



biogen idec®

# REACHING FURTHER


2013 CORPORATE CITIZENSHIP REPORT

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In 2013, more than 1,900 employees celebrated Care Deeply Volunteer Day by taking part in more than 122 projects in 28 countries around the world. Throughout this report we've summarized a variety of these initiatives as examples of the positive difference Biogen Idec employees are making in their communities. Just look for  to find these stories.

Read more about Care Deeply Volunteer Day on page 21.

#### PDF NAVIGATION

Each page includes a  icon located in the lower right-hand corner of the page. By clicking this icon you will be advanced to the next page.

#### ON THE COVER

One of seven terrariums on display in the lobby of our corporate headquarters, each representing a building on our Cambridge, Mass., corporate campus that's powered by our cogeneration plant. Since 2006, this plant has helped us avoid 150,000 metric tons of CO<sub>2</sub>e emissions and saved Biogen Idec more than \$23 million in energy costs.



**“HEMOPHILIA IS AN OBSTACLE THAT I WORK TO OVERCOME. IT IS SOMETHING I LIVE WITH. BUT, IT DOESN'T CONFINE ME.”**

**DANIEL WARREN**

2013 BIOGEN IDEC HEMOPHILIA SCHOLARSHIP WINNER



DEAR FELLOW STAKEHOLDERS,

For Biogen Idec, the past year was one of genuine progress and a clear demonstration of our enduring commitment to the patients we serve. During that time, we unveiled important therapeutic advances including the introduction of new treatments for those suffering from multiple sclerosis (MS) and hemophilia; through business and academic relationships we expanded our pipeline with product candidates for diseases with few or no treatment options such as Alzheimer's disease, sickle cell anemia and beta thalassemia; and we deepened our neurology research to map pathways involved in progressive forms of MS, neuropathic pain and amyotrophic lateral sclerosis (ALS).

It also was a year where we strengthened our commitment to corporate citizenship and environmental sustainability. From rolling out new environmental goals, extending our philanthropic and education initiatives globally, investing in our employees and expanding our engagement with organizations that support patients in need, Biogen Idec continued to shape the meaning of good corporate citizenship, both as a leading biotech and as an expanding enterprise.

Corporate citizenship is incorporated deeply into our day-to-day business activities and is a cultural imperative across the organization. Our efforts increasingly are embraced by our

employees and recognized by respected external entities. In the past year:

- Biogen Idec earned a place on the prestigious Dow Jones Sustainability World Index, becoming the first and only U.S.-based biotechnology company to make the list.
- We were named to the Dow Jones Sustainability Index North America for the fourth consecutive year, one of only three biotech companies included — recognition that speaks to our high level of performance on both environmental and social measures.
- We earned the top Carbon Disclosure Score for the biotech sector in the Carbon Disclosure Project Annual

Investor Survey, demonstrating both a high degree of transparency regarding our carbon footprint and our continued focus on being a more environmentally sustainable organization globally. (And having reached our 2015 environmental goals three years ahead of schedule, we have set aggressive new goals for 2020 in the areas of greenhouse gas emissions and waste.)

- In January 2014, Biogen Idec was selected as the second most sustainable company in the world according to the Global 100 rankings, an annual corporate sustainability assessment performed by the research firm Corporate Knights.
- We received accolades for being a great place to work, earning a perfect score of 100 on the Human Rights Campaign Corporate Equality Index, a top-10 placement in the *Boston Globe* “Top Places to Work,” “Best Places to Work” in Canada, “Company of the Year” in Denmark and “Facility of the Year” in Research Triangle Park (RTP), N.C., where we manufacture many of the therapies we develop for patients.

Philanthropy serves as a centerpiece for our global corporate social responsibility efforts. In May 2014 we announced, in partnership with Swedish Orphan Biovitrum AB, a pledge to donate 1 billion international units of clotting factor therapy over the next 10 years to humanitarian aid programs dedicated to raising the standard of care for people with hemophilia in the developing world.

And through the Biogen Idec Foundation, we operate as a focused philanthropic leader on a global scale. Our efforts are designed to be visible and impactful with a focus on:

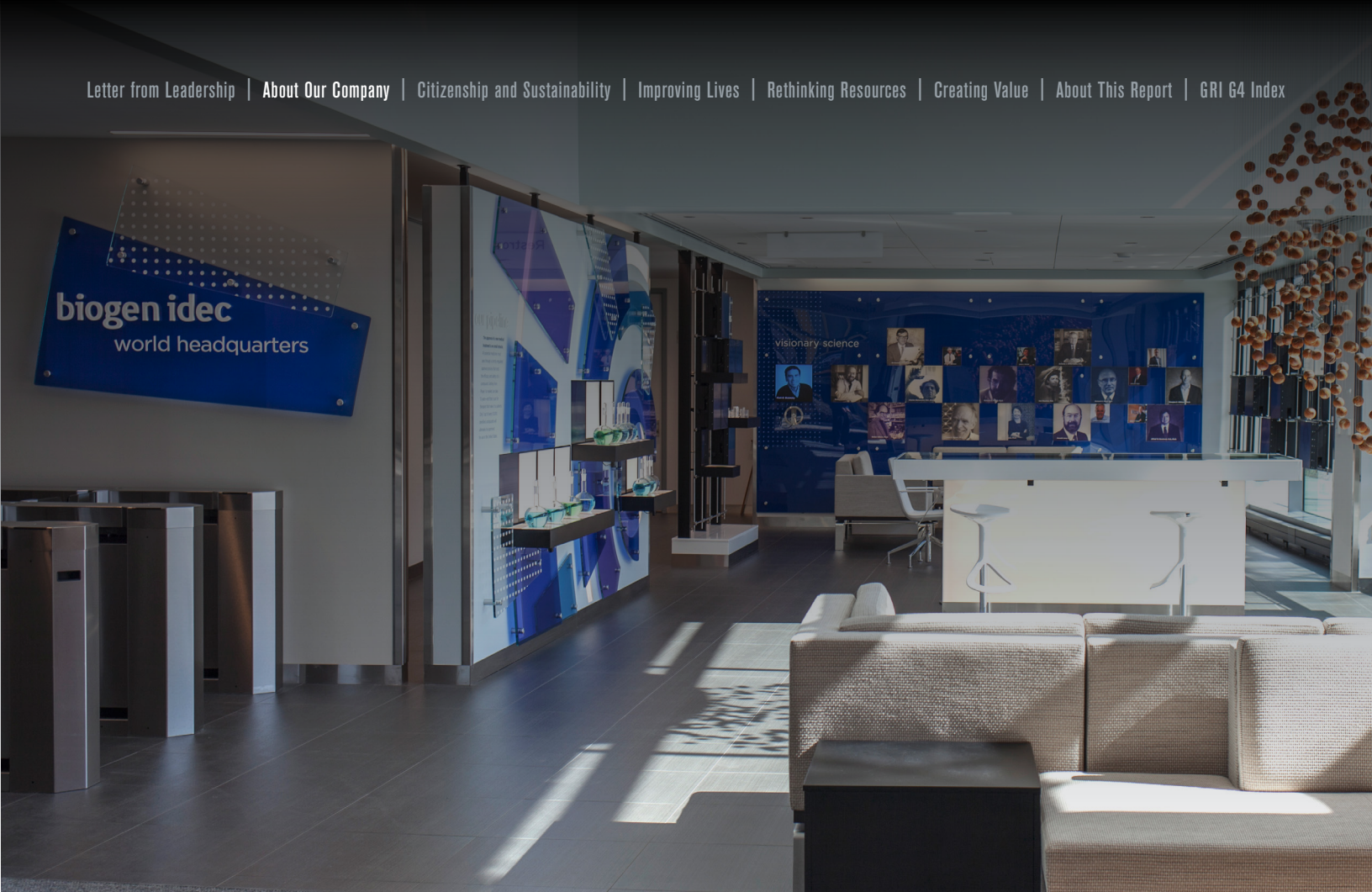
- Advancing the goals of transforming science-based education
- Enhancing community-based science programming
- Supporting institutions of higher education
- Providing assistance to community-based organizations
- Offering humanitarian assistance

We accomplish these goals through our global grants programs, providing resources to the communities in which we operate, supporting STEM (Science, Technology, Engineering, Math) education directly and through community funding, and by matching employee contributions — programs that will continue to expand in all of the regions where we operate. We believe that it is our responsibility to ensure the future of innovation in healthcare and the life sciences by helping to support future researchers and clinicians from the youngest learners to those making science a career.

I am proud of our employees and their focus on our purpose and mission — and that together we have taken an approach to citizenship that works to meet the best interests of society and our communities. I invite you to learn more about Biogen Idec and the work we do to help patients around the world, and I am excited to share our fifth annual Corporate Citizenship Report.

Sincerely,

**George A. Scangos, Ph.D.**  
Chief Executive Officer



## About Our Company

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Biogen Idec is in the business of transforming the lives of the patients we serve. Ultimately, our success will be measured by the impact we have on people's lives – and the quality of life associated with that change.



At Biogen Idec, we have a passionate commitment to discover, develop and deliver innovative therapies that improve the lives of patients, with a specific focus on neurology, hematology and immunology.

Biogen Idec is listed on the NASDAQ stock exchange under the symbol BIIB. Our global headquarters in Cambridge, Mass., is also home to our research operations and small scale manufacturing facility, with an international headquarters in Zug, Switzerland, and world-class manufacturing facilities in Research Triangle Park (RTP), N. C., and Hillerød, Denmark. We offer therapies globally through direct affiliate presence in more than 30 countries and a network of distribution partners in more than 50 additional countries. A list of our global locations can be found [here](#).

## Significant Recognition Received in 2013

### [Dow Jones Sustainability World Index](#)

The first U.S.-based biotech to be listed on this prestigious index.

### [Dow Jones Sustainability North America Index](#)

Fourth consecutive year; one of only three biotech companies to make the index.

### [Global 100](#)

Named as the world's second most sustainable company by research firm, Corporate Knights.

### [CDP \(formerly "Carbon Disclosure Project"\)](#)

Top Carbon Disclosure Score in biotech sector; in the top 10 for the healthcare category.

### [Human Rights Campaign Corporate Equality Index](#)

Perfect score of 100, earning the title of Best Places to Work.

### [Boston Globe 100](#)

Named number eight on the best 100 companies to work for in Massachusetts.

### [Other Recognition Around the World](#)

"Best Places to Work" in Canada, "Company of the Year" in Denmark and "Facility of the Year" in RTP.

## OUR MARKETED THERAPIES

As of June 2014

Therapy	Indication Overview (In United States)
<b>ALPROLIX™</b> [Coagulation Factor IX (Recombinant), Fc Fusion Protein]	Control and prevention of bleeding episodes, perioperative management and routine prophylaxis in adults and children with hemophilia B.
<b>AVONEX®</b> (interferon beta-1a)	Relapsing forms of MS.
<b>ELOCTATE™</b> [Antihemophilic Factor (Recombinant), Fc Fusion Protein]	Control and prevention of bleeding episodes, perioperative management and routine prophylaxis in adults and children with hemophilia A.
<b>FAMPYRA®</b> (prolonged-release fampridine tablets)	Improved walking in adult MS patients who have walking disability.
<b>GAZYVA®*</b> (obinutuzumab)	Previously untreated chronic lymphocytic leukemia, designed to improve upon the efficacy of RITUXAN.
<b>RITUXAN®*</b> (rituximab)	As single agent or in combination with other therapies for certain types of non-Hodgkin's lymphoma (NHL). In combination with other therapies for rheumatoid arthritis. In combination with other therapies for CD20-positive chronic lymphocytic leukemia.
<b>TECFIDERA®</b> (dimethyl fumarate)	Relapsing forms of MS.
<b>TYSABRI®</b> (natalizumab)	Relapsing forms of MS.

\*Marketed by Genetech/Roche

## ❖ FINANCIAL PERFORMANCE (AS OF DECEMBER 31, 2013)

	2011	2012	2013
<b>Operating Results (\$ in millions, except EPS)</b>			
Total Revenues	5,049	5,516	<b>6,932</b>
GAAP Net Income Attributable to Biogen Idec	1,234	1,380	<b>1,862</b>
GAAP Diluted Earnings Per Share (EPS)	5.04	5.76	<b>7.81</b>
<b>Financial Position (\$ in millions)</b>			
Total Liabilities	2,623	3,166	<b>3,242</b>
Cash Equivalents	3,100	3,700	<b>1,800</b>
Total Shareholders' Equity	6,427	6,964	<b>8,620</b>
R&D Investments (featured in annual reports)	1,220	1,335	<b>1,444</b>





## Citizenship and Sustainability at Biogen Idec

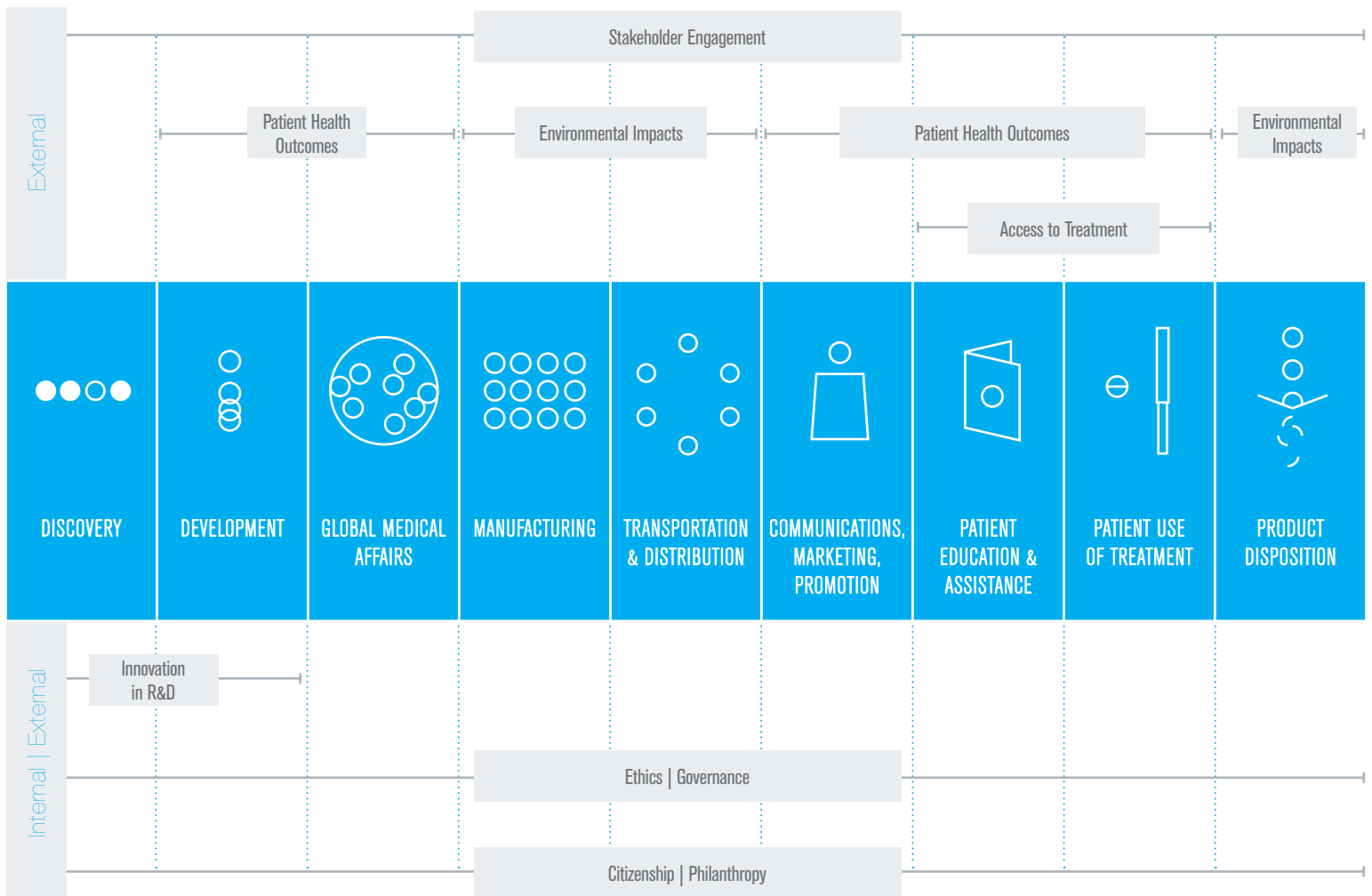
Our commitment to corporate citizenship and environmental sustainability reflects the best interests of all of our stakeholders and the communities in which we operate. It's a commitment we have directly incorporated into our day-to-day business activities across the organization.

In developing our 2013 Corporate Citizenship Report, we chose to follow the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines, known as “G4,” which were released in May 2013. The GRI Guidelines represent the most widely adopted sustainability reporting standard in the world.

As part of our commitment to corporate transparency, and in keeping with the spirit of the G4 Guidelines, we conducted

a full “materiality assessment” beginning in late 2013. This strategic exercise helped us identify and rank the issues that we believe are most critical to the continued success of our company and that matter most to a wide variety of our stakeholders — both internal and external. These issues are summarized below and are discussed throughout this report. For a more detailed discussion of the materiality assessment process, please see page 48.

