in the Field and in the Territory and, if approved, to Commercialize Licensed Products, such commercially reasonable efforts to be in accordance with the efforts and resources Biogen Idec would use for a compound owned by it or to which it has rights, which is of similar market potential at a similar stage in development as the applicable Licensed Product, taking into account the proprietary position of the Licensed Product, the relative potential safety and efficacy of the Licensed Product, the regulatory requirements involved in its Development, Commercialization and Regulatory Approval, the cost of goods and availability of capacity to manufacture and supply the Licensed Product at commercial scale, and other relevant factors including, without limitation, technical, legal, scientific or medical factors.

3.3 Updates and Reports; Notification of Milestones; Exchange of Adverse Drug Experience Information.

(a) Updates and Reports. Biogen Idec shall keep ImmunoGen reasonably informed of the progress of Biogen Idec's efforts to Develop and Commercialize Licensed Products in the Field in the Territory by providing ImmunoGen with brief written reports no less frequently than on or about December 31 of each year during the Term of this Agreement (other than December 31, 2004) which shall summarize Biogen Idec's efforts to so Develop and Commercialize Licensed Products hereunder, identify the Drug Approval Applications with respect to any Licensed Product that Biogen Idec and its Affiliates and Sublicensees have filed, sought or obtained in the prior twelve (12)-month period, and any they reasonably expect to make, seek or attempt to obtain in the following twelve (12)-month period.

(b) Notification of Milestone Achievement. Biogen Idec shall provide ImmunoGen with prompt written notice of the occurrence of any event giving rise to an obligation to make a milestone payment to ImmunoGen under Section 5.1(b), which shall in any event be no later than ten (10) business days after the occurrence of such event, and shall provide ImmunoGen with prompt written notice of the occurrence of the First Commercial Sale of any particular Licensed Product. In the event that, notwithstanding the fact that Biogen Idec has not given any such notice, ImmunoGen believes any such milestone event has occurred, it shall so notify Biogen Idec in writing, and shall provide to Biogen Idec the data and information demonstrating that the conditions for payment have been achieved. Within ten (10) business days of its receipt of such notice, the Parties shall meet to review the data and information and shall agree in good faith whether or not the conditions for payment have been achieved.

(c) Adverse Drug Experiences. The Parties agree to negotiate in good faith a safety data exchange agreement within a commercially reasonable period of time before the commencement of a first human clinical trial with Licensed Products, such agreement to cover, among other things, information sharing between the Parties regarding Adverse Drug Experiences relating to Licensed Products; provided, that, the Parties hereby acknowledge and agree that the failure of the Parties to negotiate such agreement foregoing shall in no way limit or otherwise affect the Parties' respective obligations to provide the other Party with any and all Adverse Drug Experiences in its Control relating to Licensed Products or other MAY Compound-conjugated products as is reasonably necessary to ensure the safe use of MAY Compound-conjugated products by the Parties.

(d) Review of Correspondence for Licensed Products. Biogen Idec shall use reasonable commercial efforts to provide ImmunoGen with at least **[***]** (**[***]**) days advance notice of any material meeting with the FDA which is for the purpose of obtaining Regulatory Approval for any Licensed Product and Biogen Idec shall provide to ImmunoGen the minutes of any such meeting communicated to or from the Regulatory Authority within **[***]** (**[***]**) days from the date on which the meeting minutes were submitted to, or received from such Regulatory Agency.

(e) Confidential Information. All information, reports, updates, Adverse Drug Experience, product complaint and other information provided by the disclosing Party to the receiving Party under this Agreement (including under this Section 3.3), shall be considered Confidential Information of the disclosing Party, subject to the terms, exceptions and permitted disclosures of Section 6.

3.4 Collaboration Committee.

(a) Mandate and Establishment of Committee. Promptly after the Effective Date, the Parties shall form a Collaboration Committee to serve as a forum for coordination and communication between the Parties with respect to the Research Program and/or the Development of manufacturing processes applicable to any MAY Compound or Licensed Product covered by this Agreement (including, without limitation, all process science and process development work, formulation work, and quality control/assurance work hereunder), and to assist Biogen Idec in the exercise of its rights to make or have made Licensed Products under this Agreement. The Collaboration Committee shall solely serve as a forum for coordination and communication and shall not have any authority to make decisions. Within a reasonable period of time after the Effective Date, the Parties shall each nominate representatives (which shall be no less than two (2) and no more than five (5) each) for membership on the Collaboration Committee. Each representative shall be an individual of suitable authority and seniority who has sufficient experience in biopharmaceutical drug research, development, manufacturing or commercialization. Each Party may change its representative(s) as it deems appropriate by notice to the other Party.

(b) Chair of Committee; Meetings. The chair of the Collaboration Committee shall be one of the Biogen Idec representatives on the Collaboration Committee, as designated by Biogen Idec. The Collaboration Committee shall meet on a semi-annual basis or other schedule agreed upon by the Parties, unless at least thirty (30) days in advance of any meeting the chair of the Collaboration Committee determines that there is no need for a meeting. In such instance, the next Collaboration Committee meeting shall also be scheduled as agreed upon by the Parties. The location of meetings of the Collaboration Committee shall alternate between ImmunoGen's offices in the United States and Biogen Idec's offices in the United States, unless otherwise agreed by the Parties. As agreed upon by the Parties, Collaboration Committee meetings may be face-to-face or may be conducted through teleconferences and/or videoconferences. In addition to its Collaboration Committee representatives, each Party

shall be entitled to have other employees attend such meetings to present and participate. Each Party shall bear all costs and expenses, including travel and lodging expense, that may be incurred by its Collaboration Committee representatives or other of its attendees at Collaboration Committee meetings, as a result of such meetings hereunder. Minutes of each Collaboration Committee meeting will be transcribed and issued to members of the Collaboration Committee by the chair within thirty (30) days after each meeting, and such minutes shall be reviewed and modified as mutually required to obtain approval of such minutes promptly thereafter.

4. SUPPLY AND MANUFACTURING OBLIGATIONS

4.1 Supply of Preclinical Materials, Clinical Materials and Licensed Product. Biogen Idec shall be responsible, at its sole cost, for manufacturing or having manufactured any materials (including without limitation, the **[***]** Antibody, the MAY Compound and the **[***] [***]**-MAY Conjugate) as may be required for all preclinical and clinical studies necessary to obtain Regulatory Approval of Licensed Products and any materials and/or quantities of each Licensed Product as may required for all preclinical and clinical studies applicable to such Licensed Product and for Commercialization of such Licensed Product.

4.2 Supply of Preclinical Materials by ImmunoGen. Notwithstanding anything to the contrary in Section 4.1, during the Term of this Agreement, ImmunoGen shall, at Biogen Idec's request, use reasonable commercial efforts to supply Biogen Idec with such quantities of Preclinical Materials as may be reasonably ordered by Biogen Idec in connection with the conduct of pre-clinical Development activities (including, without limitation, toxicology testing) relating to Licensed Products. Biogen Idec shall order all amounts of Preclinical Materials, and ImmunoGen shall deliver all such ordered amounts, in accordance with advance ordering timeframes and delivery timeframes, and in accordance with specifications, to be agreed upon by the Parties. To the extent Biogen Idec requests ImmunoGen to manufacture any **[***]**-MAY Conjugate, Biogen Idec shall supply ImmunoGen with quantities of **[***]** Antibody sufficient to enable ImmunoGen to produce such **[***]**-MAY Conjugate. ImmunoGen shall use commercially reasonable efforts to deliver such amounts of Preclinical Materials ordered in accordance with the foregoing (including such agreed upon timeframes) in a timely manner; provided, that, to the extent such Preclinical Materials are **[***]**-MAY Conjugates, ImmunoGen's obligations shall be contingent on the Parties' mutual agreement as to specifications and ImmunoGen's receipt of the required quantities of **[***]** Antibody from Biogen Idec. In connection with any ordering of Preclinical Materials by Biogen Idec, ImmunoGen shall provide Biogen Idec promptly with ImmunoGen's good faith estimate of the Cost for manufacture and supply of such Preclinical Materials. ImmunoGen's price to supply Preclinical Materials to Biogen Idec shall equal **[***] ([***])** for such Preclinical Materials. In connection with such supply, Biogen Idec hereby agrees that (a) it shall
not use the Preclinical Materials in any human subject, (b) it shall use the Preclinical Materials in compliance with all applicable federal, state and local laws and regulations, and (c) it (as a matter of contract between itself and ImmunoGen) shall assume all liability for damages that may arise from the use, storage and disposal of any Preclinical Materials, unless such liability results from the negligence or willful misconduct of ImmunoGen or its Affiliates or their respective employees or agents. Biogen Idec shall be entitled to transfer Preclinical Materials to any Third Party under terms obligating such Third Party not to transfer or use such Preclinical Materials except in compliance with the foregoing clauses (a) and (b) of this Section 4.2.

