INCLUSION ON PURPOSE:
EMPOWERING OUR PEOPLE FOR A BETTER TOMORROW
INTRODUCTION

Since our founding in 1876, we’ve been charged to “take what you find here and make it better and better.” We have taken that charge to heart, and it extends beyond medicines and into every aspect of our business, including patients, healthcare professionals, communities, and especially our employees.

Lilly employees are at the center of how we develop high-quality medicines. We are drivers of innovation, discovery, and life-changing treatments for 51 million patients. Our cultural differences, our unique needs, and our talented global community of 40,000 employees are the inspiration behind our integrated approach to diversity, equity, and inclusion (DEI). Together, we empower a global culture of inclusion to create belonging, expand workforce diversity at all levels across the business, and create equity for employees, patients, and the communities we serve.

Our DEI approach calls us to action every day. We believe DEI is not only a business and moral imperative, but something that powers our purpose and allows us to create medicines that make life better for people around the world.

In 1980, Lilly employees formed our first informal affinity group, and since then, we’ve steadily grown and developed our DEI practices for the benefit of employees and for patients across the globe. We are proudly taking steps to embed DEI into everything we do—including our external reporting. We understand our responsibility as a major employer and global brand, and we’re excited to continue sharing our philosophy, practices, and commitment to DEI.

We know this work will continue to evolve over time as the next and best practices emerge. We hope that as you review this report, you will see the ways we’ve prioritized improving the employee experience and building a global culture of inclusion. By listening to employee feedback and investing in innovative DEI practices, we are promoting the sense of belonging that all employees deserve to feel at work and that drives business growth and innovation.
LETTER FROM DAVE RICKS, 
CHAIR & CHIEF EXECUTIVE OFFICER 

To Our Global Community,

Lilly’s purpose—to create medicines that make life better—has been the heart and soul of our business for nearly a century and a half. Within this commitment to making life better for people around the world, lies our dedication to valuing the dignity and diversity of all people.

This report provides a comprehensive look at how diversity, equity and inclusion are foundational in every part of our organization and are essential elements of our success. As Lilly reaches more patients, it is imperative for us to remain responsive to the world-wide need for greater equity.

As you will see from stories shared in this report, we continue to make progress on this journey.

My hope is that you are inspired by what’s possible when we act with purpose, and motivated to join us in this effort.

I am proud to lead an organization committed to making life better for our patients, customers, communities, partners and employees around the globe. We have set ambitious goals, but that is nothing new for us. At Lilly, we do the hard things, we seek to do them well.
To Our Partners, Colleagues, and Stakeholders,

Lilly’s board, recently ranked No.1 for Diversity by Fair360 (formerly DiversityInc), partners with our Executive Committee to provide strong and supportive leadership for Lilly’s DEI practices. With their oversight, we make people, patients, and our employees our top priority.

Underrepresentation is one of the top challenges we address for patients and employees. For patients, we are systematizing clinical trial diversity to ensure our medicines are developed to address the needs and symptoms of all patients.

For employees, we are working to have a diverse employee representation that reflects our broader community and patient demographics. And while working to achieve those goals, we are creating a greater sense of belonging and inclusion for employees because employees deserve to feel seen, connected, supported, and proud of the work we do on behalf of our 51 million patients.

We are continuously developing a deeper understanding of our people—employees, patients, and all the healthcare providers we work with to bring innovations to patients. Their needs are unique. Their insights and perspectives add value to our business and deserve equitable consideration in all our business decisions.
OUR INTEGRATED APPROACH

We work to embed DEI into everything we do to promote a true sense of belonging for all employees at Lilly. We’ve enacted a bold strategy to take Lilly’s long-standing commitment to DEI to the next level using an innovative, integrated approach with a broader lens on equity. The three core components to our strategy are:

- Empowering a global culture of inclusion to create belonging.
- Expanding workforce diversity at all levels across the business.
- Creating equity for employees, patients, and the communities we serve.

