THE CORPORATE REPUTATION OF PHARMA

—THE PATIENT PERSPECTIVE IN 2014

GLOBAL EDITION

Feedback from 1,150 patient groups worldwide
PUBLISHED FEBRUARY 2015
“I was torn between ethical, transparency, and patient safety. But, ultimately, patient safety is the most important to me and to our organization.”

—Global, US-based patient group focusing on cancer and palliative care

February 2015

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Introduction

‘The Corporate Reputation of Pharma—from a Patient Perspective’ is now in its fourth edition. This report contains the latest version (2014 results; published early 2015). For each annual Corporate Reputation report, PatientView surveys a large number of patient groups worldwide—international, national, and regional, from across many different disease and healthcare specialties. **1,150 patient groups from 58 countries** participated in the Corporate Reputation’s 4th edition.

About the questionnaire

The methodology for assessing pharma corporate reputation from a patient perspective was first established by PatientView in 2010 following consultations with pharma, medical-device companies, tradesbodies and patient groups. The resulting questionnaire combines the priorities of patient groups (which have a better understanding of pharma than individual patients) and industry on the topic of corporate reputation. The same questions on corporate reputation are posed to respondent patient groups every year (though each year’s respondent patient groups are not necessarily the same as those of the previous year). The answers help define what patients require from pharma companies, while acknowledging what pharma itself thinks it is capable of delivering. Since the questions do not deviate, the Corporate Reputation of Pharma allows the performance of individual pharma companies (and the industry as a whole) to be compared year on year—which, in turn, helps define appropriate strategies for improvement.
The methodology behind the process of selecting questions for The Corporate Reputation of Pharma survey is outlined on page 13.

To reiterate, The Corporate Reputation of Pharma ‘league tables’ provide feedback on the patient perceptions of each individual pharma company during one particular year (in this instance, during 2014). Note that patient groups are providing their perceptions only. Factors such as the transparency of a company, or its integrity, may be interpreted differently by the various respondent patient groups. For the purposes of this survey, though, such differences of opinion do not matter, since The Corporate Reputation study only measures perceptions.

PatientView has been asked over the years to explain how the results from the Corporate Reputation of Pharma survey are calculated. Significant effort has been made to remove bias from the procedure (though some level of distortion can never be completely ruled out).

Conducted anonymously
To ensure that respondent patient groups feel able to offer truthful opinions, the survey is carried out with the assurance of respondent anonymity. No individual patient group response is ever made public. The identity of respondent patient groups is known only to PatientView.

Coping with variety among companies
The intention is that companies of different size, medical interest, and geographic reach are all judged by common criteria. This is done by having companies assessed only by patient groups that claim familiarity with them. Of course, many patient groups may claim familiarity with big multinational companies. That is why the final percentages used to measure corporate reputation are determined by a further requirement—they are based only on those patient groups which provide a response to a particular question.

Levelling the playing field
Attempts are made to ensure all companies included in the analyses are assessed by a roughly similar percentage of respondent patient groups which have worked them, to attain level playing field, PatientView invited all pharma companies included in the questionnaire to send details of the
survey to the patient groups with which they have partnered. To avoid bias, the invitation was made only after the survey was two thirds of the way towards its deadline (by which time, a considerable number of patient groups had already responded without any prompting from pharma companies).

Anomalies, though, still remain. Just 8% of 2014’s respondent patient groups stating familiarity with Stada Arzneimittel also say that they have worked with the company—a low percentage. Only 12% familiar with Allergan have worked with it; 14% with Mylan; 15% with Actavis; and 20% with Baxter International. The small percentages may be partly because these particular companies do not have extensive reach among patient groups, and/or (more likely) PatientView is unaware of many of the patient groups with which these companies do work.

The problem is the opposite in the case of four companies—AbbVie, Eisai, UCB and ViiV Healthcare. More than half of 2014’s respondent patient groups familiar with these companies claim to have worked with them—a high percentage that could lead to bias when comparing the results of the four with those of their corporate peers. Fortunately for the integrity of the results, PatientView has found in previous editions of The Corporate Reputation survey that patient groups which have worked with companies do not necessarily vote them favourite. Moreover, patient groups typically work with multiple companies.

Expanding the global reach of the survey to avoid a geographic bias

Until 2014, PatientView conducted its annual Corporate Reputation surveys in five languages: English, French, German, Italian and Spanish. A high proportion of the respondent patient groups (around 20-25%) came from the UK in those three years. For the 2014 survey, the number of languages was extended to 12, and include: Danish, Dutch, Finnish, Greek, Polish, Portuguese and Swedish. The proportion of respondents from the UK has dropped in 2014 (to 9.8%).