4.3 Supply of Clinical Materials by ImmunoGen. Notwithstanding anything to the contrary in Section 4.1, during the Term of this Agreement, ImmunoGen shall, at Biogen Idec's request, use reasonable commercial efforts to supply Biogen Idec with such quantities of Clinical Materials as may be reasonably ordered by Biogen Idec in connection with human clinical testing of such Clinical Materials through the completion of any Phase II Clinical Trials deemed necessary by Biogen Idec. Should Biogen Idec determine in good faith that it plans to request ImmunoGen to manufacture Clinical Materials as provided in the foregoing sentence, ImmunoGen and Biogen Idec shall enter into a separate agreement detailing the terms of supply for any Clinical Materials that ImmunoGen may be so requested to supply to Biogen Idec for the purpose of conducting clinical trials, which supply agreement shall include, without limitation, the terms set forth on Schedule B attached hereto and the remainder of this Section 4.3 (the "Supply Agreement"). The Supply Agreement will provide that Biogen Idec shall (a) provide ImmunoGen with a non-binding forecast of the quantity of Clinical Materials it reasonably expects to order over the succeeding **[***]** (**[***]**) month period and (b) supply ImmunoGen with quantities of bulk **[***]** Antibody sufficient to enable ImmunoGen to produce the quantity of Clinical Materials so requested. Subject to the foregoing, Biogen Idec shall order all amounts of Clinical Materials, and ImmunoGen shall deliver all such ordered amounts, in accordance with

forecasting parameters, advance ordering timeframes and delivery timeframes to be agreed upon by the Parties in the Supply Agreement. The Supply Agreement further shall provide that ImmunoGen shall use commercially reasonable efforts to deliver such amounts of Clinical Materials ordered in accordance with the foregoing (including such agreed upon timeframes) in a timely manner; provided, that, ImmunoGen's obligations shall be contingent on ImmunoGen's receipt of the required quantities of **[***]** Antibody from Biogen Idec. In connection with any ordering of Clinical Materials by Biogen Idec, ImmunoGen shall provide Biogen Idec promptly with ImmunoGen's good faith estimate of the Cost for manufacture and supply of such Clinical Materials. The Supply Agreement shall provide that ImmunoGen's price to supply Clinical Materials to Biogen Idec shall equal **[***]** (**[***]) [***]** for such Clinical Materials. Biogen Idec hereby agrees that (a) it shall use the Clinical Materials in compliance with all applicable federal, state and local laws, and (b) it (as a matter of contract between itself and ImmunoGen) shall assume all liability for damages that may arise from the use, storage and disposal of such Clinical Materials, unless such liability results from the gross negligence or willful misconduct of ImmunoGen or its Affiliates or their respective employees or agents. Biogen Idec shall be entitled to transfer Clinical Materials to any Third Party under terms obligating such Third Party not to transfer or use such Clinical Materials except in compliance with the foregoing clauses (a) and (b) of this Section 4.3 and the Supply Agreement.

4.4 Purchase of Dedicated Equipment.

(a) If, during the Term of this Agreement, ImmunoGen determines in good faith that it is necessary or advisable to purchase Dedicated Equipment in order to perform any of its obligations to manufacture Preclinical Materials and Clinical Materials under Sections 4.2 or 4.3 of this Agreement, then ImmunoGen shall provide Biogen Idec with written notice of such determination, along with the estimated price for such purchase and quality parameters for the Dedicated Equipment, for Biogen Idec's written approval of such purchase and the price and features of such Dedicated Equipment. Promptly after the consummation of such purchase, ImmunoGen shall provide Biogen Idec with a copy of the invoice or invoices reflecting such purchase, and, provided that Biogen Idec has provided ImmunoGen with prior written approval of the purchase, Biogen Idec shall reimburse ImmunoGen for the purchase of all such approved equipment hereunder within thirty (30) days of its receipt of such invoice from ImmunoGen; provided, however, that no costs reimbursed by Biogen Idec hereunder (or depreciation of such purchased equipment or instruments) shall be included within the calculation of any Costs under this Agreement.

(b) Title to the Dedicated Equipment shall at all times remain with Biogen Idec. The Dedicated Equipment shall be and remain the personal property of Biogen Idec. ImmunoGen shall cause the Dedicated Equipment to be marked with the name of Biogen Idec as owner and shall execute such documents and take such actions as Biogen Idec may from time to time reasonably deem necessary to maintain or protect Biogen Idec's ownership interest in the Dedicated Equipment. ImmunoGen shall not change the location of the Dedicated Equipment without the prior written consent of Biogen Idec and agrees to maintain the Dedicated Equipment free and clear of any liens and encumbrances.

(c) ImmunoGen shall use the Dedicated Equipment solely to perform any of its obligations to manufacture Preclinical Materials and Clinical Materials under Sections 4.2 or 4.3 of this Agreement. ImmunoGen shall use the Dedicated Equipment in a manner consistent with its intended purposes. ImmunoGen shall, **[***]**, cause the Dedicated Equipment to be kept and maintained as recommended by the manufacturer in as good an operating condition as when installed, ordinary wear and tear resulting from proper use excepted, and ImmunoGen will, at Biogen Idec's expense, provide all service, repair and replacements necessary for such purpose.

(d) Upon Biogen Idec's request and/or upon termination or expiration of the manufacturing and supply obligations of ImmunoGen under this Agreement, ImmunoGen shall deliver the Dedicated Equipment to Biogen Idec (or a Third Party designated by Biogen Idec) within a reasonable period of time after Biogen Idec's request and/or termination or expiration of ImmunoGen's manufacturing and supply obligations at Biogen Idec's sole expense.

(e) BIOGEN IDEC EXPRESSLY DISCLAIMS AND MAKES TO IMMUNOGEN NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR AGAINST LATENT DEFECTS OR OTHERWISE WITH RESPECT TO THE DEDICATED EQUIPMENT. All assignable warranties made by the manufacturer or supplier relating to the

Dedicated Equipment are hereby assigned to ImmunoGen so long as ImmunoGen (or one of its Affiliates is in possession of the Dedicated Equipment and ImmunoGen agrees to resolve any claims directly with the manufacturer or supplier. BIOGEN IDEC IS NOT RESPONSIBLE OR LIABLE FOR ANY DIRECT, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OR LOSSES OF IMMUNOGEN OR ANY THIRD PARTY RESULTING FROM THE INSTALLATION, OPERATION OR USE BY IMMUNOGEN OF THE DEDICATED EQUIPMENT.

5. PAYMENTS AND ROYALTIES

5.1 Milestone Payments for Licensed Products.

(a) Upfront Fee. In consideration of the grant of the license described in Section 2.1 hereof, Biogen Idec hereby agrees to pay ImmunoGen an upfront fee (the "Upfront Fee") in the amount of $1,000,000 payable in immediately available funds within ten (10) business days of the Effective Date. The Upfront Fee shall be **[***]** only to the extent provided in Section 5.1(c) below.

(b) Milestones. In further consideration of the grant of the license by ImmunoGen hereunder, and subject to the other terms of this Agreement, Biogen Idec will make the following nonrefundable, noncreditable payments to ImmunoGen within **[***]** (**[***])** days after the first occurrence of each of the milestones set forth below:

Milestone	Milestone Payment
[***] for a **[***]**	$ [***]
[***] of **[***]** **[***]** in **[***]** for a **[***]**	$ [***]
[***] of **[***]** for a **[***]**	$ [***]
[***] or **[***]** for a **[***]**	$ [***]
[***] of **[***]** or **[***]** or other **[***]** **[***]** by the **[***]** for a **[***]**	$ [***]
[***] of an **[***]** or other **[***]** **[***]** by the **[***]** for a **[***]**	$ [***]
[***] of a **[***]** for a **[***]** in **[***]**	$ [***]
[***] of **[***]** **[***]**	$ [***]
[***] of **[***]** **[***]**	$ [***]

It is hereby acknowledged and agreed that any milestone payment shall be made only once, with respect to the first achievement of the relevant milestone regardless of how many times such milestone is achieved and how many Licensed Products achieve such milestone under this Agreement. Biogen Idec shall notify ImmunoGen of the achievement of each milestone hereunder as provided in Section 3.3(b) above.

(c) **[***] of [***]**. In the event that an **[***
***]**, Biogen Idec shall give ImmunoGen written notice of same and Biogen Idec shall be entitled to **[***]** a **[***]** of the **[***]** pursuant to Section **[***]** above towards the **[***]** included in any **[***]** that may be **[***]** by the Parties in accordance with Section 2.4 which covers a **[***]** of an **[***]** by Biogen Idec and a **[***]**, as follows:

[***] of [***] of [***] **[***] Under Section [***]**	**[***] of [***]** **That Can Be [***]**
From **[***]** to **[***]**, **[***]**	**[***]**
From **[***]**, **[***]** to , **[***]**	**[***]**
From **[***]**, **[***]** to **[***]**, **[***]**	**[***]**
From **[***]**, **[***]** to **[***]**, **[***]**	**[***]**
On and after **[***]**, **[***]** and **[***]**	**[***]**

Notwithstanding the above, the Parties hereby acknowledge and agree that ImmunoGen shall be under no obligation to **[***]** into any **[***]** with Biogen Idec.

5.2 Research Funding. In consideration of the performance by ImmunoGen of the Research Program, Biogen Idec will pay ImmunoGen for all FTEs used by ImmunoGen in such Research Program, as described in the Research Plan and/or agreed to by the Parties, at a rate per FTE equal to the FTE Rate. From time to time after the Effective Date, the Parties shall agree in writing upon the number of FTEs required of ImmunoGen for agreed-upon portions of the Research Program and Biogen Idec shall pay the FTE Cost for the FTEs who perform the approved activities but **[***]** to **[***]** the **[***]** of **[***]** reflected in such written agreement. If, at any time during the Term of this Agreement, ImmunoGen determines that the actual number of FTEs for a particular period agreed to by the Parties is **[***]** to **[***]** the **[***]** set forth in such written agreement for such period, ImmunoGen shall give Biogen Idec prompt written notice of same and the Parties shall discuss in good faith whether to **[***]** the **[***]** of such **[***] [***]** or to **[***]** the **[***]** to be **[***]**, such that such **[***]** are **[***]**.

