Ironwood Pharmaceuticals, Inc.

2023 Environmental, Social and Governance Report

Ironwood®

Safe Harbor Statement

This report contains forward-looking statements. Investors are cautioned not to place undue reliance on these forward-looking statements, including statements about Ironwood's ability to execute on its mission; Ironwood's strategy, business and operations; the commercial potential of LINZESS; LINZESS prescription demand growth and access; the potential of apraglutide and CNP-104 to improve the standard of care and the quality of life for patients managing GI diseases if successfully developed, approved and commercialized; Ironwood's plan to submit a new drug application and other regulatory filings for apraglutide for use in adult patients with SBS who are dependent on PS; Ironwood's anticipation of reaching new clinical development milestones in 2024 and the timing of data related thereto, including with respect to apraglutide and CNP-104. These forward-looking statements speak only as of the date this report is published, and Ironwood undertakes no obligation to update these forward-looking statements. Each forward-looking statement is subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such statement. Applicable risks and uncertainties include those related to the effectiveness of development and commercialization efforts by us and our partners; preclinical and clinical development, manufacturing and formulation development of linaclotide, apraglutide, CNP-104, IW-3300, and our product candidates; the risk of uncertainty relating to pricing and reimbursement policies in the U.S., which, if not favorable for our products, could hinder or prevent our products' commercial success; the risk that clinical programs and studies, including for apraglutide, IW-3300 and CNP-104, may not progress or develop as anticipated, including that studies are delayed or discontinued for any reason, such as safety, tolerability, enrollment, manufacturing, economic or other reasons; the risk that findings from our completed nonclinical and clinical studies may not be replicated in later studies; the risk of competition or that new products may emerge that provide different or better alternatives for treatment of the conditions that our products are approved to treat; the risk that we are unable to execute on our strategy to in-license externally developed products or product candidates; the risk that we are unable to successfully partner with other companies to develop and commercialize products or product candidates; the risk that healthcare reform and other governmental and private payor initiatives may have an adverse effect upon or prevent our products' or product candidates' commercial success; the efficacy, safety and tolerability of linaclotide and our product candidates; the risk that the commercial and therapeutic opportunities for LINZESS or our product candidates are not as we expect; decisions by regulatory and judicial authorities; the risk that we may never get additional patent protection for linaclotide and other product candidates, that patents for linaclotide or other products may not provide adequate protection from competition, or that we are not able to successfully protect such patents; the risk that we are unable to manage our expenses or cash use, or are unable to commercialize our products as expected; the risk that the development of any of our linaclotide pediatric programs, apraglutide, CNP-104 and/or IW-3300 are not successful or that any of our product candidates does not receive regulatory approval or is not successfully commercialized; outcomes in legal proceedings to protect or enforce the patents relating to our products and product candidates, including abbreviated new drug application litigation; the risk that financial and operating results may differ from our projections; developments in the intellectual property landscape; challenges from and rights of competitors or potential competitors; the risk that our planned investments do not have the anticipated effect on our company revenues; developments in accounting guidance or practice; Ironwood's or AbbVie's accounting practices, including reporting and settlement practices as between Ironwood and AbbVie; the risk that we are unable to manage our expenses or cash use, or are unable to commercialize our products as expected; the risk that our indebtedness could adversely affect our financial condition or restrict our future operations; and the risks listed under the heading "Risk Factors" and elsewhere in our Annual Report on Form 10-K for the year ended December 31, 2023, and in our subsequent Securities and Exchange Commission filings. LINZESS® is a registered trademark of Ironwood Pharmaceuticals, Inc. Any other trademarks referred to in this presentation are the property of their respective owners.

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What this report covers

This report provides information on our ESG progress in the year from January 1, 2023 to December 31, 2023.

For more information, please see About this Report on page 19.

A Letter From Our CEO

Dear Stakeholders,

I am proud to share the 2023 Ironwood Pharmaceuticals Environmental, Social and Governance (ESG) Report. This report reflects our collective efforts to revolutionize the treatment of gastrointestinal (GI) diseases, relying on bold scientific goals and a collaborative, patient-focused mindset to realize our mission and vision. We are confident that our legacy of innovation and leadership in GI will fortify our position as a sustainable and value-creating business in the GI community.

We know that scientific excellence starts with life-changing innovation. In healthcare, this happens at the intersection of breakthrough science and collaborative culture, two areas where Ironwood excels. We continue to push the boundaries of science to extend the impact of our science on the patients we faithfully serve.

Our people are the heart of our organization, and together, we work to improve the lives of GI patients and our surrounding communities. Focusing on patients is a privilege, one that we are honored to champion as we simultaneously progress our mission to advance GI treatments and redefine the standard of care for patients. At the same time, we have worked hard to understand and manage environmental, social and governance opportunities in our culture and business practices, which has renewed our commitment to advancing our mission in an environmentally and socially responsible way.

Our ESG initiatives remain focused on improving the health of GI patients and cultivating an even more diverse, equitable and inclusive workplace for our people.

Improving the Health of GI Patients

In 2023, our blockbuster product, LINZESS, continued to help adult patients in the U.S. with Irritable Bowel Syndrome with Constipation (IBS-C) and Chronic Idiopathic Constipation (CIC). In June 2023, the FDA approved LINZESS as the first and only prescription therapy for pediatric patients ages 6-17 years-old with functional constipation (FC).

Another big highlight of 2023 was the acquisition of VectivBio Holding AG, a global clinical-stage biotechnology company based in Basel, Switzerland. Through this acquisition, we are advancing apraglutide, a next-generation, long-acting synthetic peptide analog of glucagon-like peptide-2 (GLP-2), as a potentially differentiated therapeutic for rare diseases, including short bowel syndrome (SBS-IF), and acute Graft versus Host Disease (aGvHD).

We made additional meaningful progress in advancing our scientific pipeline with CNP-104 and IW-3300, potential treatments for Primary Biliary Cholangitis (PBC) and interstitial cystitis/bladder pain syndrome, respectively. We are confident that continued pipeline advancement will bring us closer to impacting the lives of more patients with GI diseases.