## ❖ BIOGEN IDEC VALUE CHAIN & MATERIAL ISSUES



### Talent Attraction, Retention & Development

*Our employees and their commitment to patients are at the core of everything we do at Biogen Idec and make possible the results we achieve throughout our entire value chain.*

## Our Most Material Issues

(for detail on how we determined our material issues, please see page 48)

	Where Impact Occurs	Our Control or Influence
<p><b>Research and Development (R&amp;D) and Innovation</b></p> <p>As a company committed to visionary science and new therapies for diseases with inadequate or no treatment options, our investment in R&amp;D distinguishes Biogen Idec. Within neurology, immunology and non-malignant hematology, we continue to apply our decades of expertise to focus on some of the most challenging disease areas, while building on our expertise to identify adjacencies where the science leads us. This focused approach and commitment to R&amp;D, where we annually invest more than 20 percent of our revenue, aims at meeting the critical needs of patients and society as we work to reduce the overall burden of debilitating diseases.</p>	●	High
<p><b>Patient Health Outcomes</b></p> <p>Our company's success is ultimately determined by the health outcomes realized by the patients on our therapies, including benefits of the therapies, managing potential side effects, product safety and product security. Not only will this determine the willingness of physicians to prescribe our treatments, but it will impact the decisions payers — including governments and private health insurers — must make in covering drugs, especially newly introduced therapies. Product security includes safeguards against counterfeit, adulterated and compromised drugs.</p>	●	High
<p><b>Access to Treatment/Promoting Product Societal Value</b></p> <p>One of the more complex tasks we navigate as a company and an industry is helping to ensure that the people whose lives may be improved by our therapies have access to them. This involves considerations such as obtaining regulatory approvals across many jurisdictions, weighing options for compassionate use of therapies prior to approval, ensuring that prescribers are aware of their options, setting product pricing that balances citizenship and fiscal prudence, demonstrating product efficacy and societal value to payers, offering patient financial assistance and helping patients find the healthcare providers they need.</p>	●	Medium
<p><b>Ethics/Governance</b></p> <p>Sound corporate governance is essential to sustaining our growth and success as a company and to maintaining the trust and confidence of our stakeholders. This extends throughout all aspects of our business, from the way we conduct clinical trials and compensate investigators to the way we market and protect our products, allocate corporate resources and select suppliers. All Biogen Idec employees must comply with our Code of Business Conduct, <i>Values in Action</i>, which guides decision-making throughout our organization.</p>	●	High
<p><b>Stakeholder Engagement</b></p> <p>Engaging with a wide range of stakeholders is essential to our business. We work collaboratively to understand patient needs, conduct research, protect the environment, improve the pharmaceutical supply chain and work with government regulators globally. We also strive to understand the needs and desires of our employees and the challenges faced by physicians and caregivers.</p>	●	High
<p><b>Citizenship &amp; Philanthropy</b></p> <p>As a company dedicated to improving lives, Biogen Idec and many of its stakeholders view community, philanthropic and volunteer activities as a core component of our business. Not only is it the right thing to do as a good corporate citizen, but it is essential to the long-term viability of our business and industry, as it engages our employees, strengthens our communities and helps nurture the science and technology leaders of the future.</p>	●	High
<p><b>Environmental Impacts</b></p> <p>As a company with significant manufacturing capacity, Biogen Idec uses a considerable amount of energy, water and materials in the production of our products. We have incorporated environmental sustainability as a cultural imperative across the company and are dedicated to reducing the intensity of our natural resource use even as we experience significant growth worldwide.</p>	●	Medium
<p><b>Intellectual Property</b></p> <p>Continued innovation and access to treatments, and fair reimbursement for innovative products, depend in large part on certainty around intellectual property protections, which are necessary to ensure that we are able to make the long-term investments that biopharmaceutical innovation requires.</p>	●	Medium

● external ● internal/external



## Improving Lives

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Transforming the lives of patients. That's the reason Biogen Idec is in business. In everything we do, we are driven by a simple question: Are we truly making a difference in the lives of patients? We also strive to improve lives in the community and for more than 7,000 Biogen Idec employees – the people who support our mission every day.

## IMPROVING THE LIVES OF PATIENTS

### Research and Development: Advancing Breakthrough Therapies

By staying true to our core scientific expertise and focusing on diseases with significant unmet needs where we believe our scientific capabilities give us a unique advantage, we are working to ensure our long-term success and continued ability to make a real difference in patients' lives. This past year, we continued to dedicate over 20 percent of our revenues — a higher percentage than most companies in the pharmaceutical and biotech sectors — to drug research and development. This investment supports our ability to deliver pioneering new therapies and delivery systems that advance patient care.

To further strengthen our focus on research, in 2013 we completed the relocation of our corporate headquarters — and a large majority of our U.S.-based workforce — back to Cambridge, Mass. This decision is already facilitating the recruitment of top scientific talent and fostering greater collaboration internally and in the community amongst our science and industry peers.

Innovation distinguishes Biogen Idec. Within our areas of expertise — neurology, hematology and immunology — we continue to identify adjacencies where the science leads us. Some examples include:

- **Neurology:** We are performing research to better understand the biology of complex neurological conditions such as MS, Alzheimer's disease and amyotrophic lateral sclerosis (ALS).

- **Hematology:** We broadened our focus on hemophilia and other hematologic conditions. Through our recent agreement with Sangamo BioSciences, we are working to advance research in sickle-cell anemia and beta-thalassemia.
- **Immunology:** With a current focus on diseases such as lupus and scleroderma in our pipeline, we also plan to move further into related areas of fibrotic diseases and potentially tissue injury and repair. We have established an internal research group to pursue these conditions.

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## BIOGEN IDEC DEVELOPMENT SCIENCES INNOVATION AWARDS

As an important part of our Culture of Excellence, we reward our people for exceptional work. In 2013, Biogen Idec recognized more than 26 individuals with the Development Sciences Innovation Awards for their positive contributions to our drug development process.

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We believe each of the compounds in our pipeline has the potential to significantly improve patient outcomes, and in some cases has the potential to result in therapies for diseases that currently have limited or no treatment options.



## Internal Advancements

In 2013, we focused on better understanding how our research organization should be structured, managed and led. We also conducted a comprehensive risk assessment of our R&D operations. Going forward, we intend to use these insights to identify areas within the R&D process where we can reduce operational risks and identify new opportunities.

The analysis of our R&D organization led to new investments in core technologies and approaches. For example:

- In the area of epigenetics, we brought in key talent to lead our exploration of how the expression of heritable traits is modified by environmental or other mechanisms without a change to the DNA sequence.
- We invested in the ability to build genetically engineered mouse models (GEMs), allowing our researchers to work more efficiently.
- We introduced induced pluripotent stem cells (iPSCs) into our research. These cells enable us to manipulate cell fate, providing the potential to treat disorders for which there are no other treatments.
- We furthered our investment in computational biology, leveraging the data we generate through our research, which we hope will help accelerate critical research initiatives.



Another key development in 2013 was accelerating our R&D information technology (IT) strategy, with the aim of better integrating IT into the way we develop solutions. The outcome of this analysis will drive significant IT improvements in 2014 and beyond.

## External Initiatives and Collaborations

Biogen Idec embraces innovative collaborations with industry partners and academia, engaging in activities that have the potential to speed the discovery process and offer a highly productive and cost-effective path to new breakthroughs.

### Industry Partnerships

Biogen Idec was built on the foundation of biotechnology, or large-molecule based therapies. In 2013, the launch of TECFIDERA, our first orally-administered treatment for relapsing forms of MS, marked a significant foray into new therapeutic modalities. To further this capability, we entered into an agreement with Amicus Therapeutics to use their research platform and expertise in discovering and developing small molecule drugs to reduce alpha-synuclein accumulation, a hallmark of Parkinson's disease pathology.

We are also exploring gene editing therapies with Sangamo BioSciences, and ribonucleic acid (RNA)-based therapies in collaboration with Isis Pharmaceuticals (Isis). In 2013, we expanded our relationship with Isis to further employ antisense technology in a number of neurological diseases, including myotonic dystrophy type 1 (DM1), the most common form of muscular dystrophy in adults.

To advance our immunology efforts, we signed a three-year collaboration agreement with BioFocus, a subsidiary of Galapagos NV, to identify and validate novel targets in scleroderma, an autoimmune disease that causes hardening of the skin and that can also impact organs.

In early 2014, we entered into an agreement with Eisai, Inc., to jointly develop and commercialize two of their candidates for Alzheimer's disease, which have the potential to reduce A $\beta$  plaques that form in the brains of patients, as well as to slow the formation of new plaques, potentially improving symptoms and suppressing disease progression.

### Academic Collaborations

In addition to our industry partnerships, we believe collaborations with top academic researchers are critical to maintaining a vibrant and innovative R&D organization. That has led us to take a unique approach to assembling and sharing data and research to tackle challenges that a single institution might not be able to solve on its own.

We have numerous collaborations underway with leading research institutions as we work together to further understand the causes and potential treatments for complex diseases. These are funded, in part, through the **Biogen Idec R&D Innovation Fund**, which in 2013 invested \$11 million from our R&D budget for collaborative efforts with prestigious academic organizations.

[Massachusetts Institute of Technology/Whitehead Institute for Biomedical Research](#) – We're working in close collaboration with Whitehead researchers to pioneer novel ways to improve human health through basic biomedical research in the areas of immunology, neurology, developmental biology, genetics and genomics. We plan to execute four to five three-year projects starting with epigenetics and immunology.

[Harvard Medical School/Rubin Laboratory](#) – We are working with Harvard researchers on exciting early-stage projects. These include mapping human protein interactions to yield new insights, pathways and targets for a wide range of diseases; modeling system genetics to identify new pathways for Parkinson's disease; and investigating methods of action for spinal muscular atrophy (SMA), ALS and Parkinson's disease in conjunction with the Rubin Laboratory.

[ALS Consortium](#) – In late 2012, Biogen Idec collaborated with several leading academic research centers to create a research consortium dedicated to identifying new approaches to treating ALS. The consortium includes representatives from Yale University, Harvard University, Columbia University and The Rockefeller University.

[Duke University/Hudson Alpha Institute for Biotechnology](#) In coordination with the ALS Consortium, we are working with these two premier research institutions to sequence the genomes of more than 3,000 patients with ALS — the largest set of genetic data for ALS ever assembled. Our aim is to gain a deeper understanding of the disease's fundamental genetic causes.

[Lawrence Berkeley National Lab/University of Connecticut Health Center](#) – This collaboration is investigating RNA binding protein sequencing to identify essential functional modules between ribonucleoprotein complexes (RBPs) and RNA. From there, we will use the data to further investigate the interactions relevant to neurodegeneration and, we hope, determine its potential cause.

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## ACCELERATING MEDICINES PARTNERSHIP: JOINING FORCES AGAINST DISEASE

Developing a drug from discovery through approval currently takes well over a decade, has a failure rate of more than 99 percent and can cost more than \$1 billion. To accelerate the development of new ways to detect and treat disease, Biogen Idec is partnering with the National Institutes of Health, nine other biopharmaceutical companies and several nonprofit disease foundations in the Accelerating Medicines Partnership (AMP). This program aims to transform the current model for identifying and validating promising biological targets of disease for new diagnostics and drug development for Alzheimer's disease, type 2 diabetes, rheumatoid arthritis and lupus. Biogen Idec will focus on Alzheimer's disease.

All of the data and analyses generated from this partnership will be made publicly available to the biomedical community, exponentially increasing the resources, scientific prowess and, ultimately, the practical ability to effectively fight disease.

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[Scleroderma Consortium](#) – In late 2013, the immunology therapeutic area at Biogen Idec created a research consortium to investigate the underlying pathogenesis of scleroderma. Leading academic investigators from different fields of immunology will be coordinating research activities and collaborating with Biogen Idec scientists to identify new targets that have potential for therapeutic intervention. The consortium comprises investigators from Tufts University, Yale University, University of Pennsylvania, University of Utrecht and the University of Glasgow.

## Patient Health Outcomes: Forging Ahead on Unmet Medical Needs

As a company, we know that cutting-edge science can change the course of devastating diseases. Patients worldwide benefit every day from our industry-leading MS products and our pioneering treatment for hemophilia. Through our strong product pipeline, we're also working

hard to bring new therapies to market for patients with MS, Alzheimer's disease and other areas of high unmet need.

Beyond breakthrough therapies, we're focused on creating new treatment modalities and delivery systems that make it easier for patients to effectively and safely administer therapies and follow treatment regimes.

### Major Marketed Products

**ALPROLIX** – In March 2014, we received U.S. Food and Drug Administration (FDA) approval to market ALPROLIX [Coagulation Factor IX (Recombinant), Fc Fusion Protein] for the control and prevention of bleeding episodes, perioperative management and routine prophylaxis in adults and children with hemophilia B. ALPROLIX was also approved by Health Canada in March 2014 and in Australia in May 2014. The approval of ALPROLIX marks the first significant treatment advance in hemophilia B in more than 17 years, and reinforces our commitment to developing innovative therapies that help address the critical needs of the hemophilia community.

**AVONEX** – Our first MS therapy, AVONEX remains our most prescribed MS treatment worldwide. Our 2012 introduction of the AVONEX PEN<sup>®</sup> was a significant breakthrough in making patient compliance easier and more convenient.

**ELOCTATE** – In June 2014, we received FDA approval to market ELOCTATE [Antihemophilic Factor (Recombinant), Fc Fusion Protein] for the control and prevention of bleeding episodes, perioperative management and routine prophylaxis in adults and children with hemophilia A. ELOCTATE is the first recombinant hemophilia A therapy with prolonged circulation in the body. It is the only treatment for hemophilia A to reduce the frequency of

bleeding episodes with prophylactic infusions every three to five days, offering people with hemophilia A the potential to extend the interval between prophylactic infusions.

**FAMPYRA** – Marketed outside of the United States by Biogen Idec under license from Acorda Therapeutics, FAMPYRA is the first treatment indicated for the improvement of walking ability in adult patients with MS. We continue to expand the availability of FAMPYRA, which was approved for patients in 16 new countries in 2013.

**GAZYVA and RITUXAN** – We have made significant advances with our anti-CD20 franchise through our collaboration with Genentech, a wholly owned member of the Roche Group. In November 2013, Roche announced the FDA's approval of GAZYVA for previously untreated chronic lymphocytic leukemia (CLL). GAZYVA is a humanized anti-CD20 antibody designed to improve upon the efficacy of RITUXAN — and was the first drug with breakthrough therapy designation to obtain FDA approval. RITUXAN, which is marketed by Genentech, is the standard of care for non-Hodgkin's lymphoma and CLL.

**TECFIDERA** – In 2013, we launched TECFIDERA, our first orally administered MS therapy, in the United States, Canada and Australia. We believe that the success of this launch reflects a broad recognition among physicians and patients that TECFIDERA addressed an unmet need. Orally administered therapies encourage greater patient adherence and have the potential to make life easier for patients and their caregivers.

Early in 2014, the European Commission approved TECFIDERA for marketing in Europe as a first-line oral therapy for relapsing-remitting MS. We are currently working with European regulators to make TECFIDERA available to patients and are already marketing it in several European countries.



### caredeeply

**Care Deeply Day: Italy** – Employees in 14 cities across Italy collaborated with the Italian Association of MS Patients to assist patients and work with local food pantries to prepare and deliver food packages to families in need. In Gornate Olona, a team of 22 employees also volunteered with the Italian National Trust to refurbish the historic Monastero di Torba.



**TYSABRI** – Due to its proven efficacy, TYSABRI offers a strong treatment option for people living with relapsing MS. Because of the investments we have made in understanding the risks associated with treatment, doctors have more information to evaluate and assess patients' continued benefits from this therapy.

### Investigational Therapies in the Pipeline

Biogen Idec pioneered treatments for MS, and we plan to continue our efforts until we find solutions to reverse or one day cure this debilitating disease. We're applying our deep focus and expertise in neurology, hematology and immunology to adjacent disease areas as well. Our pipeline includes:

**Daclizumab HYP** – We are developing Daclizumab HYP in partnership with AbbVie Biotherapeutics for relapsing-remitting MS. In June 2014, the companies announced positive top-line results from the Phase III DECIDE clinical trial, where DAC HYP demonstrated superiority over interferon beta-1a in annualized relapse rate.

**PLEGRIDY™ (peginterferon beta 1-a)** – In 2013, we submitted a Biologics License Application (BLA) to the FDA and a Marketing Authorisation Application to the European Medicines Agency (EMA), for marketing approval of PLEGRIDY for relapsing forms of MS. If approved, PLEGRIDY will be the first pegylated interferon for the treatment of MS, providing potential benefits across key disease measures (e.g., reduction in relapses, disability progression), and a favorable safety profile.