5.3 Payment of Royalties; Royalty Rates.

(a) **Royalty Payments**. In further consideration of the grant of the license by ImmunoGen hereunder, and subject to the other terms of this Agreement, commencing on the first date of First Commercial Sale of Licensed Products in any country or jurisdiction in the Territory, Biogen Idec shall pay to ImmunoGen the following royalties (subject to Sections 5.3(b) and 5.5), based on Net Sales of all Licensed Products sold by Biogen Idec, its Affiliates and/or Sublicensees, on an incremental basis in each calendar year during the royalty term specified in Section 5.5, at the following rates:

For Annual Worldwide Net Sales of Licensed Products	**Royalty Rate (% of Annual Net Sales)**
Above $**[***]** and up to $**[***]**	**[***]**%
Above $**[***]** and up to $**[***]**	**[***]**%
Above $**[***]**	**[***]**%

(b) **Third Party Royalty Offset**. In the event that Biogen Idec determines that, in order to Develop, have Developed, Commercialize, have Commercialized, make, have made, use, have used, sell, have sold, offer for sale, import, have imported, export or have exported Licensed Products in any country in the Territory, it must make and actually does make royalty payments to any Third Party ("Third Party Payments") (a) pursuant to a license to an issued patent or patents or patent applications, in the absence of which the MAY Compound portion of a Licensed Product could not or, in the case of patent applications, if a patent or patents issued from such an application, would not be able to be developed, manufactured or sold in such country and/or (b) pursuant to a license to an issued patent or patents specific to the Licensed Technology, in the absence of which any of the Licensed Technology reasonably necessary to conjugate MAY Compound to an **[***]** Antibody as part of Licensed Product could not or, in the case of patent applications, if a patent or patents issued from such an application, would not be able to be practiced, then the royalties due to ImmunoGen for such Licensed Product may be reduced by **[***]** percent (**[***]**%) of the amount of such Third Party Payments in such country. Notwithstanding the foregoing, in the event that any license referred to in (a) or (b) above is to a patent application or applications that do not result in an issued patent on or before **[***]** (**[***]**) years from the date of filing (calculated from the latest date of filing in the case of a license involving multiple patent applications), then (1) any adjustment to the royalties relating to such license under this Section 5.3(b) shall be immediately suspended unless and until such time as a patent is issued and (2) except with respect to licenses to a patent application or applications from a Third Party or its Affiliates excepted from the representation made by ImmunoGen under Section 9.1(i), Biogen Idec shall as promptly as possible make a one-time payment to ImmunoGen in an amount equal to the difference between the adjusted royalty that was paid by Biogen Idec as a result of such patent application license and the amount of the royalty that would have been paid to ImmunoGen if no such adjustment had been made. In no event shall the reductions under this Section 5.3 and the reductions under Sections 5.5 and 7.5 reduce the royalty for any Licensed Product payable under Section 5.3(a) to less than **[***]** percent (**[***]**%) of Net Sales in any country. Furthermore, in the event Biogen Idec determines that it is necessary or useful for the Development or Commercialization of Licensed Products to obtain a license to Technology or Patent Rights owned or controlled by a Third Party, ImmunoGen agrees to take reasonable action to assist Biogen Idec in obtaining such a license upon request by Biogen Idec and at Biogen Idec's sole expense but without **[***]** to Biogen Idec (other than such expense) or such Third Party. Such action by ImmunoGen may include providing reasonable assistance to Biogen Idec to the extent it seeks to execute, or have executed by ImmunoGen, any documents that may be reasonably necessary to remove contractual impediments placed on such Third Party by ImmunoGen restricting such Third Party from granting such a license to Biogen Idec.

5.4 One Royalty. Only one royalty, calculated in accordance with this Section 5, shall be payable to ImmunoGen hereunder for each sale of a Licensed Product.

5.5 Royalty Term; Royalty Rate for Net Sales for Licensed Products not covered by a Valid Claim of the Licensed Patent Rights. Biogen Idec shall pay royalties with respect to each Licensed Product on a country-by-country and Licensed Product-by-Licensed Product basis until the later of (a) **[***]** (**[***]**) years from the First Commercial Sale of such Licensed Product in such country and (b) the expiration of the last to expire Valid Claim of the Licensed Patent Rights which, but for the license granted to Biogen Idec herein, would be infringed by the manufacture, use, sale, offer for sale, or importation of the Licensed Product in such country (the "Royalty Term"). Following such Royalty Term, Biogen Idec shall have a fully paid-up, irrevocable, freely transferable and sublicensable license in such country under the relevant Licensed Patent Rights and Licensed Technology, to Develop, have Developed, Commercialize, have Commercialized, make, have made, use, have used, sell, have sold, offer for sale, import, have imported, export and have exported such Licensed Product in such country. Notwithstanding the foregoing, if, during the Royalty Term, the use or sale of a Licensed Product by Biogen Idec, its Affiliates or Sublicensees in a country in which the Licensed Product is sold is not covered by a Valid Claim of the Licensed Patent Rights covering the Licensed Product in such country, the royalties payable with respect to Net Sales in such country shall be reduced by **[***]** percent (**[***]**%) of the amounts otherwise due under Section 5.3(a).

5.6 Payment Terms.

(a) Payment of Milestones; Payment of Royalties. Biogen Idec shall make any milestone payments owed to ImmunoGen hereunder in United States Dollars, using the wire transfer provisions of Section 5.6(d) within **[***]** (**[***]**) days after the occurrence of the applicable milestone. Biogen Idec shall make any royalty payments owed to ImmunoGen in United States Dollars, quarterly within **[***]** (**[***]**) days following the end of each

calendar quarter for which sales giving rise to such royalties are deemed to occur (as provided in the next sentence), using the wire transfer provisions of Section 5.6(d). For purposes of determining when a sale of any Licensed Product occurs under this Agreement, the sale shall be deemed to occur on the earlier of (i) the date the Licensed Product is received by the third party purchaser or (ii) the date of the invoice to the purchaser of the Licensed Product. Each royalty payment shall be accompanied by a report for each country in the Territory in which sales of Licensed Products occurred in the calendar quarter covered by such statement in substantially the form attached hereto as Schedule D.

(b) Accounting. All payments hereunder shall be made in the United States in United States dollars. Conversion of foreign currency to United States dollars shall be made at the conversion rate existing in the United States (as reported in *The Wall Street Journal*) on the last business day of the applicable calendar quarter to which payment relates. If *The Wall Street Journal* ceases to be published, then the rate of exchange to be used shall be that reported in such other business publication of national circulation in the United States as the Parties reasonably agree.

(c) Tax Withholding; Restrictions on Payment. All payments hereunder shall be made free and clear of any taxes, duties, levies, fees or charges, except for withholding taxes (to the extent applicable). Biogen Idec shall make any applicable withholding payments due on behalf of ImmunoGen and shall promptly provide ImmunoGen with written documentation of any such payment sufficient to satisfy the requirements of the United States Internal Revenue Service relating to an application by ImmunoGen for a foreign tax credit for such payment. If by law, regulations or fiscal policy of a particular country in the Territory, remittance of royalties in United States Dollars is restricted or forbidden, written notice thereof shall promptly be given to ImmunoGen, and payment of the royalty shall be made by the deposit thereof in local currency to the credit of ImmunoGen in a recognized banking institution designated by ImmunoGen by written notice to Biogen Idec. When in any country in the Territory the law or regulations prohibit both the transmittal and the deposit of royalties on sales in such country, royalty payments shall be suspended for as long a such prohibition is in effect and as soon as such prohibition ceases to be in effect, all royalties that Biogen Idec would have been under an obligation to transmit or deposit but for the prohibition shall forthwith be deposited or transmitted, to the extent allowable.

(d) Wire Transfers. All payments hereunder shall be made to ImmunoGen by bank wire transfer in immediately available funds to the account designated by ImmunoGen by written notice to Biogen Idec from time to time.

5.7 Overdue Payments. Subject to the other terms of this Agreement, royalties or milestones not paid within the time period set forth in this Section 5 shall bear interest at a rate of **[***]** percent (**[***]**%) plus three-month LIBOR (London Interbank Offering Rate) from the delinquency date until paid in full, provided that in no event shall such annual rate exceed the maximum interest rate permitted by law in regard to such payments. Such royalty or milestone payment when made shall be accompanied by all interest so accrued. Such interest and the payment and acceptance thereof shall not negate or waive the right of ImmunoGen to any other remedy, legal or equitable, to which it may be entitled because of the delinquency of the payment.

5.8 Records Retention; Audit.

(a) Royalties. Commencing as of the date of First Commercial Sale of the first Licensed Product, Biogen Idec and its Affiliates and Sublicensees shall keep for at least **[***]** (**[***]**) years from the end of the calendar year to which they pertain complete and accurate records of sales by Biogen Idec or its Affiliates or Sublicensees, as the case may be, of each Licensed Product, in sufficient detail to allow the accuracy of the royalties to be confirmed.