Diversity, Equity & Inclusion at Ironwood

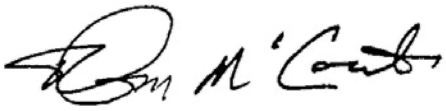
Creating a culture and workplace environment that embraces diversity, equity and inclusion (DE&I) remains one of our top priorities. We are confident that this is essential to attracting, motivating and retaining talent to realize our mission and vision and deliver a sustained competitive advantage.

With our acquisition of VectivBio Holding AG, we completed a successful global integration, ensuring our dynamic team lived out our core values and actively engaged with our culture of ownership and inclusivity. In 2023, we continued to hire and engage a diverse workforce, promote health equity, and introduce new learning, training, and career development opportunities.

Our efforts to instill a DE&I mindset were also recognized by The Boston Globe, which named Ironwood a DE&I Standout this year, in addition to being named a Top Workforce. Ironwood was also named to Top Workplaces USA.

As we continue our ESG efforts, I want to thank our talented, passionate team of professionals who uphold the highest standards of ethics and integrity. Without them, our sustained progress would not be possible. I look to our future with hope and confidence that we will continue to deliver significant value to our stakeholders and positively impact the lives of GI patients worldwide.

Sincerely,



Thomas A. McCourt
Chief Executive Officer & Director

Who We Are

Ironwood Pharmaceuticals is a leading gastrointestinal, or GI, healthcare company on a mission to advance the treatment of GI diseases and redefine the standard of care for GI patients. We are pioneers in the development of LINZESS® (linaclotide), the U.S. branded prescription market leader for adults with irritable bowel syndrome with constipation, or IBS-C, or chronic idiopathic constipation, or CIC. In 2023, we completed the acquisition of VectivBio Holding AG, a clinical-stage biotechnology company focused on the discovery and development of treatments for severe, rare GI conditions for which there is a significant unmet medical need, or the VectivBio Acquisition. Through the acquisition, the company is advancing apraglutide, a next-generation, synthetic peptide analog of glucagon-like peptide-2, or GLP-2, for rare gastrointestinal diseases, including short bowel syndrome with intestinal failure, or SBS-IF, as well as several earlier stage assets. Under the guidance of our seasoned industry leaders, we continue to build upon our history of GI innovation and challenge what has been done before to shape what the future holds. We keep patients at the heart of our research and development, or R&D, and commercialization efforts to reduce the burden of GI diseases and address significant unmet needs.

Our Approach to Corporate Responsibility

Corporate responsibility is a key element of our corporate purpose and identity. We strive to manage our business in a manner that promotes transparent governance and strong ethics; maintains extensive patient, employee and other stakeholder engagement; and helps us grow our organization strategically, sustainably and responsibly, including with respect to our environmental, social and governance, or ESG, impacts.

Our board of directors oversees our corporate responsibility efforts through each of our standing board committees. Our governance and nominating committee has responsibility for overseeing our corporate social responsibility strategy, efforts and policies. Our compensation and HR committee oversees the Company's strategies, efforts and policies related to human capital management, including with respect to matters such as diversity, equity and inclusion, workplace environment and culture and talent development and retention. Our audit committee oversees compliance, our enterprise risk management process and our cybersecurity program. Each of the foregoing matters also are routinely reviewed with our board of directors.

Our Values

Our core values are based on extensive cross-functional collaboration and feedback across the entire organization. These values not only represent what's happening in the world around us, but they remain authentic to our unique mission, story and company culture. At the heart of our values is providing our employees with a more significant role in improving the lives of our patients.

Our Values

Transform Patient Lives

Leverage our insights, capabilities, and expertise to see the most critical patient needs

- Leveraging our insights, capabilities and expertise with a sense of urgency to serve the needs of GI patients
- Advancing bold opportunities to make a difference in patients' lives as a committed GI-innovator
- Striving continuously to be patient-centric to meet the most critical needs of our patients

Innovate Meaningfully

Think boldly, experiment proactively, and take initiative to create new possibilities in the GI world

- Proactively experimenting, taking initiative to create new possibilities
- Acting with inclusion, pursuing, and exploring diverse perspectives
- Continuously improving and investing in upskilling our professional development at all levels
- Being agile to quickly advance solutions aligned with how our customers seek to experience emerging healthcare trends
- Fostering a 'can do' environment by turning challenges/ setbacks into new ideas, services

Challenge and Collaborate

Encourage different opinions and points of views in decision-making

- Proactively seeking input to better understand alternatives and/or opposing points of view to make rapid, compliant, timely decisions
- Cultivating relationships, networks within the GI/healthcare ecosystem to develop shared solutions
- Engendering trust and cooperation among and across teams
- Embracing differing ways of working together
- Being accountable to each other to accelerate progress, find solutions

Practice Humanity

Recognize that our people are the cornerstone of Ironwood

- Recognizing that our people are the cornerstone of Ironwood's success
- Placing equality, diversity, and inclusion at the heart of everything we do
- Providing opportunities to have fun and maintain a flexible and healthy lifestyle
- Playing an active role in making our communities a better place to live and work

Own the Outcome

Honor our commitments to our patients, stakeholders and one another by upholding a performance-driven culture

- Honoring our commitments to our patients, stakeholders and to one another, even when it is uncomfortable or hard
- Using metrics to objectively measure progress and results
- Delivering only the highest quality and compliant outcomes, on-time
- Committing to a performance-driven culture; rewarding for smart risk & results with high ethical standards

Our People

Our highly skilled team of employees is paramount to our ability to research, develop and commercialize medicines for unmet medical need. Our team has extensive research and development experience in GI, industry-leading commercial expertise and deep relationships within the GI community.

By leveraging our capabilities alongside our leadership team's success building innovative and blockbuster medicines, Ironwood has built a formidable team uniquely capable of sourcing and evaluating GI portfolio opportunities that are aligned with Ironwood's mission. Our compensation, benefits and employee development opportunities are designed to attract and retain the highly skilled talent we rely on to drive our vision forward. In 2021, 2022 and 2023, Ironwood was named to Top Workplaces USA by Energage and in 2022 and 2023, was named to *The Boston Globe*'s Top Places to Work.