DEI has been part of our values and culture at Lilly for more than 150 years. Now, our ever-changing world demands more from us as an organization, including greater transparency in our DEI efforts. We take great pride in embedding DEI throughout the full employee lifecycle—from recruitment and onboarding to engaging and developing employees throughout their journey at Lilly. We’ve created leadership development programs for all employees, at every stage of their career journey, with a special emphasis on fostering an environment where employees are encouraged to speak up, share ideas, and be fully engaged. The amazing progress we’ve made is due to our employees’ shared commitment to living our DEI values daily. I am confident our work together will continue to fuel progress and innovation for years to come.
EMPOWERING A GLOBAL CULTURE OF INCLUSION TO CREATE BELONGING

With more than 40,000 employees across the globe, creating an overarching sense of belonging and a global culture of inclusion requires an understanding of the barriers diverse employees may experience in the workplace. Our Employee Journey work, modeled after the patient journeys we conduct for our medicines, first launched in 2015. We dove deep into the unfiltered experiences of our employees and uncovered six moments of truth for each demographic’s workplace experience. We used those insights to create programming, education, and awareness to help build cultural literacy and understanding for women at work, and we replicated the process with Black, Latinx, Asian, and LGBTQ+ employees at Lilly.

We are currently conducting the EnAble Employee Journey and expect this process to yield essential insights into employees’ experiences impacted by disabilities.

DEI is a capability each of us needs to build and nurture to make a difference in the lives of the 51 million patients who rely on our medicines.

It unlocks innovation and promotes a sense of belonging in our workplace. We are cultivating an inclusive culture that encourages all to feel safe being their true selves.

Feeling seen and included for your unique contributions, connected to your coworkers, supported throughout your career, and proud of your organization’s values and purpose are fundamental to the employee experience.
SETTING THE TONE FOR INCLUSIVITY: IDENTIFYING MOMENTS OF TRUTH

Through the journey work, we learned that because the experiences of our employees are different and unique for each dimension, our solutions, approaches, and communications required the same difference and uniqueness. Our meaningful solutions were built directly from insights gleaned—including specific programming and reimagined talent strategies that drive equity and inclusivity in our organization and communities.

MOMENTS OF TRUTH: EMPOWERING CHANGE

The insights we gained from each Employee Journey were powerful. Our employees are talented and ambitious. They are committed to our purpose and mission, and they value opportunities for career advancement, being a part of a community, feeling a sense of belonging, and creating meaningful relationships with colleagues.

Addressing their challenges and improving the employee experience for everyone required a broader approach, which led to the development of our People Strategy—programs and process improvements that improve employee engagement, career, and leadership development, thereby driving business success and further embedding DEI throughout the organization.

“ZEENAT KHOJA
DIRECTOR, JOURNEYS AND DEI CONSULTANCY

Results from Lilly’s EnAble Journey will be pivotal to the employee experience at Lilly—allowing us to take a conscious and proactive approach to creating a disability-confident culture—one in which disability is viewed as a positive dimension of difference. But first, we must fully understand who makes up our disabled community at Lilly and what they need. This journey is allowing us to do just that—and I know we will come out of this journey much stronger than we were before and equipped to better serve yet another valuable talent pool and community of people.”
Through the strategy, we:

- Developed leadership development programs focused on mentorship, sponsorship, and journey-inspired support.
- Bolstered Women’s, Black, Latinx, Asian, and LGBTQ+ Employee Resource Group (ERG) support.
- Promoted psychological safety through our Make it Safe to Thrive training, as well as additional offerings that help progress allyship and bystander intervention.
- Implemented ongoing pay equity analysis expansion.
- Redesigned our talent management systems and developed Explore Your Career resource to promote a seamless career advancement journey and demystify the talent management systems for all employees.
- Created new avenues to identify and develop leaders with executive-level potential through a formalized sponsorship program.
- Reached global gender parity and increased women in management roles globally.
- Increased representation of historically marginalized groups in the U.S. and globally, including the Executive Committee reporting directly to the CEO and the Board of Directors.
- Increased Latinx representation.
- Increased Black employee representation in Sales Management and Research jobs.