(b) Audit. Subject to the other terms of this Section 5.8(b), at the request of ImmunoGen, upon at least **[***]** (**[***]**) business days' prior written notice, and at its sole expense (except as otherwise provided herein), Biogen Idec shall permit an independent certified public accountant reasonably selected by ImmunoGen and reasonably acceptable to Biogen Idec to inspect (during regular business hours) the relevant records required to be maintained by Biogen Idec under Section 5.8(a). At ImmunoGen's request (which shall not be made more frequently than once per calendar year), the accountant shall be entitled to audit the then-preceding **[***]** (**[***]**) years of Biogen Idec's records for purposes of verifying Biogen Idec's royalty calculations; provided, that no year

shall be audited more than once. At Biogen Idec's request, the accountant shall enter into a confidentiality agreement with both Parties substantially similar to the provisions of Section 6 limiting the disclosure and use of such information by such accountant to authorized representatives of the Parties and the purposes germane to this Section 5.8. Results of any such audit shall be made available to both Parties and shall be binding on both Parties. ImmunoGen agrees to treat the results of any such accountant's review of Biogen Idec's records under this Section 5.8 as Confidential Information of Biogen Idec subject to the terms of Section 6. If any such audit reveals a deficiency in the calculation of royalties resulting from any underpayment by Biogen Idec, Biogen Idec shall promptly pay ImmunoGen the amount remaining to be paid (plus interest thereon at the rate provided in Section 5.7 above), and if such underpayment is by **[***]** percent (**[***]**%) or more, Biogen Idec shall pay the costs and expenses of the audit. If such audit reveals overpayments by Biogen Idec in any year, such amounts shall be refunded by ImmunoGen to Biogen Idec.

6. TREATMENT OF CONFIDENTIAL INFORMATION

6.1 Confidential Information. ImmunoGen and Biogen Idec each recognize that the other Party's Confidential Information constitutes highly valuable and proprietary confidential information. For a period of **[***]** (**[***]**) years after the receipt of any such Confidential Information from the disclosing Party hereunder, subject to the terms of this Section 6, the receiving Party shall keep confidential and not disclose (by publication or otherwise) such Confidential Information of the disclosing Party, and shall not use, publish or otherwise disclose Confidential Information of the disclosing Party for any purpose other than those purposes contemplated by this Agreement. Each receiving Party shall take such action, and shall cause its Affiliates or Sublicensees to take such action, to preserve the confidentiality of the disclosing Party's Confidential Information as it would customarily take to preserve the confidentiality of its own Confidential Information, using, in all such circumstances, not less than reasonable care. Each receiving Party, upon the request of the disclosing Party, will return all the Confidential Information disclosed or transferred to it by the disclosing Party pursuant to this Agreement other than Confidential Information that was included in a filing with a Regulatory Authority, including all copies and extracts of documents and all manifestations in whatever form, within **[***]** (**[***]**) days of the termination or expiration of this Agreement; provided however, that a receiving Party may retain (a) any Confidential Information of the disclosing Party relating to any license which expressly survives termination and (b) one (1) copy of all other Confidential Information in inactive archives solely for the purpose of establishing the contents thereof.

6.2 Permitted Disclosures; Publications.

(a) Disclosures to Certain Employees, Agents and Third Parties. Each receiving Party shall be entitled to disclose Confidential Information of the disclosing Party to employees of the receiving Party, provided that such employees are bound by obligations of confidentiality to the receiving Party, and also to Affiliates, Sublicensees, potential Sublicensees, consultants, agents, Third Parties (other than Regulatory Authorities) for any purpose provided for in this Agreement, provided that any such Affiliate, Sublicensee, potential Sublicensee,
consultant, agent or other Third Party (other than Regulatory Authorities) has first agreed to confidentiality restrictions and obligations at least as protective as this Section 6, in each case for any purpose contemplated by this Agreement (including without limitation Development and Commercialization of Licensed Products and as reasonably necessary for a Party to exercise any of its rights or perform any obligations under this Agreement).

(b) Disclosures to Regulatory Authorities. Biogen Idec shall be entitled to disclose Confidential Information of ImmunoGen to Regulatory Authorities in connection with Licensed Products free of any obligation to obtain agreement or an understanding from any Regulatory Authority that it will maintain the confidentiality of such Confidential Information.

(c) Other Permitted Disclosures. Notwithstanding the foregoing, Confidential Information of a disclosing Party may be disclosed by the receiving Party to the extent such disclosure is reasonably necessary for (i) filing or prosecuting patent applications or maintaining patents, (ii) prosecuting or defending litigation, enforcing rights and/or obligations under this Agreement, or (iii) complying with applicable laws, regulations or court order; provided, that, if a receiving Party is required by applicable law, regulation or court order to make such disclosure of the disclosing Party's Confidential Information, it will give reasonable advance notice of the need for such disclosure and will use its commercially reasonable efforts to secure confidential treatment (if available) of such disclosing Party's Confidential Information required to be disclosed.

(d) Review of Publications. Each receiving Party shall consult with the disclosing Party prior to the submission of any manuscript for publication if the publication will contain any Confidential Information of the disclosing Party, unless applicable laws and regulations prohibit such consultation. Such consultation shall include providing a copy of the proposed manuscript to the disclosing Party at least **[***]** (**[***]**) days prior to the proposed date of submission to a publisher, incorporating appropriate changes proposed by the disclosing Party regarding its Confidential Information into the manuscript submission and deleting all Confidential Information of the disclosing Party as it may request; provided, however, that the disclosing Party's review hereunder shall be deemed completed at the end of such **[***]** (**[***]**)-day period. Notwithstanding the foregoing, ImmunoGen shall not present or publish results of any research or other activities under this Agreement related to Licensed Products (including under the Research Program) without the prior written consent of Biogen Idec.

6.3 Use of Names; Press Releases.

(a) Use of Names. A Party may not use the name of the other Party (or any trademarks or trade names of the other Party) in any publicity or advertising without the prior written consent of the other Party.

(b) Press Releases. Neither Party may issue a press release or otherwise publicize or disclose the terms or conditions of this Agreement or its activities under this Agreement, without the prior written consent of the other Party; provided, however, that (i) either Party may make such a disclosure to the extent required by law or by the requirements of any nationally recognized securities exchange, quotation system or over-the-counter market on which such Party has its securities listed or traded, (ii) either Party may make such a disclosure to any investors, prospective investors, lenders and other potential financing sources who are obligated to keep such information confidential, and (iii) Biogen Idec may make disclosures about its Development and Commercialization of Licensed Products under this Agreement without the prior written consent of ImmunoGen; provided, that, if any such disclosure includes a description of any Technology and/or Patent Rights Controlled by ImmunoGen, Biogen Idec shall confirm the accuracy of such information with ImmunoGen prior to releasing such disclosure and if any such disclosure includes patentable subject matter not covered by the Licensed Patent Rights, Biogen Idec shall obtain the prior written consent of ImmunoGen to such disclosure. In the event of any disclosure under (i) or (ii), the disclosing Party shall make reasonable efforts to provide the other Party with notice beforehand and to coordinate with the other Party with respect to the wording and timing of any such disclosure which consent shall not be unreasonably withheld. The Parties shall mutually agree on the text of any press release announcing the execution of this Agreement. Once any written text is approved (as applicable) for disclosure by both Parties as provided herein, either Party may make subsequent or repeated public disclosures of the contents thereof without the further approval of the other Party.

6.4 Integration; Survival. As to the subject matter of this Agreement, this Section 6 supersedes any confidential disclosure agreements between the Parties, including, without limitation, the confidentiality provisions of the MTA, and of that certain Confidentiality Agreement effective **[***]**, **[***]**. Any confidential information of a Party under any such agreement shall be treated as Confidential Information of such Party hereunder, subject to the terms of this Section 6. Section 6 shall survive termination or expiration of this Agreement.

7. PROVISIONS CONCERNING THE FILING, PROSECUTION AND MAINTENANCE OF PATENT RIGHTS

7.1 Ownership of Intellectual Property.

(a) Solely-Owned Technology. Subject to the licenses granted hereunder, ImmunoGen shall own (i) the Licensed Patent Rights, the Licensed Technology, the ImmunoGen Materials, (ii) all ImmunoGen Program Technology and (iii) all inventions (including, without limitation, Improvements) conceived and reduced to practice solely by employees of or agents or others obligated to assign inventions to ImmunoGen or an ImmunoGen Affiliate ("ImmunoGen Inventions"). Subject to the licenses granted hereunder, Biogen Idec shall own (i) the Biogen Idec Background Technology, the Biogen Idec Patent Rights and the Biogen Idec Proprietary Materials, (ii) all Biogen Idec Program Technology and (iii) all inventions (including, without limitation, Improvements) conceived and reduced to practice solely by employees of or agents or others obligated to assign inventions to Biogen Idec or a Biogen Idec Affiliate ("Biogen Idec Inventions"). Subject to the licenses granted to Biogen Idec under this Agreement, the Party solely owning any Technology hereunder shall be the sole owner of any inventorship

certificate(s), patent application(s) and patent(s) thereon. All determinations of inventive contribution shall be as determined by United States laws of inventorship. Subject to the terms of Section 7.2 below relating to Improvements, the Party solely owning an invention hereunder will be solely responsible, at its own cost and expense and in its sole discretion, for the filing, prosecution and maintenance of any inventorship certificate(s), patent application(s) and patent(s) thereon.