As of December 31, 2023, we had 267 employees. Of these employees, 72 were on our drug development team, 133 were on our sales and commercial team and 62 were in general and administrative functions.

Attracting the Best Talent

Compensation and Benefits

Attracting the best talent starts with offering competitive compensation and benefits, and particularly compensation and benefits that give our employees a sense of ownership in our company and pride and determination to achieve our mission. All our employees receive long-term incentives in the form of equity and are encouraged to think and act as owners of Ironwood. Key benefits offered to our U.S.-based employees include the following:

- ***Health and Wellness.*** Because every employee's situation is different, we offer many choices when it comes to health benefits. Our health plans include HMO, PPO and PPO Saver plans through Blue Cross Blue Shield. We have FSA plans to help with medical and dependent care expenses. We also offer dental and vision programs, disability benefits and life insurance. To help our employees stay healthy, we also offer plenty of health perks like an on-site gym, virtual fitness classes, wellbeing stipend, remote work stipend for headquarters employees, and access to discounted backup child and elder care, Blue Bikes bike sharing membership and more.
- ***Retirement Savings.*** To help plan for a secure financial future, we offer a competitive 401(k) Savings & Retirement plan, including company matching contributions.
- ***Commuting.*** For the days when we come into our downtown Boston headquarters, New England-based employees are provided with contributions towards parking and transit costs. Our field sales employees receive a fleet vehicle – and we cover fuel, maintenance and repairs.
- ***Time Off.*** We know the importance of taking time to relax and unwind. To help our employees relax and refresh, we offer generous vacation and sick time as

well as weeklong, company-wide paid shutdowns to recharge. We also offer generous leave benefits to help employees nurture new families.

- ***Education.*** Education is important. We're committed to helping our employees succeed through on-the-job training, professional development programs and a generous tuition reimbursement program to support undergraduate or postgraduate studies.

Hybrid Working Environment

We launched a hybrid working environment that we refer to as Workplace 2.0, in 2022. While working remotely during the COVID-19 pandemic, our employees overwhelmingly told us that they value the benefits that remote work affords them. In response, we made investments in our technology infrastructure and carefully planned a shift in our culture so that most headquarters employees can continue to have the flexibility to work from home for the majority of the time. Most headquarters employees still spend several days in the office each month to collaborate with team members and to participate in headquarters-wide Culture and Collaboration Days. These pre-planned days offer the opportunity to make connections with colleagues, collaborate toward achieving important goals, and participate in team-based learning and development.

Our philosophy behind this hybrid environment is the result of intensive employee surveys and cross-functional working group participation. It represents our support for a diversity of working styles at Ironwood, allowing us to continue to attract and retain our highly skilled work force as well as to draw on talent from broader geographies.

Communication and Engagement

We strongly believe that our success depends on employees understanding how their work contributes to our ability to execute on our vision, mission and strategy. To this end, we utilize a variety of channels to facilitate open and direct communication, both in-person and while working remotely. These channels include frequent town hall meetings, Ironwood intranet, CEO blog, leadership engagement opportunities, regular communications regarding business updates and employee engagement surveys. Members of our management actively participate in each of our communication channels.

We conduct an annual, anonymous employee survey, administered by Energage, a company focused on employee engagement, to help us measure the overall confidence, engagement and satisfaction level of our team. Through this survey we collect direct and candid feedback to help leaders understand what drives engagement at Ironwood and to inform our overall culture and engagement strategy.

Training and Development

We built and launched a Management Foundations program, focused on equipping managers with five years or less of people-management experience with critical skills, a 360 assessment and coaching to support their own leadership development and the impact they have as managers. We have also updated our Individual Development Plan and process to help managers and employees prioritize the development of identified employees to expand their careers and the scope of their role with targeted development areas, actions and partnership between employees, managers and Talent, Team and Culture, or TT&C. We also provide team and individual consults to keep professional development and personal growth as key components for our culture of development and engagement.

Senior leadership, in conjunction with our TT&C professionals, are responsible for ensuring that all personnel, including contractors and consultants, have the appropriate education, training, competency and credentials to perform their jobs effectively. In addition to formal development plans and training programs, our online learning and development portal offers a comprehensive educational curriculum including both job-specific and general business skills development training programs. Examples include trainings on:

- Communications skills
- Finance and accounting
- Leadership
- Management
- Project management
- Strategy and innovation

We offer dedicated sales training to our entire sales team. In 2023, 100% of our salesforce participated in a combination of remote and in-person trainings.

An important aspect of career development and employee satisfaction is feedback. In addition to receiving frequent, informal check-ins with their managers, all employees are required to participate in formal performance reviews and generate annual goals in alignment with our company's mission. The goals each employee sets are individualized, and centered on five key pillars that are core to our company's success and to executing on our commitment to patients:

- Maximizing the impact of our products;
- Advancing our innovative pipeline;
- Driving value by creating ownership and partnership choices;
- Driving financial discipline; and
- Leveraging talent, team and culture within our organization.

Practical Experience and Fellowship Programs

We operate a co-op program, allowing us to provide opportunities for students to apply their learnings in real world settings in areas of both R&D and our corporate functions. In 2023, we also affiliated with two graduate pharmacy programs to enable fourth year PharmD students to participate in industry rotations within our Global Patient Safety group. Nine PharmD students participated during the 2023-2024 school year.

Our Post-Doc Fellowship program operated for the fourth consecutive year in 2023, and has grown to support four full-time fellowships in our Global Patient Safety/Regulatory Affairs and Medical Scientific Affairs/Clinical Development groups.

Diversity, Equity & Inclusion (DE&I)

We believe that creating a diverse, equitable and inclusive culture is critical to attracting, motivating and retaining the talent necessary to deliver on our mission and to creating an ownership culture that gives us the best opportunity to deliver a sustained competitive advantage. For us, this means fostering a culture where every employee feels a sense of belonging and where employees encourage each other to share ideas for succeeding in a diverse environment. We aspire to create an inclusive environment that values and respects the diverse ideas and life experiences of our people in our collective efforts to improve the lives of people living with GI diseases.

