

Case Study: Embedding Diversity & Inclusion within a Pharmaceutical Company

Biogen's approach to D&I across the organization's culture and strategy

Summary

Biogen, a multinational biotechnology corporation dedicated to neuroscience and neurological disease, endeavored to embed a philosophy of Diversity & Inclusion (D&I) within the organizational mission and corporate culture. Recognizing the value of diversity, Biogen developed an organization-wide strategy to reflect and operationalize this philosophy in the workplace, within its research and development priorities, and as an expectation for their external ventures and partnerships.

Biogen offers an important example of how a sponsor can prioritize the goal of health equity in its research vision through efforts to emphasize and support diversity and inclusion in its business functions, and it has been recognized globally for developing and applying inclusive practices. The company has achieved a score of 100% on the Human Rights Campaign Corporate Equality Index¹ since 2014, and was named best Workplaces for Women Italy,² and Forbes Best Employers for Diversity in 2019.³

Approach to Diversity & Inclusion at Biogen

Biogen's emphasis on D&I stems from an appreciation for the diverse patient populations that use their products as well as the value of the diversity within their workforce. Biogen's executive leadership considered how to build supportive organizational structures to ensure that inclusivity was weaved throughout Biogen's business practices.⁴ As such, leaders at Biogen established the Diversity and Inclusion Strategic Council (DISC), tasked with addressing how diversity, inclusion, and equity can intersect and enhance the company's strategic priorities (see Figure 1). The DISC offers a governance structure to guide the coordination and implementation of diversity initiatives and to ensure accountability and ownership throughout this arm of the organization's overall commitment to Corporate Responsibility (CR).

¹ Human Rights Campaign Foundation. Corporate Equality Index 2020. Rating workplaces on lesbian, gay, bisexual, transgender, and queer equality. Available at <u>https://assets2.hrc.org/files/assets/resources/CEI-</u>2020.pdf2_ga=2_185370346_2142529676_1586941402_1623098796_1586941402_[Accessed 15_April 2020]

^{2020.}pdf? ga=2.185370346.2142529676.1586941402-1623098796.1586941402. [Accessed 15 April 2020]. ² The Best Workplaces for Women 2018 ranking. Available at

https://translate.google.com/translate?hl=en&sl=it&u=https://www.greatplacetowork.it/best-workplaces-italia-2018-for-women&prev=search. [Accessed in translation 15 April 2020].

³ Forbes. Biogen (BIB). Available at <u>https://www.forbes.com/companies/biogen-idec/#209df0ce1823</u>. [Accessed 17 April 2020].

⁴ Biogen. Global Diversity and Inclusion. Available at <u>https://www.biogen.com/en_us/diversity-inclusion.html</u>.



For example, one part of Biogen's product portfolio is treatment for multiple sclerosis and Alzheimer's disease, two diseases that disproportionately affect women.^{5,6} And whoever the patient, the majority of caregivers are women.⁷ These realities drive Biogen's diversity priority setting, and they work to promote women's voices within the company, and embed this consideration of gender equity into their governance structures.

Figure 1: Biogen's three-tiered Global D&I strategy governed by the Diversity & Inclusion Strategic Council (DISC)

Biogen honors and respects the fact that differences and inclusivity sometimes demand difficult conversations about identities, backgrounds, and experiences. In their work, exploring and leveraging the differences among employees and customers translates into an awareness of the characteristics that make each individual unique. Biogen's efforts toward inclusivity translate into an environment where

Our Strategy: The Global Diversity, Equity & Inclusion (DEI) strategy was created by the DEI Strategic Council to support the strategic priorities of Biogen, and to promote a culture of ownership and accountability with respect to diversity, equity and inclusion. The Council sets the overall strategy and approach for global diversity, equity and inclusion and advises on implementation.

- Build Inclusive Talent Systems: We aim to disrupt bias that may occur during key moments of decision-making across the talent lifecycle.
- Everyone Owns Diversity, Equity and Inclusion: We embed DEI principles and practices into all parts of the business so that we can be inclusive role models for those inside and outside of the company.
- Drive Health Equity in the Disease Areas We Treat: We are committed to understanding and addressing the issue of health disparities and inequity in the disease areas we treat.



everyone has a voice, creates a culture of respect and trust, and drives creativity by asking for alternate perspectives. The commitment to D&I generates employee ownership and responsibility to the principle, as well as company-wide accountability for its successful execution.

