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In this episode, Taren Grom, Editor-in-Chief of PharmaVOICE Magazine meets with Teri Loxam, CFO, SQZ Biotech..

Taren: Teri, welcome to the PharmaVOICE WoW podcast program.

Teri: Thanks, Taren. I really appreciate the opportunity to be here today and to be talking with you.

Taren: It's our pleasure. Teri, can you please tell us about your career journey, which I understand started with you as a marine biologist.

Teri: Yeah. I definitely haven't had a conventional career path. As you mentioned, I started out as a marine biologist, and growing up in Canada, I didn't live by the ocean but I spent hours sitting in my Dad's office while he was working, reading *National Geographic* and Jacques Cousteau books. That really led to my love for the ocean, and killer whales, and sharks in particular. I eventually got my degree in marine biology and I was fortunate enough to work for one of the foremost experts in killer whales on the West Coast of Vancouver Island in British Columbia. To this day, I still love the oceans and animals, and honestly, I love *Shark Week* every August on Discovery. I still love *Shark Week*. But, I also found that my love for the ocean wasn't the only thing and passion that I had, and that it was really a passion for learning that I really had and having new challenges, and that has really shaped my career throughout my journey.

After working as a marine biologist, I got the opportunity to start a stockbroking company in San Diego, and that was really my first foray into business. I've pivoted a number of times. If you look at my résumé, it's definitely not linear. I've pivoted...I've worked as investor relations for IMAX Films, I've worked for several healthcare companies, most recently at Merck, and now I'm the CFO of SQZ Biotech.

Like I said, it's an unconventional career path but given the breadth of my experiences across so many different industries, it really gives me a chance to look at challenges and find solutions in very unique ways. I can bring all these various pieces of my journey to bare when I need to solve a problem, and I've had the confidence in my ability to learn quickly and really tap into those around me to fill in my gaps along the way since I've often jumped into roles that I've known nothing about previously.

So it sounds to most like I have taken a lot of career risks, which I have, but these have all been moves that I've made with considerable thought. My mantra has always been, and I live by this,

that if I can live with the worst-case scenario, then I should take that risk. That has really guided my career. Fortunately, my path has led me here to SQZ, which is just a fantastic company.

Taren: Well, that's a lot to unpack there, I'll have to say that. That is amazing. I love the diversity of experiences that you bring to the fore, and I am fascinated about that leap into stockbroker because that's a pretty big leap to come from you know, from the marine biology area right into there. Tell me about your passion for healthcare and what led you to SQZ?

Teri: Yeah, I've always had an interest in the sciences which you know, that is something that has kind of followed me throughout my career. It led me into healthcare and into SQZ in particular. As I mentioned before, before SQZ, I was at Merck, and while there, I was able to really dive into a field called immuno-oncology which is having your immune system help fight cancer. It's become a very big area of study and some amazing new therapies have developed. And while there and while really diving into immuno-oncology, it was acknowledged that cell therapies could provide additional benefit for cancer patients but there remained a lot of questions around whether they could be manufactured at large scale, and there was a lot of safety and toxicity issues for patients. So, when I was introduced to SQZ, I was so impressed by their unique science and the potential for this cell therapy company to be able to potentially solve those challenges that others have faced.

Our cells are capable of so much. They're powerful machines. And so, as the name SQZ, our company name suggests, what we do is actually physically squeeze cells to insert materials that give your immune system directions to help fight cancer and other diseases. The concept in the science and the elegance of this approach really, really intrigued me, and given my background at Merck I knew just how transformational this could be.

Beyond the science, I also met the management team and the CEO in particular who's the founder and an amazing scientist, but he also has really amazing business instincts and I knew I wanted to work for him. So the combination of that incredible science, and the scientists, and the management team, really led me to believe that this company could transform the cell therapy space and I wanted to be a part of that.

Taren: That's fascinating. I want to personally wish you success and good luck as you go forward because this sounds like it's a breakthrough kind of approach, and goodness knows we need all the forward progress we can make in cancer care.

Teri: Couldn't agree more.

Taren: As a CFO, talk to me about your influence on the strategy and the business policy of the company. How deep do you go into figuring out what happens in terms of development.

Teri: Yeah, I actually dive pretty deep. I've really taken that across all of my roles in my career, that the more I can understand about the fundamentals of what the company does, the better I can help influence decisions, and so whether it be the science at Merck, or the science at SQZ,

really trying to understand those nuances and details has been important as I've ramped up in this new role.