(b) Joint Technology. Subject to the licenses granted hereunder, all Joint Program Technology shall be jointly owned by ImmunoGen and Biogen Idec. All determinations of inventive contribution shall be as determined by United States laws of inventorship. The Parties shall also jointly own any inventorship certificate(s), patent application(s) and patent(s) on any inventions related to Joint Program Technology and Improvements jointly conceived and reduced to practice hereunder by at least one employee of or agent or other person obligated to assign inventions to ImmunoGen or an ImmunoGen Affiliate and by at least one employee of or agent or other person obligated to assign inventions to Biogen Idec or a Biogen Idec Affiliate ("Joint Inventions"). The terms of Section 7.2 below relating to Joint Program Technology shall apply to any inventorship certificate(s), patent application(s) and patent(s) thereon.

(c) Disclosure. As regards any Program Technology hereunder, each Party shall provide to the other Party any invention disclosure made during the course of performance of this Agreement and relating to activities carried out hereunder within **[***]** (**[***]**) days after such Party receives such disclosure from its employees, agents or others obligated to assign inventions to such Party.

7.2 Patent Filing, Prosecution and Maintenance.

(a) ImmunoGen Rights – Solely-Owned Technology. Subject to the other terms of this Section 7.2, ImmunoGen shall have the right to prepare, file, prosecute, obtain and maintain, at its sole cost and expense, all Licensed Patent Rights including all Patent Rights covering ImmunoGen Program Technology and ImmunoGen Inventions. ImmunoGen will keep Biogen Idec reasonably informed of the status of each such filing covering Licensed Patent Rights and Patent Rights covering ImmunoGen Program Technology and ImmunoGen Inventions that are Improvements licensed to Biogen Idec under Section 2.3, and the prosecution and maintenance thereof, including, without limitation, by using reasonable commercial efforts to (i) provide Biogen Idec with a copy of any such proposed patent application covering ImmunoGen Program Technology and/or ImmunoGen Inventions that are Improvements licensed to Biogen Idec under Section 2.3 for review and comment reasonably in advance of filing, and (ii) provide Biogen Idec a reasonable time prior to taking or failing to take any action that would affect the scope or validity of any such of any such filing (including the substantially narrowing, cancellation or abandonment of any claim(s), or the failure to file or perfect the filing of any claim(s) in any country), with prior written notice of such proposed action or inaction and supporting documentation, including without limitation, relevant portions of the underlying prosecution file history so that Biogen Idec has a reasonable opportunity to review and comment. If ImmunoGen fails to undertake the filing(s) of any patent application with respect to any invention under such Licensed Patent Rights or such Patent Rights covering such ImmunoGen Program Technology or ImmunoGen Improvements within **[***]** (**[***]**) days after receipt of written notice from Biogen Idec that Biogen Idec believes filing of such an application by ImmunoGen is appropriate, Biogen Idec may undertake such filing(s) at its own expense.

(b) Biogen Idec Rights. Biogen Idec shall have the right to prepare, file, prosecute, obtain and maintain, at its sole cost and expense, all Patent Rights covering Biogen Idec Background Technology, Biogen Idec Program Technology and Biogen Idec Inventions. Biogen Idec will keep ImmunoGen reasonably informed of the status of each such filing covering Biogen Idec Inventions that are Improvements licensed to ImmunoGen under Section 2.3, and the prosecution and maintenance thereof, including, without limitation, by using reasonable commercial efforts to (i) provide ImmunoGen with a copy of any such proposed patent application covering Biogen Idec Program Technology and/or Biogen Idec Inventions that are Improvements licensed to ImmunoGen under Section 2.3 for review and comment reasonably in advance of filing, and (ii) provide ImmunoGen a reasonable time prior to taking or failing to take any action that would affect the scope or validity of any such of any such filing (including the substantially narrowing, cancellation or abandonment of any claim(s) or the failure to file or perfect the filing of any claim(s) in any country), with prior written notice of such proposed action or inaction and supporting documentation, including without limitation, relevant portions of the underlying prosecution file history

so that ImmunoGen has a reasonable opportunity to review and comment. If Biogen Idec fails to undertake the filing(s) of any patent application with respect to any invention under such Biogen Idec Improvement within **[***] ([***])** days after receipt of written notice from ImmunoGen that ImmunoGen believes filing of such an application by Biogen Idec is appropriate, ImmunoGen may undertake such filing(s) at its own expense.

(c) Joint Program Technology. As regards any Patent Rights claiming Joint Program Technology and Joint Inventions, the Party from whom the majority of the data underlying any such Joint Program Technology or Joint Inventions arose (the "controlling Party") will have the first right, but not the obligation, to undertake filing(s), prosecution and maintenance of inventorship certificate(s), patent application(s) and patent(s) thereon. In connection with any such filing(s), the controlling Party will use patent counsel mutually acceptable to each Party (in its reasonable determination) and the Parties will, prior to filing of the patent application, agree on mutually acceptable sharing of the costs and expenses of such filing(s), prosecution and maintenance. In any case the controlling Party (i) will provide the non-controlling Party with a copy of any such proposed patent application for review and comment reasonably in advance of filing, and (ii) will keep the non-controlling Party reasonably informed of the status of such filing, prosecution and maintenance, including, without limitation, by using reasonable commercial efforts to (A) provide the non-controlling Party with copies of all communications received from or filed in patent office(s) with respect to such filing, and (B) provide the non-controlling Party, a reasonable time prior to taking or failing to take any action that would affect the scope or validity of any such filing (including the substantially narrowing, cancellation or abandonment of any claim(s) without retaining the right to pursue such subject matter in a separate application, or the failure to file or perfect the filing of any claim(s) in any country), with prior written notice of such proposed action or inaction so that the non-controlling Party has a reasonable opportunity to review and comment. If the controlling Party fails to undertake the filing(s) of any such patent application with respect to any such Joint Program Technology or Joint Inventions within **[***] ([***])** days after receipt of written notice from the other Party that the other Party believes filing(s) of such an application by such Party is appropriate, such other Party may undertake such filing(s) at its own expense, in which case the non-filing Party will assign all of its rights to such Joint Program Technology or Joint Inventions to the filing Party and any subsequently issued patent thereon will be owned solely by the filing Party. Subject to the licenses granted under this Agreement, either Party may assign its rights hereunder to any Joint Program Technology or Joint Inventions, inventorship certificate, patent application or patent to the other Party, who will then have the right, in its discretion, to assume the filing, prosecution and/or maintenance thereof as the sole owner thereof and at its sole cost and expense.

7.3 Notice of Infringement. If, during the Term of this Agreement, either Party learns of any actual, alleged or threatened infringement by a Third Party of any Licensed Patent Rights under this Agreement, such Party shall promptly notify the other Party and shall provide such other Party with available evidence of such infringement.

7.4 Infringement of Patent Rights.

(a) ImmunoGen Rights to Control. ImmunoGen shall have the first right (but not the obligation), at its own expense, to bring and control the suit (or take other appropriate legal action) against any actual, alleged or threatened infringement of the Licensed Patent Rights including Patent Rights covering ImmunoGen Improvements, with legal counsel of its own choice. Biogen Idec shall have the right, at its own expense, to be represented in any such action by ImmunoGen by counsel of Biogen Idec's own choice; provided, however, that under no circumstances shall the foregoing affect the right of ImmunoGen to bring and control the suit as described in the first sentence of this Section 7.4(a). If ImmunoGen does not file any action or proceeding against such infringement within **[***] ([***])** days after the later of (i) ImmunoGen's notice to Biogen Idec under Section 7.3 above, (ii) Biogen Idec's notice to ImmunoGen under Section 7.3 above, or (iii) a written request from Biogen Idec to take action with respect to such infringement, then Biogen Idec shall have the right (but not the obligation), at its own expense, to bring suit (or take other appropriate legal action) against such actual, alleged or threatened infringement, with legal counsel of its own choice. ImmunoGen shall have the right, at its own expense, to be represented in any such action by Biogen Idec by counsel of ImmunoGen's own choice. Any damages, monetary awards or other amounts recovered, whether by judgment or settlement, pursuant to any suit, proceeding or other legal action taken under this Section 7.4(a) attributable to the development, manufacture, sale or importation of Licensed Products under this Agreement, shall first be applied to reimburse the costs and expenses (including attorneys' fees) of the

Party bringing such suit or proceeding or taking such other legal action, then to the costs and expenses (including attorneys' fees), if any, of the other Party and second, to Biogen Idec in reimbursement for lost sales associated with Licensed Products and to ImmunoGen in reimbursement for lost royalties owing hereunder based on such lost sales. Any other damages, awards or amounts recovered (including for punitive damages) shall be allocated as follows: (A) if Biogen Idec is the Party bringing such suit or proceeding or taking such other legal action, **[***]** percent (**[***]**%) to Biogen Idec, and **[***]** percent (**[***]**%) to ImmunoGen, (B) if ImmunoGen is the Party bringing such suit or proceeding or taking such other legal action, **[***]** percent (**[***]**%) to ImmunoGen and (C) if the suit is brought jointly, **[***]** percent (**[***]**%) to each Party. If a Party brings any such action or proceeding hereunder, the other Party agrees to be joined as party plaintiff if necessary to prosecute such action or proceeding, and to give the Party bringing such action or proceeding reasonable assistance and authority to file and prosecute the suit; provided, however, that neither Party shall be required to transfer any right, title or interest in or to any property to the other Party or any Third Party to confer standing on a Party hereunder.

