

Our 2023 Gender Pay Gap report

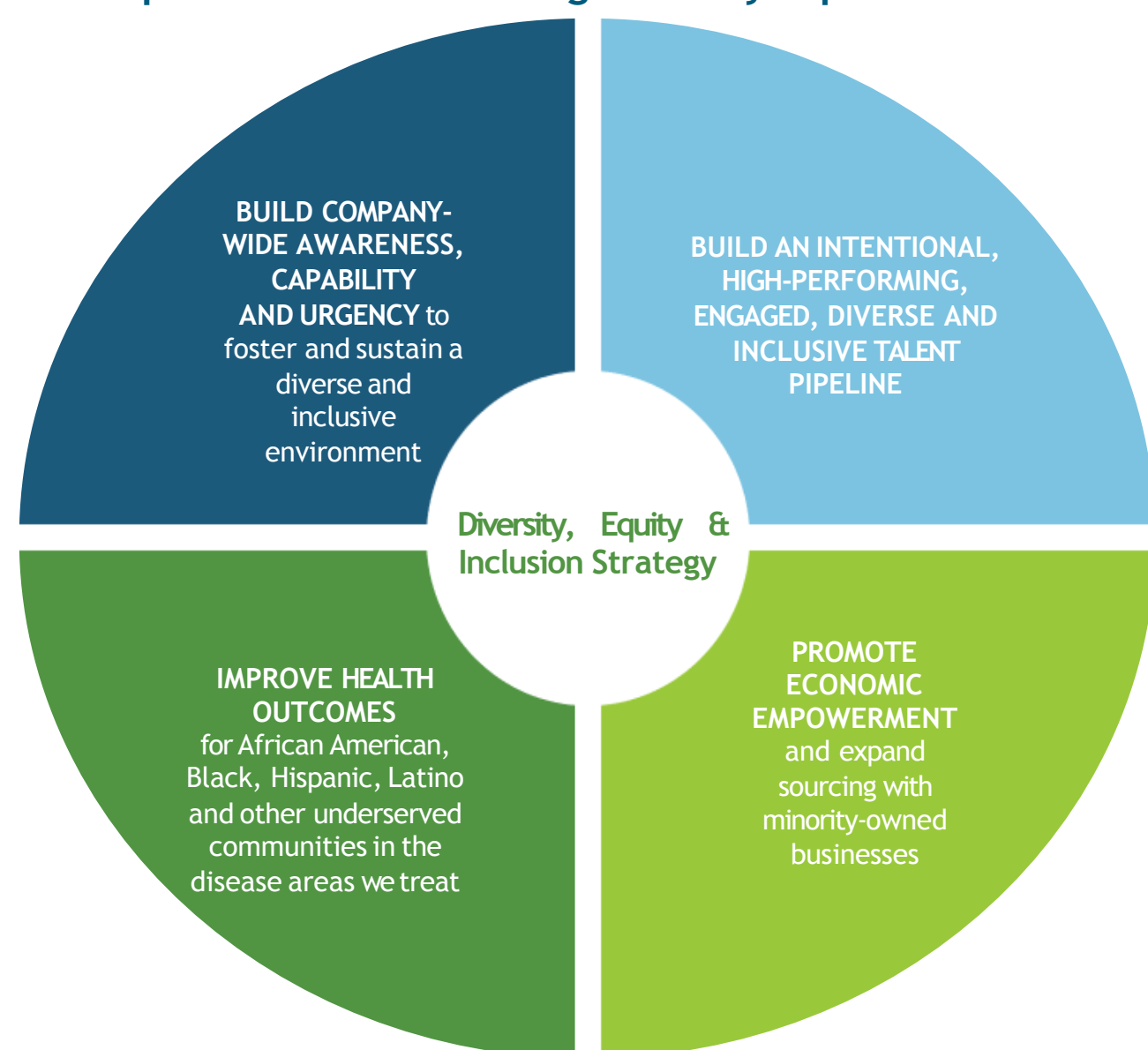
Founded in 1978, Biogen is a leading global biotechnology company that has pioneered multiple breakthrough innovations for people living with serious neurological diseases as well as related therapeutic adjacencies. Biogen has a portfolio of medicines and potential therapies across neurology, neuropsychiatry, specialised immunology and rare diseases and remains acutely focused on its purpose of serving humanity through science while advancing a healthier, more sustainable and equitable world.

