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In this episode, Taren Grom, Editor-in-Chief of PharmaVOICE magazine meets with Kimberly Stephens, Chief Financial Officer at Appili Therapeutics, Inc.

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

Kimberly: Thank you so much for having me here today. I actually really appreciate the opportunity to highlight the sector and my company and the role that women can play in the biotech space.

Taren: Excellent. We're so thrilled to have you. Tell me a little bit about your journey to your current position. I know you've had a really successful career thus far. So we're interested to hear how you landed up in the C-suite.

Kimberly: I'm a chartered professional accountant. I started off my career at PricewaterhouseCoopers. I was there for just over six years and left as an audit manager. Then worked in a couple of different industries as director of finance, including banking, software, oil and gas, before ending up in biotech. My last position that I was with was an oncology-focused publicly traded company called Immunovaccine, and I was with them for over six and a half years, helped them raise over 40 million dollars and led them to graduate from the TSX Venture Exchange to the main board and the OTCQX listing in the US. And then I was approached by Appili to join their team.

Taren: That's awesome. Tell me what led you to the biotech sector after you had been involved in some of the other areas? What was the attraction?

Kimberly: To be honest, when I was first approached by Immunovaccine it was their vice president at the time reached out to me and I originally had no intention of leaving my company. I thought that I was satisfied in the position I was in, until he presented the mice data that showed that the company had the possibility of eradicating cancer like tumors were growing in mice and then they were given this vaccine, and then the ones that were given the vaccine completely had their tumors eradicated. And I was just in this kind of moment of awe going 'how can I not want to be a part of this.'

Taren: Isn't that something. That's what draws most people into the sector. It's that promise of that wow, so amazing. So, was it a big leap of transfer for you? I mean, were you able to just jump right in?

Kimberly: Definitely it was a learning experience. I learned very quickly though that I don't think that there's such a thing as a dumb question. I always just made sure that people who were describing what our technology was about or any of the products that we were working on, I would just ask them to explain it to me in layman's terms, so that I could turn around and be able to explain it to anybody that I was talking to. There's definitely a lot of scientific descriptive words that I had no idea what they were talking about. But I think that people had the patience and understood that ultimately in my role as CFO, I have to be able to relay this message of what the company is trying to achieve to the investment community. And so, understanding how to be able to translate that in layman's terms and in a very simplistic method that ultimately like I needed to know that and so therefore, people were willing to take the time to kind of educate me.

Taren: That's excellent. It's like sort of learning a second language when you jump into this life sciences space.

Kimberly: Yes.

Taren: You joined your current company shortly after its launch, so you were successful at your previous company. What led you to join a startup?

Kimberly: So Appili actually reached out to me to join their team based on the experience that I have working with publicly traded companies in the biotech space. Appili was actually founded by an investment bank and so they're very transactional – or we are very transactional-focused. And so, the intention was always to continue to expand the pipeline of products in the infectious disease space and therefore, the need for continued funding, whether through government grants or equity raises would be required.

While again, I was not looking to leave Immunovaccine, I had multiple years of experience working with public company reporting and compliance, I looked at this as a new challenge for myself and an opportunity for me to join a company with the intention of taking it public and to gain that experience. Then to be honest with you, I think quite frankly, I find the biotech startup space exciting. You have to be nimble and you have to adapt to the ever-changing environment and life never gets boring.

Taren: No, it does not, and especially when those dollars are so precious.

Kimberly: Absolutely.

Taren: We often hear that biotech burn rate, I mean, every dollar is scrutinized. Let's talk about taking the company public, you just posed a public offering of more than 11 million. So tell me what that experience was like because not everybody gets to do that.

Kimberly: Just to clarify, we actually just raised shy of 17 million dollars, which was definitely a highlight for me. It's the biggest raise that I've accomplished so far in my career. I think that it's a true testament in terms of the support that we have with our current shareholders as well as some of the new ones that they understood what the company is all about and what we're trying to achieve. And so, taking the company public too was an interesting challenge for me, but I would say it wasn't that different from my past experience in terms of understanding what the compliance and reporting requirements were. It's just actually getting the company prepared and ready to be able to pull the trigger and go live.

But since then, since we've actually been public, it's been exciting and being able to kind of access capital very quickly on the markets and spending a lot of time educating the investment community in terms of the life science space, in particular the infectious disease space that I feel that got neglected up until COVID-19 hit. And then now that some very, very, very unfortunate circumstances that the world is in right now, I do think it brought light to the fact that infectious diseases are critical and can be detrimental and that we need to have companies like Appili working on potential solutions so that there are going to be potential therapies at the end of the day for these types of diseases.

Taren: I couldn't agree with you more in terms of if there's a silver lining that COVID-19 has shone a light on some of these neglected areas of therapeutic need.

Kimberly: Absolutely.

Taren: So, tell me a little bit more about advice that you would provide to other folks who are looking to raise equity or get government grants and any best practices or tips that you can share? I know a lot of women who are in the finance area are looking to raise capital. What are some of your best learnings?

