

Our 2022 Gender Pay Gap report

At Biogen, our mission is clear: we are pioneers in neuroscience. Since our founding in 1978 as one of the world's first global biotechnology companies, Biogen has led innovative scientific research with the goal over the last decade to defeat devastating neurological diseases and we have remained steadfast to our credo of **Caring Deeply. Working Fearlessly. Changing Lives.™**

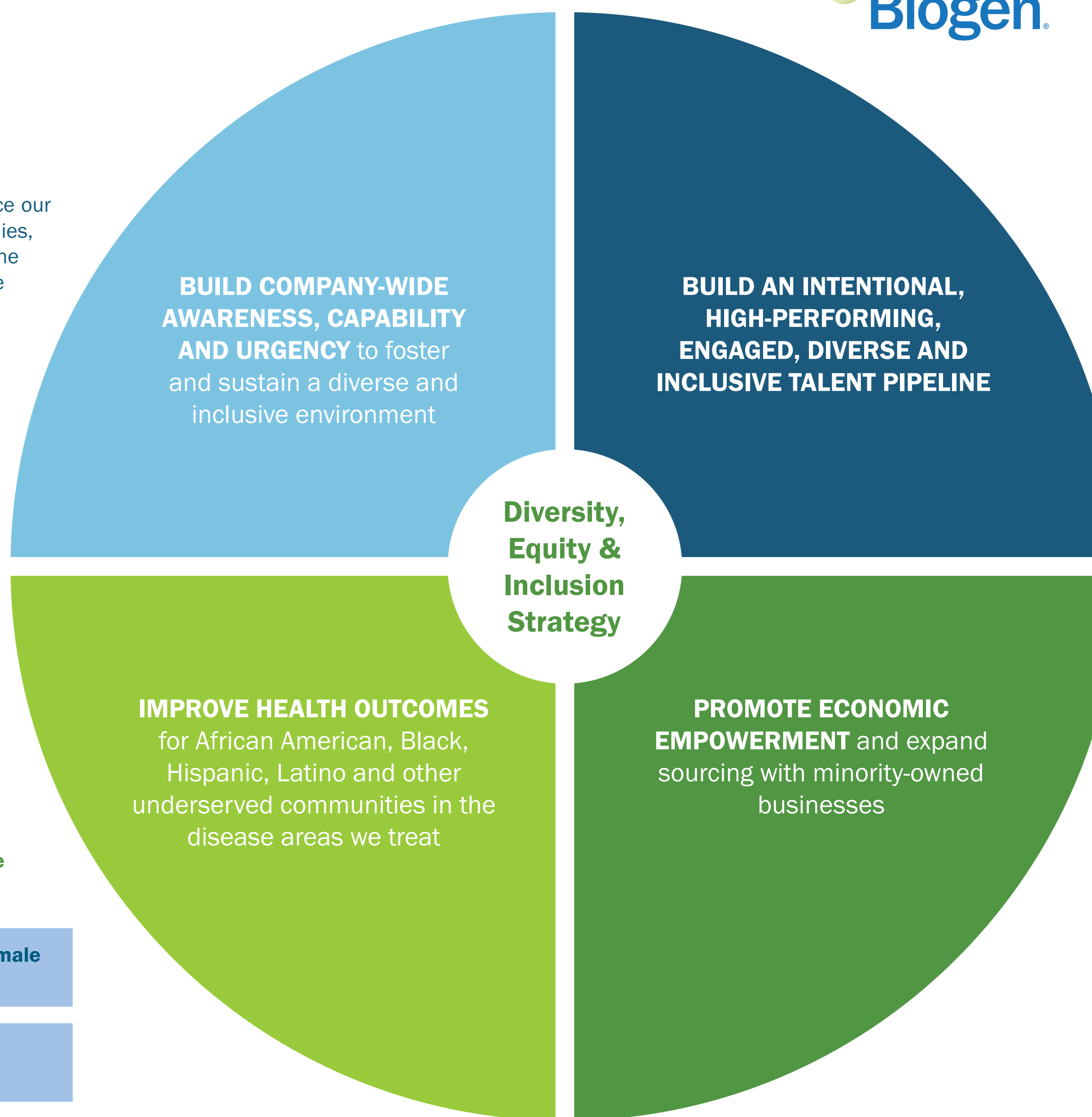
Biogen believes that having a diverse and inclusive workplace allows us to empower our UK workforce, foster innovation, and achieve better outcomes for our patients. It leads to better teamwork and collaboration, creates a climate of respect and trust, reinforces cultural awareness and helps to drive success with our patients, providers, and suppliers. We embrace talent from all backgrounds and foster a work environment where all employees feel inspired to do their best work. By advancing the power of diversity, we will continue to strive to be a company of choice for employees and succeed in our mission to be pioneers in neuroscience.