Approximately 50% of our employees are women, and women represent approximately 20% of our leadership team (vice president and above) and 33% of our board of directors (including our board and audit committee chairs). Additionally, approximately 20% of our employees are racially or ethnically diverse and, in 2023, approximately 40% of our new hires were racially or ethnically diverse (excluding Europe-based employees, for which race and ethnicity is not disclosed). Our diversity, equity and inclusion principles are also reflected in our employee training and policies. For example, all employees receive harassment prevention training at least every other year.

Our board of directors approved a specific corporate goal for 2023 aimed at fostering an environment where employees feel included and empowered. We tracked our progress toward this goal using a DE&I scorecard reflecting numerous measures, both quantitative (tracking of internal diversity metrics) and qualitative (goals set by the employee resource groups and employee led initiatives). Over the course of the year, we achieved our target level of performance on these DE&I metrics.

We also introduced new learning and development opportunities, strengthened our talent acquisition strategies and sought to foster the career development of employees from diverse populations. All of these initiatives are key parts of fostering employee engagement and retention at Ironwood.

Employee Resource Groups and Employee-Led Initiatives

Our employee resource groups and employee led initiatives have a common goal of providing opportunities for professional development, networking and building deeper connections with our communities and each other. We've put key initiatives in place to ensure that all employees can be part of our culture of belonging.

W@IRWD

Our longest standing employee resource group, W@IRWD, is designed to empower, develop, and sponsor women at Ironwood. W@IRWD strives to build an inclusive space that advances women's leadership and unlocks their potential. W@IRWD is open to all employees of Ironwood regardless of gender. In 2023, W@IRWD focused on the development theme "Embracing Internal Connection," to strengthen the interpersonal relationships among the employees at Ironwood. This was supported by a variety of networking events, book reviews, and several panel discussions featuring leaders at Ironwood. W@IRWD sponsors a membership with Women in the Enterprise of Science and Technology (WEST), which provides members with events and networking opportunities to grow their careers. Additionally, W@IRWD recognizes and communicates with employees regarding key external events including International Women's Day, Women's History Month and Women's Healthcare Month.

PRIDE@IRWD

PRIDE@IRWD seeks to foster LGBTQ+ visibility for all Ironwood employees and raise awareness about current workplace and social issues that affect the LGBTQ+ community. Through PRIDE@IRWD, we aim to empower LGBTQ+ members, allies and advocates to be their authentic selves at work while maintaining a culture of inclusion and dispelling assumptions and phobias. In 2023, PRIDE@IRWD created multiple opportunities to engage in meaningful conversations and action at Ironwood, including a discussion series on "Allyship in the Workplace" facilitated by the advocacy organization PFLAG, highlighting how diverse identities across the company are understood and affirmed. PRIDE@IRWD works to advocate for LGBTQ+ employees in all Ironwood policies and business practices, to better reflect and address the experiences of our LGBTQ+ employees.

IMPACT

Ironwood Makes Positive Advances in our Communities Together, or IMPACT, creates a space for the Ironwood community to connect with one another and lead engagement from a platform dedicated to humanity, humility and social responsibility. IMPACT meets quarterly and employees use this time to share ways they can serve as stewards for good, both as individuals and as a company. Examples of IMPACT's 2023 engagement activities include: partnering with the Boston Museum of Science to create STEM kits for local elementary schools; working with Youth Villages, a country-wide nonprofit, to provide 30 Boston-local children with Christmas gifts; participating in several 5K fundraisers; and building birthday boxes for Miami foster kids. Our field force volunteered 112 hours of community service in 2023.

ISHINE

ISHINE is a paid internship program that draws undergraduate and select graduate school candidates from Historically Black Colleges and Universities, or HBCUs, and exposes students to careers in the healthcare field. This program provides students with education and experience in both our commercial and corporate activities, and in 2023 included internships in sales operations, legal, regulatory compliance, corporate development and marketing. ISHINE interns spend nine weeks working with Ironwood on substantive, impactful projects under the guidance of experienced mentors. Five students participated in the ISHINE internship program in 2023 and presented their work to Ironwood's executive team and to the larger Ironwood community.

In a survey conducted at their completion of the program, the interns reported an increased understanding of the pharmaceutical industry and felt that their career preparation had been enhanced by their experience at Ironwood.

ISTAR

Ironwood Stands Together Against Racism, or ISTAR, was created in 2020 as an employee led initiative in response to racial equality movements and our employees' drive to take action. Through the ISTAR program, teams of employees across the company meet annually to identify how systemic racism impacts our communities and are entrusted with Ironwood funds to donate to local organizations working to combat those issues. ISTAR supports our employees' goal to take an active role in their communities and put resources in the hands of those engaged in the following areas: anti-discrimination, improving access to healthcare, improving access to education and technology, programs for equal opportunity to grow wealth, and programs enabling food access, housing security and criminal justice reform.

In 2023, ISTAR financially supported 18 organizations working to achieve greater racial justice and equity.

Health Equity Sponsorship Committee

Ironwood has committed resources to increasing Ironwood's impact on reducing health disparity by providing grants and sponsorships to programs that foster awareness and education around expanding healthcare access, support diversity in healthcare and clinical research, and help build a diverse pipeline of GI leaders. In 2023, this dedicated funding has been used for activities including "Improving Gastrointestinal Research and Education in Historically Marginalized Communities" at Massachusetts General Hospital, the American Neurogastroenterology and Motility Society "Diversity Award" and "Women in NeuroGI" grants, Association of Black Gastroenterologist and Hepatologists "Black in Gastro" Event, and the American College of Gastroenterology's "Diversity in GI 5K".

Our Commitments to Patients & Responsible Research

LINZESS®

We discovered, developed and together with our U.S. collaboration partner, are commercializing LINZESS® (linaclotide), the market leading prescription medicine in the U.S. for treating IBS-C and CIC, disorders that afflict millions of adults in the U.S. alone. We also have strong relationships with our collaboration partners who are developing and commercializing LINZESS outside the U.S. LINZESS is available to adult men and women suffering from IBS-C or CIC in the U.S., Mexico, and Saudi Arabia, to adult men and women suffering from IBS-C or chronic constipation in Japan and IBS-C in China and for pediatric patients ages 6-17 with functional constipation, or FC, in the U.S. Linaclotide is available under the trademarked name CONSTELLA® to adult men and women suffering from IBS-C or CIC in Canada, and to adult men and women suffering from IBS-C in certain European countries.