Our Employee Journey centers on the experiences of our employees and helps to promote empathy and innovation, career development, and talent management solutions in the workplace. When all Lilly employees are supported, feel a sense of community and belonging, and are equipped with the necessary DEI skills and tools, individual contributors and leaders can then promote belonging and inclusivity every day.
LEVEL UP 2023

In 2023, Lilly expanded the Level Up DEI conference, its largest annual global DEI event, making it larger and more impactful than ever. The conference emphasized DEI capabilities for leadership and employees, leveraging three learning paths: Bold Practices, Inspired Leadership, and Investing in You. The Level Up experience began with the Belonging is a Vibe Expo. Our colleagues enjoyed programming like the inaugural Lilly’s Got Talent Showcase and dozens of booths representing Employee Resource Groups (ERGs), external community partners, affinity groups, Employee Health Services, and other well-being opportunities there.

The next day, 8,000 Lilly colleagues and guests experienced more than 30 DEI workshops led by 60 facilitators/partners, several in collaboration with Lilly ERGs, and a keynote lineup featuring Academy Award winner Marlee Matlin and Global DEI Expert Rohini Anand, Ph.D.

This year, our team:

■ Increased our reach by serving colleagues from 39 countries.
■ Improved representation with in-person and virtual attendees across all career paths and all job levels and increased attendance by 500 seats.
■ Welcomed 3,000-plus attendees at Belonging is a Vibe Expo ‘corporate takeover’ event and 8,000-plus in-person, virtual, and watch party attendees at the flagship Level Up conference.
■ Broadened event to create Level Up International conference on Oct. 5, in Frankfurt, Germany.

“LEVEL UP is designed to be a special, inclusive, and accessible experience for employees. We curated the event to promote a true sense of belonging because we understand how empowering it is for employees to feel like they can bring their authentic selves to work. At Level Up, several employees shared stories of how they have been supported during their career journey at Lilly and I admire the vulnerability it took for them to be open in that way. It gave me an immense sense of pride being a piece of the puzzle that makes up this incredible event.”

DESHONG PERRY-SMITHERMAN
SENIOR DIRECTOR, HR DIVERSITY EQUITY AND INCLUSION PROGRAMS
Emerge
A three-day program, led by CEO Dave Ricks, that enables stronger connections and leadership development for more senior leaders. A highlight of the program is CEO Ricks leading participants through case studies to help prepare them for serving in more senior leadership roles with enterprise purview. Emerge participants represent top talent from historically marginalized groups such as Black, Latinx, Asian, and LGBTQ+ community members.

Propel
This development program connects employees from historically marginalized groups to Lilly’s purpose and equips them with the tools they need to pursue their career goals.

Sponsorship
Annually, senior leaders invite a new cohort to join them in a one-to-one sponsorship relationship, including individuals from historically marginalized groups. Sponsorship efforts have grown, and there were 440 one-to-one formal sponsorship relationships identified in 2022.

Minority Leadership Retreats
This targeted career development program for high-potential leaders helps them amplify self-awareness, articulate a clear sense of identity as a member of a historically marginalized group, identify key relationships to further a strategic network, and cultivate authentic style to influence and advocate for targeted career growth and development.

Make it Safe to Thrive
This initiative began as a 12-part webinar series called “Make it Safe to Thrive: Bringing the Outside IN.” The series helped build understanding across the company and offered support, resources, and strategies to combat inequities in our communities.
CHAMPIONING ACCESSIBILITY AT LILLY

Empowering a global culture of inclusion extends beyond our knowledge and skills into our physical spaces and the accessibility of our workplace. One of our recent initiatives to increase equity and inclusion is our work on Access Lilly. Access Lilly is our platform for supporting employees with disabilities, and it covers multiple categories, including learning and development, facilities, and information systems.

For nearly four years, we’ve had a working Global Accessibility Strategy Council that has developed detailed action plans to improve accessibility in priority areas such as learning and development, facilities, and digital tools and make internal communications and externally facing websites more accessible. Since signing the Business Disability Forum’s Accessible Technology Charter in 2021 and launching the Access Lilly Software Solutions, we’ve grown exponentially in our ability to provide guidance, tools, and resources to help employees with disabilities thrive.
GROWING OUR EMPLOYEE COMMUNITIES – AND THEIR IMPACT

Our ERGs are a key component of empowering a global culture of inclusion and belonging.