Our global Diversity, Equity & Inclusion (DE&I) strategy is made up of 4 key aspects

One of the measures that we use to track how we deliver on our commitment to build and develop diverse talent is our gender diversity and our gender pay gap. The UK gender pay gap legislation requires that all UK employers (legal entities) with 250 or more relevant employees (i.e. typically who ordinarily work in the UK and whose contracts are subject to UK legislation) must report on six statistics:

- 1 The difference in mean 'hourly rate of pay' between male and female 'full pay relevant employees' (as at 5 April 2022)
- 2 The difference in median 'hourly rate of pay' between male and female 'full pay relevant employees' (as at 5 April 2022)
- 3 The proportion of men and women in each hourly pay quartile (as at 5 April 2022)
- 4 The difference in mean 12 month 'bonus' pay between all male and female 'relevant employees'
- 5 The difference in median 12 month 'bonus' between all male and female 'relevant employees'
- 6 The proportion of men and women receiving bonuses (% of total 'relevant employees') (as at 5 April 2022)

We confirm that the content of this report is true to the best of our knowledge and belief.



How our figures compared to the UK average

Our mean gender pay gap in 2022 of 9.0% is lower than the UK average. The UK mean gender pay gap was 13.9%* based on the latest information available when this report was published and the average for the Biotech industry was 28.8%.

*2022 UK disclosures (latest figures available as November 2022) – source GOV UK

Our 2022 UK gender pay gap

Since 2021, our pay and bonus gaps have increased slightly. This is primarily because the proportion of women in higher paid positions at the company decreased. As we recognised in our 2021 report, due to our size, our figures will be volatile and we are focused on meaningful initiatives that will foster a diverse talent pipeline, rather than year-on-year changes.

When analysing our data, we created a series of scenarios to assess how small changes have big impacts on our gap. We found that hiring just one female* at our most senior grade would reduce our mean hourly pay gap by almost 1%. Hiring* a single male intern reduced the same figure by 0.5%.