### Early- and Mid-stage Product Candidates

- Anti-LINGO-1, a monoclonal antibody that preclinical data suggest has the potential to lead to remyelination following central nervous system (CNS) injury in neurodegenerative pathologies, such as MS. There are two Phase II proof-of-concept trials underway with anti-LINGO. The first is in acute optic neuritis and the second is in MS.
- STX-100 is a monoclonal antibody under development for idiopathic pulmonary fibrosis (IPF), a debilitating disease that is usually fatal. Early data suggest that STX-100 may block an important pathway, helping to slow the development of the fibroses in IPF patients.
- Neublabin is a biologic under development for neuropathic pain. Neublabin interacts with the GFR  $\alpha$  3 receptor on pain-sensing neurons and has been shown in early studies to promote nerve regeneration in preclinical models of nerve crush.
- BIIB037 is a selective beta-amyloid targeted monoclonal antibody for Alzheimer's disease. It is differentiated from other beta-amyloid antibodies in development, as in preclinical studies it appears to preferentially bind to the fibular forms of beta-amyloid, which form pathogenic amyloid plaques.
- SMN<sub>Rx</sub> is an antisense molecule for SMA, which is the most common genetic cause of death in children. The FDA granted Orphan Drug Designation with Fast Track Status to ISIS-SMN<sub>Rx</sub> for the treatment of patients with SMA. ISIS-SMN<sub>Rx</sub> is being developed under our collaboration with Isis Pharmaceuticals.

Further descriptions of our product portfolio and the diseases they treat, along with potential side effects, can be found in the [Therapies](#) section of our website.



### caredeeply

**Care Deeply Day: India** – Team India mobilized community-focused initiatives across the country, planting trees, pruning gardens and assisting a local nonprofit group. In total, Biogen Idec employees in India invested more than 300 volunteer hours in more than a dozen cities.

## Patient Safety During Clinical Trials

Clinical research is essential to the development of our therapies. It gives doctors and researchers valuable data on the benefits, side effects and possible applications of new drugs, as well as on potential new combinations, doses and indications. One of Biogen Idec's highest priorities is to protect the health and safety of the patients participating in our clinical trials and to help them understand the potential benefits and risks.

In 2013, more than 8,000 patients in multiple countries participated in clinical trials sponsored by Biogen Idec.

A description of our clinical trial process can be found under the Corporate Citizenship tab of our website in the [Improving the Lives of Patients](#) section.

## Patient Communications

For any patient facing a serious disease, the decision to seek treatment must be an informed one. Biogen Idec is committed to openly communicating the benefits and risks of therapies to help healthcare professionals and patients make the best choices. In addition to strictly adhering to all laws and regulations regarding safety product labeling and materials, we also ensure that healthcare professionals have open access to information about our therapies. More information can be found under the Corporate Citizenship tab of our website in the [Patient Safety & Transparency](#) section.

## Support for Advocacy Organizations

Advocacy organizations are a highly credible and growing voice in the healthcare system, influencing decisions of policymakers, payers, regulators, healthcare providers and patients in an ongoing effort to ensure equitable access to treatment and care. They are also a critical link to real-world patient experiences and identify unmet medical needs. Many of these groups are instrumental in helping patients gain access to better information, education and services about their condition, as well as access to the medicines they may need.

For companies like Biogen Idec, advocates also provide unique insight and an understanding of what it is like to live with specific conditions such as MS or hemophilia. As articulate champions of the patients that they represent, patient advocates educate us about the needs of the patient community and the challenges patients, their families and their healthcare providers face navigating the healthcare system. This enables us to make better-informed decisions about program designs to improve patient health outcomes.

As part of this patient-centered approach, we've created a culture of listening as we seek ways to empower the MS and hemophilia communities. For instance, in response to unmet community needs and stakeholder feedback from hemophilia groups, Biogen Idec has developed a robust series of life skills programs in the United States, on topics such as assertiveness, communication and negotiation, to help empower people with hemophilia and their families.



caredeeply

**Care Deeply Day: Germany** – Mother Nature couldn't keep our team in Germany from participating in Care Deeply Day. Despite heavy snowfall, 28 employee volunteers braved the elements to participate in a reforestation project with Bergwald Offensive. To help protect an endangered forest, the group planted 450 pest-resistant trees that are better able to cope with climate change.

## Patient Advocacy

Biogen Idec's stakeholder engagement efforts support a variety of grant requests focused on improving the lives of those impacted by these devastating diseases either through education or services. These requests are supported via general donations and charitable contributions. In addition to the following examples, please also see Public Policy Support on page 42 and Expanding Access to Medicine on page 43.

### My Life, Our Future — United States

After a successful pilot program completed in early 2013, Biogen Idec joined leaders in hemophilia advocacy and treatment to announce the national rollout of My Life, Our Future: Genotyping for Progress in Hemophilia in October 2013, which offers genetic testing, or genotyping, to people with hemophilia. My Life, Our Future is a partnership with the National Hemophilia Foundation, American Thrombosis and Hemostasis Network and Puget Sound Blood Center.

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## WORLD HEMOPHILIA DAY

In April 2014, Biogen Idec recognized World Hemophilia Day. As a company working to change the standard of care for hemophilia, our efforts aimed at increasing awareness of hemophilia and other inherited bleeding disorders included: launching a public service announcement that aired on Boston's local television affiliates, promoting a social media hemophilia awareness campaign and registering dozens of Biogen Idec participants for the New England Hemophilia Association's 2014 Hemophilia Walk. Additionally, we worked to illuminate Boston's Zakim Bridge in honor of World Hemophilia Day — and with the Museum of Science, Boston, to recognize World Hemophilia Day in its exhibit space.

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This national program is designed to help uncover genetic information that can be used by physicians to individualize the care of people with hemophilia, as well as to generate data that may lead to new scientific discoveries. Genotyping results may also provide a window into individual bleeding severity, inhibitor risk and carrier status, which can help improve people's knowledge of their disorder and their care.

### European Multiple Sclerosis Platform (EMSP)

The EMSP is the umbrella organization for 38 MS societies from 34 European countries representing more than 600,000 persons with MS. The EMSP represents the interests of their members at the European level and works to achieve its goals of high quality equitable treatment and support for persons with multiple sclerosis throughout Europe.

Biogen Idec has supported the EMSP for many years and collaborates on various projects and initiatives to support the European MS community. Key projects include:

- The European Register for Multiple Sclerosis Project (EUReMS), aimed at addressing the lack of data on treatment and care for people with MS. EUReMS has already made important progress on the road to providing a cross-border infrastructure for data collection, analysis, interpretation and dissemination of results in the MS field.
- The MS Barometer, a benchmarking tool that compares the evolution of disease management and highlights disparities in access to appropriate healthcare and health professionals.
- MS Nurse Professional, a European-focused, e-learning training curriculum for nurses beginning their career in the field of MS, led by the EMSP in collaboration with the International Organisation of Multiple Sclerosis Nurses (IOMSN) and Rehabilitation in MS (RIMS).
- The Under Pressure project, part of EMSP's commitment to address health policy needs and inequalities in Europe.

1 billion IUs

Biogen Idec and Sobi donations of clotting factor therapy over the next 10 years

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## DONATING 1 BILLION INTERNATIONAL UNITS OF HEMOPHILIA TREATMENT

In May 2014, Biogen Idec and Swedish Orphan Biovitrum AB (Sobi) announced at the World Federation of Hemophilia that, together, the two companies intend to donate 1 billion international units (IUs) of clotting factor therapy over the next 10 years to humanitarian aid programs in the developing world. Initially, the companies have committed to donating up to 500 million IUs to the World Federation of Hemophilia over five years to support its efforts to raise the standard of care for people with hemophilia in the developing world. The remaining 500 million IUs of clotting factor will be made available for future distribution.

### The National MS Society's (NMSS) Information Resource Center (IRC) — United States

The IRC helps individuals affected by MS to get timely, accurate information and counsel to manage their disease and maintain and enhance independence and quality of life.

This nationwide service is offered in collaboration with regional and chapter partners for a seamless experience. People with MS and their family members, or anyone seeking information or assistance with MS-related issues, can access this service through the NMSS.

### Multiple Sclerosis International Federation (MSIF)

Biogen Idec was part of a group of sponsors that helped fund MSIF's Atlas of MS Database, the only up-to-date online source of information on the worldwide epidemiology of MS and the global availability and accessibility of resources for people with MS. Knowledge of the resources available to address MS in different countries highlights the striking differences, gaps and inadequacies in clinical management, access to services and assistance schemes. This has helped us better understand unmet patient needs and informed our advocacy efforts.

As part of promoting awareness about MS worldwide, the MSIF established the global "World MS Day" campaign, in which Biogen Idec has participated since its inception in 2009. In 2013, Biogen Idec donated space on our website to promote the day, and our affiliates undertook a wide range of activities in support.

### Multiple Sclerosis Association of America (MSAA)'s Initiatives Focused on Educating Their Constituents on Health Care Reform

Biogen Idec support helped the MSAA develop a comprehensive, multifaceted campaign to educate individuals living with MS about Affordable Care Act (ACA) implementation and provide guidance to navigate upcoming

changes in healthcare services. MSAA has seen a deficit of knowledge regarding the ACA amongst the chronic disease community, and MS specifically.

The MSAA developed print and electronic program initiatives and support services, including two dedicated webinars for individuals living with MS, client services helpline guidance and an online hub/Web portal on the MSAA website, as well as media outreach.

### Central Eastern Europe Patient Advocacy Summits

Access to quality information and empowerment regarding MS — let alone equitable access to effective treatment — can be hard to come by in some countries. Recognizing this need, Biogen Idec provided unrestricted grants in 2013 to fund educational outreach events in Hungary and Poland.

### SMA and Newborn Screening

SMA is a hereditary, neurodegenerative disease that causes weakness and wasting of the voluntary muscles in infants and children. There are several types of SMA, with infantile-onset SMA being the leading cause of genetically related death in children under two years of age.

Because infantile-onset SMA can present itself within several weeks of birth, we believe that the earlier treatment is started the greater benefit it may have for patients. Biogen Idec is working with SMA patient advocacy groups and global newborn screening experts to develop and implement a newborn screening test that will maximize the benefits of our potential treatments for afflicted children.

We also are working to support the development and expansion of an SMA patient registry that is expected to further the healthcare, patient and research community's understanding of this disease. The registry should be a rich source of data that will help inform the research efforts of the entire biomedical community.

\$575,000

⚙️ Aid benefitting Boston Marathon bombing victims

## BENEFITTING BOSTON MARATHON BOMBING VICTIMS

Biogen Idec is proud to call the Boston area home. The tragic events that unfolded during the 2013 Boston Marathon deeply affected all of our employees. In response, we provided financial support to the families most affected by this attack through Boston's One Fund initiative. In total, our company, the Biogen Idec Foundation and employees delivered more than \$575,000 in aid to victims and their families.

## Patient Services

Our commitment to improving patients' lives goes beyond the treatments we develop; we also work to support patients and their caregivers with a range of best-in-class services. For example, we've created a number of programs under the *MS ActiveSource*<sup>®</sup> umbrella to help with the informational, emotional and logistical considerations that are part of living with MS.

We also help patients and their families address the financial impact of treatment through our *ActiveAccess*<sup>™</sup> program. In 2013, Biogen Idec provided nearly \$710 million in financial assistance in the form of free drug, drug copay assistance, infusion assistance and charitable contributions.

Biogen Idec's access and assistance programs have set a standard in MS. We are bringing the same commitment to the hemophilia community through our programs, MyALPROLIX and MyELOCTATE. Our aim is to provide comprehensive assistance programs to find the most cost-effective means for the community to access ALPROLIX and ELOCTATE. We are offering a variety of assistance programs based on the needs of people with hemophilia and shaped by community input, including a copay program, financial counseling and a free trial program.

We are committed to providing personalized assistance for each individual affected by hemophilia. Everyone who calls into MyALPROLIX or MyELOCTATE receives a coordinator to provide one-on-one support, who can help tailor resources to meet patient needs. Additionally, everyone on the MyALPROLIX and MyELOCTATE teams has had the opportunity to meet face to face with hemophilia community members.

More information on our *MS ActiveSource* and *ActiveAccess* programs, as well as our MyALPROLIX and MyELOCTATE can be found on our website.

## IMPROVING LIVES IN OUR COMMUNITIES

Throughout the world, strengthening the communities where we live and work is a fundamental element of our commitment to corporate citizenship. "Caring Deeply" isn't just something we do; it's an extension of who we are as

a company. And it's brought to life every day by employees with a deep passion for improving the lives of patients and making a difference in their communities.

Our focus on STEM (Science, Technology, Engineering, Math) education and the reach of our Biogen Idec Foundation have expanded globally as we look to create a network of initiatives that benefit those with an interest in science through programs that reach the youngest learners all the way up to those who are pursuing careers in the life sciences.

## Caring Deeply Around the World



### CARE DEEPLY DAY: BRAZIL

Four different teams supported community organizations in Rio de Janeiro, Minas Gerais and São Paulo. Activities included creating and installing vertical garden panels to beautify urban areas and assisting children at a local day care center with craft projects. In total, 90 employees devoted their day to make a difference in their communities.

For the third consecutive year, our global colleagues participated in Biogen Idec's Care Deeply Volunteer Day, our largest volunteer effort to date. This worldwide project enables employees to participate in meaningful community service projects and has a beneficial impact in every location where Biogen Idec operates around the world. More than 1,900 employees took part in more than 122 projects in 28 countries in 2013. Throughout this report we've showcased Care Deeply Day initiatives from around the world.

## Biogen Idec Foundation

The Biogen Idec Foundation is focused on building strong communities and enhancing STEM education through innovative, interactive hands-on programming. As a company, we believe quality and accessible education should be

available for all children worldwide and that private industry must play a role in funding STEM education and complement public funding. In 2013, the Foundation awarded \$5 million in grants worldwide.

Our programs provide access to learning opportunities for students at all phases of their education, from kindergarten through post-doctoral studies, building a pipeline from classroom to career. We support teacher professional development as well, to ensure educators are adequately equipped to inspire and teach future innovators and leaders.

#### Notable STEM initiatives in 2013 include:

**Museum of Science, Boston, Mass.** – A \$2.5 million grant to the Museum to support its groundbreaking Hall of Human Life exhibit, which revolutionizes how visitors engage with biology and investigate managing their own health.

**North Carolina Museum of Natural Sciences, Raleigh, N.C.** Through support from the Biogen Idec Foundation, the Museum was able to triple the number of classes offered through its Micro World Investigate Lab. In 2013, this program engaged more than 20,000 visitors and students in lab-based activities. Additionally, the Foundation's support made it possible for more than 700 students from underserved school districts to travel to the Museum and participate in these hands-on programs.

**Community Lab** – The Biogen Idec Community Lab is the longest-running, hands-on corporate science lab in the nation. Our Community Lab exposes middle and high school students to hands-on, real-world science with a fun and interactive approach. Nearly 20,000 students in Greater Boston have passed through its doors to experience real laboratory science.

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## INTERNATIONAL GRANTS PROGRAM

The Biogen Idec Foundation launched an international grants program in 2013, with the goal of building a global philanthropic network focused on supporting science education. Direct grants included support for the Experimentarium's mobile science programming in Copenhagen, Denmark; the United Kingdom Science Museum's International Women's Day celebration engaging early career female scientists; and independent scientific research study sessions for students from across Switzerland through the Schweizer Jugend forscht (Swiss Youth in Science) education series.

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The Community Lab is a catalyst for students to learn first-hand there are countless careers in science and biotechnology. Biogen Idec and the Community Lab have partnered with a number of different programs to help promote career exploration in biotechnology. Programs include Young Women in Bio, MassBioEd, Biomedical Science Careers Program (BSCP) and North Carolina Museum of Natural Sciences.

In October 2013, Biogen Idec unveiled a second Community Lab at our RTP facility in North Carolina. Modeled on the success of our Boston program, the Community Lab expansion aims to engage the next generation of STEM leaders through hands-on learning.

**Supporting Science Education** – The Biogen Idec Foundation funds two programs that provide direct support to students and schools in the communities we serve. Our

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\$150,000

⚙️ Aid to the Red Cross disaster relief to typhoon Haiyan survivors

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## PROVIDING DISASTER RELIEF TO TYPHOON HAIYAN SURVIVORS

Typhoon Haiyan was one of 2013's most devastating natural disasters, affecting millions of people across the Philippines. Biogen Idec quickly mobilized support for the victims of the typhoon's destruction. Through the collective contributions of the company, the Biogen Idec Foundation and our employees, we provided more than \$150,000 to the Red Cross to aid in the recovery efforts. This marked the first time we were able to match donations from internationally based employees.

**Micro-Grants for Science-Based Programming and Ignite the Power of STEM** programs support science education initiatives and projects which aim to promote science literacy among students, enabling teachers to create excitement about STEM in the classroom and inspiring students to pursue STEM careers. The grant programs provide awards of \$250-\$5,000 to teachers, schools and nonprofits to extend their work in science education. During 2013, we had the pleasure of issuing 106 grants to teachers and schools in North Carolina and Massachusetts, totaling \$190,000.