LINZESS attained blockbuster status in 2022 and has reached approximately 5 million unique patients in the U.S. since launch. We work closely with our U.S. collaboration partner to ensure class-leading market access to help appropriate patients continue to access LINZESS through Medicare, Medicaid and commercial prescription coverage plans.

In addition, we continue to work hard in an effort to expand the reach of LINZESS and address unmet patient need. In June 2023, the United States Food and Drug Administration, or U.S. FDA, approved LINZESS as a once-daily treatment for pediatric patients ages 6-17 years-old with FC making LINZESS the first and only FDA-approved prescription therapy for FC in this patient population. The safety and effectiveness of LINZESS in patients with FC less than 6 years of age or in patients with IBS-C less than 18 years of age have not been established. Additional clinical pediatric programs in IBS-C and FC are ongoing.

Our Pipeline

Strengthening Our Leading GI Portfolio

Apraglutide

Through the VectivBio Acquisition, we are advancing apraglutide, a next-generation, long-acting synthetic peptide analog of GLP-2 as a potentially differentiated therapeutic for rare diseases, including SBS-IF and acute Graft versus Host Disease, or aGvHD.

SBS is a malabsorption disorder caused by the loss of functional small intestine, with symptoms that include diarrhea, dehydration, malnutrition and weight loss. SBS typically occurs in adults as a consequence of irreparable GI damage caused by physical trauma, Crohn's disease, ulcerative colitis, ischemia or cancer requiring surgeries that result in the removal of large portions of the small intestine or colon. In infants and children, SBS is typically a consequence of congenital defects or decreases in intestinal absorptive capacity secondary to surgical procedures. The symptoms and severity of SBS can vary depending upon the length and function of the remaining portion of the intestine. Patients suffer from SBS-IF when their gut function is reduced below the minimum function necessary for the absorption of macronutrients or water and electrolytes required to survive and, in the case of infants and children, to maintain health and growth.

In February 2024 we announced positive topline results from our pivotal STARS Phase III trial, which evaluated the efficacy and safety of once-weekly subcutaneous apraglutide in reducing parenteral support dependency in adult patients with SBS-IF. Based on these results, we plan to submit a new drug application and other regulatory filings for apraglutide for use in adult patients with SBS who are dependent on parenteral support. In addition, in March 2024, we announced positive, primary results up to Day 91 for our Phase II exploratory trial, STARGAZE, to evaluate apraglutide in patients with steroid-refractory gastrointestinal acute Graft versus Host Disease (aGvHD), which evaluated the safety and tolerability of once-weekly apraglutide in aGvHD patients treated with standard of care, including systemic corticosteroids and ruxolitinib.

CNP-104

Through our collaboration and option license agreements with COUR Pharmaceuticals, we and COUR are developing CNP-104 for the potential treatment of primary biliary cholangitis, or PBC, a rare autoimmune disease targeting the liver that affects approximately 130,000 people in the U.S., according to a study published in *Clinical Gastroenterology and Hepatology* in 2018. If successful, CNP-104 has the potential to be the first approved PBC disease modifying therapy. In December 2021, the U.S. FDA granted Fast Track Designation to CNP-104. COUR is currently conducting a clinical study for CNP-104 to evaluate the safety, tolerability, pharmacodynamic effects and efficacy of CNP-104 in PBC patients, with topline data expected in the third quarter of 2024.

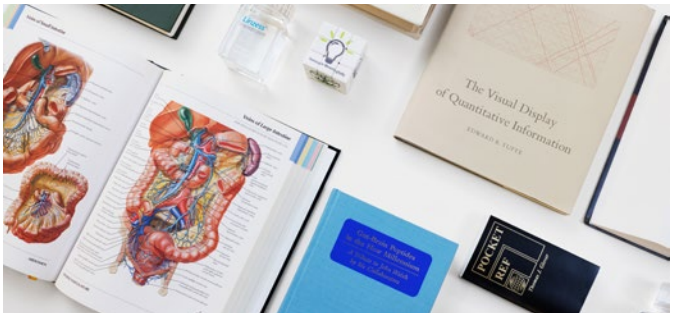
IW-3300

We are advancing IW-3300, a guanylate cyclase type C agonist, for the potential treatment of visceral pain conditions, including interstitial cystitis/bladder pain syndrome, or IC/BPS, and endometriosis. IC/BPS affects an estimated 4 to 12 million Americans, according to the Interstitial Cystitis Association as of 2022. An estimated 4 million reproductive-age women in the U.S. have diagnosed endometriosis, according to a study published in *Gynecologic and Obstetric Investigation* in 2017. Both diseases have a limited number of treatment options available. We successfully completed Phase I studies to evaluate the safety and tolerability of IW-3300 in healthy volunteers and are continuing the Phase II proof of concept study in IC/BPS.

Patient Engagement

We believe in bringing diverse patient voices to the forefront of what we do and we are committed to reducing healthcare inequities. Our clinical trials are designed to minimize patient burden and improve access to investigational drugs by all demographics. It takes diverse patient experiences to inform our strategy, and we work hard to amplify those experiences both within Ironwood and in the broader GI community. For example, we used a patient survey conducted through a third-party patient community group where the input was used to inform our clinical trial design so that we are not overly burdening patients and that the design was centered on real patients' experiences and intentional inclusion of community-based clinical sites in our clinical trials, some of which have not participated in clinical trials in the past, to recruit a more diverse patient population.

Responsible Research



Clinical Research Data Sharing

We meet industry and scientific standards in our clinical trial publication and data sharing practices and we believe providing access to such data strengthens opportunities for further scientific development and collaboration. Clinical trials results, including the results of terminated trials, when required, are published on clinicaltrials.gov. and other regional registries as required by law.

