

Our 2019/20 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

BUILD AWARENESS, CAPABILITY AND URGENCY TO ACT – through education and training of all employees

BUILD INTENTIONAL TALENT – with the expectation to have a diverse leadership team, including members of underrepresented communities

Diversity, Equity & Inclusion Strategy

IMPROVE HEALTH OUTCOMES – delivered through our innovative research and goals to increase representation of underserved populations

ECONOMIC EMPOWERMENT – by increasing spending with minority owned businesses, and using minority owned institutions

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'
- 2 The difference in median 'hourly rate of pay' between male and female 'full pay relevant employees'
- 3 The proportion of men and women in each hourly pay quartile
- 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')

The UK gender pay gap is a measure that shows the difference in average earnings between women and men (taking into account applicable pay and bonuses).

This is different from equal pay, which is the long-standing principle that men and women in the UK are legally entitled to receive equal pay if they are performing equal work.

For us, the gender pay gap is not just an administrative exercise; it is fundamental to us being a diverse and inclusive workplace that lives up to the challenge of improving people's lives. Now that we have this data, we intend to make real progress over time in reducing our gender pay gap across Biogen in the UK.

As DE&I is so important to us, we have engaged a third party to calculate our figures this year and to review our 2019 pay gap analysis. As part of their review, we have revised our approach for analysing the gender pay gap. So, in addition to our gender pay gap figures for employees employed on 5th April 2020, this report also contains corrected figures for employees employed on 5th April 2019. The revised 2019 reporting figures increased our bonus gap from what was initially disclosed, primarily due to revisiting the payments defined as a bonus and the definition of who is classified as an employee. We now include Sign on Bonuses, Applause Awards, Big Awards, Referral Bonuses, RSUs and Sales Bonuses in our data. There is also a small difference in the updated pay gap figure.

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

Our 2020 UK gender pay gap

Our gender pay gap in 2020 is slightly lower than the UK average. The UK average gender pay gap is 13.7%* based on the latest information available. For Biogen, our mean gender pay gap now stands at 10.2%; this is down from 15.7% in 2019.

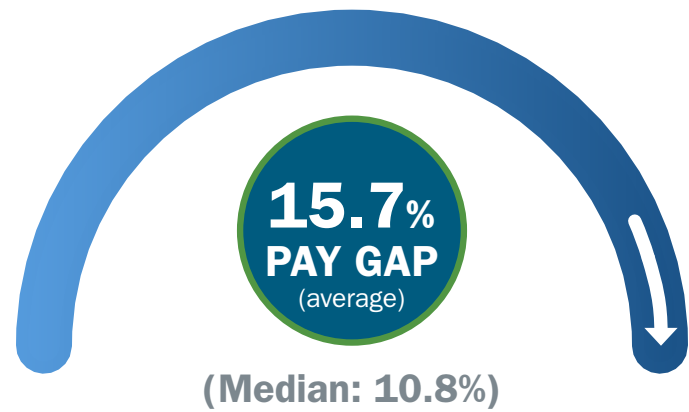
Our median gender pay gap for 2020 was 7.7% compared with 10.8% in 2019.

Our bonus gap is slightly lower than the UK average. The UK mean bonus gap was 35.9%*. For Biogen, our mean bonus gap is 35.8%, slightly lower than 2019 where it was 37.1%.

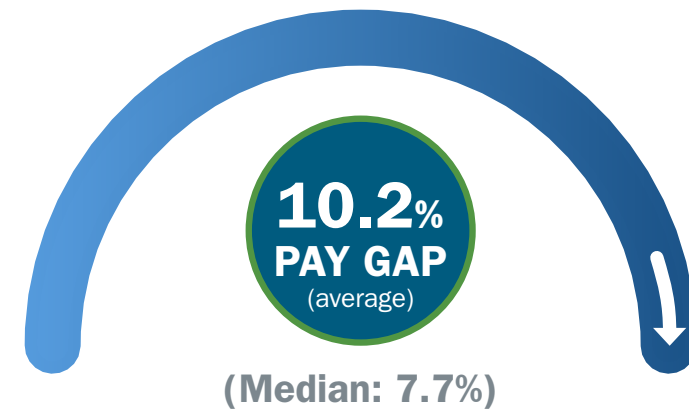
Our median bonus gap was 30.5%, compared with 33.0% in 2019.