**Biomedical Science Careers Program (BSCP)** – For many years, the Biogen Idec Foundation has been a strong supporter of the BSCP, supporting professional development and educational programming and providing a HOPE Scholarship award to a deserving student in need of financial assistance. The goal of the BSCP is to increase the number of under-represented minorities in the health professions and the biomedical sciences.

Many BSCP students have gone on to pursue successful careers in healthcare and biomedical sciences, including two former BSCP students who are now Biogen Idec employees. One is a scientist with our molecular discovery team and the other is a senior research analyst with our public policy and government affairs group.

**Kinder-Universität Zürich** – For the fourth straight year, Biogen Idec has been the exclusive biotechnology sponsor of Kinder-Universität Zürich (Children's University of Zurich), a program that provides lab-based curricula to third through sixth graders. This program, which serves about 700 children per year, makes lab learning fun as it introduces students to such topics as microscope use, climate change and electricity.

## Advancing Medical Education

Biogen Idec continuously strives for new ways to increase disease awareness, improve patient access to care and help patients with unmet medical needs. To that end, we offer educational grants, fellowships and other support to academic institutions, hospitals and community-based healthcare organizations in the therapeutic areas we serve.

In 2013, Biogen Idec contributed approximately \$10 million to independent medical education programs for healthcare providers, including physicians, nurses and pharmacists. All medical education programs are developed and administered completely independent of any direction or influence from Biogen Idec, in accordance with our company's internal policies and relevant external regulations.

**Fellowship Programs** – In 2013 we donated more than \$1.6 million to Fellowship programs, including the MS Clinical Fellowship Program, Hemophilia Fellowship Program, Global MS Registries Research Fellowship Program and R&D Fellowship Program.

For the 2013-2014 academic year, Biogen Idec awarded 10 grants totaling more than \$880,000 to top universities and academic institutions across the United States to support MS Clinical Fellowships. Once grants are awarded, the selection and placement of the MS Clinical Fellows are at the discretion of the recipient institution. The Biogen Idec MS Clinical Fellowship Program has supported promising clinical fellows who are helping to lead the effort to care for MS patients and find new treatments for this serious disease since 2006.



**U.S. Employee Matching Gifts Program** – In 2013, we launched a program to help support the wide range of causes our employees care most about. Through our Employee Matching Gifts program, the Foundation matches up to \$5,000 in donations made by each employee and our board of directors to qualifying charitable organizations. Last year the Foundation awarded more than \$550,000 in employee matching gifts to more than 580 organizations across the United States.

**Strong Communities** – The Biogen Idec Foundation also provides grants for innovative programs that address vital community needs, including general education, human services, and culture and the arts. Partners include Boston Healthcare for the Homeless, Community Servings and Food Bank of Central and Eastern North Carolina.

### Supporting Patient Communities

Around the globe, our employees embody our credo of Caring Deeply. From North America to Asia-Pacific and across the European continent, Biogen Idec employees participated in an array of walks, runs and other activities to raise awareness and donations for numerous patient advocacy organizations. In the United States, our company made a donation for each U.S. employee who participated in MS, hemophilia and ALS walks in cities where we have corporate locations.

These are just some of the ways we engaged with patient organizations in 2013. For more information on our engagement efforts, please see pages 18 and 39.

## IMPROVING THE LIVES OF OUR EMPLOYEES

Our future as a company depends upon a workplace that enables our employees to grow their careers and achieve their objectives — both at work and outside the office. When this happens, everyone benefits. To this end, we embrace a global Culture of Excellence through collaboration, innovation, development, diversity, recognition and work-life balance.

### Engaging with Employees

Every Biogen Idec employee has a voice in how our company is run and is empowered to contribute new ideas that will move us forward. We give all employees an opportunity to share their feedback in our annual companywide survey. Thanks to their honest assessment of the company's performance, we have been able to make improvements in a number of important areas. In fact, a majority of 2013 survey respondents reported that they have seen us make improvements in response to the previous year's survey.





## 2013 COMPANYWIDE EMPLOYEE SATISFACTION

(in percent)

	2011	2012	2013
Employees proud to be associated with Biogen Idec	96	97	<b>97</b>
Employees who would recommend Biogen Idec as a great place to work	90	91	<b>90</b>
Employees who indicated that their work makes them feel like they are part of something meaningful	90	92	<b>92</b>
<b>New in 2013:</b> Employees who indicated that they understand how their role is related to the organization's overall goals, objectives and direction	NA	NA	<b>92</b>
Employees who believe that Biogen Idec supports diversity and inclusion in the workplace by recognizing and respecting the value of human differences	82	88	<b>90</b>
Overall voluntary turnover rate	5.7	6	<b>4</b>

*In our 2012 Corporate Citizenship Report, we erroneously reported that 96 percent of respondents would recommend Biogen Idec as a "good" place to work. The actual wording of the question included the phrase "great" place to work and the percent of respondents agreeing was 91.*

While employee commitment, motivation and pride in our company all rank very high, we believe we can do even better. Using the results from the 2013 employee survey, we identified several opportunities for improvement and are now working to address them. For example, the 2013 survey revealed that some employees had concerns about career development at Biogen Idec. In response, we developed a leadership competency model that will help employees better understand what it takes to succeed and advance their careers. We also began creating new tools for employee development planning, which we unveiled in 2014.

## Promoting Diversity + Inclusion

When people with different backgrounds, perspectives and life experiences work together, it makes us stronger as a company. Over the past several years, Biogen Idec has made significant advancements in supporting a diverse workforce and promoting a more inclusive culture.

In 2013, we achieved a perfect score of 100 on the Human Rights Campaign (HRC) Corporate Equality Index, a significant improvement from our rating of 85 the previous year. Based on this year's score, the HRC named us one of its Best Places to Work. The Corporate Equality Index is a widely recognized, national benchmarking tool for corporate policies and practices related to lesbian, gay, bisexual and transgender employees.

## BIG CHAMPIONS OF INCLUSION AWARDS

Launched in November 2013, our "BIG Champions of Inclusion" program identifies and recognizes employees who promote diversity and inclusion in their day-to-day work lives. In 2013, we received more than 140 inspiring nominations with five individuals chosen to be honored for their outstanding contributions.

Our efforts in this important area are led by Biogen Idec's Diversity + Inclusion Strategic Council (DISC) — a group of 18 men and women drawn from all of our business areas who are responsible for setting the overall strategy for our Diversity + Inclusion efforts. In 2013, the DISC oversaw the development of a Global Diversity + Inclusion initiative, which we announced in early 2014.

## Expanding Our Global Reach in Diversity + Inclusion

Biogen Idec recently launched a Global Diversity + Inclusion program. Its goal is to further elevate our company's commitment to diversity and inclusion across three important fronts — patients, workforce and suppliers. The Global Diversity + Inclusion team will undertake several new

initiatives this year to help Biogen Idec get to the next level on this important business priority:

- **Measuring our impact:** A set of company metrics will track our progress internally and benchmark our work against industry best practices.
- **Revamping our global competence:** Training in inclusive leadership will be a standard professional development offering for all managers.
- **Closing the gender gap:** In 2014, we will become one of the first companies to launch a pilot program to prepare and sponsor women employees to serve on corporate boards.
- **Making patients and suppliers part of the equation:** We are sharpening our focus on how Biogen Idec can best address the needs of special patient populations and build a diverse supplier base to match our entrepreneurial culture.

## Employee Resource Networks

Our Employee Resource Networks work at a grassroots level to embed and advance our Diversity + Inclusion commitment throughout the company. In 2013, over 1,400 employees participated in these networks.

### Advancing Women's Leadership

To continue to thrive as a company and an industry, we must advance leadership opportunities for women. In 2013, the Women's Forum of New York formally recognized our

commitment as one of the 174 U.S.-based companies honored at the event for having a board of directors that is at least 20 percent women.

Women currently make up just over half of our global workforce, and 40 percent of our management team. As we continue to advance in this area, one way we are striving to close this gender gap is through our **Women's Innovation Network (WIN)** Employee Resource Group, which provides opportunities for women to network, learn, seek out mentors and develop their careers. Though primarily focused on women's careers and leadership, WIN proactively recruits and welcomes employees of all gender identities who wish to act as allies. At present, more than 800 women and men from across the enterprise are members of the network.

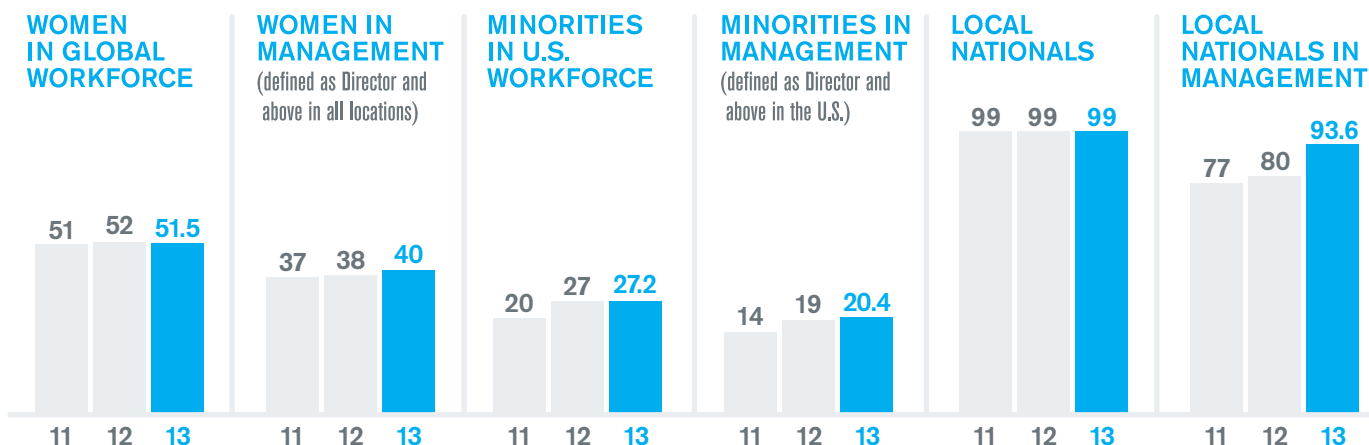
### ReachOUT Employee Resource Network

ReachOUT is our network for lesbian, gay, bisexual, transgender and queer (LGBTQ) employees, along with their straight allies. This organization works to increase awareness and acceptance of the LGBTQ community within Biogen Idec, support a best-in-class working environment for LGBTQ employees and focus our commitment to social responsibility and innovation.

ReachOUT enjoyed some significant accomplishments in 2013. The group successfully advocated for an explicit reference to "gender identity and expression" in our company's inclusion policy, which helped Biogen Idec improve its Corporate Equality Index rating; supported the extension of tax benefit equality to same sex couples in the United States; and became one of the few companies in

## ❖ DIVERSITY AT BIOGEN IDEC

(in percent)



the United States to offer employees transgender health coverage. In addition, ReachOUT sponsored several initiatives with such community organizations as Gay & Lesbian Advocates and Defenders (GLAD), HRC and PRIDE Boston.

#### Mosaic Employee Resource Network

Launched in 2013, Mosaic focuses on opportunities to celebrate and learn from the multicultural backgrounds of Biogen Idec employees. The group fosters awareness, appreciation and collaboration by encouraging members to develop a richer understanding of one another's cultural heritages and identities. Mosaic also sponsors cultural events hosted at our Cambridge, RTP and Denmark locations to celebrate the diverse backgrounds of our employees with a different cultural theme each month.

### Advancing Workplace Equality

Biogen Idec has a long history of supporting workplace equality and continues to push for equal rights for LGBTQ people. We were one of the first and few companies to take public action in support of cases that challenged the Defense of Marriage Act (DOMA), which we believed treated employers and same-sex couples unfairly under the U.S. tax code. Under DOMA, same-sex partners were barred from a number of legal rights, including federal tax exemptions. In June 2013, the Supreme Court ruled DOMA to be unconstitutional, marking a major advancement in civil liberties for same-sex couples.

Biogen Idec has been a strong supporter for the Employment Non-Discrimination Act (EDNA), a federal bill that would prohibit employment discrimination on the basis of sexual orientation and gender identity.

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### EDGE4VETS

In May 2013, Biogen Idec and five leading Massachusetts life sciences companies helped to expand a partnership with Edge4Vets, a career development program for U.S. military veterans launched in 2011 by the Massachusetts Department of Veterans Services and Fordham University. Human Resources executives from Biogen Idec, Covidien, Fresenius Medical Care, Pfizer and Vertex gathered for several sessions at our Cambridge headquarters with nearly 50 local veterans and state and local federal officials. Together, the group developed a pilot initiative that will provide program veterans job interviews with participating companies.

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### Total Rewards Assessment

As we continue our growth trajectory, it's more important than ever that Biogen Idec employees feel valued for their hard work. In 2013, we conducted a comprehensive review of our Total Rewards programs, distributing a global questionnaire to better understand employee preferences and perceived value around Biogen Idec's compensation and benefits. The results of this assessment have led us to take a series of actions in 2013 and into 2014.

In response to this review, we've launched several new work-life balance initiatives to help employees achieve their best. In 2013, we piloted a well-received year-end shutdown of our U.S. facilities for a week at the end of December to provide our employees more time off.



We also developed the framework for a new Global Sabbatical Program for our longest-tenured employees. After six years of service to the company, Biogen Idec employees are eligible for a four-week, fully paid sabbatical leave. We believe that thoughtfully disconnecting from work and engaging in personal pursuits will result in energized employees who bring increased creativity and productivity to Biogen Idec.

The insights from our Total Rewards assessment have also challenged our assumptions about what our employees value and find most meaningful in their compensation and benefits. In 2013, we analyzed our broad-based equity program, knowing that other companies have significantly minimized eligibility to senior levels of their organizations. What we found was that our employees have a very high perceived value of our long-term incentive (LTI) program versus compensation. As a result, as other companies have moved away from broad-based LTI programs, we continue to grant LTI broadly, as we believe in fostering an ownership mindset across the company and aligning our interests with those of our stakeholders.

We also introduced a new employee rewards and recognition program that enables Biogen Idec employees to formally recognize their colleagues who go above and beyond the call of duty. And we've increased our bonus targets for 2014 at certain levels to ensure that we maintain a competitive advantage, and have made some enhancements to our executive LTI plans to better resonate and motivate our leaders to perform.

## Recruitment, Development and Leadership

With a year of strong growth in 2013, Biogen Idec stands at a critical inflection point as we meet the challenges presented by our substantial progress and transformation.

Each year, we invest in a number of efforts to develop our next generation of leaders and prepare them to guide the direction of our business. In 2013, we hired more than 900 new employees worldwide, from entry level to senior executive positions. Over this period, we have taken a more strategic approach to talent identification, training and development. As a result, we launched several new initiatives and enhanced our existing training programs to increase organizational efficiency and improve employee performance.

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## PROVIDING NEW PROFESSIONAL DEVELOPMENT OPPORTUNITIES

Biogen Idec is collaborating with Worcester Polytechnic Institute (WPI) to develop and deliver course programs at the university's Biomanufacturing Education and Training Center, a near-commercial-scale biomanufacturing facility with state-of-the-art equipment and faculty support. Employees from our Cambridge facility have attended several custom-tailored courses to gain a deeper understanding of how the manufacturing process works.

In addition to the offsite programs, Biogen Idec is also partnering with WPI to offer both M.S. in Bioscience Administration and M.B.A. programs onsite in Cambridge. Employees from our Cambridge and Weston facilities are taking advantage of this opportunity.

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### Organization and Human Resource Planning (OHRP)

To prepare for these exciting challenges, we introduced the OHRP process, an annual comprehensive review of the strengths, weaknesses and opportunities of our talent pool. Through OHRP, Biogen Idec can identify capable successors for leadership roles, create greater transparency about the future career potential of our people and ensure we have the capabilities in place to drive our business strategy.

The OHRP process extends throughout the senior management of the organization, as groups of leaders join together to review outcomes — in some cases, all the way up to our senior leadership team and board of directors.

In 2013, the OHRP process was focused at the director level, but it was so well received that some business units have extended it to manager levels. In total, more than 2,000 employees went through the OHRP process.

### Strategic Training Assessment

To ensure that we get the most value from our training and development initiatives, Biogen Idec engaged in a Strategic Training Assessment in early 2013. This effort enabled us to identify our program's strengths as well as opportunities for improvement. For example, the assessment revealed that our

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## LEADING AT BIOGEN IDEC (LAB)

In the fall of 2013, more than a dozen of our highest-potential employees identified through OHRP were invited to participate in a LAB retreat led by Biogen Idec CEO George Scangos. This three-day event gave participants an opportunity to build upon their core leadership competencies and interact with individuals from different business areas.

We will be extending this program in 2014, adding two additional workshops that will enable us to build on the participants' development and leverage them as a "think tank" to generate new ideas and recommendations to support and accelerate Biogen Idec's continued growth and success.

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decentralized approach to training was not the most efficient or sustainable model for long-term growth.