The stated mission of D&I at Biogen is "to create, nurture and sustain a global, inclusive culture, where differences drive innovative solutions to meet the needs of our patients and employees,"⁸ and conceptualizing diversity as the combination of differences and similarities that make up individuals, groups, and organizations within and associated with the company. It includes, but is not limited to cultures, backgrounds, behaviors, beliefs, perspectives and characteristics. In developing their strategy,

⁵ Orton SM, Herrera BM, Yee IM, Valdar W, Ramagopalan SV, Sadovnick AD, Ebers GC, Canadian Collaborative Study Group. Sex ratio of multiple sclerosis in Canada: a longitudinal study. The Lancet Neurology. 2006 Nov 1;5(11):932-6. ⁶ Mazure CM, Swendsen J. Sex differences in Alzheimer's disease and other dementias. The Lancet. Neurology. 2016 Apr;15(5):451.

⁷ Sharma N, Chakrabarti S, Grover S. Gender differences in caregiving among family-caregivers of people with mental illnesses. World journal of psychiatry. 2016 Mar 22;6(1):7.

⁸ Biogen. Global Diversity and Inclusion. Available at <u>https://www.biogen.com/en_us/diversity-inclusion.html</u>.



the company understood that these differences vary in relevance and importance among the regions where they do business.

Through its organizational structure and governance, Biogen is able to employ both internal, workforce-related D&I strategies as well as external strategies focused on business operations, all as a preliminary step towards a broader aim of increasing diversity in clinical research.

Internal strategies

Internally, Biogen worked to integrate the <u>Workforce Development, Diversity, & Inclusion principles</u> (<u>WDDI</u>) adopted by the Biotechnology Innovation Organization (BIO).⁹ A number of Employee Resource Networks (ERNs), internal groups for employees that share life experiences and/or interests, have been established. These groups enable knowledge exchange, mentorship and support.¹⁰ Biogen's ERN offerings are displayed in Table 1 below.

Employee Resource Network (ERN)	Focus area
AccessAbility	Disability (particularly Alzheimer's Disease and Multiple Sclerosis)
Biogen Veterans Network	Veterans
Ignite	Early-career professionals and their advocates
Mosaic	Multiculturalism (cultural heritage and identity differences)
ReachOUT	LGBTQ
Women's Innovation Network (WIN)	Gender equality

Table 1: Biogen Employee Resource Networks (ERNs)

⁹ Biotechnology Innovation Organization (BIO). Principles on Workforce Development, Diversity & Inclusion for the Biotech Industry. Available at <u>https://archive.bio.org/sites/default/files/bio-principles-wddi-for-the-biotech-industry.pdf</u> [Accessed 3 May 2020] and <u>https://www.bio.org/workforce-development-diversity-inclusion</u> [Accessed 3 May 2020].

¹⁰ Biogen. Global Diversity and Inclusion. Available at <u>https://www.biogen.com/en_us/diversity-inclusion.html</u>. [Accessed 15 April 2020].



External strategies

Biogen engages responsibly with the external community, both commercially and philanthropically, through a number of D&I initiatives described below.¹¹

Advocacy and Community Engagement

- Public policy advocacy Biogen takes an active role in political advocacy. For example, the company supported the Massachusetts campaign to maintain legal protections for the transgender community and denounced the repeal of the Deferred Action for Childhood Arrivals (DACA) program.
- Underrepresented Scientific, Technology, Engineering, and Mathematics (STEM) education – Biogen addresses STEM education through its <u>Science, Teacher support</u>, <u>Access and Readiness (STAR) program</u>. The STAR program tackles demographic disparities in STEM careers by providing access to STEM resources for low-income students with limited access to educational opportunities or professional networks that would enable a career in STEM.
- Underrepresented student engagement <u>Biogen's Community Lab</u> hosts students from the greater Boston area of Massachusetts and Research Triangle Park in North Carolina hands-on science learning. Designed to foster a passion for science, the program accepts students from lower income households and groups historically underrepresented in science and provides them with the opportunity to meet and interact with Biogen employees and get an inside view of a biotech company. In 2020, Biogen partnered with the Lemelson-MIT Program at the Massachusetts Institute of Technology (MIT) to launch the Biogen-MIT Biotech in Action: Virtual Summer Lab. This is a state-of-the-art, virtual program to continue to inspire and empower a new generation of young scientists.