(b) Infringement of Joint Program Technology. As to any actual, alleged or threatened infringement of any Patent Rights jointly owned by ImmunoGen and Biogen Idec under this Agreement, including actions against any alleged infringer, the Parties hereto will consult with each other in good faith regarding the best manner in which to proceed. The Parties agree as a basic principle that in the case of such actions against infringers, the expenses incurred and damages awarded shall be for the account of the Party or Parties who take such actions to the extent of their financial participation therein.

(c) Biogen Idec Rights to Control. Biogen Idec shall have the sole right (but not the obligation), at its own expense, to bring suit (or take other appropriate legal action) against any actual, alleged or threatened misappropriation or infringement of the Biogen Idec Background Technology and Biogen Idec Improvements, with legal counsel of its own choice.

7.5 Third Party Patents. If any Third Party claims that a patent it owns or controls claims any aspect of a Licensed Product or its manufacture, use, sale, offer for sale, or importation, the Party with notice of such claim shall notify the other Party promptly. In such circumstances, Biogen Idec shall have the sole right (but not the obligation), at its own expense, to defend or bring suit (or take other appropriate legal action) using legal counsel of its own choice. ImmunoGen shall have the right, at its own expense, to be represented in any such action by Biogen Idec by counsel of ImmunoGen's own choice; provided, however, that under no circumstances shall the foregoing affect the right of Biogen Idec to control the suit as described in the first sentence of Section 7.4(c). Biogen Idec shall have the sole control and authority over how to respond to and defend against such Third Party claims and whether and how to bring any counterclaims and will keep ImmunoGen reasonably informed of the status of the claims. In the event that pursuant to any suit, proceeding or other legal action taken under this Section 7.5, a court of competent jurisdiction orders the payment of any damages, monetary awards or other amounts by Biogen Idec to such Third Party and such court determines that all or a portion of such damages, monetary award or other award is attributable to the development, manufacture, sale or importation of the MAY Compound portion of a Licensed Product, Biogen Idec shall be entitled to offset **[***]** percent (**[***]**%) of the applicable portion of such damages, monetary award or other amounts against any royalties then owed or which become due thereafter under this Agreement to ImmunoGen. Notwithstanding the foregoing, in no event shall the reductions under Sections 5.3 and 5.5 and this Section 7.5 reduce the royalty for any Licensed Product payable under Section 5.3(a) to less than **[***]** percent (**[***]**%) of Net Sales in any country. In the event further manufacture, use, sale, offer for sale or importation of the Licensed Product is enjoined as a result of a judgment in any suit, proceeding or other legal action taken under this Section 7.5 the Parties shall cooperate with each other reasonably and in good faith to comply with such judgment.

7.6 Trademarks. All Licensed Products shall be sold under one or more trademarks and trade names selected and owned by Biogen Idec in the Territory. Biogen Idec shall control the preparation, prosecution and maintenance of applications related to all such trademarks and trade names in the Territory, at its sole cost and expense and at its sole discretion. ImmunoGen shall notify Biogen Idec promptly upon learning of any actual, alleged or threatened infringement of a trademark or trade name applicable to a Licensed Product in the Territory, or of any unfair trade practices, trade dress imitation, passing off of counterfeit goods, or like offenses in the Territory. All of the costs, expenses and legal fees in bringing, maintaining and prosecuting any action to maintain, protect or

defend any trademark owned by Biogen Idec hereunder, and any damages or other recovery, shall be Biogen Idec's sole responsibility, and taken in its sole discretion.

7.7 Integration. This Section 7 supersedes any agreement between the Parties as to the subject matter hereof, including, without limitation, any provisions of the MTA relating to inventions, patent applications and patents.

8. TERM AND TERMINATION

8.1 Term; Expiration. The term of this Agreement (the "Term") shall, unless earlier terminated, expire on a country-by-country basis upon the expiration of the final royalty payment obligation with respect to the final Licensed Product under Section 5.3(a) above. Upon the expiration of the Term of this Agreement, Biogen Idec shall have a fully paid-up, irrevocable, freely transferable and sublicensable license under the Licensed Patent Rights and Licensed Technology, to Develop, have Developed, Commercialize, have Commercialized, make, have made, use, have used, sell, have sold, offer for sale, import, have imported, export and have exported any and all Licensed Products in the Territory.

8.2 Termination. Subject to the other terms of this Agreement:

(a) Voluntary Termination by Biogen Idec. Biogen Idec shall have the right to terminate this Agreement at anytime upon providing at least **[***]** (**[***]**) days prior written notice to ImmunoGen.

(b) Breach. A Party may terminate this Agreement and the licenses granted herein, effective upon written notice to the other Party, upon any breach by the other Party of any material obligation or condition of this Agreement, which material breach remains uncured **[***]** (**[***]**) days after the non-breaching Party gives a first written notice to the other Party describing such breach in reasonable detail; provided, however, that in the event of a payment breach by Biogen Idec under this Agreement, the applicable cure period shall be **[***]** (**[***]**) days (in lieu of **[***]** (**[***]**) days) but the other terms of this Section 8.2(b) shall apply to termination in connection with any such payment breach. Notwithstanding anything set forth herein, if the asserted material breach is cured or shown to be non-existent within the applicable cure period, the first notice of breach hereunder shall be deemed automatically withdrawn and of no effect.

(c) Bankruptcy. A Party may terminate this Agreement, effective on written notice to the other Party, in the event the other Party shall have become insolvent or bankrupt, or shall have made an assignment for the benefit of its creditors, or there shall have been appointed a trustee or receiver of the other Party or for all or a substantial part of its property, or any case or proceeding shall have been commenced or other action taken by or against the other Party in bankruptcy or seeking reorganization, liquidation, dissolution, winding-up, arrangement, composition or readjustment of its debts or any other relief under any bankruptcy, insolvency, reorganization or other similar act or law of any jurisdiction now or hereafter in effect, or there shall have been issued a warrant of attachment, execution, distraint or similar process against any substantial part of the property of the other Party, and any such foregoing events shall have continued for **[***]** (**[***]**) days undismissed, unbonded and undischarged. All rights and licenses granted under this Agreement are, and shall be deemed to be, for purposes of Section 365(n) of the United States Bankruptcy Code, licenses of rights to "intellectual property" as defined under Section 101(56) of the United States Bankruptcy Code. The Parties agree that in the event of the commencement of a bankruptcy proceeding by or against one Party hereunder under the United States Bankruptcy Code, the other Party shall be entitled to complete access to any such intellectual property, and all embodiments of such intellectual property, pertaining to the rights granted in the licenses hereunder of the Party by or against whom a bankruptcy proceeding has been commenced, subject, however, to payment of the milestone amounts and royalties set forth in this Agreement through the effective date of any termination hereunder.

8.3 Effects of Termination. Upon any termination of this Agreement by ImmunoGen under Section 8.2(b), as of the effective date of such termination, all relevant licenses and sublicenses granted by ImmunoGen to Biogen Idec hereunder shall terminate automatically. Notwithstanding the foregoing, (a) no such termination of this Agreement shall be construed as a termination of any valid sublicense of any Sublicensee hereunder, and thereafter

each such Sublicensee shall be considered a direct licensee of ImmunoGen, provided, that, (i) such Sublicensee is then in full compliance with all terms and conditions of its sublicense, (ii) all accrued payments obligations to ImmunoGen have been paid, and (iii) such Sublicensee agrees to assume all obligations of Biogen Idec under this Agreement within ten (10) business days of ImmunoGen having given notice to the Sublicensee of such termination and of all obligations of Biogen Idec under this Agreement, and (b) Biogen Idec and its Sublicensees shall have the right, for **[***]** (**[***]**) months or such longer time period (if any) on which the Parties mutually agree in writing, to sell or otherwise dispose of all inventoried Licensed Products then on hand, with royalties to be paid to ImmunoGen on all Net Sales of such Licensed Products as provided for in this Agreement.

8.4 Remedies. Except as otherwise expressly set forth in this Agreement, the termination provisions of this Section 8 are in addition to any other relief and remedies available to either Party at law.

8.5 Surviving Provisions. Notwithstanding any provision herein to the contrary, the rights and obligations of the Parties set forth in Sections 2.3, 3.3(e), 4.5(b), 4.5(c), 4.5(d), 5.9(b), 6, 7.2, 7.4, 7.5, 8.1, 8.3, 8.4, 8.5, 9.3, 10 and 11 as well as any rights or obligations otherwise accrued hereunder (including any accrued payment obligations), shall survive the expiration or termination of the Term of this Agreement. Without limiting the generality of the foregoing, Biogen Idec shall have no obligation to make any milestone or royalty payment to ImmunoGen that has not accrued prior to the effective date of any termination of this Agreement, but shall remain liable for all such payment obligations accruing prior to the effective date of such termination.