As a result, over the next two years we will implement a series of improvements to enhance the return on our training initiatives and create a more consistent professional development experience companywide. Phase one of this program overhaul is underway and includes plans for centralizing all corporate training across the company, establishing shared services for training activities, creating a governance group to oversee all professional development initiatives and hiring a learning leader to advise on key training efforts.

**Passport to Excellence** – Our Passport to Excellence program is a series of targeted workshops designed to equip employees across Biogen Idec with a shared set of tools and learning opportunities. Our defined curriculum reinforces core management capabilities such as goal-setting, giving feedback, developing talent and driving accountability. In 2013, we held more than 250 sessions around the world, and more than 3,000 employees participated.

**The Directors Development Program (DDP)** – Designed for senior managers and associate directors, this 18-month global leadership development program includes targeted training events, leadership assessments with individualized feedback, a strategic learning project and opportunities to network with colleagues in other parts of the organization.

**The Management and Executive Academy (MAXA)** – This 18-month global leadership development program is designed for directors and senior directors who have the potential to advance to vice president roles. MAXA begins with a leadership and business simulation that diagnoses a manager's development needs, provides individualized feedback and prepares him or her for the program. Participants also work on six-month strategic learning projects in global, cross-functional teams.

## Health, Safety and Wellness

The well-being and safety of our employees is a vital part of our business and a critical component of our ongoing ability to innovate. We're continuously challenging ourselves to provide and foster a culture where health, safety and wellness are the norm.

Our approach to total employee health and well-being emphasizes key performance data and cross-functional collaboration. Biogen Idec tracks health- and safety-related incidents and events, enabling our leadership to take action as necessary. By leveraging this information, we can track frequent types of injuries and where they occur, empowering our team to take preventive measures.

Senior leadership meets regularly to review environment, health, safety and sustainability performance indicators and discuss best-practice initiatives, including ways to recognize employees who have made outstanding contributions in these areas. This cross-functional approach has helped us achieve one of the industry's best health and safety records. In 2013, our Days Away Case Rate was 0.10 — lower than in the previous two years (see chart on next page). And we're working to drive this rate down even further, with a goal of reducing it 80 percent by 2020 (compared to our 2006 baseline).

## ❖ EMPLOYEE HEALTH AND SAFETY

	2011	2012	2013
Days Away Case Rate	0.14	0.12	<b>0.10</b>
Accidents per Million Miles (U.S. only)	9.95	9.57	<b>7.72</b>

### Improving Employee Safety in Our Manufacturing Operations

As part of our routine activities, technicians must detach and reattach the air supply to multiple valves that control the bioreactors used in our manufacturing processes. These valves are often located in hard to reach locations, creating a potential hazard for our employees. In 2012, we conducted a pilot project that rerouted the air supply lines in RTP to a centrally located point, reducing the potential for injuries. In 2013, we committed \$300,000 to further expand the program and have allocated additional resources for 2014.

### Safeguarding Contractors

Our commitment to safety includes the safety of contractors working at our sites. In 2013, Biogen Idec contractors executed more than 220 construction projects totaling more than 400,000 subcontractor hours. Throughout these projects, we had only one Lost Time Accident and two recordable injuries, illustrating the value of a strong safety culture.

### Promoting Health and Wellness

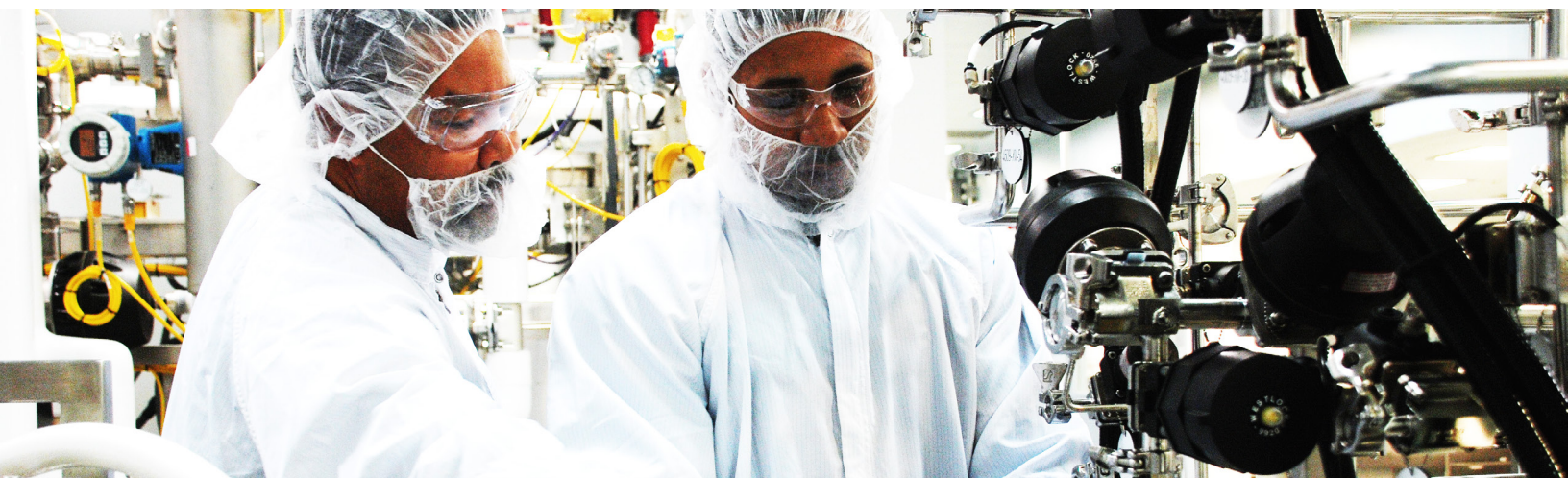
Our balanced strategy for total employee health starts with developing a culture that inspires and a work environment that enables healthy lifestyles. Incenting employees to take a health risk assessment and receive biometric screenings each year is the cornerstone of our wellness framework. Armed with an understanding of their health status and risks,

employees are encouraged to maintain and improve their health by engaging in company-supported programs most relevant to their specific needs.

Nutrition, fitness and other healthy lifestyle reinforcement is provided through state-of-the-art onsite fitness centers at all major locations. We also offer cafes promoting healthy dining options; walk/work stations and ergonomic instruction and support; and a myriad of education and programming to engage employees all along the health risk spectrum. In addition to broad-based corporate initiatives, individual locations champion their own wellness programs aligned with their resources and most prevalent health risk factors.

Some examples from across our operations include:

- Employees on our Cambridge campus have access to on-campus bicycle parking, a bicycle-sharing station sponsored by the company including discounted memberships and shower facilities to encourage biking to work.
- Employees in Denmark can take advantage of onsite health services including massage therapy and physiotherapy.
- Switzerland-based employees, primarily in Zug, have access to a growing number of wellness opportunities, including fitness classes, clubs and stipends, access to healthy food and ergonomic workspaces.
- Our RTP site offers employees an onsite fitness center, gym membership reimbursements and various employee activity groups to promote good health, weight loss and active lifestyles.
- At our major U.S. and international locations, we hold benefits fairs at which employees have their health and fitness levels measured.





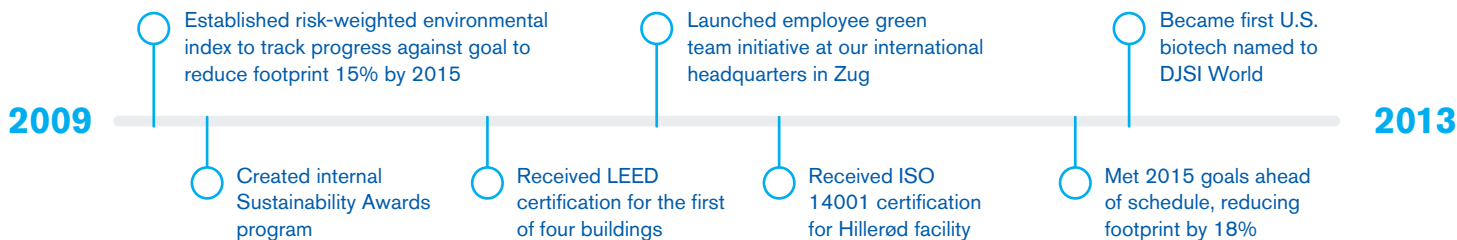
## Rethinking Resources

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At Biogen Idec we continuously push ourselves to more effectively serve our patients, employees and communities. One key outcome has been positive results from our efforts to preserve and protect the environment. By rethinking the way we use our resources, we have made significant progress in recent years. And the credit goes to the innovative spirit of our employees.

## ENVIRONMENTAL STRATEGY

Named to DJSI North America Index four consecutive years (2010-2013)



## ENVIRONMENTAL MANAGEMENT

Our company’s sustainability vision and strategy are set by the Biogen Idec Corporate Sustainability Council. This group has outlined new goals to guide us into the future, as we pursue ways to further reduce our impact on the environment and more strategically manage our resources.

### Bold New Environmental Goals for 2020

In our last Corporate Citizenship Report, we shared that Biogen Idec had surpassed the goal of reducing our overall environmental footprint by 15 percent by 2015 (compared to 2006 levels), reaching our goal several years ahead of schedule. Our actual reduction was 18 percent, but taking into consideration Biogen Idec’s rapid growth over the past few years, we reduced the intensity of our environmental footprint by 40 percent in that timeframe, when normalized by revenue.

In 2013 we began developing bold new environmental milestones for 2020.

Our new greenhouse gas (GHG) intensity goal is to reduce Scope 1 and Scope 2 GHG emissions intensity by 80 percent by 2020 compared to our 2006 baseline and normalized by revenue. This is equivalent to maintaining 2006 levels of GHG emissions, despite realized and anticipated business growth. For waste, our goal is to maintain zero waste-to-landfill, which we achieved for the first time in early 2012. We are also in the process of developing a new water intensity goal that we plan to release in 2015.



## ELECTRIC VEHICLE CHARGING STATIONS

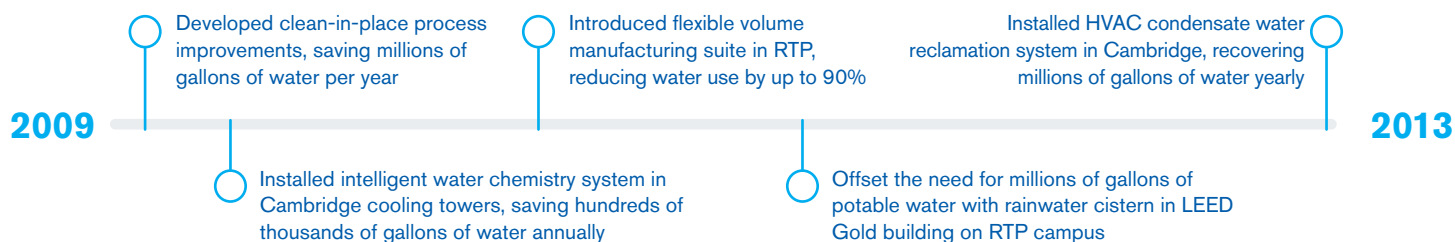
We have installed electric vehicle (EV) charging stations at our RTP and Cambridge campuses for employee use, supporting them in decreasing their personal carbon footprint by driving EVs.

To monitor our progress, we will continue to measure our environmental footprint in four key areas: water use, energy use, GHG emissions and solid waste to landfills. We have, however, retired the risk-weighted environmental index we established in 2009 in favor of absolute and intensity measures.

We are also pleased to report that Biogen Idec did not have any fines or nonmonetary sanctions for noncompliance with environmental laws and regulations in 2013.



## WATER



### LEED Certification

In 2013, we received Leadership in Energy & Environmental Design (LEED) Gold certification for construction of our company-owned 190,000-square-foot office building in RTP. We also moved into two leased buildings on our Cambridge campus, each of which is pursuing LEED Platinum certification for core and shell. These are our new 300,000-square-foot corporate headquarters and 200,000-square-foot development facility. Both buildings are designed to provide an open work environment that enables natural lighting as well as improved air flow. They also are powered primarily by reliable, highly efficient steam and electricity produced by our cogeneration plant. We expect to receive certification for both buildings in 2014.

Our teams throughout the world have been identifying unique and strategic ways to make sure we use water as efficiently as possible. In 2013, these combined efforts helped us reduce our water intensity by 66 percent compared with our 2006 baseline — representing our all-time best performance.

#### Reclaiming Water for Irrigation

Our LEED Gold certified building in RTP features a 100,000 gallon cistern, enabling us to harvest rainwater for irrigation and significantly reduce water consumption. In addition, our RTP campus uses reclaimed water supplied by the nearby city of Cary, N.C. for irrigation. Thanks to these and other reclamation efforts, our RTP campus saved more than 20 million gallons of water and more than \$140,000 in 2013.

#### Reclaiming Condensate Water for Operations

A new series of water reclamation systems captures the condensate water produced by the HVAC units in our two main Cambridge, Mass. labs. We now reuse this water in our cooling towers to further reduce our consumption of municipal water. In 2013, this system recovered an estimated 2.4 million gallons of water, saving more than \$47,000 in municipal water costs.

## WATER USE

Water, and how we use it on a daily basis, is critical to the success of our business. We use it in our products, during the sterilization and cleaning of equipment, in our cooling towers and for irrigation, as well as other operational needs. We work to reduce our use of water throughout our operations, while maintaining the highest quality and safety standards — and we recycle it whenever possible.

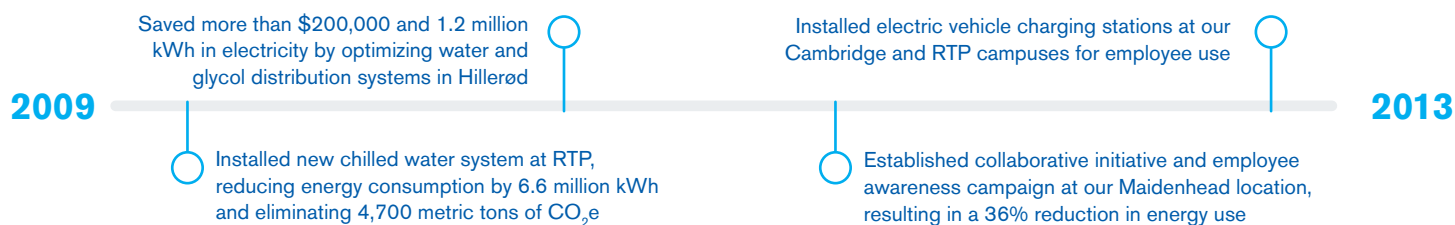


## ENVIRONMENTAL, HEALTH, SAFETY & SUSTAINABILITY AWARDS

Internal recognition is an important part of driving Biogen Idec's culture of safety. In 2013, we established the Biogen Idec Environmental, Health, Safety & Sustainability (EHS&S) Awards. [Watch the video for more details.](#)

## GHG/ENERGY

Avoided 150,000+ metric tons of CO<sub>2</sub>e and saved more than \$23 million since 2006 by operating our own cogeneration plant to help power our Cambridge campus



### Flexible Volume Manufacturing

Our RTP campus features a flexible volume manufacturing (FVM) process for our early-stage clinical products, which we've completed over the course of several years.

The use of pre-sterilized bioprocess bags enables this system to use up to 90 percent less water, as well as less energy and cleaning chemicals than the stainless steel vessels we formerly used to produce our early-stage therapies at RTP. Any additional waste created by the FVM process is diverted to a waste-to-energy facility, which supports our status as a zero waste-to-landfill company.

This innovative and efficient approach to pharmaceutical manufacturing has not gone unnoticed. It helped our company win the 2013 Facility of the Year award, which is sponsored by the International Society for Pharmaceutical Engineering, *Pharmaceutical Processing* magazine and INTERPHEX, one of the industry's leading trade events.

## GHG REDUCTIONS AND ENERGY USE

By leveraging cutting-edge technologies and innovative strategies, we continually strive to reduce our energy use and lower our GHG emissions.

Our research, development, commercial and manufacturing operations — while not as energy-intense as many other industries — still consume a considerable amount of energy. By strategically implementing more energy-efficient technologies and purchasing renewable energy credits and carbon offsets, we are able to control our GHG emissions, energy use and associated costs.

In 2013, our combined efforts helped us decrease our energy intensity by 19 percent compared to 2012. Compared to our 2006 baseline, we have reduced our energy intensity by more than 57 percent. We've also reduced our GHG emissions intensity by 64 percent compared to our 2006 baseline, including our purchased carbon offsets.

## COGENERATION PLANT

Beneath one of the labs on our Cambridge campus, a Biogen Idec-owned cogeneration plant provides much of the power for our buildings. Since coming online in 2006, this plant has saved more than \$23 million in energy costs, and avoided the emission of more than 150,000 metric tons of CO<sub>2</sub>e. It now generates, on average, 75 percent of the electricity and 100 percent of the steam we need at our Cambridge campus. We've progressively optimized the plant to increase its efficiency, including adding an absorption chiller, variable frequency drives and a water reclamation system.