To uphold our commitments to patient privacy, we have implemented and maintain a Clinical Trial Data Sharing Policy, which requires that individual participant data that underlie the results reported in any publication of any Ironwood clinical study will be shared only after deidentification/pseudonymization.

Clinical trial data can be requested by any qualified researchers who engages in rigorous, independent scientific research, and will be provided following review and approval of a research proposal and statistical analysis plan and execution of a data user agreement. This includes access to deidentified/pseudonymized individual and trial-level data (analysis data sets), as well as other information (e.g., protocols, statistical analysis plans, clinical study report synopses).

Animal Welfare

We are committed to the ethical use of animals in medical research. All animal studies are carefully reviewed by an Institutional Animal Care and Use Committee which determines whether a proposed study is essential. We comply with the "Three Rs" (Replace, Reduce and Refine), widely accepted ethical principles that are embedded in the conduct of animal-based science.

Product Quality and Safety

The objective of the Ironwood Pharmaceutical Quality System, or PQS, is to achieve product realization, establish and maintain a state of control, and facilitate continual improvement and effective knowledge transfer/management. This objective is enabled by a robust knowledge & Quality Risk Management program and is memorialized in the Ironwood Quality policy.

Quality Policy

Ironwood maintains a Quality Policy (POL-000002, also known as a Quality Manual) which serves as the foundation of our PQS. It requires that we meet industry standards, follow Good Manufacturing Practices, or GMP, Good Laboratory Practices, or GLP, Good Pharmacovigilance Practices, or GVP, and Good Clinical Practices, or GCP (all aspects combined are frequently referred to as GxP) wherever appropriate, and achieve and maintain regulatory compliance. Our Quality Policy reinforces that quality is the responsibility of every Ironwood employee and internal contractor and assigns ultimate accountability to our CEO.

Quality Management System

Ironwood has implemented a comprehensive electronic Quality Management System, or eQMS, which facilitates the execution and documentation of all aspects of GxP activities that are required by regulations. The QMS is independently evaluated and meets global industry standards and regulatory requirements.

Elements of the Ironwood Pharmaceutical Quality System

Executive Management Responsibility

Our compliance committee, through its quarterly compliance updates, and our board of directors have ultimate accountability for Quality issues.

Quality Management Responsibility

Our Head of Quality is responsible for maintaining the performance of the PQS and has independent oversight and responsibility for all Quality matters. The Head of Quality is responsible for reporting to Executive Management on any Quality events that have the potential to impact product quality and safety. The Head of Quality is supported by a Quality Leadership Team, who are all responsible for:

- Ensuring that processes needed for the PQS are established, implemented and maintained.
- Reviewing the suitability, adequacy, and effectiveness of the PQS with the Head of Quality through Quality Management Reviews conducted at defined intervals (e.g., quarterly). This review includes assessing opportunities for improvement and the need for changes to the PQS, including the quality policy and quality objectives.
- Ensuring the promotion of awareness, training, and remediation of regulatory requirements throughout the organization.

Employee Responsibility

Ironwood's GxP employees (including internal GxP contractors), individually and collectively, are responsible for operating within the guidelines of the PQS in all relevant parts of the organization.

Self-Inspections (Internal Audits)

Periodic, risk-based internal audits are carried out to ensure that our procedures are current and suitable for their intended use, and the internal policies and procedures are being executed as written. Audit results and any corrective actions (CAPA) are communicated to functional area management and the Head of Quality.

Personnel and Training

Ironwood hires personnel who are qualified by training, education, and experience to perform their duties. The GxP Training program ensures that basic training requirements are established for all GxP employees and are intended to ensure that GxP employees are properly trained and capable of performing all required job duties in compliance with applicable laws, rules, regulations, Ironwood policies and procedures and industry best practices.

Quality Risk Management (QRM)

Ironwood's QRM program includes risk assessments and mitigation elements of all GxP activities, including those risks to computerized systems.

GxP Vendor Oversight and Management

Ironwood cross-functional technical teams assess the technical capabilities, and Quality qualifies each GxP vendor. Ironwood Quality conducts routine audits to verify compliance, quality, and adequate vendor oversight by Ironwood functional areas.

Production and Process Controls and Monitoring

Although Ironwood does not directly perform GMP manufacturing and testing on site, several procedures have been established within the Ironwood PQS to:

1. Outline the processes for ensuring GMP activities carried out at Ironwood GMP Vendors meet regulatory requirements, industry best practices and internal Ironwood standards, and,
2. Detail the GMP requirements of an Investigational New Drug, or IND, sponsor or Marketing Application Holder, or MAH, and describe how these requirements are met.

For outsourced GMP activities, Quality Agreements are established to promote patient safety, product quality, continuous drug supply and data integrity, primarily

through Vendor and manufacturing oversight. Ironwood Quality retains responsibility for disposition of finished drug products unless this responsibility has been delegated to a vendor in a Quality Agreement.

Quality Events Management

Ironwood monitors and/or maintains processes for identification and management of deviations, change management, out-of-specification and out-of-trend results and investigations.

Corrective and Preventive Action

Inputs from process performance and product quality monitoring, deviations, product rejections, investigational product complaints, internal and external audits, and regulatory inspections are evaluated for level of risk, and are assessed and trended to determine the necessity of corrective and/or preventive actions. The CAPA approach is intended not only to correct or prevent recurrence or occurrence of an issue, but also to result in improvements in Ironwood product, processes, and Quality systems.

Commercialization

Commercial Labeling, Marketing, Promotions and Advertising

A process is defined for commercial product labeling development, review, and approval. Quality Operations is responsible for approving product labeling and oversight of the development, review, and approval process. Responsibility for compliance oversight of marketing, promotions and advertising lies with the Corporate Compliance function, including establishing and documenting procedures for marketing activities which comply with applicable law, regional requirements, and training qualified personnel on those procedures.

Commercial Drug Distribution and Returns

Ironwood applies the same quality principles to drug distribution and returns as it does to other manufacturing activities. The key quality activities include Third Party Logistics, or 3PL, provider qualification, and subsequent ongoing oversight. Drug distribution processes, policies and procedures are established that are designed to meet applicable laws, rules, regulations and product pedigree requirements for product returns and reporting.