Lilly employees formed the first informal affinity group in 1980. More than 40 years later, we now have 11 headquarters based ERGs, 4 international affiliates, and 6,000 members.

As ERG members, Lilly associates become partners in making life better for our people by focusing on mentoring and employee engagement, aligning with a member of the company’s executive committee, and creating opportunities for community building, connection, and celebrating cultural and heritage holidays.
INTERNATIONAL ERGs

- International EnAble.
- International LGBTQ+ Allies.
- Gender Inclusion Network—Women’s Initiative (GIN-WILL).

Hosted Day of Understanding and Bystander Training

- Launched reverse mentoring programs
- Engaged an average of four to five colleagues in programs daily
- Grew membership and established affiliate chapters
- Provided culture insights for business improvement
- Crossed membership milestones globally
- Sponsored training, webinars, and professional development opportunities
- Increased support opportunities for program members
- Promoted cultural recognition through signature events

Lilly | Diversity, Equity and Inclusion Office
I started at Lilly as an intern and have consistently grown in my career since arriving here. Being in leadership in the BE@Lilly Employee Resource Group has been instrumental in my professional development and my sense of Belonging at Lilly. BE@Lilly is growing and thriving—we are establishing a culture of community and connection where employees, especially Black American employees, can feel safe to bring their full selves to work.

Given Lilly’s focus on the EnAble Journey—a look at the barriers individuals who are impacted by disabilities may face in the workplace—our ERG has been empowered to really amplify awareness of disability issues and vocalize our needs when it comes to accessibility. By listening to our perspectives, our company has improved our lived experience in the workplace while being an active ally for our community.

The Veterans Leadership Network has grown by leaps and bounds in the past year. I am so proud of our progress. Individuals who sacrificed to serve our country are also being served so well by our employee resource group and employer. By partnering with leaders, we’ve been able to boost our programming, our membership, and our impact exponentially.

The LGBTQ+ community in the larger societal landscape is currently under attack, but at Lilly, we are safe, included, supported, and valued. Our PRIDE ERG is strong, and we will continue to build community, connection, and employee engagement opportunities to offer visibility and support for the LGBTQ+ community, despite the challenging political landscape. The consistent support we receive from Lilly leadership and the inclusive corporate culture let us know we belong here.
EXPAND
EXPANDING WORKFORCE DIVERSITY AT ALL LEVELS ACROSS THE BUSINESS

We believe cultivating the best employees starts with attracting diverse talent that brings different experiences and backgrounds to our work at Lilly. We have systematized the interview process to encourage inclusivity and equitable outcomes by reducing potential unconscious bias. Our recruitment strategy focuses on opportunities to reach more candidates with multiple dimensions of differences including gender, race/ethnicity, experience, skill set, background, and perspective.
Our recruitment programs include:

**Summer Experience Program**
Lilly partners with community organizations to identify deserving college students in their communities, who are in their first or second year, to give them an opportunity to leverage and build professional skills, develop a professional network, and gain real-world experience.

**Information and Digital Solutions High School Program**
This program provides local high school students in historically marginalized groups opportunities to explore their interest in information technology.

**SkillBridge**
The Department of Defense SkillBridge Program is an opportunity for service members to gain valuable civilian work experience through specific industry training, apprenticeships, or internships during the last 180 days of service. SkillBridge connects service members with industry partners in real-world job experiences at Lilly and participating industry partners.

**Skills First @ Lilly**
This group of professional apprenticeship programs focuses on creating education, training, and career opportunities and family-sustaining jobs for qualified individuals who do not have a four-year degree.
MEASURING OUR PROGRESS

Our data tells a compelling story of progress, purpose, and passion. We’re proud of our work so far and are committed to empower and expand our DEI work in the future.