### Renovating for Energy Efficiency

In 2013, we completed another step in our multiyear renovation project on one of our older Cambridge laboratory facilities. These renovations build upon the success of our 2012 HVAC system upgrade, which reduced air demand by 40 percent and operating costs by about \$200,000 annually. By relocating our chemistry team to a lower floor

## MATERIALS & WASTE



and renovating this space, we addressed workspace and infrastructure concerns, while also creating a more comfortable, efficient and collaborative working environment. These renovations, along with switching the use of the space from our chemistry team to our biology team, are expected to save an estimated 130,000 kWh annually.

### Rethinking the Way We Cool Data Servers

Our Cambridge data center relies on cold water to regulate the temperature of the computer servers it houses. In 2013, we installed a new in-rack system that directly cools the servers — a much more efficient approach than the previous system that required cooling the entire room. The new system also uses variable speed pumping to run at reduced power when system demand is lower. We estimate that this project will yield annual savings of about 640,000 kWh when the data center reaches full capacity in the coming year.

### Offsetting Our Carbon Footprint

In addition to identifying innovative ways to operationally reduce our carbon footprint, in 2013 we entered into an agreement with CarbonFund.org to purchase carbon offsets. These offsets can help counterbalance GHG emissions such as those from our fleet and business travel. On our behalf, CarbonFund.org retired 20,000 American Carbon Registry-verified carbon offsets, keeping 20,000 metric tons of CO<sub>2</sub>e out of the atmosphere.

The carbon offsets were facilitated through a local initiative called the New Bedford Landfill Gas-to-Energy Project. This gas-to-energy plant produces approximately 3.3 megawatt hours (MWh) of cleaner electricity for the New England power grid by using gas generated from the natural decomposition of waste.

## MATERIALS AND WASTE

We continue to identify new ways in which to divert from landfills all materials and waste associated with our operations. We're pleased to report that in March 2012 we achieved zero waste-to-landfill through a suite of projects that avoid, recycle and compost our waste or turn it into energy. Our goal is to maintain this status going forward.

### Composting Wastewater Byproducts

Biogen Idec works with McGill Environmental Systems, an innovative compost vendor, to test and refine the nutrient-rich byproduct solutions created during our manufacturing processes. Traditionally treated as hazardous waste, we are now able to repurpose these solutions as Class A Exceptional Quality compost, per U.S. EPA standards. As a result, from 2009 through 2013 we repurposed more than 5,500 metric tons of waste and saved approximately \$550,000 in waste handling costs.

Similarly, our Hillerød location entered into an agreement that processes ammonium sulfate solution, another byproduct of therapy production. More than 220 tons of this solution have been collected and sold primarily as fertilizer to customers in Sweden.

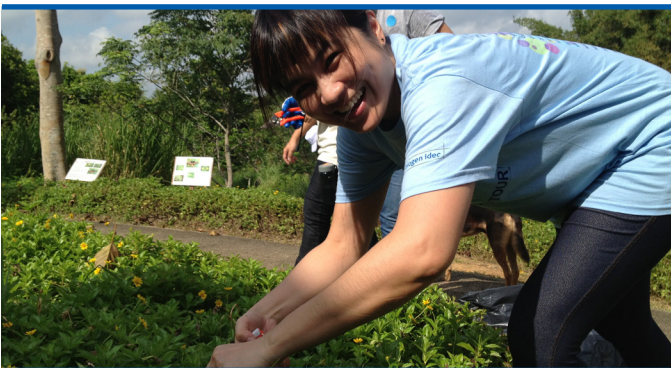
By finding innovative ways to transform these manufacturing byproducts from hazardous materials to useful fertilizers and compost, we are relieving some of the need to tap virgin resources for these products.

### Partnering to Increase Recycling Rates

In 2012, Biogen Idec piloted an EMD Millipore recycling program at our RTP facility to assess the viability of collecting and recycling hard-to-process materials such as filters, tubing, bag assemblies, pallets and packaging. By disassembling more than 35,000 pounds of products into recyclable and non-recyclable parts, we were able to reclaim over 18,000 pounds of waste. In 2013, we collected over 80,000 pounds of waste, approximately half of which was recycled. By reclaiming these materials, we've eliminated an estimated 83,000 kilograms of CO<sub>2</sub>e, the GHG emissions associated with producing the equivalent amount of material from virgin feedstocks.

### Empowering Product Take-back

Our partnership with ecoSharps™ makes the disposal of medical waste safer and easier for patients who use AVONEX, which is self-administered by intramuscular injection. Patients can return their used injection materials in a puncture-proof container to ecoSharps, via a prepaid package. ecoSharps then sterilizes, breaks down and repurposes these materials for other uses, saving this material from ending up in a landfill or causing safety issues.



### caredeeply

**Care Deeply Day: Singapore** – Partnering with Singapore's National Parks Board, Biogen Idec employees endured sweltering heat to clear invasive weeds from Butterfly Hill, a knoll specially created to conserve and showcase native butterflies and caterpillars. The weeds were threatening the butterflies' habitat by stealing nutrients from the plants that attract them.

## ENVIRONMENTAL PERFORMANCE

	2006 (baseline)	2011	2012	2013
Energy Use (gas, oil and purchased electricity in MMBTUs)	1,029,436	1,128,822	1,102,430	<b>1,135,627</b>
Energy Intensity (MMBTUs/million \$ revenues)	383.7	223.6	200.4	<b>163.8</b>
Renewable Energy Credits (kWh)	N/A	4,014,403	33,000	<b>198,000</b>
Renewable Energy (% of total energy intensity)	N/A	1.2	0.01	<b>0.06</b>
Carbon Emission Offsets (metric tons CO <sub>2</sub> e)	0	0	0	<b>20,000</b>
Scope 1 and 2 Greenhouse Gas Emission Intensity (metric tons/million \$ revenues) <sup>1</sup>	32.9	18.9	16.4	<b>12.8</b>
Greenhouse Gas Emission Intensity (metric tons/million \$ revenues) <sup>2</sup>	36	21.3	18.2	<b>12.8</b>
Scope 1 and 2 (gas, oil, purchased electricity, U. S. fleet in metric tons CO <sub>2</sub> e)	88,162	87,720	86,007	<b>90,754</b>
Scope 1 (metric tons CO <sub>2</sub> e)	38,934	46,545	46,588	<b>49,378</b>
Scope 2 (metric tons CO <sub>2</sub> e)	49,227	41,176	39,419	<b>41,376</b>
Scope 3 (business travel in metric tons CO <sub>2</sub> e) <sup>3</sup>	8,325	13,240	13,183	<b>17,788</b>
Water Use (cubic meters)	671,871	591,444	555,541	<b>583,969</b>
Water Intensity (cubic meters/million \$ revenues)	250	117	101	<b>84</b>
Reclaimed/Reused Water (%)	10	21	20	<b>19</b>
Solid Waste to Landfill (metric tons) <sup>4</sup>	331	317	44	<b>0</b>
Solid Waste to Landfill Intensity (metric tons/million \$ revenues)	0.12	0.06	0.01	<b>0</b>
Waste Composted (metric tons)	N/A	969	1,650	<b>1,562</b>
Waste Recycled (metric tons)	N/A	1,082	804	<b>1,854</b>
Waste to Energy (metric tons)	N/A	514	592	<b>875</b>

1 | Data reflects inclusion of any remaining carbon emission offsets after the complete offset of Scope 3 emissions. 2 | Data reflects inclusion of the carbon emission offsets. 3 | 2006 baseline data is extrapolated based on data from prior years. 4 | Data includes solid waste from our routine operations only. Waste from construction and other contractor activities is not included.

Biogen Idec uses the guidance and methodology outlined in the GHG Protocol Corporate Standard to identify appropriate emission factors and calculate its greenhouse gas emissions.

In accordance with the GHG Protocol Corporate Standard, Scope 2 emissions have been recalculated using updated emission factors, specifically eGRID's recently released 2010 data.



## Creating Value

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Balancing the needs of patients, healthcare systems and society requires a focused and strategic approach. By engaging with stakeholders and managing our business with the utmost integrity, we create value for our shareholders, employees and the communities where we work and live.

## ENGAGING ACTIVELY

Regular stakeholder engagement is a critical component of how we pursue innovation across the enterprise. To help inform the content of our 2013 Corporate Citizenship report, we conducted a series of interviews with representatives from the investment community, as well as with several U.S.-based MS patient advocacy groups.

The following is a summary of our stakeholder engagement activities.

**Engaging with Investors** – We regularly engage and communicate with the investment community, both with traditional and socially responsible investors. For the past four years we have provided detailed information to RobecoSAM and the Dow Jones Sustainability Index (DJSI) — two of the most prominent entities that track and evaluate the performance of the world’s leading companies against economic, environmental and social criteria.

We also participated in the healthcare working group of the Sustainability Accounting Standards Board (SASB), which helped inform SASB’s Biotechnology Sustainability Accounting Standard. This nonprofit organization is engaged in the development of industry-specific sustainability accounting standards that will be suitable for disclosure in standard filings such as the Form 10-K.

In 2013, we contracted with a third party to conduct an investor perception survey to gauge traditional investors’ and analysts’ opinions on our strategy, R&D capability, management team, communication efforts and capital allocation. While the outcomes of this survey are proprietary, we are using the results to help shape how we continue to create value for our shareholders.

A series of engagements over several years with a large institutional investor reinforced the business value of making citizenship and environmental sustainability a cultural imperative throughout the company.



### CARE DEEPLY DAY: DENMARK

Employees in Denmark arranged activities in collaboration with public and private community institutions. Their efforts included providing outdoor maintenance for a local children’s nonprofit, redesigning the interior of a local volunteer center and sorting sale items for a secondhand shop run by the Red Cross.

**Engaging with Patients, Patient Groups and Healthcare Professionals** – As part of Biogen Idec’s commitment to improving the lives of patients, we engage with them one-on-one, indirectly through advocacy groups and professional healthcare societies and through our own patient assistance programs. Our global approach to Advocacy Relations is, in part, a result of such engagement. See page 18 for more information.

Through ongoing dialog, dedicated research and through a series of interviews with MS patient advocacy groups, Biogen Idec works to support patients and their continued focus on key concerns. These include drug availability

“I REACHED MY POINT OF ACCEPTANCE 10 YEARS AGO. NOW, I AM TAKING MY MS TO THE NEXT LEVEL TO HELP OTHERS.”

RYAN KAPLAN  
HIGH SCHOOL PRINCIPAL, OUTDOORSMAN, HUSBAND AND FATHER



and safety, financial support, access to drug information, expanded access programs, accelerating clinical development and approval timelines, and improving the success rates of treatment.

#### *Patient groups interviewed to inform this report*

- Accelerated Cure
- Can Do MS
- MS Association of America
- MS Foundation
- MS World
- National MS Society

As a result of our overall patient engagement efforts, Biogen Idec has developed patient mentoring and financial aid/free drug programs; makes significant investments in R&D, both within our own organization and in collaboration with others; works with regulators to help accelerate drug approvals and expand access to treatment; and provides advocacy groups with both financial aid and capacity building.

**Engaging with Employees** – Listening to our employees is critical to the success of our company. We solicit feedback through an annual companywide employee survey, periodic roundtables and an annual employee meeting. But we do more than just listen. We act upon their suggestions and concerns. For more information, see page 24.

**Engaging with Industry** – Biogen Idec engages in several industry forums designed to further incorporate citizenship and sustainability. We are a member of the Global Environmental Management Initiative (GEMI), an organization of leading companies dedicated to fostering excellence in sustainable business practices. We're also an active participant in the Pharmaceutical Supply Chain Initiative, which supports better social, economic and environmental outcomes for all those who make up the pharmaceutical supply chain.

## **SOME OF THE PATIENT ADVOCACY GROUPS AND PROFESSIONAL HEALTHCARE SOCIETIES WITH WHICH WE ENGAGE INCLUDE:**

- ALS Association and ALS Canada
- Alzheimer's Association
- American Academy of Neurology
- American Academy of Nursing
- Chronic Disease Fund
- Coalition for Hemophilia B
- Coalition for Pulmonary Fibrosis
- Consortium of MS Centers
- European Multiple Sclerosis Platform (EMSP)
- Families of SMA
- Genetic Alliance
- Global Genes (RARE)
- Hemophilia Federation of America (HFA)
- Hemostasis and Thrombosis Research Society (HTRS)
- Infusion Nurses Society
- International Organization of Multiple Sclerosis Nurses
- Members of the MS Coalition (Accelerated Cure Project for Multiple Sclerosis, Can Do MS, Consortium of Multiple Sclerosis Centers, International Organization of Multiple Sclerosis Nurses, Multiple Sclerosis Association of America, Multiple Sclerosis Foundation, National Multiple Sclerosis Society, United Spinal Association)
- MSWorld
- Multiple Sclerosis International Foundation (MSIF)
- Muscular Dystrophy Association
- Myotonic Dystrophy Association
- National Hemophilia Foundation (NHF)
- National Organization for Rare Disorders (NORD)
- Patient Services Incorporated
- Pulmonary Fibrosis Foundation
- Rare Diseases Europe (EURORDIS)
- SMA Trust and SMA Europe
- World Federation of Hemophilia (WFH)



In addition, we're active members of a number of organizations that share best practices within and outside our industry, including:

- BioPharma EHS Forum
- Biotechnology Industry Organization (BIO)
- California Health Institute (CHI)
- Corporate Responsibility Officers Association (CRO)
- Direct Employers Association
- European Federation of Pharmaceutical Industries and Associations (EFPIA)
- European Biotech Association (EuropaBio)
- European Confederation of Pharmaceutical Entrepreneurs (EUCOPE)
- Massachusetts Biotech Council (MassBio)
- National Association for Environmental Management (NAEM)
- North Carolina Biosciences Organization (NCBIO)
- Pharmaceutical Research and Manufacturers of America (PhRMA)

**Engaging with Government Leaders** – Biogen Idec's CEO and its EVP of R&D provided input to the President's Council of Advisors on Science and Technology, better known in public policy circles as PCAST. Our EVP of R&D served as a formal member of the Council's PCAST Drug Innovation Invited Experts. In 2012, Biogen Idec was one

of three corporate supporters of the FDA-Aspen Institute initiative, National Strategy for Biomedical Innovations, which will integrate academia, industry and government to align scientific policy and priorities with society's health needs.

## Sourcing Responsibly

Our ability to improve the lives of patients hinges, in part, on the quality and availability of the materials we use to manufacture and package our treatments. Within our company and in collaboration with others, we take painstaking measures to protect the integrity of the pharmaceutical supply chain and help ensure that our vendors act responsibly.

All of Biogen Idec's suppliers are subject to our Code of Business Conduct, *Values in Action*, and must meet rigorous compliance standards for quality, as well as comply with applicable external laws and regulations. Currently we source the majority of our materials from regions that are not considered high-risk from an environmental, social and governance perspective, such as the United States and Europe. Nonetheless, we work diligently to make sure our supply chain is of the highest quality.

For those vendors that supply products and services that relate directly to the safety and integrity of our products and the continuity of our manufacturing process, we employ self-assessment surveys to assess corporate citizenship performance. Since 2011, we have processed over 50 surveys and are using this information to better understand supplier practices. So far we have not identified any at-risk suppliers from an environmental, social and governance perspective through this process.



**Care Deeply Day: Portugal** – Employees in Lisbon worked with the local MS Society to meet with patients attending the organization's day center. The volunteers and patients then visited a local restaurant, where they prepared lunch together under the supervision of a chef.

**Pharmaceutical Supply Chain Initiative (PSCI)** – PSCI is a group of major pharmaceutical companies that share a vision of better social, economic and environmental outcomes as documented in the Pharmaceutical Industry Principles for Responsible Supply Chain Management. The initiative is being facilitated by Business for Social Responsibility.

Biogen Idec is an active participant in PSCI, and supports the Principles, which align with international frameworks and standards, including the United Nations Global Compact and the International Labour Organization. PSCI's initiatives include shared audits of major suppliers conducted by third parties under PSCI direction. This approach yields a broad array of critical information about the supply chain and streamlines the process for both pharmaceutical companies and suppliers.

Over the last two years, PSCI completed 20 joint audits and 46 shared audits. Audit results are available through the PSCI Online Supplier Directory, which gives PSCI members quick and easy access to audit reports and documents. PSCI also expanded its resources for building supplier capacity by creating a robust online resource library. To date there have been 227 documents loaded into the Supplier Library and PSCI held its first webinar for suppliers based in Asia, the EU and in North America.

**Supplier Diversity** – Biogen Idec has a strong commitment to supplier diversity, which aims to have our employees, suppliers and patients embody the rich and diverse community we serve. Our philosophy is based in the belief that by enriching our partnerships through the inclusion of small businesses and disabled-, veteran-, LGBT-, women- and minority-owned businesses, we further support our economic growth, innovation and competitive advantage.

In 2013, we spent over \$80 million with diverse suppliers. As a result of an analysis we conducted last year, some

vendors were reclassified out of our diverse supplier list, which is why our reported spend is lower than the amount reported in past years. To learn more about our commitment to supplier diversity, please visit the [Supplier Diversity](#) page on our corporate website.