9. REPRESENTATIONS AND WARRANTIES

9.1 ImmunoGen Representations. ImmunoGen represents and warrants to Biogen Idec that: (a) the execution and delivery of this Agreement and the performance of the transactions contemplated hereby have been duly authorized by all appropriate ImmunoGen corporate action; (b) this Agreement is a legal and valid obligation binding upon ImmunoGen and enforceable in accordance with its terms, and the execution, delivery and performance of this Agreement by the Parties does not conflict with any agreement, instrument or understanding to which ImmunoGen is a party or by which it is bound; (c) ImmunoGen has the full right and legal capacity to grant the licenses and rights to Biogen Idec pursuant to Section 2 above without violating the rights of any Third Party or any agreements between ImmunoGen or its Affiliates and any Third Party; (d) to ImmunoGen's knowledge, no Patent Rights within the Licensed Patent Rights are invalid or unenforceable and as of the Effective Date no patents within the Licensed Patent Rights have expired; (e) to ImmunoGen's knowledge, it has disclosed to Biogen Idec all facts known to ImmunoGen as of the Effective Date that ImmunoGen believes to be materially relevant to the patentability, validity and enforceability of the Licensed Patent Rights; (f) during the Term of the Agreement, ImmunoGen will not take any action that it reasonably believes would in any material way prevent it from granting the rights granted to Biogen Idec under this Agreement with respect to Licensed Patent Rights or Licensed Technology Controlled by ImmunoGen after the Effective Date; (g) to ImmunoGen's knowledge, but without conducting any independent patent search of any kind, it is not aware of any issued patents claiming inventions relating to Licensed Technology or Licensed Patent Rights owned or controlled by an ImmunoGen Affiliate or a Third Party which would be infringed by the use of Licensed Patents to manufacture, sell, use or import Licensed Products as contemplated by this Agreement, and as of the Effective Date, ImmunoGen is not aware of any infringement by a Third Party of the Licensed Patent Rights; (h) ImmunoGen has not received any notice from any Third Party claiming that patents owned or controlled by such Third Party are being infringed by it in the course of its conduct in substantially the same activities under Licensed Patent Rights as are contemplated in the research, Development and Commercialization of Licensed Products under this Agreement; and, (i) except as otherwise disclosed by ImmunoGen to Biogen Idec as of the Effective Date, ImmunoGen's agreements with its Qualified ImmunoGen MAY Licensees in effect as of the Effective Date include Substantially Similar Grant Back Rights (as that term is defined in Section 2.3 (a) above).

9.2 Biogen Idec Representations. Biogen Idec represents and warrants to ImmunoGen that: (a) the execution and delivery of this Agreement and the performance of the transactions contemplated hereby have been duly authorized by all appropriate Biogen Idec corporate action; and (b) this Agreement is a legal and valid obligation binding upon Biogen Idec and enforceable in accordance with its terms, and the execution, delivery and performance of this Agreement by the Parties does not conflict with any agreement, instrument or understanding to which Biogen Idec is a party or by which it is bound.

9.3 No Warranties.

(a) Except as specifically set forth in Section 9.1, nothing in this Agreement is or shall be construed as:

(i) a warranty or representation by ImmunoGen as to the validity or scope of any patent application or patent within the Licensed Patent Rights;

(ii) a warranty or representation that anything made, used, sold or otherwise disposed of under any license granted in this Agreement is or will be free from infringement of patents, copyrights, and other rights of Third Parties.

(b) Except as expressly set forth in this Agreement, NEITHER PARTY MAKES ANY REPRESENTATIONS OR EXTENDS ANY WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED. WITHOUT LIMITING THE FOREGOING, THERE ARE NO EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, THAT ANY LICENSED PRODUCT WILL BE SUCCESSFULLY DEVELOPED OR MARKETED, OR THAT THE DEVELOPMENT, MANUFACTURE, SALE, IMPORTATION OR USE OF THE LICENSED PRODUCT(S) WILL NOT INFRINGE ANY PATENT, COPYRIGHT, TRADEMARK, OR OTHER RIGHTS, OR ANY OTHER EXPRESS OR IMPLIED WARRANTIES.

10. INDEMNIFICATION; LIABILITY

10.1 Indemnification.

(a) Biogen Idec Indemnity. Subject to Section 10.1(b) below and the remainder of this Section 10, Biogen Idec shall indemnify, defend and hold harmless ImmunoGen, its Affiliates and their respective directors, officers, employees, and agents and their respective successors, heirs and assigns (the "ImmunoGen Indemnitees"), from and against any liability, damage, loss or expense (including reasonable attorneys' fees and expenses of litigation) incurred by or imposed upon such ImmunoGen Indemnitees, or any of them, in connection with any Third Party claims, suits, actions, demands or judgments, including, without limitation, personal injury and product liability matters, that arise out of or relate to (i) any actions or omissions of Biogen Idec or any Affiliate or Sublicensee of Biogen Idec, in the development, testing, production, manufacture, supply, promotion, import, sale or use by any person of any Licensed Product (or any component thereof) manufactured or sold by Biogen Idec or any Affiliate or Sublicensee of Biogen Idec, under this Agreement, (ii) any material breach of this Agreement by Biogen Idec, or (iii) the gross negligence or willful misconduct on the part of Biogen Idec, its Affiliates or their respective employees or agents, except to the extent of ImmunoGen's responsibility therefor under Section 10.1(b) below.

(b) ImmunoGen Indemnity. Subject to Section 10.1(a) above and the remainder of this Section 10, ImmunoGen shall indemnify, defend and hold harmless Biogen Idec, its Affiliates and their respective directors, officers, employees, and agents, and their respective successors, heirs and assigns (the "Biogen Idec Indemnitees"), from and against any liability, damage, loss or expense (including reasonable attorneys' fees and expenses of litigation) incurred by or imposed upon such Biogen Idec Indemnitees, or any of them, in connection with any Third Party claims, suits, actions, demands or judgments, including, without limitation, personal injury and product liability matters, that arise out of or relate to (i) any material breach of this Agreement by ImmunoGen, or (ii) the gross negligence or willful misconduct on the part of ImmunoGen, its Affiliates or their respective employees or agents, except to the extent of Biogen Idec's responsibility therefor under Section 10.1(a) above.

10.2 Indemnification Procedures. In the event that any Indemnitee is seeking indemnification under Section 10.1 above from a Party (the "Indemnifying Party"), the other Party shall notify the Indemnifying Party of such claim with respect to such Indemnitee as soon as reasonably practicable after the Indemnitee receives notice of the claim, and the Party (on behalf of itself and such Indemnitee) shall permit the Indemnifying Party to assume direction and control of the defense of the claim (including the right to settle the claim solely for monetary

consideration) and shall cooperate as requested (at the expense of the Indemnifying Party) in the defense of the claim.

10.3 Liability. NOTWITHSTANDING ANYTHING ELSE IN THIS AGREEMENT OR OTHERWISE, NEITHER PARTY WILL BE LIABLE WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER LEGAL OR EQUITABLE THEORY FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OR LOST PROFITS OR COST OF PROCUREMENT OF SUBSTITUTE GOODS, TECHNOLOGY OR SERVICES.

11. MISCELLANEOUS

11.1 Entire Agreement; Amendments. This is the entire Agreement between the Parties with respect to the subject matter herein, and supersedes any prior agreements, understandings, negotiations or correspondence between the Parties respecting the subject matter hereof, whether written or verbal (including, without limitation, the MTA, and that certain Confidentiality Agreement effective **[***]**, **[***]**. No modification or other amendment of this Agreement shall be effective unless in writing and signed by a fully authorized representative of each Party.

11.2 Waiver. The terms or conditions of this Agreement may be waived only by a written instrument executed by a duly authorized representative of the Party waiving compliance. The failure of either Party at any time or times to require performance of any provision hereof shall in no manner affect its rights at a later time to enforce the same. No waiver by either Party of any condition or term shall be deemed as a continuing waiver of such condition or term or of another condition or term.

11.3 Governing Law. This Agreement will be construed, interpreted and applied in accordance with the laws of the Commonwealth of Massachusetts applicable to contracts entered into and to be performed entirely within the Commonwealth of Massachusetts without giving effect to any choice of law principles that would require the application of the laws of a different state. Notwithstanding the foregoing, any dispute, controversy or claim arising out of this Agreement relating to the scope, validity, enforceability or infringement of any Patent Rights or other intellectual property rights shall be submitted to a court of competent jurisdiction in the territory in which such Patent Rights or other intellectual property rights were granted or arose.

11.4 Notices. Any notices, requests, deliveries, approvals or consents required or permitted to be given under this Agreement to Biogen Idec or ImmunoGen shall be in writing and shall be personally delivered or sent by telecopy (with machine confirmation of transmission) or by overnight courier providing evidence of receipt or certified mail, return receipt requested, postage prepaid, in each case to the respective address specified below (or to such address as may be specified in writing to the other Party hereto):

If to ImmunoGen:	ImmunoGen, Inc. 128 Sidney Street Cambridge, MA 02139 Attn: Chief Executive Officer Fax: (617) 995-2510
with a copy to	Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. One Financial Center Boston, MA 02111 Attn: **[***]**. **[***]**, Esq. Fax: (617) 542-2241
If to Biogen Idec:	Biogen Idec MA Inc. 14 Cambridge Center

Cambridge, MA 02142
Attn: Executive Vice President, Business Development
Fax: (617) 679-2617

with a copy to Biogen Idec MA Inc.
14 Cambridge Center
Cambridge, MA 02142
Attn: Executive Vice President and General Counsel
Fax: (617) 679-2838

Such notices shall be deemed to have been sufficiently given on: (a) the date sent if delivered in person or transmitted by facsimile, or (b) the next business day after dispatch in the case of overnight courier.

11.5 No Implied Licenses. Except as expressly set forth elsewhere in this Agreement, neither Party grants to the other Party any right or license to any of its intellectual property.