As part of the executive team, I am intimately involved in all aspects of the strategy and policies of the company and I'd say given where SQZ is, we're a smaller private company looking to go public eventually. Because of that, having the appropriate financial resources to enable that research that we're doing and the advancements in development is really critical so I'm usually there every step of the way to really understand what are the development options, and what resources might we need, and how can I help make that happen.

But beyond the difficult CFO-related matters, I can also leverage my experience in investor relations and communications to really help influence the strategy and business policy in a number of other angles having run – I've ran global communications at Merck as well as investor relations and so bringing that to SQZ, it's not only about the scientific developments and the advancements that we're making.

A development is how do we get the scientific community and the patients to understand what we're doing and given how unique SQZ is from a science perspective, it's going to take a lot of education. So I'm also able to weigh in with the team in terms of collaborating to make the best decisions on the science side, but also trying to figure out how do we get that message across to the outside world? How do we let people know the scientific advancements that we're making? What are the venues? How do we tell our story in a way that is compelling so that the world can see and fully appreciate the breadth of what SQZ has to offer? As a management team, we're collaborating constantly on those dynamics, both the external storytelling as well as the internal scientific developments.

Taren: Teri, that is so interesting and it's so unique to find somebody who has that financial acumen along with that communications prowess. That's a powerful combination.

Teri: Yeah, it is really benefited. You know the teams that I've worked with, and like I said, I'm passionate about learning and putting those two skill sets together I found is really a great skill set to have.

Taren: Yeah. So all of us out there who are listening to this, maybe we need to brush up on one or the other. That's amazing.

Let's go back to your time at Merck for a little bit. I know you were involved in several significant events including working closely with Ken Frazier on the CEO Social Responsibility Initiatives and a launch of, as you said, some of their top cancer drugs. What were those experiences like, because you really were in the trenches there especially with that CEO Social Responsibility Program?

Teri: Yeah, you're right, Taren; my experiences at Merck were tremendous and Ken Frazier, as many of the listeners may know, is such an inspirational leader and I am privileged to have had

the opportunity to work closely with him and learn from him. He influenced the type of leader I am to such a great extent and it was an amazing, amazing experience being at Merck. Really working at Merck and what Ken taught me was to really be flexible, as well as prepared for any type of scenario. You know, you mentioned a few. It was a very challenging time for the industry and continues to be in terms of making sure that patients have proper access to medicines and pricing issues, and really being able to navigate all of that was critical.

In particular, what Ken taught me was how important it is to know what the values and the mission of a company are and to stick by them. Even if it feels like it's rocky times in the near term, if you stick by those and really be true to those values and the mission, that really leads you to the right place in the long run.

You mentioned the launch of Keytruda. At Merck, there was a strong legacy of letting the science and the data drive decisions along with an unwavering commitment to patience. Those were really the values and the mission that the company embodied. This was really important as we launched Keytruda which is now one of the most widely-prescribed cancer medicines ever. It's in that immuno-oncology space that I mentioned before where it really harnesses your immune system to attack the cancer. We launched this at a time when Merck was not considered a cancer company. Historically, Merck had primarily been in the primary care business, and cardiovascular, and metabolics so there was a lot of skepticism when we were trying to launch Keytruda because we weren't a typical cancer company. In the early days, it was really an uphill battle to demonstrate for investors and the medical community just how important and meaningful this cancer treatment could be for patients.

And so, getting back to kind of that blend of communications in financial and strategy, our team had to spearhead a shift in perception with a new vision, a new corporate narrative, to really change how Merck was viewed by stakeholders but at the same time, maintaining that legacy, that kind of science first approach. It really showed me just how important storytelling is for a company. Policies and data wasn't enough. We needed to really overcome a perception issue to let the science shine through and it took a lot of time. We had to overcome many skeptics but we were able to educate the scientific community and now, patients are benefitting tremendously around the world. That really stuck with me and something that I have really brought to SQZ, given that SQZ is going to be really chartering – it's uncharted territory here.

And so, Ken's words are always in the back of my mind where it's "do right by the science, do right by the patients, the rest will follow." That's something that is continuously going through my mind as we're making decisions here at SQZ and as we're trying to transform that cell therapy space and really provide treatments for patients that not only is safe and effective enough, but that can be used across multiple disease areas. It's just a tremendous learning experience across a number of areas at Merck which are all really directly applicable to my experience here at SQZ.

Taren: That's fantastic. And you talked about some of the things you learned from Ken, the need to be agile, the need to be able to pivot, and the need to be a good storyteller. Keeping that in mind, how would you describe your personal leadership style?