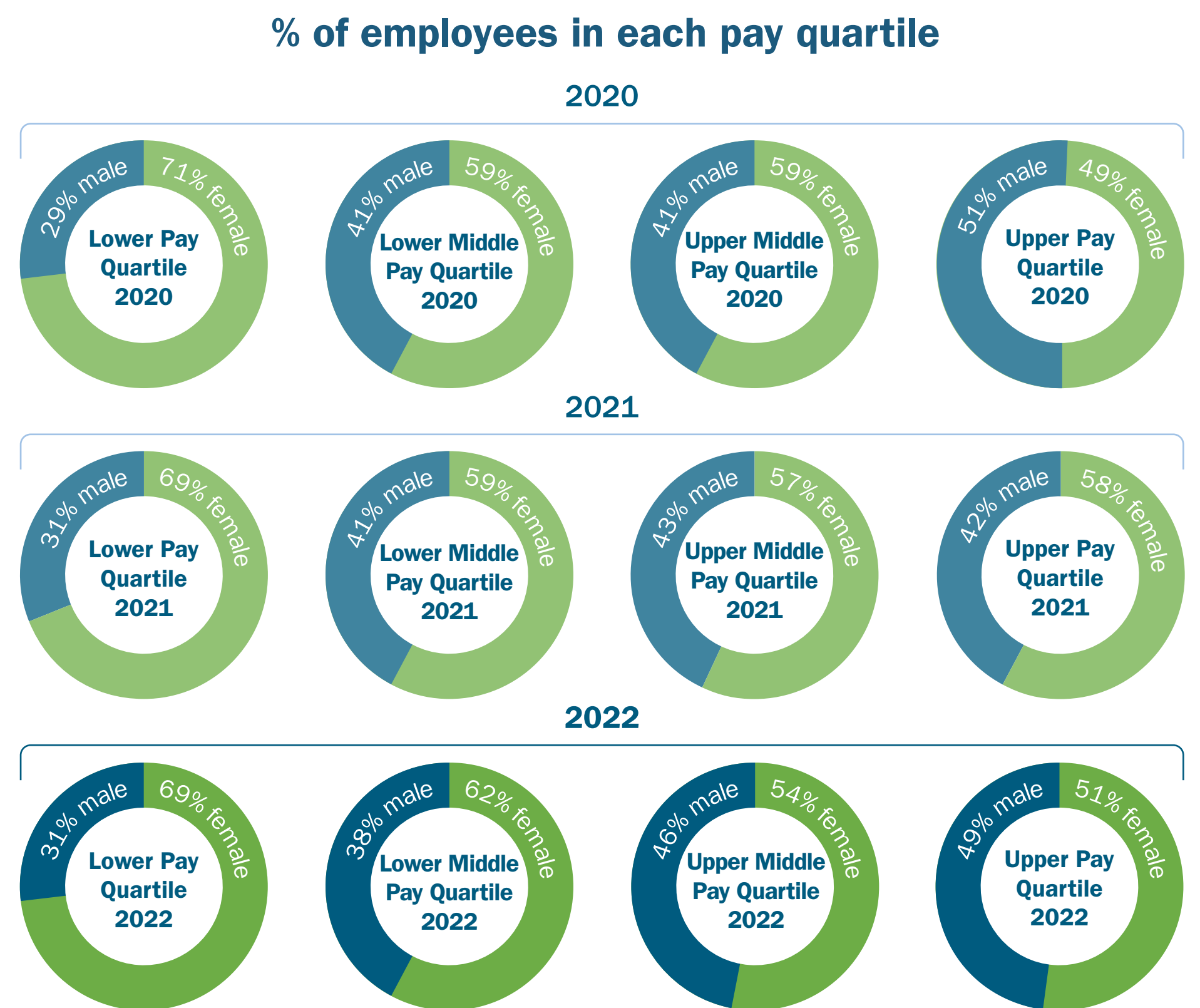
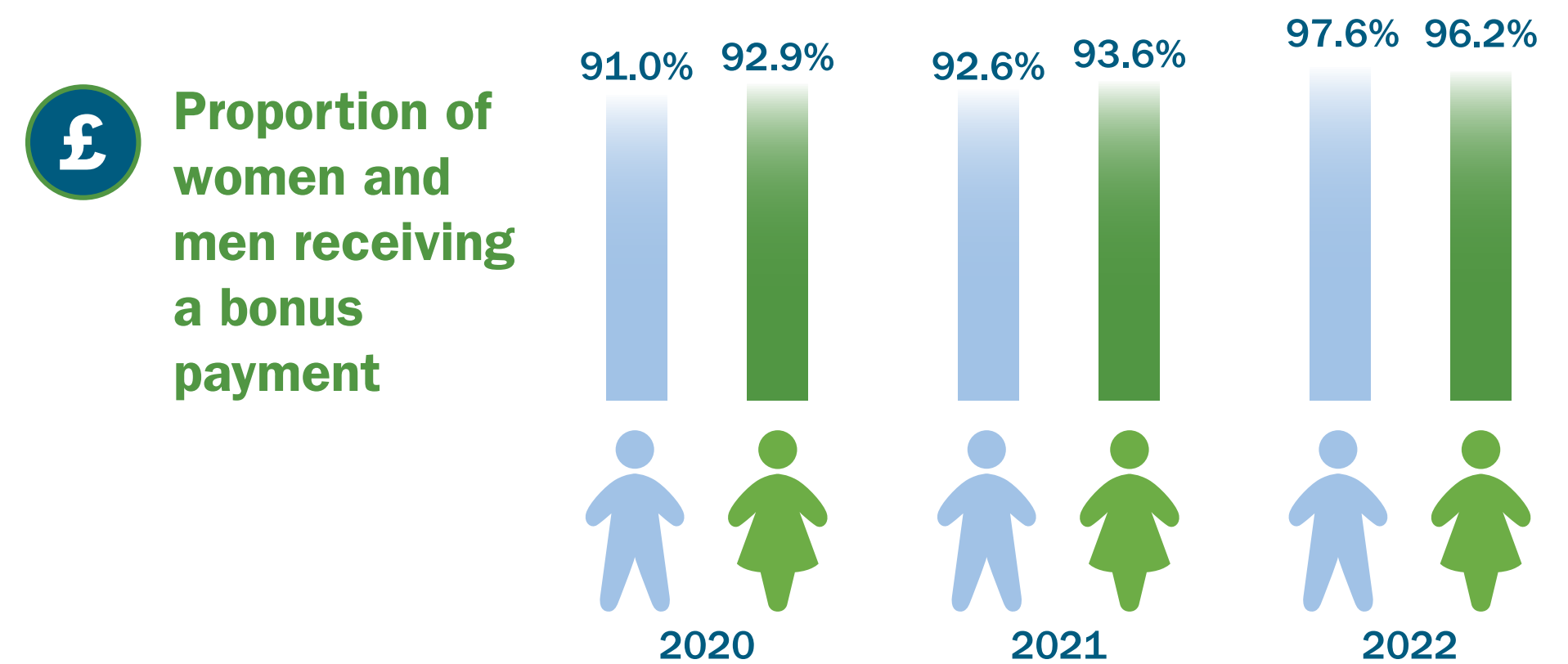
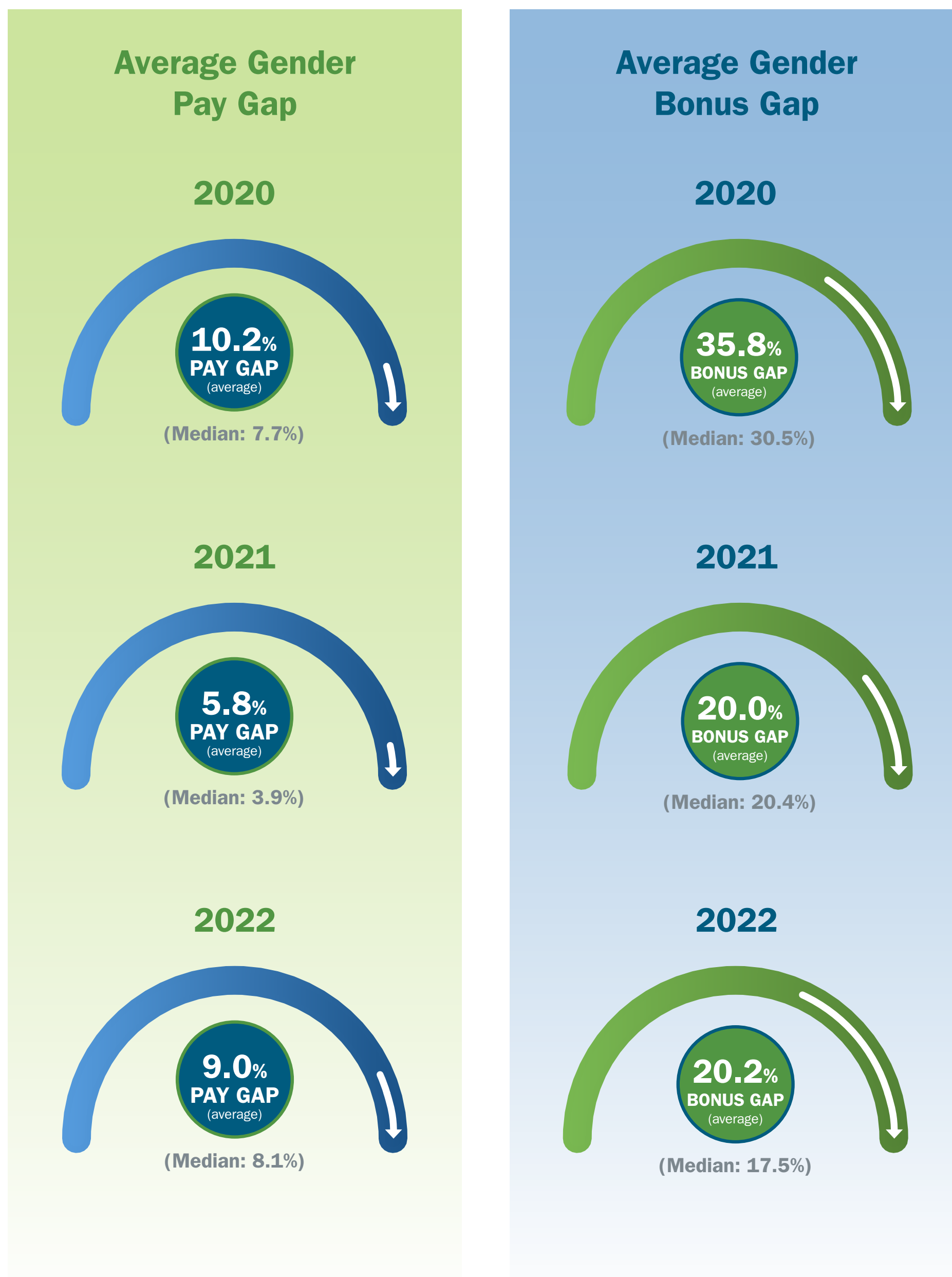
This demonstrates that attracting and developing diverse talent requires continued focus – even if we were to bring our gap close to zero.