11.6 Headings. Section and subsection headings are inserted for convenience of reference only and do not form part of this Agreement.

11.7 Assignment. This Agreement may not be assigned by either Party without the consent of the other, except that each Party may, without such consent, assign this Agreement and the rights, obligations and interests of such Party, in whole or in part, to any of its Affiliates, to any purchaser of all or substantially all of its assets in the line of business to which this Agreement pertains or to any successor corporation resulting from any merger or consolidation of such Party with or into such corporations.

11.8 Force Majeure. Neither Party shall be liable for failure of or delay in performing obligations set forth in this Agreement, and neither shall be deemed in breach of its obligations, if such failure or delay is due to natural disasters or any causes beyond the reasonable control of such Party. In event of such force majeure, the Party

affected thereby shall use reasonable efforts to cure or overcome the same and resume performance of its obligations hereunder.

11.9 Construction. The Parties hereto acknowledge and agree that: (a) each Party and its counsel reviewed and negotiated the terms and provisions of this Agreement and have contributed to its revision; (b) the rule of construction to the effect that any ambiguities are resolved against the drafting Party shall not be employed in the interpretation of this Agreement; and (c) the terms and provisions of this Agreement shall be construed fairly as to each Party hereto and not in a favor of or against any Party, regardless of which Party was generally responsible for the preparation of this Agreement.

11.10 Severability. If any provision(s) of this Agreement are or become invalid, are ruled illegal by any court of competent jurisdiction or are deemed unenforceable under then current applicable law from time to time in effect during the term hereof, it is the intention of the Parties that the remainder of this Agreement shall not be affected thereby provided that a Party's rights under this Agreement are not materially affected. The Parties hereto covenant and agree to renegotiate any such term, covenant or application thereof in good faith in order to provide a reasonably acceptable alternative to the term, covenant or condition of this Agreement or the application thereof that is invalid, illegal or unenforceable, it being the intent of the Parties that the basic purposes of this Agreement are to be effectuated.

11.11 Status. Nothing in this Agreement is intended or shall be deemed to constitute a partner, agency, employer-employee, or joint venture relationship between the Parties.

11.12 Dispute Resolution. The Parties recognize that a bona fide dispute as to certain matters may from time to time arise during the term of this Agreement relating to either Party's rights and/or obligations hereunder or

otherwise relating to the validity, enforceability or performance of this Agreement, including disputes relating to alleged breach or termination of this Agreement but excluding any determination of the validity of the Parties' patents (hereinafter, a "Dispute"). In the event of the occurrence of any such Dispute, the Parties shall, by written notice to the other Party, have such dispute referred to their respective senior officers designated below (and to any designated officer of a Biogen Idec Sublicensee, if such Dispute involves such Sublicensee), for attempted resolution by good faith negotiations commencing promptly after such notice is received. Said designated senior officials of the Parties are as follows:

For Biogen Idec: Chief Executive Officer; and
For ImmunoGen: Chief Executive Officer.

In the event the designated senior officials are not able to resolve such Dispute, the Parties may seek to mediate their Dispute, on terms and with a mediator mutually agreeable to the Parties.

11.13 Further Assurances. Each Party agrees to execute, acknowledge and deliver such further instruments, and to do all other such acts, as may be necessary or appropriate in order to carry out the purposes and intent of this Agreement.

11.14 Counterparts. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representative in two (2) originals.

BIOGEN IDEC MA INC.	IMMUNOGEN, INC.
By: /s/ Michael Gilman, Ph.D.	By: /s/ Pauline Jen Ryan
Name: Michael Gilman, Ph.D.	Name: Pauline Jen Ryan
Title: Executive Vice President, Research	Title: Senior Vice President, Business Development

SCHEDULE A
LICENSED PATENT RIGHTS

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SCHEDULE B
PROVISIONS FOR SUPPLY AGREEMENTS

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SCHEDULE C
POLYPEPTIDE SEQUENCES OF [***] [***]

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SCHEDULE D
FORM OF ROYALTY REPORT

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CHANGE IN CONTROL SEVERANCE AGREEMENT

This Agreement is entered into as of the 15th day of November, 2021 (the "***Effective Date***") by and between ImmunoGen, Inc., a Massachusetts corporation (the "***Company***"), and Kristen Harrington-Smith (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 (12th) 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 her 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 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 (60th) 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 (60th) 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 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 J. Enyedy
Name: Mark J. Enyedy
Title: President and Chief Executive Officer

EXECUTIVE:

/s/ Kristen Harrington-Smith
Name: Kristen Harrington-Smith

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 November 15, 2021 (the "***Agreement***"), Kristen Harrington-Smith (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 him 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 him 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: Kristen Harrington-Smith

ImmunoGen, Inc.

Compensation Policy for Non-Employee Directors

(Effective December 16, 2021)

Objective

It is the objective of ImmunoGen to compensate non-employee Directors in a manner which will enable recruitment and retention of highly qualified Directors and fairly compensate them for their services as a Director.

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

Directors are entitled to be reimbursed for their reasonable expenses incurred in connection with attendance at Board and committee meetings during their tenure as a Director. 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 shall be made no later than the end of the calendar year following the calendar year in which such business expense is incurred by the Director.

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") having an aggregate Fair Market Value equal to the amount deferred, measured on the date of grant which shall be the last day of the calendar quarter for which the retainer is being paid. All elections as to form of payment

[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.

shall be made annually by December 31st of the year prior to service which election shall be 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 of Directors 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 payments in cash for payments in periods prior to any such election or if no timely election shall have been made. Notwithstanding the foregoing, a previous election made by a non-employee Director pursuant to the 2004 Non-Employee Director Compensation Deferred Share Unit Plan or under this policy shall remain in effect for subsequent calendar years until it is changed by the completion, signature and delivery to the Company of a new election form, in accordance with the terms of this policy.

Upon making such election, DSUs shall be granted as described above without any further action by the Compensation Committee. These awards are fully vested as to all of the issued DSUs on the date of grant.

Equity Compensation

1. Deferred Stock Units.

(a) Initial DSU Awards. New non-employee Directors will automatically be awarded, without any further action by the Compensation Committee, 30,000 DSUs (each DSU 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 a quarterly basis over a three-year period, as to eight and one-third percent (8-1/3%) of the issued DSUs (rounded down to the nearest whole share) 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.

(b) Annual DSU Awards. Non-employee Directors will automatically be awarded, on an annual basis and without further action by the Compensation Committee, 15,000 DSUs on the earlier of the date of ImmunoGen's annual meeting of shareholders or June 30 of the applicable year (the "date of grant"). These awards will vest pro rata, on a quarterly basis over a one-year period, as to twenty-five percent (25%) of the issued DSUs (rounded down to the nearest whole share) per quarter on each of September 1, December 1, March 1 and June 1 following 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 DSUs subject to such non-employee Director's first annual DSU 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 DSU award. If a non-Employee Directors is first elected to the Board at an annual meeting of shareholders, he or she is ineligible to receive his or her first annual DSU award until the following year.[3]

(c) Terms of Grant. All DSU awards to non-employee Directors under this policy are granted under the Amended and Restated 2018 Employee, Director and Consultant Equity

[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 DSUs 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.

Incentive Plan (the "2018 Plan"), and are subject to the terms and conditions set forth in the 2018 Plan and the form of Deferred Stock Unit Agreement approved by the Board of Directors on December 9, 2016. All capitalized terms that are not defined herein shall have the meanings set forth in the 2018 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 Fair Market Value of the Common Stock on the date of grant, and (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 (rounded to the nearest whole share) 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.

(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 ImmunoGen'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 Fair Market Value of the Common Stock on the date of grant, (ii) will vest pro rata, on a quarterly basis over a one-year period, as to twenty-five percent (25%) of the number of shares covered by such awards (rounded to the nearest whole share) per quarter on each of September 1, December 1, March 1 and June 1 following the date of grant, and (iii) will expire on the tenth (10^{th}) 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 Directors 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 9, 2016. All capitalized terms that are not defined herein shall have the meanings set forth in the 2018 Plan.

Approved by the Board of Directors: December 16, 2021

[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.

Exhibit 21

SUBSIDIARIES

Name	Jurisdiction of Organization
Hurricane, LLC	Massachusetts
ImmunoGen BioPharma (Ireland) Limited	Ireland
ImmunoGen Europe Limited	United Kingdom
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. 333-258631, 333-258629, 333-253753, 333-138713, 333-147738, 333-155540, 333-170788, 333-185086, 333-215196, 333-225281, 333-225860, 333-235632, 333-235633 and 333-251548) of ImmunoGen, Inc., and
(2) Registration Statement (Form S-3 No. 333-251502) of ImmunoGen, Inc.;

of our reports dated February 28, 2022, 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, 2021.

/s/ Ernst & Young LLP

Boston, Massachusetts
February 28, 2022

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: February 28, 2022

/s/ Mark J. Enyedy

Mark J. Enyedy
President and Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 31.1

CERTIFICATIONS UNDER SECTION 302

I, Susan Altschuller, 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: February 28, 2022

/s/ Susan Altschuller Ph.D.

Susan Altschuller Ph.D.
Senior Vice President and Chief Financial Officer
(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, 2021 (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: February 28, 2022

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

Dated: February 28, 2022

/s/ Susan Altschuller Ph.D.
Susan Altschuller Ph.D.
Senior Vice President and Chief Financial Officer
(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.