Teri: Yeah Taren, actually my leadership style I think has really developed over time, both inside and outside of my career. My leadership style really embodies teams and identifying unique talents in individuals sometimes ones they don't know that they have. I'm a talent seeker. I often can look at individuals and see where their strengths are and really put them in the right position so that each individual is elevating the team in total. That really goes back to my time growing up. I grew up playing a lot of team sports and I was actually the only girl in a boy's hockey team until I was 16, and then later in life I've also been the only girl on men's teams as well. That really taught me how to look at teams in a unique way.

Being the smallest and the only girl, I was often in a position where I had to find the gap in the team. Where could I add the most value? Where could I get in the game? By being able to really tease out the different individuals on the team and the team as a total and figure out how can I elevate that team was a skill that I've adapted and honed over the years. Oftentimes, when I was growing up playing these sports and especially being the only girl, there was a lot of skepticism at first you know. They didn't even want me to be in the game. By the end of the season, they were often counting on me to help lead the team.

All those experiences really I bring to bare in the business world where I am always trying to figure out what skills do I have, what gaps do we need to fill? How do we make the most of this team and make sure that we're rewarding the team more than the individuals? Because you can have a team of superstars that don't go anywhere, but a team who trust each other with open communication, and who are really trying to achieve the same objective and has each other's backs, that's really where the magic comes alive. And that's really my leadership style, is building these strong teams, helping navigate people through their careers, identifying their talents, trying to put them where they're going to succeed, and giving them that confidence to take the risks that I have taken as well.

Taren: That's awesome. I love the story. Thank you for sharing that about your younger days in playing hockey and being the only girl or the only woman on some of these teams and giving them perspective, and the courage, and confidence to be a leader.

Teri: Yeah, absolutely.

Taren: One of the questions I do ask, what are some of those leadership qualities you look for in your executive team members? You've covered some of that but specifically, if you could just identify and talk to, like when you're looking to build up that executive team, are you looking for folks that maybe don't have the same skill sets that you have? How do you build that out?

Teri: Yeah Taren, you hit on a couple of the areas. Having that diversity across the team is critical. I'm often not looking for the superstars. As I mentioned, it's really about putting a team

together with shared goals and objectives that have the same drive and passion and that will work together. The diversity aspect of that is critical, and that can be diversity in backgrounds, in styles, in experiences and ideas. There's a lot of talk these days about diversity and there are so many aspects to diversity that are critical. For me, having open, collaborative dialogue where we don't always agree but where we can come to the right place is usually the best kind of team. That comes with having all of these diverse people around the table and it really comes with a trust and communication that is open.

Like I said, making sure people recognize that you can make mistakes, that you can debate and collaborate and it's good, it helps to open your eyes into different ways of looking at situations, and that generally, through that collaboration you come to a better place. Those are some of the qualities, really that diversity, the passion, the drive to get to that end objective, making sure we've got a shared objective, I've found those to be critical.

Taren: Fantastic. You obviously are no doubt not unaccustomed to being an N of 1 in a situation. How does that experience of being maybe the only woman in the boardroom sometimes, how does that impact you? How do you manage through that?

Teri: It's funny you say that. I often call myself an N of 1. I think all of us need to think about it in that way, that everybody is unique in a certain way and that we're often, whether it be gender or otherwise, an N of 1 in a room. It could be an experience set, or a skill set and so, having been the only girl in a boy's hockey team and other sports, it definitely has translated into my professional life and has actually I think helped me succeed in the business world. Being accustomed to being that N of 1, not being intimidated, and really doing what I needed to do to build my own skill set, to make sure that I walked into that room with confidence and that I had something to say that was valuable, it goes back to those days that I was playing hockey where I needed to figure out where can I add the most value? I always, as I was going into those boardrooms, and I've many times been in the boardroom alone as a woman, and I'm always trying to think, how do I add that unique value? How do I get this team to a better place?

I've never wanted different rules, never asked for any special circumstances. As I always say, I've always been willing to battle it out on the playing field and on equal terms. I think that has benefitted me because it's made me the best version of myself, but also, it's given me the confidence to state my opinion and to help influence decisions in those rooms and really shift mindsets along the way.

I'll never forget, it was early on in my days, I was at Bristol Myers Squibb, another large healthcare company. We had come out of this board meeting, it was probably 20, 25 people and I was the only woman. And as we were coming out of that room, there was the next set of people who were going into the room for the next meeting and it was some younger people in their career. I walked past this group of young women, they were like, "Look, she was the only one in that boardroom who's a woman. That's amazing." That really stuck with me and helped me recognize not only the value I can bring in the boardroom, but also I really try to be a role

model for others, women or otherwise, to just be confident and really find where you can add that value and go for it.

Taren: That's an excellent piece of advice, adding that value to whatever role you're in, right? Keeping that in mind, what are some other good advice you might offer to women who want to reach that executive role, that want to climb the ladder?