* Where proxy employees were used, an average of pay data from the same grade has been used for their salary

What we're doing to reduce our gap

In 2021, we introduced the following initiatives in response to our gender pay gap:

- Gender balanced job descriptions
- Diverse Slate, an initiative to fill vacancies using a diverse pool of qualified candidates
- Our Talent Acquisition team stopped asking salary expectations of candidates and instead uses salary benchmark data to create an offer
- “Go for it” training was made available to everyone on how to review a job description for an internal vacancy and consider whether to apply based on their current skills.



About the figures

What is the gender pay gap? Is it the same as equal pay?

A gender pay gap is the difference between the pay of all men in an organisation and the pay of all women in an organisation – it's a collective comparison regardless of specific roles.

A gender pay gap and equal pay are not the same.

An equal pay gap is the difference in pay between men and women performing equivalent roles within an organisation – it's a comparison within equivalent roles.

What is the gender bonus gap?

The gender bonus gap is calculated by working out the difference between the bonus pay of all female employees and the bonus pay of all male employees during the year and dividing that number by the bonus pay of all male employees.

A negative figure would mean that the bonus pay for male employees is less than the bonus pay of female employees.

What is the mean gap?

The mean is all pay/bonuses added together and divided by the number of employees.

What is the median gap?

The median is the mid-point between the highest and lowest hourly pay rate/annual bonus payments.

What are quartiles?

The legislation requires all companies to publish details of gender distribution across their range of hourly pay rates, by ranking employee pay rates from highest to lowest and dividing the range of pay into four equally sized groups covering all employees. These groups are known as quartiles.

What do the pay gap calculations include?

The pay gap calculations are based on what the employees were actually paid during the month of April.

This includes:

- 'Ordinary pay' (basic pay, allowances etc)
- 'Bonus pay' (bonus, sales commission, company stock options) paid or vested in the month of April
- Note that if an employee makes any salary sacrifice payments (i.e. to pension, childcare vouchers or cycle to work) then these amounts are deducted.

These payments are added up and divided by the number of hours worked during the month for each employee to determine their hourly rate.

Note that any employees who were being paid at a reduced rate during April due to being on leave (e.g. due to maternity leave, parental leave or sick leave) are *excluded* from the pay gap calculations but *included* in the bonus gap calculations.

What do the bonus gap calculations include?

The bonus gap statistics are based on what the employees were paid in bonus in the 12 months prior to 5th April. This includes any award of cash, vouchers or shares/RSUs relating to performance, commission, profit sharing, incentive or productivity.



Nikki Fisher
On behalf of Biogen Idec Ltd