Kimberly: So, from my experience it's really about just laying out the business plan of the project that you're contemplating. And it's easy for funders to see kind of the end goal and get behind it if they understand what the business plan is. I find actually oftentimes people kind of have these ideas and business concepts but they don't necessarily do the work to really kind of flesh out what that whole package looks like and whether the benefits outweigh the risks.

So, at Appili we put a lot of time and effort developing that business plan, understanding what the risks are, and determining what that kind of return on investment would look like for investors. Because ultimately whether you're talking about equity investors or government agencies, they really want to understand what that potential return is going to look like.

Then I think secondly, there's also an element of relationships that I think is absolutely critical to success. People need to trust who they're investing and have that kind of rapport that goes beyond just looking for money but rather understanding that this is a partnership. It often takes time to develop these relationships. And I compare it often to marriages like you have to first date first, then get to know them before you're going to commit to spending the rest of your life with. And I think that's the same when it comes to getting funding like people want to be able to understand that they can trust the people that they're investing in and understands what they're trying to achieve.

And then leading into that I would say, it's also then about accountability like what are you trying to achieve. Like you've outlined the business plan, you've outlined like the milestones that you want to hit and so, then you have to be dedicated to meeting them and proving to the investors that you can be trusted to actually deliver on them.

Taren: That's great advice. Thank you so much for sharing that. I think that everybody looks at that area of funding and thinks it's so daunting, but you really succinctly laid out a really nice plan and how to attract that investor; so, thank you for that. When you lead your teams, what are some of the things that you do to keep them motivated, to keep them inspired? And then I'm going to ask you to tell me about those qualities you look in that next generation of leaders to seed your teams.

Kimberly: I think what really motivates a team is that they need to understand the strategy. They need to know where the company is going, what's the ultimate goal. And I think then, like once they understand that and you have that alignment and commitment from the team, then you have to make sure that they are kept informed. I feel like when people think that they're in the dark and they don't understand why certain decisions are being made, they stop feeling respected and then you lose your

commitment. Having these weekly, monthly, quarterly touchpoints meetings with the team, ensuring that communication is flowing to them and that they have an opportunity to also be heard, I think that's really the key in terms of managing teams.

In terms of what I look for when I'm building the team and what qualities that I think are needed especially in the biotech space, is that dedication and flexibility and passion. I think that the biotech space is dynamic and people have to wear multiple hats and take on different roles. And so, when I look for someone like I really am looking for that grit, that passion to want to work hard and who are up for the challenge.

Then I'd say like also along the same lines, you're kind of looking for those people who are problem solvers, people who try to think outside the box and try to get to a yes before just immediately concluding that it can't be done. Too often I think people just like see a problem and they say, 'no, it can't be done.' And so, we look for people who say, 'you know what, this is going to be challenging but let me look into it and let's flesh out every possible solution to see if I can actually do it.'

And then finally, I'd say accountability. This one is actually really important to me because I really respect people who are willing to admit when they're wrong or whether or not they make a mistake. Because ultimately, I've always said like as the CFO, I need to make sure that I can completely trust that every person in the organization understands that everything that we do is important, every level of the organization is important. And so, if there's an issue or an error or something to make sure that it's elevated and escalated to ensure that we have the right data, that people are operating ethically, and just that they take that kind of accountability of really owning their own work and making sure that we don't move forward with incorrect data or something that could ultimately lead to the long term detriment of the company.

Taren: That's great. How important is that chemistry in the C-suite between you as the CFO and the CEO and the other members of that executive team?

Kimberly: I think honestly, it is critical to the success of the company. I think that having the relationship between a CEO and a CFO have to be aligned. And while they bring completely different dynamics and experiences and responsibilities to the company, I think that alignment and that rapport is ultimately critical for the success. I look as the CEO's role as being the visionary, that person who's going to lead the team and thinking big and thinking outside the box and going for it all. And then I'm the counterbalance as the CFO saying, I kind of look at myself as being the realist and saying, 'okay yes; however, we need to make sure we have the right processes in place and controls in place,' and that's kind of the corporate governance kind of side of things just

to make sure that we're doing things in alignment. And so yeah, I think it's ultimately just absolutely required.

Taren: Do you ever feel as though you are put in that role of having to be the guardian that – maybe the bad cop, like you have to bring down on the law onto everybody? You have to make sure that everything is in compliance, everything's financially in order, all of those things, and that's a tough job.

Kimberly: Yeah it is, and I definitely am. I have been told recently sometimes that people are “scared” of me when it comes to the budget. And to be honest with you, I think it's not a bad hat to wear, because I think that – you mentioned earlier that in this industry, cash is king, like resources is critical to the success of biotech companies. And I don't mind wearing that hat of making sure that whatever we're doing makes sense, that we have properly fleshed out that this is a reasonable cost, that we've done our fee process, that we've made sure that there's the right companies that we're working with and being able to say no and push back on terms of like if it's extravagant or not necessarily needed, but understanding that balance. Because there is always a balance. Data is critical, you need to make sure that you're doing the right experiments and doing the right activities, you understand that whether or not your product candidate can actually work.

And then the flipside of that is just making sure that it's done efficiently and effectively within the cash requirements that the company is able to actually expend.