Teri: Yeah, I've thought about this a lot over the years and thought through what advice have I been given that has helped to drive my career and some of it goes back to some of the things we've already talked about Taren, which is really having confidence in yourself, really not being boxed in, to look outside the box and think through what is that ultimate objective that we're trying to solve? Don't be too constrained by job descriptions or the role that you're in. If you see a need and you can add that value, take it, and to really help drive that forward.

I can say a lot of the risks I've taken even within a company have been making sure I'm on special projects where people can see me beyond my current job description. How can I add value? How can I be seen in different ways so that you're not pigeonholed into any particular type of role or type of activity. I give that advice to a lot of women; is don't be afraid to raise your hand. Even if you have no experience in an area, if you've got a passion for learning and if you are willing to do some extra work outside and really get up to speed so you can add that value, take that risk. Put your hand up, volunteer for new opportunities to show how good you can be in roles outside of the one people see you in today.

Taren: That's an excellent piece of advice. That's awesome. You know you have plotted out a very successful and purposeful career and I'm just wondering, is there anything you know now that you wish you knew as you were moving up the ranks?

Teri: Oh Taren, hindsight's 20/20 for us all. There are so many times I had fretted at night about what I had said or what I had done and will it be a career derailer? What I have really learned and wish I had known early on, it's okay to make mistakes. It's okay to ask for advice and asking for advice is not a sign of weakness. It's a sign of strength and confidence. That took me a long time to figure out especially because I was always trying to prove myself in new areas it made early on. I didn't want anyone to see my weaknesses. I think had I embraced it more in terms of being able to ask for help and showing that as a strength that I could have gotten further along faster and not to fret over some of the small stuff. You can't change the past. You can only re-chart the future. And so instead of those late-night fretting about what you said and not using the exact right word, or not doing the exact right thing, think about it and figure out how would you use it going forward and then do it the next time.

The other thing I would say is really share as much information as you can with those around you and this goes back to that building the teams. Sharing your skills and sharing your information makes the team better. I've oftentimes seen people hoard information and I've made that mistake myself early on in my career where I thought if I knew the most, I could share and add that value. What I soon recognized is that by hoarding that information and not

sharing, I was actually holding myself and the team back because I was not inviting in those diverse ideas and opinions that could broaden the information and make it better. So those are I'd say three of the important things that I've learned along the way I wish I'd known was, it's okay to make mistakes, don't fret too much about the past, and share and collaborate as much as you possibly can.

Taren: Those are three wonderful tips. Thank you so much for sharing those. And finally, because it is our WoW podcast, tell me about an accomplishment or a moment in your career that either has left a lasting impression on you or changed the trajectory of your career?

Teri: Yeah Taren, I think I've had so many just amazing accomplishments that I'm proud of in my career in having taken so many different directions. It's hard to single one out. However, you brought it up earlier and to me it is probably one of the most defining parts of my career is when I made that transition from marine biology into business and jumped from being a marine biologist to helping start a stockbroking company.

At that time, I had never traded a stock in my life. I knew very little about business. I didn't even know what a stockbroking company was and yet I had read a business plan, was really curious, and was really intrigued by the other two people who were starting this company. And so, I jumped in and I spent a summer cramming for all the stockbroking licenses which luckily I passed and became a self-taught accountant because there was no one to manage the books, became secretary of the board, a compliance officer, and ultimately that company ended up getting bought by a partner of ours. Helping to build that company and jumping in to such an unknown territory, I was 180 degrees from where I had been before.

That experience I think really defines how I approach my career and how I approach life which is, have the confidence that you can learn, know that if you surround yourself by good-natured, smart people that you're willing to tap into for help, you can really tackle anything. I've often looked back on that and said, as I might have mentioned earlier in our discussion, I've lived by the mantra "if you can live with the worst-case scenario, you should take the risk." That comes up over and over again in my life and I often look back on that particular wild moment and say, 'look what I did. I was able to transition from being a marine biologist to helping build a company in an area I knew nothing about. I can tackle this next challenge.' It's really given me that confidence to take those risks and to hone those skills in terms of learning and building teams and leveraging others. It's driven my career as well as outside of my career. It has given me tremendous, tremendous confidence.

Taren: Teri, it's been awesome to talk with you. Thank you so much for sharing so much of yourself on the podcast and providing such tremendous insights. I look forward to hearing what SQZ does in the future, and best of luck with this cell therapy and moving forward. Thank you so much.

Teri: Thanks, Taren. Again, I really appreciate the opportunity. I really enjoy talking with you and your questions and look forward to speaking again one day.



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