Product Process Quality Monitoring

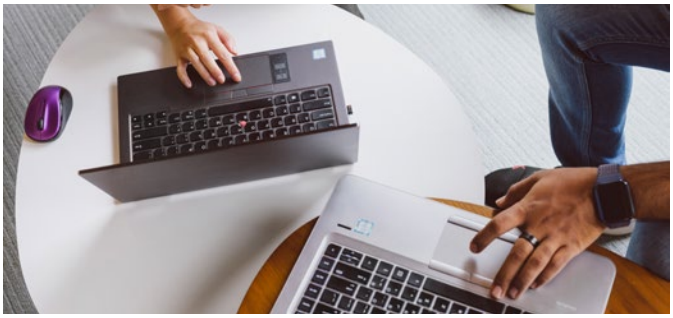
Critical, key and selected non-critical process parameters, material attributes, critical in-process controls, and critical quality attributes are continuously monitored, trended, and analyzed during commercial manufacture to assure product quality and that the process remains in a state of control. Process performance and product quality monitoring information is captured in product reviews that are generated on a routine basis.

Product Quality Complaint, Field Alert and Recall

Product Complaint, Field Alert and Recall processes are established to ensure product quality and patient safety during marketing of commercial products. In instances when a Field Alert, or FAR, or Product Recall action is required for a distributed, commercial product(s) for which Ironwood holds the regulatory responsibility (i.e., Marketing Authorization Holder), Quality is responsible for initiating Ironwood's process and monitoring progress, ensuring that all planned actions have been completed and communicated to applicable health authorities in a timely manner.

Our Strong Oversight

Cybersecurity



Ironwood has a multilayered framework for assessing, identifying, detecting and responding to reasonably foreseeable cybersecurity risks and threats. To protect our information technology, or IT, systems from cybersecurity threats, we use various security tools that help prevent, identify, escalate, investigate, resolve and recover from identified vulnerabilities and security incidents in a timely manner. In the event of a material change to our systems or operations, we would conduct an assessment of the internal and external threats to the security, confidentiality, integrity, and availability of our data and systems, along with other material risks to our operations. We leverage third-party security services for audit, benchmarking, and improvement and use various tools and methodologies to manage cybersecurity risks that are tested regularly, including a cybersecurity assessment guided by the National Institute of Standards and Technology, or NIST, cybersecurity framework and ongoing security awareness training. We oversee third-party service providers by conducting vendor diligence upon onboarding and ongoing monitoring. Vendors are assessed for risk based on the nature of their digital footprint, company profile, domain name services health, internet protocol reputation, external access threats and social engineering landscapes, based on that assessment, we conduct diligence that may include completing security questionnaires, onsite evaluation, and scans or other technical evaluations. We also monitor and evaluate our cybersecurity posture and performance on an ongoing basis through regular vulnerability scans, simulated phishing tests, penetration tests, and threat intelligence feeds. The results of these assessments are reported to the Audit Committee of the Board of Directors.

We have developed an incident response plan designed to coordinate the activities that we and our third-party security service provider take to prepare to respond and recover from cybersecurity incidents, which include processes to triage, assess severity, investigate, escalate, contain, and remediate an incident, as well as to comply with potentially applicable legal obligations and mitigate any reputational damage.

The company's Chief Information Officer, or CIO, is responsible for developing and implementing our information security program and reporting on cybersecurity matters to the Audit Committee of the Board of Directors and management. Our CIO has over 20 years of cybersecurity experience in various roles involving information security, developing cybersecurity strategies, and implementing cybersecurity programs.

Our Board of Directors is responsible for overseeing our enterprise risk management activities in general, and each of our Board committees assists the Board in the role of risk oversight. The Audit Committee of the Board of Directors oversees our cybersecurity risk and receives regular reports, with a minimum frequency of once per year, from our CIO on various cybersecurity matters, including risk assessments, mitigation strategies, areas of emerging risks, incidents and industry trends, and other areas of importance. Promptly after becoming aware of a material cybersecurity incident affecting our IT systems or data, the Audit Committee would work with management to formulate a mitigation plan and review compliance with such plan, as well as to ensure compliance with any external regulatory or disclosure requirements, including any disclosures of material cybersecurity breaches.

Ethics and Compliance

At Ironwood, compliance starts with, and is the responsibility and continuing obligation of, each Ironwood employee, officer, director, contractor or other third parties acting on behalf of Ironwood (Ironwood Representatives). We rely upon and expect that Ironwood Representatives will conduct themselves in compliance with Ironwood policies, and applicable laws, rules and regulations.

Comprehensive Compliance Plan

In an effort to ensure that Ironwood Representatives remain abreast of and informed about these policies, and the laws, rules and regulations that impact and govern our business, Ironwood has developed a Comprehensive Compliance Plan (the Compliance Plan).

In addition to providing training and education, the Compliance Plan is designed to monitor, detect, correct, and as necessary take disciplinary action, in respect of activities or practices that do not comply with the law or Ironwood policies and expectations. The ultimate goal of the Compliance Plan is to ensure that Ironwood Representatives have the knowledge and resources necessary to comply with these policies, laws, rules and regulations. In developing the Compliance Plan, reference was made to and reliance placed upon the Compliance Program Guidance for Pharmaceutical Manufacturers issued in April 2003, as amended to date, by the Office of Inspector General of the Department of Health and Human Services (Compliance Program Guidance), the Pharmaceutical Research and Manufacturers of America (PhRMA) Code on Interactions with Healthcare Professionals, effective as of July 1, 2002, as amended to date (the PhRMA Code), the Prescription Drug Marketing Act, relevant guidelines of the American Medical Association, the guidelines of the Accreditation Council for Continuing Medical Education (ACCME), and other guidance issued by the U.S. Food and Drug Administration and other government agencies. A current copy of our Comprehensive Compliance Plan is available on the Corporate Governance page of the Investors section of our website.