## Public Policy Support

Biogen Idec works within a system that is heavily regulated. It is critical to understand and help to shape a policy environment that is conducive to our mission of delivering innovative therapies to people with serious unmet medical needs. To this end, Biogen Idec participates in public policy discussions that we believe benefit patients and foster innovation and growth in the industry.

Some of the public policy debates in which we engaged in 2013 include:

- Supporting Affordable Care Act implementation oversight to protect patient access to medical specialists in new healthcare insurance exchanges
- Opposing proposals to weaken incentives included in the biosimilars law for innovation and second generation therapies
- Supporting policies to improve the U.S. National Newborn Screening Program

Additionally, through the Biogen Idec Political Action Committee, we contribute to candidates and causes that we believe best serve our company and our constituents. Information on our contributions can be found on the [U.S. Federal Election Commission](#) website and our [Political Contributions Policy](#) can be found on our website.



caredeeply

**Care Deeply Day: United Kingdom and Ireland** – Biogen Idec employees participated enthusiastically in five different community projects. Among other endeavors, they painted the main hall of a local center for the elderly and prepared fields for winter for the Windsor Horse Rangers, a charity that educates children of all backgrounds on horseback riding and horse care.

## MANAGING STRATEGICALLY

### Expanding Access to Medicine and Promoting Societal Value

As we have seen over the last several years, the environment for biomedical innovation, patient care and the provision of health services continues to evolve as payers and governments seek verifiable improvements in the quality and value of the healthcare services they finance.

We believe that we are well positioned to compete in this changing environment. We are investing in clinical and health economics and outcomes research specifically intended to ensure access, reimbursement and, most importantly, a clear understanding of the clinical utility of our products. We are supporting clinical data with robust intellectual property and other regulatory protections and efficient supply chain infrastructure to ensure product availability.

As countries globally continue to wrestle with economic pressures, we remain focused on demonstrating the value of our products as we concentrate our research efforts in areas of high unmet medical need, engaging in innovative science that provides measurable value and creates evidence to support the benefits of our products among competitors. At the same time, our ability to bring new treatments to patients in Europe may be affected by the policy and regulatory environment and decisions made at both the European Union and member state levels that impact the biopharmaceutical industry as a whole.

Continued innovation and access to treatments, and fair reimbursement for innovative products, depend in large part on certainty around intellectual property and other regulatory protections, which are necessary to ensure that we are able

to make the long-term investments that biopharmaceutical innovation requires.

**Biosimilars** – Working to meet societal demands for access to effective therapies at reduced cost, we agreed with our joint venture partner, Samsung Bioepis, to commercialize biosimilar anti-TNF product candidates in Europe. These are expected to include biosimilars for widely used therapies to treat conditions such as rheumatoid arthritis and Crohn’s disease. If approved, we will be responsible for commercialization of these product candidates across Europe.

Our business approach recognizes the need for access to lower-priced medicines for many global stakeholders through our entry into the biosimilar market. We are working to bring lower-cost versions of important biological therapies to patients following an appropriate period of exclusivity for the innovator product. We recognize the important role that biosimilars can play in the healthcare system by maintaining an appropriate balance between continued innovations and controlling costs. At the same time, it is important to ensure that the marketplace for biologics includes effective patient safeguards that reflect the scientific differences between biologics and small molecules — without inhibiting the appropriate utilization of biosimilar products.

## ACTING RESPONSIBLY

### Ensuring Ethical Business Practices

Biogen Idec conducts business ethically and with the highest degree of integrity. Sound corporate governance is essential to sustaining our growth and success as a company and to maintaining the trust and confidence of our stakeholders. This extends throughout all aspects of our business, from the way we conduct clinical trials to the way we market our products.



caredeeply

**Care Deeply Day: United States** – Together with members of the local community and KaBOOM! — a national nonprofit dedicated to creating great play spaces for children — more than 125 Biogen Idec employees worked to build a new playground at The Elizabeth Peabody House in Somerville, Mass. The new playground provides a safe play environment for more than 200 children attending preschool and daycare programs there.

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## LANDMARK STUDY: THE SOCIETAL BURDEN OF MS IN THE UNITED STATES

In 2013, Biogen Idec partnered with researchers from the University of Colorado, Skaggs School of Pharmacy and Pharmaceutical Sciences, and the School of Medicine, Department of Neurology, as well as other researchers, on a study that explored the direct and indirect costs of MS and its impact on employers and the healthcare systems and on the quality of life of patients and caregivers.

The study concluded that the prevalence of MS is likely higher than previous conservative U.S. estimates. MS patients have higher healthcare costs and utilization than their non-MS counterparts, and are at higher risk for not being employed and having a lower health-related quality of life. Further, MS direct costs, indirect costs and intangible burden in the MS population are higher compared to other debilitating chronic conditions. The study underscores the need for effective MS treatments as it relates not only to improving patient lives, but to reducing the burden of the disease on the healthcare system and the economy.

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All employees must comply with our Code of Business Conduct, *Values in Action*, which guides decision-making throughout our organization. We update the Code as needed and require employees to participate in training sessions to ensure that they understand all the principles and practices that it sets forth.

The Code was updated in 2013 to contain new sections that illustrate Biogen Idec's ethical foundations, the real-life application of company values and resources for taking action. There are also new credo statements, as well as revamped chapters, including content on the importance of speaking up, putting patients first and ethical decision-making. The revised Code places particular focus on patients, one of our key values. Every Biogen Idec employee is required to be trained on our Code of Conduct.

Our Anti-Bribery and Anti-Corruption Policy outlines standardized global operating procedures focused on grants and donations, sponsorships and fees for services and hospitality. More information can be found in our full [Code of Business Conduct, \*Values in Action\*](#), on the Corporate Governance section of our website.

Responsibility for our performance begins with our board of directors. As of June 2014, the board has 11 members, three women and eight men, all of whom meet the independence requirements of the NASDAQ, with the exception of our CEO. The board's Corporate Governance committee sets our company's governance framework in our [Corporate Governance Principles](#).

[Corporate Citizenship Strategy](#) – Our commitment to corporate citizenship and environmental sustainability is grounded in our Code of Business Conduct, *Values in Action* and the Biogen Idec Sustainability Policy, adopted in 2011 by our Corporate Sustainability Council (CSC), a cross-functional team chaired by our CEO. *Values in Action* sets forth expectations for patient care, research ethics and human rights, among other topics. The Sustainability Policy lays out our commitment to operating in a manner that reduces our environmental impact, improves social conditions and promotes economic prosperity. The Policy also requires the company to develop a long-term corporate

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**“MS HAS FORCED ME TO DANCE A NEW DANCE IN MY LIFE. MY PASSION IS MY LIFE – AND MY QUALITY OF LIFE – DAY IN, DAY OUT.”**

**KATE OUELLETTE**

VOLUNTEER, SMALL BUSINESS OWNER, MOTHER AND WIFE



citizenship strategy, including goals, objectives and targets, and an annual report on our progress.

Every function within Biogen Idec works to advance our efforts to operate responsibly and sustainably. Each function develops strategic plans that are approved by management, and in certain cases, by the board of directors.



## CARE DEEPLY DAY: JAPAN

Employee volunteers supported an art exhibition by MS patients, collected encouraging messages, then created and distributed books of the messages to centers across the city to promote awareness of the disease. The Japan office also hosted a lunch and learn event with Room to Read, a nonprofit organization that works in the developing world to improve literacy and gender equality in education.

## Payments to Investigators

To ensure the integrity of our research, we employ stringent guidelines in identifying and contracting with investigators (physicians and other personnel) who implement the clinical trials sponsored by Biogen Idec. We also conduct extensive capability assessments to determine whether investigators are able to comply with the requirements of the protocol. We require both investigators and the institutions that employ them to review the services they will perform in conjunction with a trial and agree to an

associated budget and payment structure. Biogen Idec conducts fair market value assessments to ensure that investigators are paid fairly for their work conducted. We also have policies that require investigators to disclose any financial interests in our company, thereby reducing the potential for conflicts of interest.

## Animal Welfare

In fulfilling its mission to improve human health worldwide through the discovery of therapeutic compounds — and to ensure their efficacy and safety for use in humans — Biogen Idec uses insights that can be acquired only through studies involving the use of certain animals. In many cases, this is essential to determining the therapeutic relevance of new research approaches for human diseases. Biogen Idec is at times required by standards of scientific best practice, or by government agencies charged with the protection of public health, to sponsor research that uses animals in order to determine the efficacy and safety of therapeutic compounds.

When required to sponsor research that uses animals, Biogen Idec adheres to applicable national and international laws, policies and guidelines on the humane treatment of animals used in research, including but not limited to the Animal Welfare Act, the U.S. Public Health Service Policy, the National Institutes of Health and the Association for Assessment and Accreditation of Laboratory Animal Care (list of applicable regulations: <http://www.aalac.org/resources/usregs.cfm>).

## Responsible Marketing

We are committed to providing information that is accurate, supported by scientific evidence and presented honestly and fairly in every context. Our interactions with patients and



**Care Deeply Day: Switzerland** – At our international headquarters in Zug, 115 employees participated in 11 different community-based projects. In Zurich, 10 volunteers from Zug and our Swiss affiliate joined forces to rehabilitate a playground at Kinderspital Zurich, a local children’s hospital. Another group of employees partnered with a local senior center for the third consecutive year, accompanying residents on an outing to the Swiss countryside and assisting seniors with a knitting project.

healthcare providers are governed by all applicable laws and regulations, as well as by our Code of Business Conduct, *Values in Action*, and our Comprehensive Compliance Program. All applicable employees receive regular training and education programs regarding our marketing policies and practices.

We recently revised our Code of Business Conduct, *Values in Action*, among other actions, to update and improve on our policies regarding product information and promotion, as well as our interactions with healthcare professionals and organizations. All employees were required to take part in online and hands-on training, which used real-world examples to help bring these policies to life. We aim to ensure that all of our marketing materials are created and communicated in an ethical and responsible manner.

Our Product Review Committees are responsible for reviewing and approving marketing materials before they are distributed publicly. We have adopted a global policy that identifies general principles to be incorporated when global promotional materials are created, as well as a standard operating procedure to be implemented by all Biogen Idec offices throughout the world.

## Product Security and Brand Protection

Biogen Idec takes the issue of counterfeit, adulterated and compromised drugs very seriously and is committed to the highest standards of drug quality and patient safety.

Counterfeits, adulterated and compromised drugs by their nature are of unknown safety and efficacy, thereby putting patients at risk. As part of our commitment to patients, Biogen Idec is dedicated to protecting the safety and integrity of our products around the world. Worldwide markets for biopharmaceutical products like ours are generally well regulated for the secure delivery of medicines, and we have great trust in the governments and commercial partners who help distribute our therapies.

Our product security and brand protection program supports an effective, secure and resilient global supply chain, and the overall integrity of Biogen Idec's medicines, for the protection and safety of our patients. Some of the measures Biogen Idec is employing to deter, detect and disrupt the criminal counterfeiting of our medicines include:

- Implementing sophisticated technology into our product packaging
- Auditing and monitoring of supply chain partners globally
- Monitoring drug sales and potential threats to the supply chain with counterfeit or diverted product

Biogen Idec supports the use of appropriate track-and-trace techniques to advance the security of the supply chain. Delivering safe, secure, effective products to patients remains our commitment.





## About This Report

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Biogen Idec's annual Corporate Citizenship Report presents our citizenship and sustainability achievements, challenges and goals to our employees and outlines our ongoing engagement with patients and other key stakeholders.

This report was prepared in accordance with the Global Reporting Initiative (GRI) G4 Guidelines “Core” option and includes a substantial amount of information required of the “Comprehensive” option. The report constitutes a high degree of transparency and data inclusion. Trucost has externally validated 2013 data for water use, energy use and GHG emissions for fleet and travel, as indicated in the GRI Index.

Data in this report covers our domestic and international companywide operations, including consolidated subsidiaries but excluding joint ventures, for calendar years 2011 through 2013, with an emphasis on 2013 activities.

The report excludes one small entity, SubOne, which Biogen Idec does not own but consolidates for financial reporting purposes. Some activities of note from the first half of 2014 are also covered. Our 2013 environmental data includes our main locations (Weston, Mass., Cambridge, Mass. and Research Triangle Park, N.C. in the United States and Hillerød, Denmark).

All references to currency are in U.S. dollars. Biogen Idec is responsible for the preparation and integrity of the content in this report. Through a system of internal controls, including a comprehensive verification process by internal subject matter experts, we believe this report accurately represents our corporate citizenship and sustainability initiatives. For more information on this report, send questions or comments to [patrick.hoy@biogenidec.com](mailto:patrick.hoy@biogenidec.com).

## Determining Material Issues

In 2013 and early 2014, Biogen Idec conducted a full Materiality Assessment to determine what citizenship and sustainability issues have the most impact on our company and are most important to key stakeholders. We have strived to include in-depth coverage of the most material topics within this report and/or on applicable sections of our website. These topics have been affirmed by our CEO, George A. Scangos, Ph.D. as being our most material citizenship and environmental sustainability issues.

We conducted our Materiality Assessment through a rigorous methodology that included the review of key guidelines set forth by respected external organizations. In all, we explored 37 topics.

To populate the list of topics to include in our analysis, we referenced the Sustainability Accounting Standards Board (SASB) Biotechnology Sustainability Accounting Standard, which has its own rigorous materiality process; United Nations Global Compact’s Ten Principles; The Ceres Roadmap for Sustainability; and the Dow Jones Sustainability Indexes. We also conducted a review of topics covered by the following types of organizations: patient advocacy organizations in two of our main therapeutic areas, MS and hemophilia; and pharmaceutical and biopharmaceutical companies and associations.

Additionally, we conducted a series of external interviews with representatives of three members of the investment community and six U.S.-based MS patient advocacy organizations for the specific purpose of informing the content of this report. Internally, we conducted a materiality workshop with representation from virtually every area of our company and followed with one-on-one interviews with more than a dozen Biogen Idec subject matter experts, as well as reviewed an abundance of company literature and research.

Based on these factors, the issues deemed as the most material to our company and to stakeholders are shown in the upper right quadrant of our Materiality Matrix (Figure 1). A more detailed look at our material issues, including where the associated impacts occur and the relative level of control that Biogen Idec can exert over these issues, is found in the Material Issues Grid (Figure 2). The full range of issues explored is found in Figure 3.