Inevitably, some level of bias cannot be avoided

PatientView identifies four possible ways in which The Corporate Reputation results could be biased:

1. Companies which have only a small number of patient groups claiming familiarity with them each year might see dramatic shifts in their results, year on year.

2. Companies which have hundreds of patient groups claiming familiarity with them each year might find improvement more difficult to achieve than those of their peers which have a smaller number of patient groups claiming familiarity.

3. A number of the Danish patient groups responding to the Danish-language element of the survey claim familiarity with Novo Nordisk and Lundbeck—even though (in all likelihood) they probably know little about the two companies, since these particular respondent patient groups specialise in disease areas outside the scope of the two companies.

4. Patient groups of different therapy areas and geographic remits take differing views of pharma. The results from a 2014 PatientView benchmarking exercise among 1,000 patient
groups worldwide, ‘Benchmarking the Patient Movement’, indicate that endocrine patient groups have the best relations with pharma, while circulatory patient groups and mental health patient groups have the worst.

“How well do you think pharmaceutical companies rate your group’s ability to fulfil the needs of the patients and people you represent?”

Percentage of respondent patient groups worldwide saying “Very good”

<table>
<thead>
<tr>
<th>Therapy area</th>
<th>2014</th>
<th>2012</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Endocrine</td>
<td>54%</td>
<td>31%</td>
<td>+ 23%</td>
</tr>
<tr>
<td>GI</td>
<td>48%</td>
<td>21%</td>
<td>+ 27%</td>
</tr>
<tr>
<td>Cancer</td>
<td>45%</td>
<td>21%</td>
<td>+ 24%</td>
</tr>
<tr>
<td>HIV/AIDS</td>
<td>43%</td>
<td>40%</td>
<td>+ 3%</td>
</tr>
<tr>
<td>Respiratory</td>
<td>41%</td>
<td>36%</td>
<td>+ 5%</td>
</tr>
<tr>
<td>Rare diseases</td>
<td>35%</td>
<td>28%</td>
<td>+ 7%</td>
</tr>
<tr>
<td>Diabetes</td>
<td>34%</td>
<td>32%</td>
<td>+ 2%</td>
</tr>
<tr>
<td>Rheumatological</td>
<td>29%</td>
<td>23%</td>
<td>+ 6%</td>
</tr>
<tr>
<td>Neurological</td>
<td>25%</td>
<td>19%</td>
<td>+ 6%</td>
</tr>
<tr>
<td>Mental health</td>
<td>24%</td>
<td>16%</td>
<td>+ 8%</td>
</tr>
<tr>
<td>Circulatory</td>
<td>23%</td>
<td>25%</td>
<td>- 2%</td>
</tr>
</tbody>
</table>

Looked at in geographical terms, patient groups from Central and South America appear to have the best relations with pharma, and those in the UK and France the worst. Thus, pharma companies that focus on mental health or circulatory conditions are likely to experience more difficulty in attaining a good corporate reputation than pharma companies that concentrate on GI or endocrine conditions. Similarly, pharma companies that are heavily involved with patient groups in the UK or France will probably find a good corporate reputation harder to achieve than their peers operating in Central/South America or Italy.

“How well do you think pharmaceutical companies rate your group’s ability to fulfil the needs of the patients and people you represent?”

Percentage of respondent patient groups in all specialties saying “Very good”

<table>
<thead>
<tr>
<th>Region</th>
<th>2014</th>
<th>2012</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central &amp; South America</td>
<td>50%</td>
<td>45%</td>
<td>+ 5%</td>
</tr>
<tr>
<td>Italy</td>
<td>44%</td>
<td>36%</td>
<td>+ 8%</td>
</tr>
<tr>
<td>Germany</td>
<td>35%</td>
<td>34%</td>
<td>+ 1%</td>
</tr>
<tr>
<td>USA</td>
<td>34%</td>
<td>29%</td>
<td>+ 5%</td>
</tr>
<tr>
<td>Eastern Europe</td>
<td>34%</td>
<td>42%</td>
<td>- 8%</td>
</tr>
<tr>
<td>Nordic countries</td>
<td>31%</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Spain</td>
<td>25%</td>
<td>29%</td>
<td>- 4%</td>
</tr>
<tr>
<td>Australasia</td>
<td>24%</td>
<td>16%</td>
<td>+ 8%</td>
</tr>
<tr>
<td>Canada</td>
<td>24%</td>
<td>25%</td>
<td>- 1%</td>
</tr>
<tr>
<td>Netherlands</td>
<td>23%</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>France</td>
<td>22%</td>
<td>25%</td>
<td>- 3%</td>
</tr>
<tr>
<td>UK</td>
<td>17%</td>
<td>17%</td>
<td>0%</td>
</tr>
</tbody>
</table>
Methodology

The methodology used in the 2014 study is the same as in the past three editions of this report. A full explanation of choice of methodology can be found in ‘The Corporate Reputation of Pharma—the Patient Perspective’, PatientView Quarterly, January 2012. For the purposes of this survey, the phrase ‘corporate reputation’ is defined as the extent to which pharmaceutical companies are meeting the expectations of patients and patient groups.