Ironwood Code of Conduct and other Policies and Procedures

Ironwood has adopted a written Code of Business Conduct and Ethics that provides a general statement of the expectations of Ironwood regarding the ethical standards by which Ironwood Representatives are to adhere when acting on behalf of Ironwood. Although not a member of PhRMA, Ironwood supports and has implemented written policies and procedures that are consistent with the requirements of the PhRMA Code. A current copy of our Code of Business Conduct and Ethics is available on the Corporate Governance page of the Investors section of our website.

In addition, Ironwood has implemented various written policies and procedures designed to ensure compliance with applicable legal and regulatory requirements governing the advertising and promotion of pharmaceutical products as set forth in, without limitation, the Federal Food, Drug and Cosmetic Act, the False Claims Act, the Federal Anti-Kickback Statute, Compliance Program Guidance, the American Medical Association's Code of Professional Ethics Opinion 8.061 on Gifts to Physicians from Industry, Section 6002 of the Patient Protection and Affordable Care Act, commonly known as the Physician Payment Sunshine Act, and various privacy laws, as well as other and applicable international, federal and state laws. Ironwood Representatives are expected to comply with the Ironwood Code of Business Conduct and Ethics, the PhRMA Code, and any and all compliance policies and procedures applicable to their function at, and activities performed on behalf of, Ironwood.

Compliance Officer and Compliance Committee

Ironwood has appointed a Head of Compliance to serve as a focal point for compliance activities and has established a compliance committee that is chaired by the Head of Compliance. In addition to the Head of Compliance, other Standing Members of the compliance committee include the Ironwood CEO, Chief Business Officer, Chief Legal Officer, Chief Financial Officer and Chief Medical Officer.

Compliance Training and Education

Ironwood is committed to developing and providing Ironwood Representatives with effective compliance training. This training includes both new hire training as well as mandatory annual training on the Ironwood Code of Business Conduct and Ethics, as well as other company policies and procedures governing the conduct of Ironwood Representatives, and applicable international, federal and state laws, rules and regulations as is relevant for the particular job function.

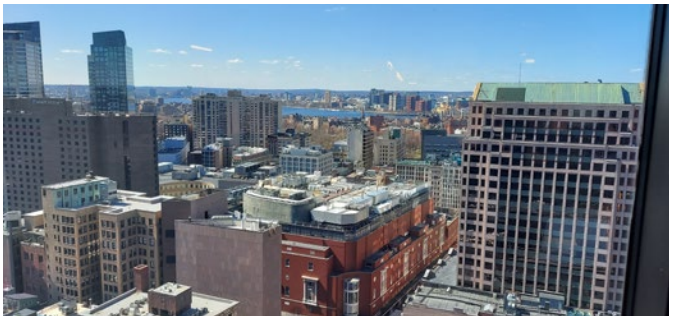
Monitoring and Auditing

To assess the efficacy of Ironwood's training and education program, as well as to confirm that Ironwood Representatives are acting in the expected compliant manner, Ironwood will periodically perform monitoring and auditing activities designed to evaluate compliance with company policies and applicable laws. The nature, frequency and extent of these reviews may vary according to factors such as internal risk assessments, regulatory requirements and developments, and changes in Ironwood's business practices. The compliance committee annually reviews and approves the monitoring and auditing plan.

Employee Communications

Ironwood has developed and implemented a written Policy on Reporting Suspected Law and Company Policy Violations in an effort to promote the prevention, detection, reporting and correction of unlawful or improper conduct. Under this Policy, Ironwood Representatives are obligated to report any actual or suspected violation of law, regulation or company policy involving any Ironwood Representative to their managers, or to the Compliance, Legal or Talent, Team and Culture Departments. In addition, Ironwood Representatives are free to report concerns anonymously 24 hours a day, 7 days per week through the Ironwood Compliance Hotline. No retaliation will be taken against any Ironwood Representative for a good faith report of what they honestly believe to be an actual or suspected violation.

Environmental Stewardship



Our impact on the environment matters to us and to our stakeholders. We continuously seek ways to use resources efficiently and to reduce our overall environmental footprint. For example, when we selected our new headquarters facility in 2019, we prioritized proximity to public transportation to enable the opportunity for employees to utilize alternative modes of commuting. We also furnished our headquarters facility with furniture that contains an estimated 52% recycled materials and meets BIFMA's LEVEL sustainability certification standards. As per our commitment to reduce resource consumption by practicing efficient use of energy, we have invested in various resource efficient technologies at our facilities, including:

- High efficiency LED light fixtures
- Automated lighting system, lowering energy consumption
- Elimination of hazardous chemical storage at our headquarters facility
- Automated water dispensing systems in all restrooms, lowering water consumption / processing
- Automated HVAC schedule allowing occupied and unoccupied modes, lowering power consumptions

As part of our ongoing efforts to reduce all types of waste, we have implemented the following initiatives:

- Plastics Recycling
- Paper Recycling
- 90% On-site Paper Elimination

Through initiatives such as these, we demonstrate Ironwood's strong belief in environmental sustainability and our organization's drive to lessen the impacts of climate change.

About This Report

This report, published in April 2024, covers data and activities undertaken from January 1, 2023 through December 31, 2023, and in certain instances, activities undertaken and events that have transpired to date in 2024 or prior to 2023. All presentations of data denote the time period covered.

The disclosures in this report were informed by the recommendations of the Sustainability Accounting Standards Board biotechnology and pharmaceuticals standard. Relevant topics addressed include clinical trial safety, product safety, business ethics, and employee recruitment, development, and retention.

The inclusion of information and data in this report is not an indication that such information or data, or the subject matter of such information or data, is material to Ironwood for purposes of applicable securities laws or otherwise. The principles used to determine whether to include information or data in this report do not correspond to the principles of materiality or disclosure contained in U.S. securities laws used to determine whether disclosures are required to be made in filings with the U.S. Securities and Exchange Commission, or SEC, or principles applicable to the inclusion of information in financial statements. The data contained herein are not based on generally accepted accounting principles and are not independently audited. Statements contained in this report regarding our corporate responsibility and ESG goals and future plans are aspirational and not guarantees or promises that such goals will be met or future plans achieved.

Ironwood Pharmaceuticals, Inc.
2023 Environmental, Social and Governance Report

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