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

As a company that pioneers science for the betterment of humanity, Biogen believes that any form of prejudice, racism or intolerance is unacceptable and has no place at our company.

To advance our mission, we seek to engage the world's brightest minds, and have long prioritised diversity, equity and inclusion (DE&I) not only as a moral imperative, but as a competitive strength. We continue to advance our diversity, equity and inclusion (DE&I) strategy, which is comprised of the following four key aspects:



How we measure our gender pay gap

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 states that all UK employers (legal entities) with 250 or more 'relevant employees' (i.e. typically who ordinarily work in GB and whose contracts are governed by 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 2023)
- 2 The difference in median 'hourly rate of pay' between male and female 'full pay relevant employees' (as at 5 April 2023)
- 3 The proportion of men and women in each hourly pay quartile (as at 5 April 2023)
- 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 2023)

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

Our 2023 UK gender pay gap

Since 2022, our mean pay gap has stabilised and the median gap has reduced. This is because the proportion of women in lower middle-income positions has decreased slightly since 2021, with an increase in the proportion of women in higher paid positions. As we recognised in our previous reports, 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.

We modelled what our gender pay gap would be if there were an equal proportion of men and women at each level of the company in order to remove the portion of the gap attributable to employee distribution.

- The mean pay gap falls from 9.1% (actual) to 0.7% (adjusted) in 2023 when we run this analysis. This suggests that distribution could explain a large portion of our existing pay gaps. With an equal proportion of men and women at each level, men are on average paid 0.7% more than women.
- The mean bonus gap falls from 16.1% (actual) to 1.5% (adjusted) in 2023. Adjusting the proportion of men and women does reduce the bonus gap, but there is still a small difference in favour of male bonus pay.

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

How our figures compare to the UK average

Our gender pay gap in 2023 is lower than the UK average. The UK average mean gender pay gap was 12.2%* based on the latest information available when this report was published. Our mean pay gap is 9.1%. This is also lower than the average for the Biotech industry, which is 15.2%.

Our bonus gap in 2023 is also lower than the UK average. The UK mean bonus gap was 31.5%*. For Biogen, our mean bonus gap is 16.1%, which is a decline on 2022 and 2021 where our gap was 20.2% and 20% respectively. The average for the Biotech industry is 36.2%.