## 2013 MATERIALITY MATRIX



Figure 1

## FULL RANGE OF ISSUES/IMPORTANCE TO KEY STAKEHOLDER GROUPS

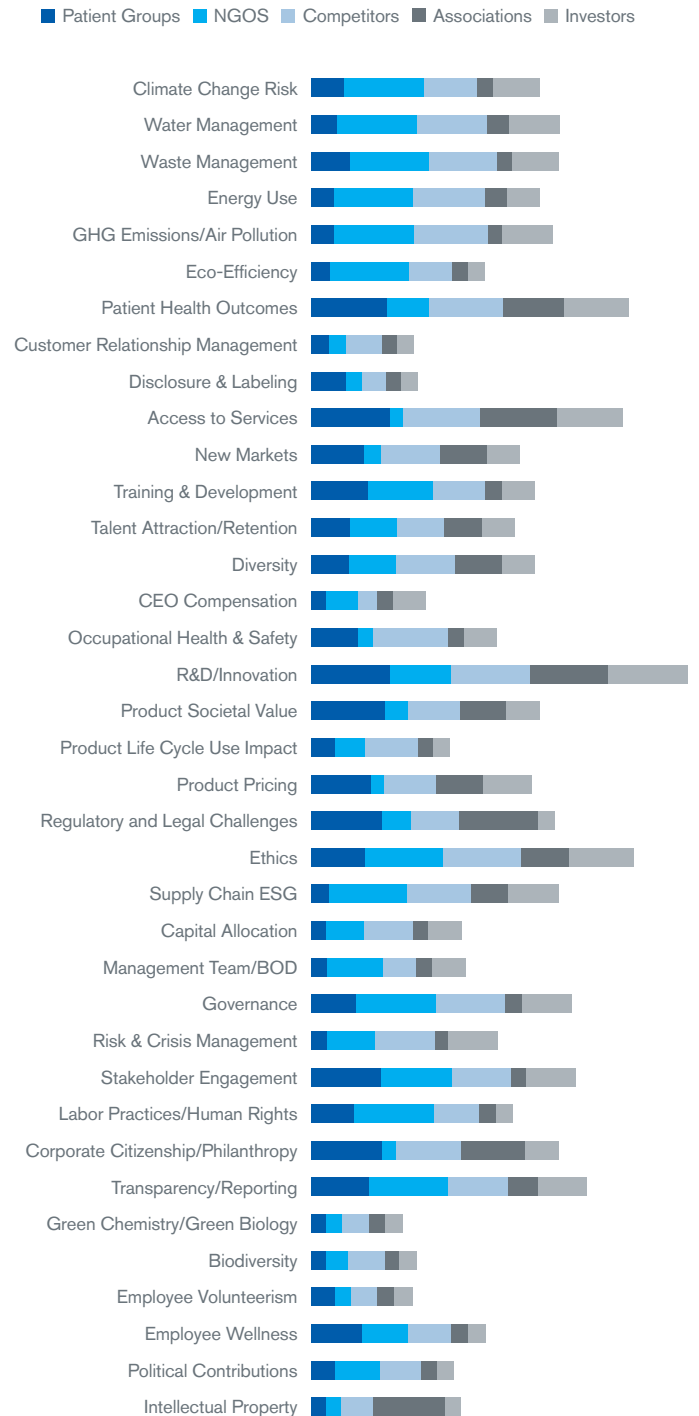


Figure 3

## 2013 MATERIAL ISSUES GRID

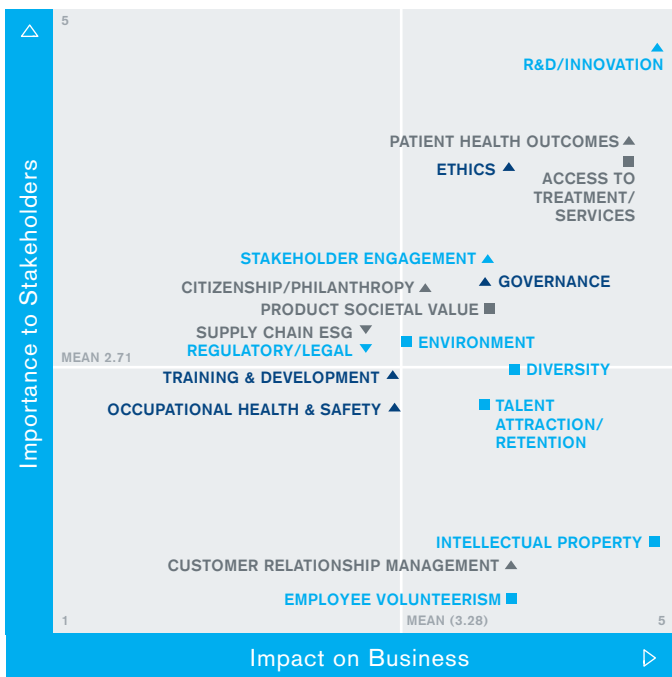


Figure 2

- ▲ BIIB has high control or influence
- Impacts occur internally
- BIIB has medium control or influence
- Impacts occur internally and externally
- ▼ BIIB has low control or influence
- Impacts occur externally

## ❖ GRI G4 INDEX

### General Standard Disclosures

GRI INDICATOR	LOCATION AND/OR DESCRIPTION	PAGE NUMBER	ASSURANCE
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#### Strategy and Analysis

G4-1; G4-2	CEO Letter; <i>Citizenship and Sustainability at Biogen Idec</i>	3-4; 9-11	
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#### Organizational Profile

G4-3	Biogen Idec, Inc.		
G4-4	<i>About Our Company</i>	7	
G4-5	World headquarters: Cambridge, Mass., United States International headquarters: Zug, Switzerland		
G4-6	<a href="http://www.biogenidec.com/about_global_locations.aspx?ID=5888">http://www.biogenidec.com/about_global_locations.aspx?ID=5888</a>		
G4-7	Publicly traded company listed on the NASDAQ Stock Exchange		
G4-8	<i>About Our Company; The Lives of Patients; Managing Strategically</i>	6-8; 12-21; 43	
G4-9	<i>About Our Company</i> Biogen Idec therapies serve thousands of patients worldwide. We do not publicly report on the quantity of products we produce, as we consider this information proprietary.	6-8	
G4-10	<i>About Our Company; The Lives of Our Employees</i>	6; 26	
G4-11	Approximately 6 percent of our employees are under a collective bargaining agreement. All of these employees work in our Hillerød, Denmark manufacturing facility.		
G4-12	<i>Citizenship and Sustainability at Biogen Idec</i> (see value-chain diagram); <i>Sourcing Responsibly</i>	10; 41-42	
G4-13	Biogen Idec experienced significant growth from 2012 to 2013. Total revenues increased from \$5.5 billion to \$6.9 billion and the number of employees grew from approximately 6,000 to 7,000. The company moved its corporate headquarters to Cambridge, Mass., United States, from Weston, Mass. Additionally, in 2013, we launched TECFIDERA, our first orally administrated MS therapy, in the United States, Canada and Australia.		
G4-14	Biogen Idec applies the precautionary approach in ensuring the safety of patients, and performing detailed risk analyses related to our operations.		
G4-15, G4-16	<i>Engaging Actively; G4 Index – Labor Practices and Decent Work (DMA)</i>	39-41; 53	
G4-17	<i>About This Report</i>	48	
G4-18	<i>About This Report</i>	48-49	

#### Identified Material Aspects and Boundaries

G4-19	<i>Citizenship and Sustainability at Biogen Idec; About This Report</i>	10-11; 48-49	
G4-20, G4-21	<i>About Our Company; About This Report</i>	10-11; 48-49	
G4-22	<i>About Our Company; The Lives of Our Employees; Rethinking Resources; Engaging Actively</i>	6; 25; 37; 42	

GRI INDICATOR	LOCATION AND/OR DESCRIPTION	PAGE NUMBER	ASSURANCE
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## Stakeholder Engagement

G4-24, G4-25, G4-26, G4-27	<i>Engaging Actively</i>	39-42	
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## Report Profile

G4-28, G4-29, G4-30, G4-31	<i>About This Report</i> Biogen Idec reports on its Corporate Citizenship commitment annually. Our most recent report prior to this report was released in June 2013.	48	
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G4-32, G4-33	Biogen Idec believes that our Corporate Citizenship Report is in accordance with the GRI G4 "Core" option, with elements of the "Comprehensive" option. External assurance has been provided by Trucost for water use, energy use and GHG emissions, as indicated in this index (see <a href="#">Trucost Assurance Statement</a> ).		
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## Governance

G4-34	<i>Ensuring Ethical Business Practices;</i> <a href="http://www.biogenidec.com/corporate_governance.aspx?ID=6058">http://www.biogenidec.com/corporate_governance.aspx?ID=6058</a>	43-44	
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G4-35, G4-36	<i>Ensuring Ethical Business Practices</i>	43-44	
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G4-37	<a href="http://www.biogenidec.com/contact_the_board.aspx?ID=6064">http://www.biogenidec.com/contact_the_board.aspx?ID=6064</a>		
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G4-38	<a href="http://www.biogenidec.com/corporate_governance.aspx?ID=6058">http://www.biogenidec.com/corporate_governance.aspx?ID=6058</a> <a href="http://www.biogenidec.com/corporate_governance.aspx?ID=5972">http://www.biogenidec.com/corporate_governance.aspx?ID=5972</a>		
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G4-39	<a href="http://www.biogenidec.com/about_board_of_directors.aspx?ID=5483">http://www.biogenidec.com/about_board_of_directors.aspx?ID=5483</a>		
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G4-40	<a href="http://www.biogenidec.com/corporate_governance.aspx?ID=6058">http://www.biogenidec.com/corporate_governance.aspx?ID=6058</a>		
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G4-41	Code of Business Conduct, <i>Values in Action</i> (see page 26)		
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G4-42	<a href="http://www.biogenidec.com/corporate_governance.aspx?ID=5972">http://www.biogenidec.com/corporate_governance.aspx?ID=5972</a> <a href="http://www.biogenidec.com/management.aspx?ID=5474">http://www.biogenidec.com/management.aspx?ID=5474</a>		
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G4-44	<a href="http://www.biogenidec.com/corporate_governance.aspx?ID=6058">http://www.biogenidec.com/corporate_governance.aspx?ID=6058</a>		
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G4-45, G4-46, G4-47	<i>Acting Responsibly</i>	43-44	
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G4-48	Our CEO, George A. Scangos, Ph.D., has affirmed that we have identified our most material citizenship and environmental sustainability issues in this report. A team of Biogen Idec subject matter experts at the associate director, director, senior director and senior vice president levels have approved the report content related to their areas of expertise.		
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G4-49	<a href="http://www.biogenidec.com/contact_the_board.aspx?ID=6064">http://www.biogenidec.com/contact_the_board.aspx?ID=6064</a>		
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G4-51, G4-52	Notice of 2014 Annual Meeting of Stockholders and Proxy Statement (see page 19)		
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## Ethics & Integrity

G4-56	Code of Business Conduct, <i>Values in Action</i>		
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G4-57, G4-58	Code of Business Conduct, <i>Values in Action</i> (see page 35)		
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GRI INDICATOR	LOCATION AND/OR DESCRIPTION	PAGE NUMBER	ASSURANCE
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## Specific Standard Disclosures

### Economic

G4-EC1	<i>About Our Company</i> ; Form 10-K for the fiscal year ended December 31, 2013 (see pages F-1 to F-69).	6, 8	
G4-EC2	<p>We have identified a number of potential risks associated with climate change, including:</p> <ul style="list-style-type: none"> <li>▪ Physical risk to property and employees, including increased droughts, hurricane severity, power or communications failures and flooding, which could affect our operations.</li> <li>▪ Operating and financial risks, including extreme weather events and rising sea levels, that could disrupt transportation of goods/services/employees and physically impact our R&amp;D and manufacturing sites. We could also be impacted financially if sectors we source from become subject to greenhouse gas regulations.</li> </ul> <p>Also see our <a href="#">CDP survey response</a>.</p>		
G4-EC3	In the United States, we do not have any defined benefit plan obligations. Outside of the United States, we make government-mandated pension contributions.		
G4-EC8	<i>About Our Company</i> ; <i>The Lives of Patients</i> ; <i>Lives in Our Communities</i> ; <i>Managing Strategically</i>	6; 15, 21-24; 43	

### Environmental

G4-EN1, G4-EN3, G4-EN4, G4-EN5, G4-EN6, G4-EN8, G4-EN9, G4-EN10, G4-EN15, G4-EN16, G4-EN17, G4-EN18, G4-EN19, G4-EN23, G4-EN26	<p><i>Environmental Performance</i></p> <p>Note: All of our water is drawn from municipal sources. We do not believe we significantly affect any water sources, but continue to work to reduce our water consumption.</p>	37	<p>Water use, energy use and GHG emissions <b>assured by Trucost</b></p> <p>(Scope 3 CO<sub>2</sub>e emissions include business travel only)</p>
G4-EN24	Biogen Idec did not have any significant spills in 2013.		
G4-EN25	<p><i>Environmental Performance</i></p> <p>We produce both chemical and medical waste, all of which is incinerated for waste-to-energy purposes. We do not ship any waste internationally.</p>	37	
G4-EN27	<i>Materials and Waste</i>	35-36	
G4-EN29	Biogen Idec did not have any significant fines or nonmonetary sanctions related to noncompliance with environmental laws and regulations in 2013.		
G4-EN30	<p><i>Environmental Performance</i></p> <p>Biogen Idec reports emissions of CO<sub>2</sub>e associated with business travel. We are assessing the emissions and water footprints of our supply chain.</p>	37	<p><b>Assured by Trucost:</b> Scope 3 CO<sub>2</sub>e emissions associated with business travel</p>
G4-EN33	<i>Sourcing Responsibly</i>	41-42	

GRI INDICATOR	LOCATION AND/OR DESCRIPTION	PAGE NUMBER	ASSURANCE
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### Labor Practices and Decent Work

*Biogen Idec follows laws, regulations and international conventions related to labor practices and ensuring decent work, including the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy and the Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises. Specific commitments to Respect in the Workplace and Workplace Health and Safety are outlined in our Code of Business Conduct, Values in Action. Employees are responsible for upholding the code. Suppliers are also subject to the code.*

G4-LA2	Total Rewards Assessment; <a href="http://www.biogenidec.com/total_rewards.aspx?ID=11652">http://www.biogenidec.com/total_rewards.aspx?ID=11652</a>	27-28	
G4-LA4	At our Hillerød, Denmark facility, the minimum notice period is based on seniority and specified in the collective bargaining agreement. Notice periods may vary anywhere from one to six months.		
G4-LA6	Health, Safety and Wellness	29-30	
G4-LA10	Recruitment, Development and Leadership	28-29	
G4-LA11	All Biogen Idec employees receive a performance and career development review, annually.		
G4-LA12	The Lives of Our Employees; <a href="http://www.biogenidec.com/about_board_of_directors.aspx?ID=5483">http://www.biogenidec.com/about_board_of_directors.aspx?ID=5483</a>	26	
G4-LA15	Sourcing Responsibly	41-42	

### Human Rights

G4-HR4, G4-HR5, G4-HR6	We have not identified any owned operations or suppliers where there is a significant risk of human rights violations. Our major operations are not in areas considered to be at high risk. We are working to improve monitoring of human rights in our supply chain through participation in the Pharmaceutical Supply Chain Initiative. In 2013, we added a section entitled "Fair Working Conditions and Human Rights" to our <a href="#">Code of Business Conduct, Values in Action</a> (see page 19).		
G4-HR11	Sourcing Responsibly	41-42	

### Society

G4-SO1	Support for Advocacy Organizations; Improving Lives in Our Communities	18-21; 21-24	
G4-SO3, G4-SO4	Ensuring Ethical Business Practices; <a href="#">Code of Business Conduct, Values in Action</a> (see page 30)	43-45	
G4-SO6	<a href="http://docquery.fec.gov/cgi-bin/dcdev/forms/C00390351/901161/">http://docquery.fec.gov/cgi-bin/dcdev/forms/C00390351/901161/</a>		
G4-SO10	Sourcing Responsibly	41-42	

### Product Responsibility

G4-PR1	The Lives of Patients; Engaging Actively; Expanding Access to Medicine and Promoting Societal Value	13-18; 39-40; 43	
G4-PR3	Patient Communications; <a href="http://www.biogenidec.com/patient_safety_transparency.aspx?ID=11608">http://www.biogenidec.com/patient_safety_transparency.aspx?ID=11608</a>	18	

GRI INDICATOR	LOCATION AND/OR DESCRIPTION	PAGE NUMBER	ASSURANCE
G4-PR5	In 2013, Biogen Idec engaged a third-party firm to measure patient and healthcare provider satisfaction with our company. While the results were quite positive, we consider the results proprietary and, as such, do not publicly report them.		
G4-PR7	Biogen Idec had no material incidents of noncompliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion or sponsorship.		

## Disclosures on Management Approach of Material Issues

*For each issue described below, see page 11 for an explanation of why that issue has been identified as material to Biogen Idec. Many of our most material issues are managed by multiple functions throughout the company, as referenced below.*

<b>Research and Development (R&amp;D) and Innovation</b>	See <i>Research and Development: Advancing Breakthrough Therapies</i> , pages 13-14; <i>Support for Advocacy Organizations</i> , pages 18-19; <i>Payments to Investigators</i> , page 45; and <i>Animal Welfare</i> , page 45.
<b>Patient Health Outcomes</b>	See <i>Research and Development: Advancing Breakthrough Therapies</i> , pages 13-14; <i>Patient Health Outcomes: Forging Ahead on Unmet Medical Needs</i> , pages 15-17; <i>Patient Safety During Clinical Trials</i> , page 18; <i>Patient Communications</i> , page 18; <i>Support for Advocacy Organizations</i> , pages 18-20; <i>Patient Services</i> , page 21; <i>Product Security and Brand Protection</i> , page 46.
<b>Access to Treatment/ Promoting Product Societal Value</b>	See <i>Patient Services</i> , page 21; <i>Support for Advocacy Organizations</i> , pages 18-19; <i>Expanding Access to Medicine and Promoting Societal Value</i> , page 43; and the following sections of our website: <a href="#">MS ActiveSource</a> , <a href="#">ActiveAccess</a> , <a href="#">MyALPROLIX</a> , and <a href="#">MyELOCTATE</a> .
<b>Ethics/Governance</b>	See <i>Sourcing Responsibly</i> , pages 41-42; <i>Public Policy Support</i> , page 42; <i>Ensuring Ethical Business Practices</i> , pages 43-45; <i>Payments to Investigators</i> , page 45; <i>Animal Welfare</i> , page 45; <i>Responsible Marketing</i> , pages 45-46; and the Corporate Governance section of our website at <a href="http://www.biogenidec.com/corporate_governance.aspx?ID=6058">http://www.biogenidec.com/corporate_governance.aspx?ID=6058</a> .
<b>Stakeholder Engagement</b>	See <i>Support for Advocacy Organizations</i> , pages 18-19; and <i>Engaging Actively</i> , pages 39-42.
<b>Citizenship &amp; Philanthropy</b>	See <i>Support for Advocacy Organizations</i> , pages 18-21; <i>Patient Services</i> , page 21; and <i>Improving Lives in Our Communities</i> , pages 21-24.
<b>Environmental Impacts</b>	See <i>Environmental Management</i> , pages 32-33; <i>Engaging Actively</i> , pages 39-42; and <i>Ensuring Ethical Business Practices</i> , pages 43-45.