In 2022, surveyed employees shared the following sentiments:

- **83%** feel confident in Lilly’s future direction and strategy
- **77%** feel like they really belong in this company
- **87%** feel their colleagues help them feel included at Lilly
- **87%** feel they are respected at Lilly
- **79%** feel valued as an employee of the company
- **87%** feel like they really belong in this company
- **87%** feel they are respected at Lilly

**16,000+** employees participated in Make it Safe to Thrive training

**6,000+** employees participated in the 2022 Level Up DEI Conference

**1,500** employees participated in our 12-month new employee onboarding experience

**2,000** employees participated in our quarterly employee DEI dialogues

We regularly monitor our progress to ensure our efforts are creating their intended impact.
Our ESG and DEI strategies provide long-term sustainability for our organization—especially as we think about the needs and makeup of our patient population and the priorities of future generations. Our commitments to the environment are rooted in our desire to improve Health Equity for all. You can learn more by reading our 2022 ESG report.

Our leadership in DEI has yielded significant results and recognition, and we continue prioritizing DEI as a business and moral imperative. Here are some of our honors for 2022 and, where noted, so far in 2023:
EQUITY
SOCIAL IMPACT

Our vision is to create a world where every individual has an opportunity to live the healthiest life possible. Giving back is in our company’s DNA, and Lilly employees are encouraged to volunteer in their communities with organizations working on issues that are important to them.

As a foundation, we invest our time and expertise and help drive social impact with a focus on the health and wellness of our community. We also address social challenges faced by some of the most vulnerable members of our communities, emphasizing health, education, and racial justice. Our impact includes:

- During a Global Day of Service, employees spend a day out of the office, helping neighbors and communities around the world. More than 7,500 employees in 30 countries participated in 2022.
- We partner with United Way for an annual giving campaign totaling more than $12 million in 2022. The donations will help accelerate financial stability and upward mobility for individuals and families living in or near poverty and striving for a better future.
- We have 18 active partnerships in 11 countries with more than 35 partner organizations.
LILLY FOUNDATION

Lilly provides financial donations to the Eli Lilly and Company Foundation, Inc., commonly referred to as the Lilly Foundation. Established in 1968, the Lilly Foundation is a separate tax-exempt organization that provides strategic and philanthropic support to other qualifying tax-exempt organizations consistent with Lilly’s general philanthropic objectives.

- Improving global health.
- Strengthening communities.
- Matching employee and retiree donations.
- Improving educational opportunities.
- Making Indianapolis an even better place to live.
- Combating inequity and racial injustice.

We extend our social impact reach by supporting and collaborating with organizations that do work aligned to our strategic focus areas.

In 2022, the Lilly Foundation’s support included:

- $750,000 to the Center for Leadership Development to expand STEM pathway programs and expand the academic and college readiness, career preparedness, and character formation activities for youth.

- $340,000 to the Indianapolis Public Schools Foundation for Project Lead the Way, providing programs that form comprehensive PreK-12th grade pathways in computer science, engineering, and biomedical science.

- $856,000 to the Pacers Sports & Entertainment Foundation to support bringing NBA Math Hoops, a fast-paced, basketball-themed math curriculum, to Indianapolis Public Schools and other students across IN.
SUPPLIER DIVERSITY
We believe doing business with a diverse set of suppliers delivers value to the company and creates a competitive advantage for us by linking the fresh perspectives and nimble thinking of diverse, women-owned, and small businesses to our internal business needs. We actively seek to expand relationships with these types of suppliers, which we view as an often-overlooked source of talent.

Since 2005, the U.S. Small Business Administration has recognized us as “outstanding” in our supplier diversity efforts. Some highlights of these efforts include:

- In 2022, we spent more than $685 million with 1,100 suppliers classified as small businesses and $640 million with approximately 500 large or small suppliers classified as minority-owned, woman-owned, disability-owned and/or LGBTQ+-owned businesses.
- We have greatly increased our numbers of diverse suppliers and vendors through mentoring, training, and outreach in the last two years. And, we have created an estimated $1.9B of economic impact in the US.

STRENGTHENING DIVERSITY IN HEALTHCARE RESEARCH
A key component of improving global health lies in our health equity strategy. We are decentralizing clinical trials to create more opportunities for members of diverse communities to participate in clinical research studies. Although minorities make up nearly 40% of the U.S. population, they constitute less than 20% of participants in the key clinical trials that lead to the approval of new medicines, according to a 2015 study. We identify and address the barriers keeping marginalized populations from participating in clinical trials.
Some of our solutions include:

- Utilizing electronic informed consent and basic connected devices for the monitoring of patients.