Supply chain diversity

Another way Biogen integrates D&I philosophy into their commercial operations is through their supplier diversity initiative.¹² Through this program, Biogen's procurement procedures ensure that small and diverse suppliers have an equitable opportunity in competing for

Biogen's tenders. Small businesses, as defined by the U.S. Small Business Administration, as well as enterprises owned by underrepresented groups (including women, veterans, disabled, LGBTQ+, etc.) partner with Biogen through this initiative.

¹¹Biogen. Global Diversity and Inclusion. Available at <u>https://www.biogen.com/en_us/diversity-inclusion.html</u>. [Accessed 15 April 2020]

¹² Biogen. Working with us. Available at <u>https://www.biogen.com/en_us/diversity-inclusion.html</u>. [Accessed 15 April 2020]



The supplier diversity program is a case where Biogen integrates its commercial and social goals. The company believes partnering with a diverse network fulfils a social responsibility and also spurs economic growth, fosters innovation and provides Biogen with competitive advantage.

D&I accountability at Biogen

Biogen measures D&I objectives using performance indicators, highlighted in their <u>Year in Review</u> which demonstrates the company's commitment to Corporate Responsibility (CR).¹³



Figure 2: 2019 Importance of Issues - External vs Internal

Corporate Responsibility (CR) issues of significance to external stakeholders and Biogen employees, determined per the 2019 Materiality Assessment. Diversity & Inclusion is circled in red.

¹³ Biogen. Reporting. Available at <u>https://www.biogen.com/en_us/yearinreview/reporting.html</u>. [Accessed 11 June 2020]



The company creates indicators based on a formalized process called "materiality assessments," conducted every few years through desk review¹⁴ and stakeholder interviews in order to identify corporate responsibility issues most important to the business and its stakeholders.¹⁵ They correlate these issues against those issues deemed a priority internally, by Biogen employees. This is a strategic process involving external stakeholders and occurs at a higher level than DISC priority-setting. See Figure 2 for a display of key issues identified in the 2019 Materiality Assessment, visualized as a scatter plot comparing the importance of a set of issues internally and externally. Note that "Diversity and Inclusion" was identified as a key issue for Biogen employees (Score=~8.4) and external stakeholders (Score=~7.8).

Key performance indicators used to measure D&I issues were included as part of Biogen's 2019 <u>Year in Review</u> are displayed in Table 2 below.¹⁶

Theme	Material Issue	Indicator
Supply ChainProcurement Practices - Supplier DiversitySupplier Social Assessment		204-1: Proportion of spending on local suppliers
	Supplier Social Assessment	414-1: New suppliers that were screened with social criteria
		414-2: Negative social impacts in the supply chain and actions taken
WorkforceDiversity & Equal OpportunityDiversity &Inclusion	405-1: Diversity of governance bodies and employees	
		405-2: Ratio of basic salary and remuneration of women to men

Table 2: Biogen 2019 D&I-related indicators

Points to consider

- Governance structures, accountability, and commitment at the highest levels of an organization are critical in driving D&I at a strategic level.
- Integrating D&I principles into the core of a business requires both:

¹⁴ A desk review entails activities such as a review of active projects and activities, literature review, analysis of secondary data, and creation or update of references and resources.

¹⁵ Biogen. GRI Materiality Assessment. Available at

https://www.biogen.com/en_us/yearinreview/materialityassessment.html. [Accessed 11 June 2020]. ¹⁶ Biogen. GRI and SASB Content Indices. Available at

https://www.biogen.com/en_us/yearinreview/griandsasb.html. [Accessed 11 June 2020].



- Internal strategies focused on workforce development and inclusive employee initiatives.
- External strategies focused on research, business operations and strategy (for example, considering health equity in R&D priority setting and supply chain management, as well as patient and community engagement).
- Creating a comprehensive D&I portfolio focuses on equity elements such as the demographics of corporate leadership, on the one hand, and as access to STEM education to enhance the pipeline, on the other.
- Diversity initiatives might be viewed to have a "trickle down" effect, wherein implementing workforce-based strategies can be seen as a preliminary step in addressing the broader goal of increasing diversity in clinical research populations.
- Weaving together commercial strategy and social D&I objectives can result in financially sustainable, socially impactful programs.
- Creating and utilizing key performance indicators (KPIs) around D&I are essential in tracking and accelerating progress.