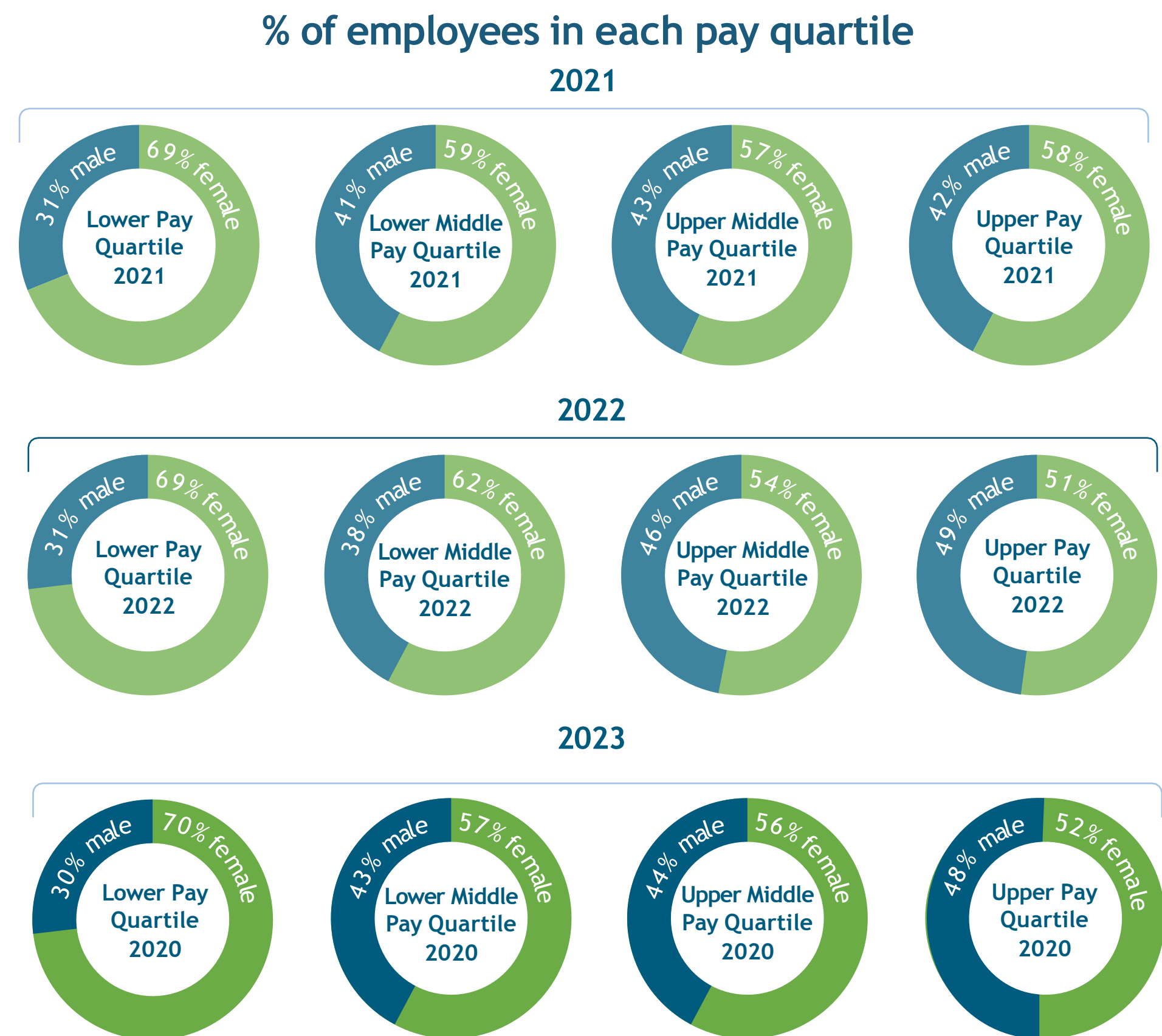
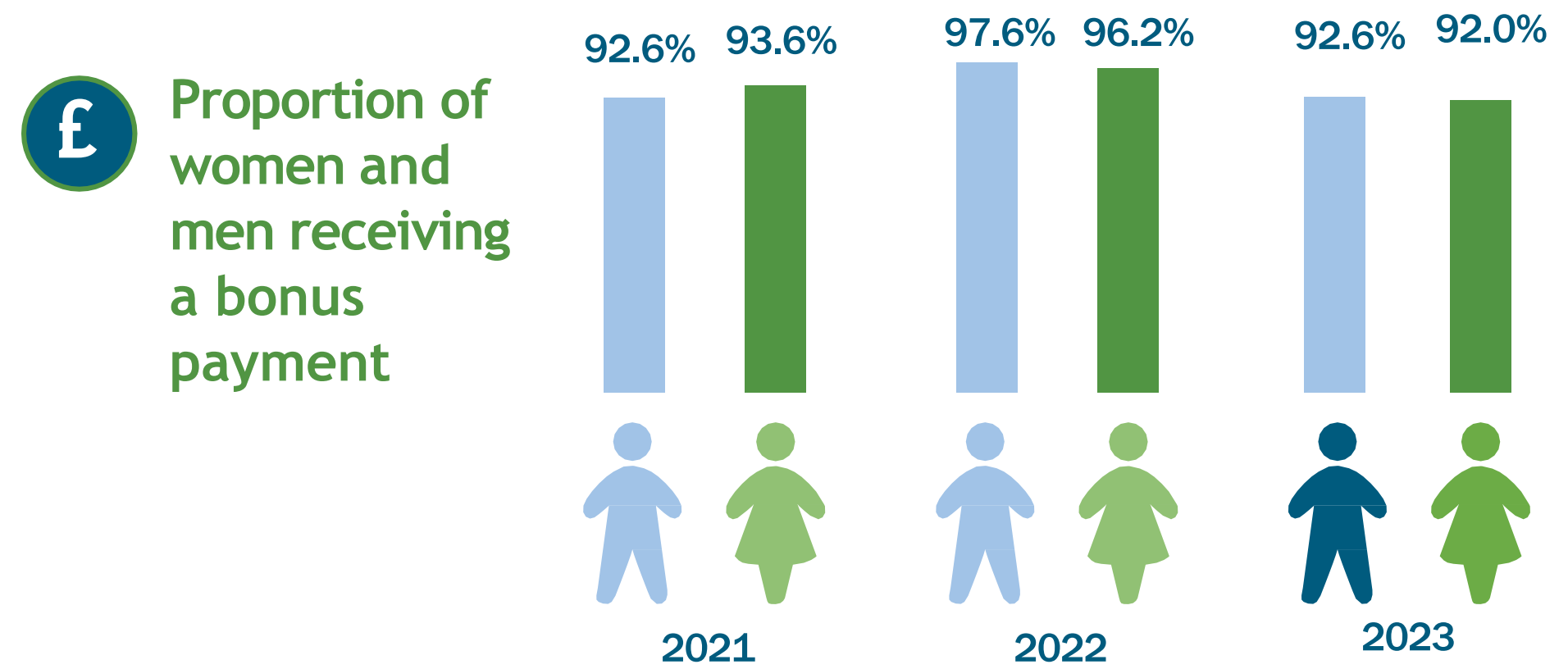
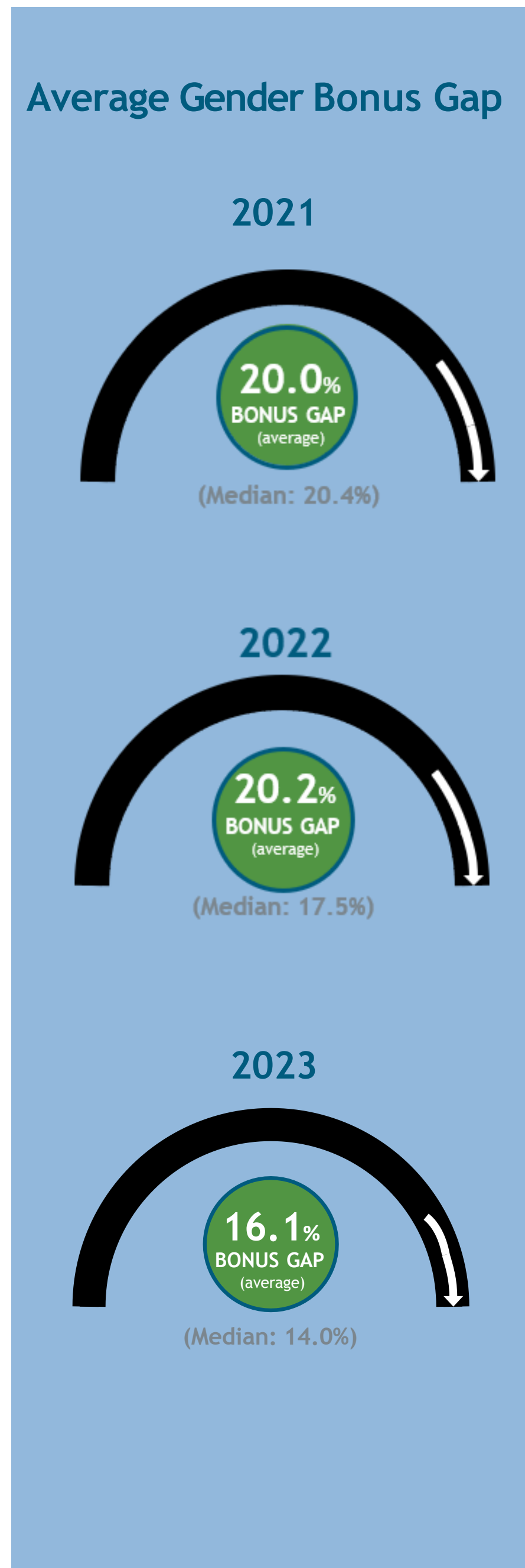
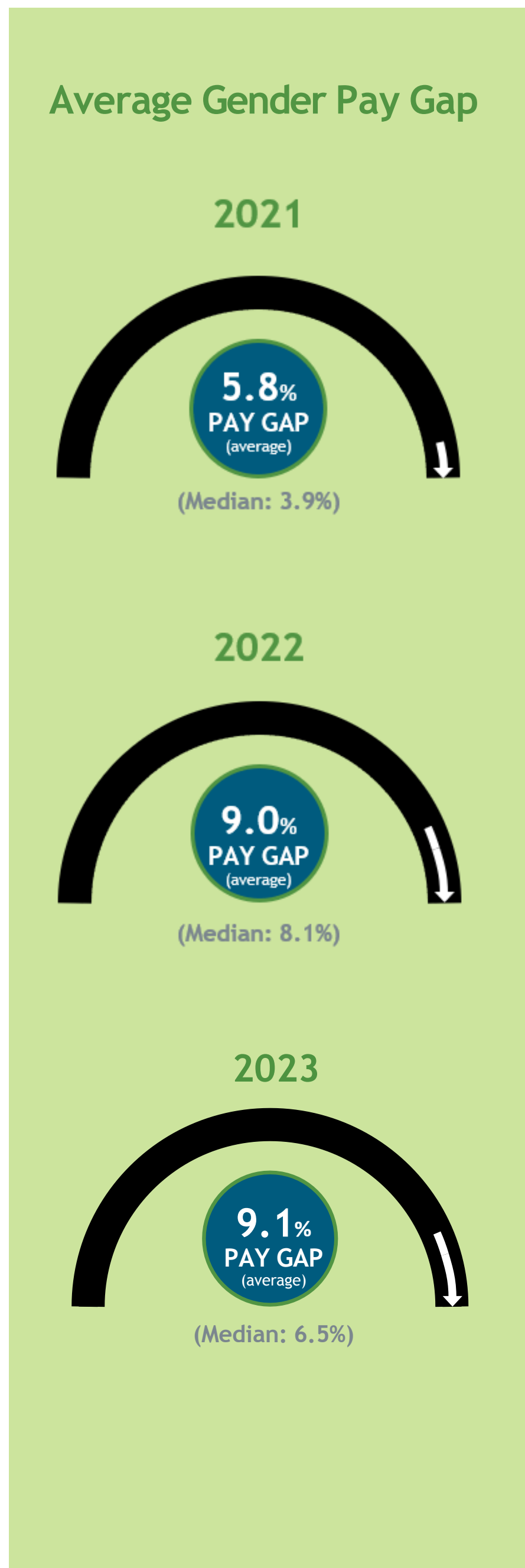
What we're doing to reduce our gap

Our approach to Diversity Equity & Inclusion and our culture has matured during the past several years – and we continuously evolve to meet the expectations of our employees, patients and the communities we serve. We introduced the following initiatives in response to our gender pay gap:

- Gender balanced job descriptions, language in any job description is reviewed against I&D principles before starting the hiring process going forward.
- 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.
- Family leave policies -benefit review of all Family Leave policies against benchmarks

As well as this, Biogen has an active Employee Resource Network community and our Women’s Impact Network (WIN) are actively engaged in championing inclusion and engagement across Biogen. WIN supports women at Biogen to create togetherness through connection, inspiration and development. With a goal to provide meaningful virtual events, development opportunities and resources for all employees. WIN is dedicated to fostering an inclusive community committed to wellness, allyship, coaching/mentoring, and networking in partnership with the Business.

In recognition of our efforts, we are proud to be named a Great Place to Work™ for [Women](#) and the highest-ranking biotech/pharma company in the large company category. Receiving this award is testament to the work taking place across the organisation to support a diverse and inclusive culture.



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