- Converting recreational vehicles into mobile clinical research units with state-of-the-art medical technology and everything researchers needed to conduct a trial at a long-term care facility.

- Conducting research and some, or all, study-related activities to be undertaken in a patient’s home or a convenient nearby location.

- Employing community screening events in our Mobile Research Units, telemedicine appointments, and the use of ambulatory infusion suites.

We’ve replicated the decentralized clinical trial methods in multiple therapeutic areas where we can replace in-person appointments, offer local or mobile service providers for blood tests or imaging scans, and use electronic or wearable devices to capture results. Patient safety, trial integrity, and data quality standards remain the same as in traditional clinical trial procedures.

We will continue to invest in the expansion and creation of new capabilities based on learnings from our ongoing trials and emerging technology. By engaging more patients in research accessible and convenient studies, we will increase access to new potential treatments and expand the reach of the clinical trials to people who may not have been able to participate in the past.
OUR COMMITMENT TO RACIAL JUSTICE

In 2020, Eli Lilly and Company and the Lilly Foundation launched the Racial Justice Commitment to support effective solutions to racial inequity and social injustice. Together, our work and investments focus on improving the education, health, and professional and social mobility outcomes for Black Americans and historically marginalized groups. We’ve committed to building an ecosystem of equity for the benefit of our people and patients.

- **PEOPLE DEVELOPMENT**
  We are working toward our aspirational goals of workplace diversity to ensure a strong and diverse pipeline of talent, including Black Americans and historically marginalized groups.

- **FAMILY SUSTAINING JOBS**
  We are expanding our search criteria for professional roles where talent with equivalent skills can be considered.

- **HEALTH EQUITY**
  We are aiming to improve equitable access to healthcare and participation for historically marginalized groups, including Black Americans, in clinical trials.

- **SOCIAL IMPACT**
  We are actively working to increase our community impact through investments to advance racial justice in historically underrepresented groups.

- **DIVERSE SUPPLIERS**
  We are increasing our spending, awareness, and partnerships with diverse partners, suppliers, and vendors in our communities across the globe.
RJC PROGRESS HIGHLIGHTS

Our Racial Justice Commitment progress in just over three years has been tremendous. Our goal is to go farther and faster as we seek to create greater equity for Black Americans and other historically marginalized groups by strengthening our mentoring, training and outreach efforts and ensuring that there is equal opportunity for all.

As of August 2023:

- We have increased the pool of Black American talent from which we recruit.
- We are on pace to create 200 job opportunities for a talented candidate pool that includes those who have historically lacked access to higher education or professional jobs.
- We have hosted more than 150+ stakeholders across Indiana, for the first time, to ignite innovative strategies to close the gaps in health and healthcare disparities.
- We invested $15.6 million into promoting racial justice and community impact in education, support for the justice involved, and organizations raising awareness of racial violence.
- We have greatly increased our engagement with historically underrepresented suppliers and vendors and engaged partners.
Throughout our history, we have prioritized making life better for people—our employees, patients, and the communities we live in. As we look to the future, we remain steadfast in our commitment to empower a global culture of inclusion and sense of belonging that is felt through all dimensions of our business.

DEI is more than a moral or business imperative. It lays the foundation for optimal employee performance. Speaking up, sharing ideas, taking risks, and being authentic in the workplace is our vision for all current and future Lilly employees. And while we recognize that the dynamic nature of the marketplace requires an evolving DEI approach, our commitment to creating a workplace culture where we all belong will remain at the forefront of our business.

In the year ahead, we look forward to expanding our DEI practices by creating a more accessible environment—at our facilities and online. We recognize that the only way to truly welcome all people is to understand all people. We will utilize the insights from our EnAble Employee Journey to help inform updates to our People Strategy and ensure a lasting impact for employee engagement, experience, and accessibility.

Fairness and transparency will always be at the forefront of our charge to make life better for patients across the globe. Our progress is clear, and our momentum is growing. As a global employer of more than 40,000 people, serving 51 million patients, we will continue to prioritize responsible corporate citizenship and leveraging DEI to power our purpose of creating medicines that make life better for people around the world.