Taren: Excellent. When we look across the C-suites of the biotech, biopharma pharmaceutical industry we're still seeing not enough women sitting in C-suite roles. So, tell me what you think are some of the unique pressures or challenges for women sitting in the C-suite? And whether that includes being a role model, includes having to navigate through being sometimes the only woman in the room. What are you finding and how do you deal with some of those challenges?

Kimberly: Yeah, actually as you were starting to ask that question, that's exactly where my mind went. It's unfortunate like that while we're still trying to slowly break through that “glass ceiling,” it's still a male-dominated environment. And to be honest, it's challenging to be alone. I'm fortunate to have a female leader on my board of directors, but we are still underrepresented. I just think having that lack of peers in the room just adds pressure to feel included, to feel confident, and to feel deserving to actually be there.

Taren: How do you think we can overcome some of these barriers? What does the industry need to do or what do we need to do as women to step up in a more... and I don't want to blame women because sometimes it's not their fault, it's the opportunities. But what can women do better to make sure that their voices are heard?

Kimberly: Yeah, I definitely think that there's a couple of things that I think that I've done in my career that have gotten me to where I am. And whether or not it's female-focused or not, I definitely think that it could help overall. I'd say first is just working hard, just giving it all you've got. And I always did just like without any expectations of being noticed. There are things like being able to prove that you're dedicated and reliable and that you deliver on results is just that next steps to elevate you that you will get noticed. And then you'll be trusted to take on more challenging or difficult projects, and then that will also lead to the opportunity to be recognized from the leaders at the top of your company.

And then I would say – and this one I think maybe is a little bit related to women more so than men. In fact, I'd probably say not little, but like mostly related to women. Is that I've learned to be uncomfortable and in over my head. When I was first offered the role of CFO, I didn't think I was ready and I second guessed myself and I know that I just push forward because I'm this type of person who doesn't say no to an opportunity. But I just now realize that there's no such thing of being ready. There's no such thing as being ready. It's just rather you just have to forge ahead and with as much confidence as possible that you can muster giving it all you've got and understand that you're not going to know everything. I think men actually don't have that hesitation that women do. And I understand it because it's really uncomfortable to be in that position to feel like you're in over your head. But you eventually get used to it and you do eventually become more confident with it. So I just think women need to just learn to accept opportunities when they're given and go for it, and then just know that no one ever is ready. Like no one's ready for that next position. We just have to learn to be uncomfortable.

Taren: I love that learning to be uncomfortable; that's a great lesson. Yeah, getting over that self-doubt and you don't need to have every box checked to take that next step. I think that's something that we need to learn to do better as women. Is there anything you know now that you wish you had known as you were moving up the ranks?

Kimberly: I wish I would have had a female mentor. I think that women actually really want to help each other, but we're too afraid to ask for help. And so, having someone to be able to lean on who has gone through the same experience as I had or I was going to have, being able to ask those stupid questions which I just said earlier, there is no

such thing as stupid questions – but openly without fear or judgment. And then having that person like in your corner, knowing that you have someone who wants you to succeed. And like I just mentioned, I've only recently learned to be uncomfortable. I think that I would just wish I had understood that everyone feels this way and that I wasn't alone and it would have helped me gain my confidence more quickly.

Taren: Well thank you for sharing that because hopefully those who are listening to this podcast will understand that it's okay to be comfortable being uncomfortable. Do you consider yourself to be a role model then?

Kimberly: I hope I am. I definitely, I specifically – I shouldn't say specifically, but definitely I hire women, especially in the accounting role. I currently have an accounting manager who I absolutely want her to aspire to be a CFO. I encourage her and push her to take on more responsibilities and give her the feedback along the way and give her that load of confidence that this is a learning experience and she's getting it. It just actually makes me feel really proud to think that. I would say that too in my last company, I also had that opportunity to kind of say to the director of financing, I want you to grow into that next level. I want you to want my job. So whatever it takes for you to get there, like whatever you need from me, I will make sure that you're in the room, that you're at the table, that you're hearing the conversations, you're learning and you're always growing.

Taren: That's awesome mentoring and doing it so hands on got to be tremendously beneficial to your folks. So kudos to you. And finally, as we round out because it is the WoW Woman of the Week podcast, tell me about an accomplishment or a wow moment that shaped your career, changed the trajectory of your career, or has left a lasting impression on you.

Kimberly: I would say that becoming a CFO at the age of 32 was my biggest accomplishment.

Taren: Wow! That is a wow.

Kimberly: I always actually joke looking back to that point of my life where going into my very, very first board meeting I walk in and I'm the youngest in the room, and I'm the only female in the room, and then I joke, I was also the poorest in the room. So I look at that and I go, I'm so proud that I just decided to lean in and again learn to be uncomfortable and just take that challenge head on and knowing that just pushing myself to continue and do it.



Taren: Kimberly, thank you so much for sharing so much of your career journey with us. Thank you for providing us with some great insights and some tips. And we look forward to hearing what's next on your company's trajectory. Congratulations for the fundraising and yeah, you're doing important work in that infectious disease area, so continued good luck there.

Kimberly: Thank you so much. I really appreciate this opportunity.

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