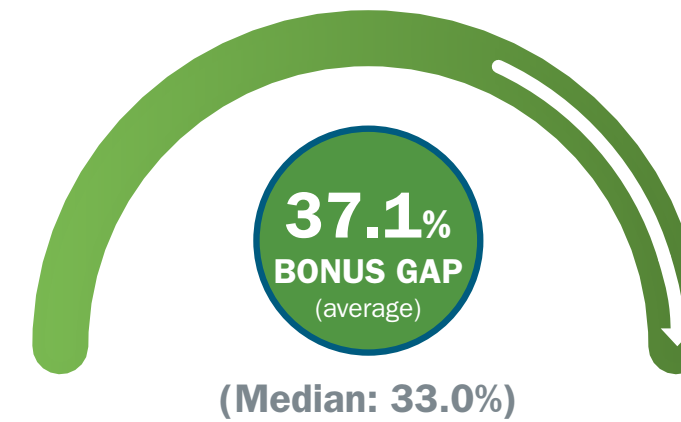
Average Gender Pay Gap in 2019



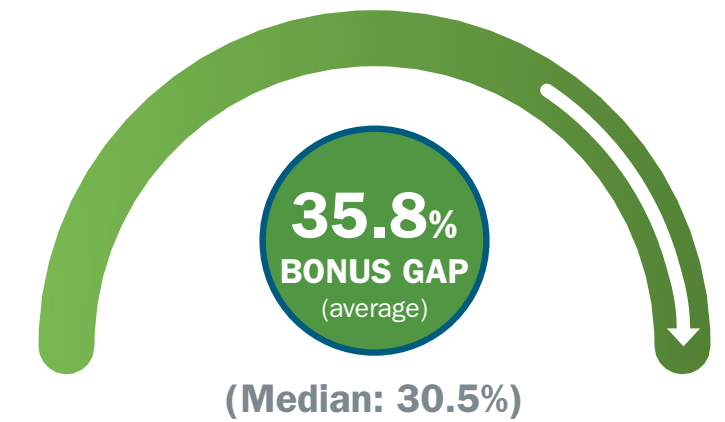
Average Gender pay Gap in 2020



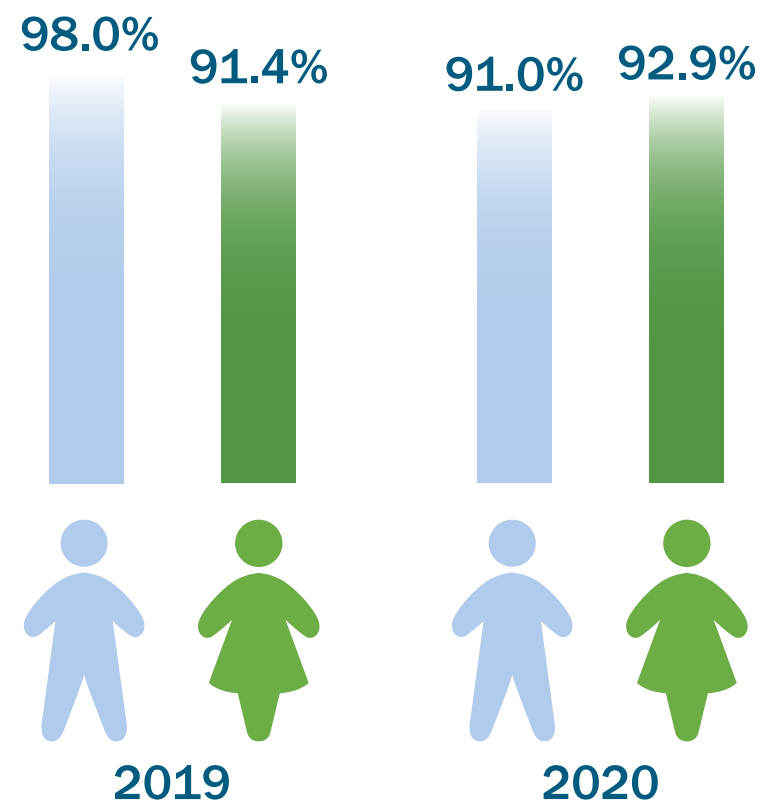
Average Gender Bonus Gap in 2019



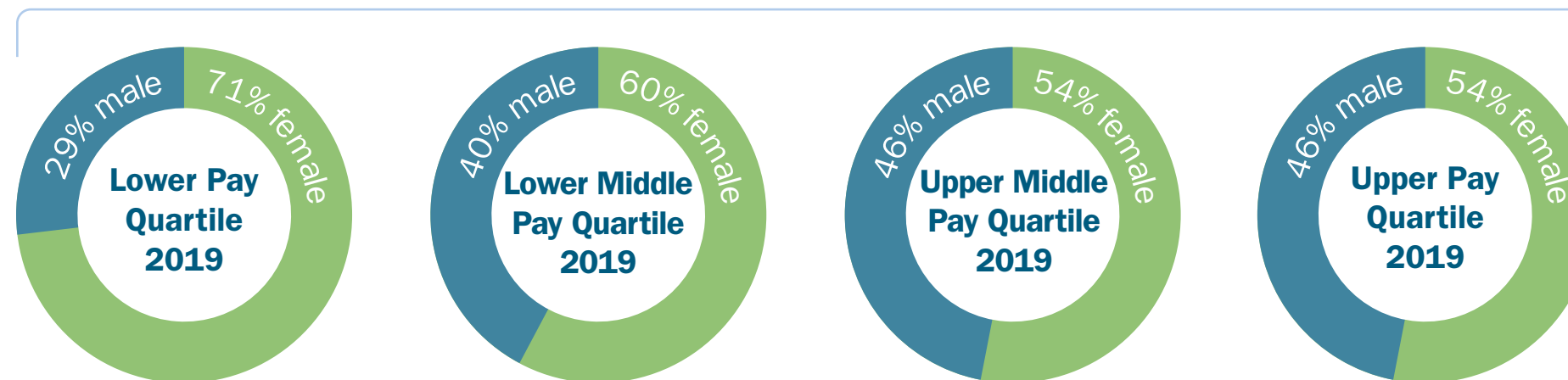
Average Gender Bonus Gap in 2020



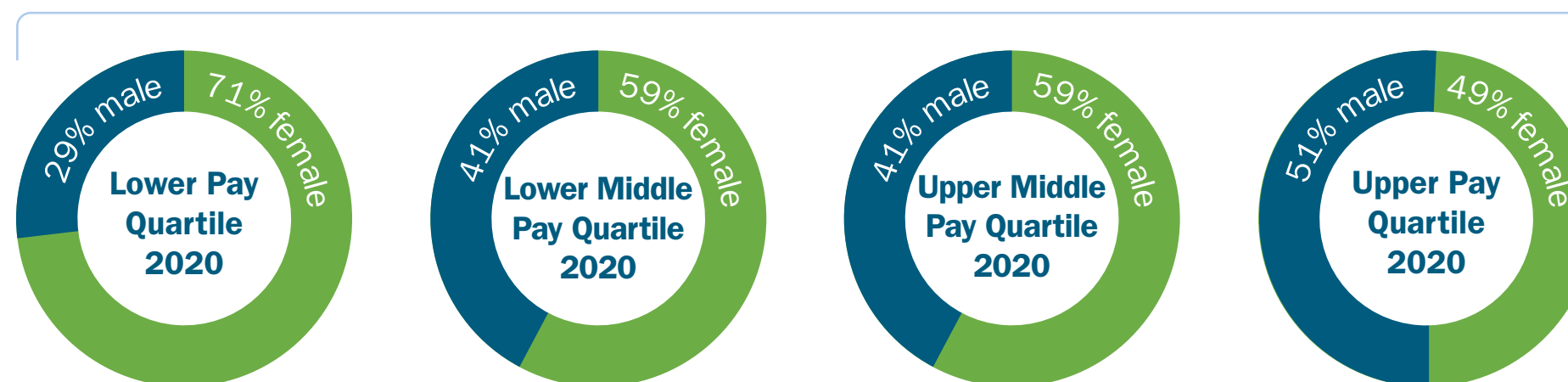
£ Proportion of women and men receiving a bonus payment



2019



2020



Looking forward

We are pleased that our pay gap is below the UK and Biotech industry average, and we are committed to furthering the gender parity of our workforce over time, and at the different levels within the company.

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, RSUs) 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 an hourly rate determined for each employee in accordance with the legislation.

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 to 5th April. This includes any award of cash, vouchers or shares/RSUs relating to performance, commission, profit sharing, incentive or productivity.