Pharma’s performance industry-wide

Patient groups responding to the 2014 survey (as in previous years) were asked to comment on three aspects of pharma’s corporate reputation:

♦ How pharma’s corporate reputation compares with that of other healthcare industries.
♦ How pharma’s reputation has changed over the past five years.
♦ How good or bad pharma is at various activities of relevance to patients and patient groups.

Measuring the performance of individual companies

Six indicators are used to assess corporate reputation:

♦ **Indicator I**: Whether the company has an effective patient-centred strategy.
♦ **Indicator II**: The quality of the information that the company provides to patients.
♦ **Indicator III**: The company’s record on patient safety.
♦ **Indicator IV**: The usefulness to patients of the company’s products.
♦ **Indicator V**: The company’s record of transparency with external stakeholders.
♦ **Indicator VI**: Whether the company acts with integrity.

The companies reviewed

Companies assessed by a minimum number of 30 completed responses have been included for analysis in this report. The 37 qualifying companies, in alphabetical order, are:

AbbVie | Actavis | Allergan | Amgen | Astellas | AstraZeneca | Baxter International | Bayer | Biogen Idec | Boehringer Ingelheim | Bristol-Myers Squibb | Celgene | Eisai | Eli Lilly (Lilly) | Gilead Sciences | GlaxoSmithKline (GSK) | Grünenthal | Ipsen | Janssen | Lundbeck | Menarini | Merck & Co (the US company) | Merck Group (the German company) | Mylan | Novartis | Novo Nordisk | Otsuka | Pfizer | Roche | Sanofi | Servier | Shire | Stada Arzneimittel | Takeda | Teva | UCB | ViiV

Eisai, Ipsen, Mylan and Otsuka were not included in the 2013 survey, as they did not qualify in that year.

Each respondent patient group is asked to identify the 3 pharma companies ‘best’ at each of the six indicators. Percentages provided in this report are calculated for each individual company, based only on the opinions of the respondent patient groups claiming familiarity with the company, and which answered the specific question.

About the respondents

A total of 1,150 patient groups responded to the 2014 study. The majority have a national remit; they come from a wide geographic spread, and are of differing specialties. All responses were confidential, so that the patient groups can provide honest views.
Appendix 1

Corporate reputation of the pharma industry in 2014

- Reputation of the pharma industry in 2014—compared with other healthcare sectors
- Reputation of the pharma industry in 2014—versus in 2013, 2012 and in 2011
- Performance of the pharma industry in 2014 at activities important to patient groups
- Performance of the pharma industry in 2014 at activities important to patient groups—versus in 2013, 2012 and in 2011
Appendix 2

Rankings of individual pharma companies

- Rankings of the 37 pharmaceutical companies in 2014
  —for each of the six indicators in turn

- Overall rankings of the 37 pharmaceutical companies in 2014
  —across all six indicators (companies listed in alphabetical order)

- Final rankings of the 37 pharmaceutical companies in 2014
  —versus 2013
Appendix 3

Profiles of the 37 pharma companies

- AbbVie
- Actavis
- Allergan
- Amgen
- Astellas
- AstraZeneca
- Baxter International
- Bayer
- Biogen Idec
- Boehringer-Ingelheim
- Bristol-Myers Squibb
- Celgene
- Eisai
- Eli Lilly
- Gilead
- GSK
- Grünenthal
- Ipsen
- Janssen
- Lundbeck
- Menarini
- Merck & Co (USA)
- Merck KGaA (EMD Group)
- Mylan
- Novartis
- Novo Nordisk
- Otsuka
- Pfizer
- Roche
- Sanofi
- Servier
- Shire
- Stada Arzneimittel
- Takeda
- Teva
- UCB
- ViiV Healthcare
Appendix 4

Profile of the 1,150 respondent patient groups in 2014

- Main specialisations of the 1,150 respondent patient groups in 2014
- Geographic headquarters of 2014’s 1,150 respondent patient groups —by country
- Geographic remit of 2014’s 1,150 respondent patient groups
Profile of the 1,150 respondent patient groups in 2014

Main specialisations of 2014’s 1,150 respondent patient groups
% of responses

Geographic headquarters of 2014’s 1,150 respondent patient groups
—by country % of responses
Geographic remit of 2014’s 1,150 respondent patient groups
% of responses

- Global: 5.9%
- International: 5.3%
- National: 20.9%
- Large regional: 16.9%
- Local: 50.9%