



A NEW ANALYSES FROM PATIENTVIEW

## PHARMA AND ESG—*THE PATIENT PERSPECTIVE*

*The views of 1,500 patient groups*

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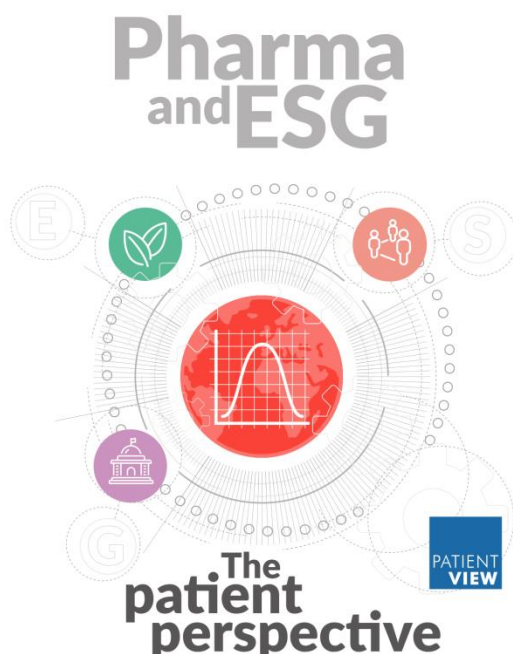
**Contact:** Mat Phillips **Tel (m):** 07786 126686

**Email:** [report@patient-view.com](mailto:report@patient-view.com)

**This new PatientView report examines:**

- ▶ **Patient-group familiarity with ESG.**
- ▶ **The importance of corporate ESG to patient groups.**
- ▶ **Patient-group involvement in defining ESG criteria and assessing company performance at ESG.**
  - ▶ **How 47 pharma companies perform for ESG—from a patient perspective.**
  - ▶ **Six pharma companies report on their ESG activities of importance to patients.**

[See end of email for information about PatientView]



*London, 30th June 2022*

*It is inevitable that the pharmaceutical industry, with its corporate prominence, has embraced the shift in asset-managers' attention towards investments based on ESG (Environmental, Social, Governance) criteria.*

*These, though, are still early days for pharma and ESG. The industry currently has little consensus on what comprises meaningful, measurable ESG targets and actions. With regulators now looking more closely at the authenticity of companies' ESG strategies<sup>1</sup>, urgency exists for pharma to develop a more coherent and genuine approach to ESG. If it is to do so, pharma needs to include, and consider, the patient perspective in ESG, and align the industry's ESG aspirations with its ambitions to achieve patient centricity.*

<sup>1</sup>'RIP ESG?', Harriet Agnew, *Financial Times*, June 13th 2022

### About this research

This analysis of patient-group opinions on ESG is based on two online surveys conducted by PatientView between November and February, 2021 and 2020.

### Companies evaluated by patient groups for their ESG activities

AbbVie | Acorda Therapeutics | Ammirall | Amgen | Astellas Pharma | AstraZeneca | Bayer | Biogen | Boehringer Ingelheim | Bristol Myers Squibb | Chiesi Farmaceutici | CSL Behring | Daiichi Sankyo | Dr Reddy's | Eisai | Eli Lilly | Ferring | Gedeon Richter | Gilead Sciences | Grifols | Grünenthal | GSK | Horizon Therapeutics | Ipsen | Janssen | LEO Pharma | Lundbeck | Menarini | Merck & Co (known as MSD outside of the United States and Canada) | Merck KGaA/EMD Serono | Mylan | Novartis | Novo Nordisk | Octapharma | Otsuka | Pfizer | Pierre Fabre | Roche/Genentech/Chugai | Sandoz | Sanofi | Servier | Sun Pharma | Takeda | Teva | UCB | Vertex | ViiV Healthcare

### The six pharma companies which provided reports on their ESG activities of importance to patients

Boehringer Ingelheim | Gilead Sciences | Lundbeck USA | Merck & Co (known as MSD outside of the United States and Canada) | Pfizer | ViiV Healthcare

### ► Patient-group familiarity with ESG

Although the terms ‘environmental, social, and governance’ are far from being universally embedded in the patient experience, or in healthcare culture, recognition of the purpose and definition of ESG is growing slowly among patient groups. 55% of patient groups responding to a 2021 PatientView survey stated that they “Did not know” about pharma’s ESG activities (a *decrease* on the 61% of respondent patient groups stating the same to the 2020 survey).

Many of these patient groups feel that pharma companies could do much more to communicate their ESG strategies to patient groups.

“Tell patients more about what they are trying to do.”

—International mental-health patient group, Ireland

“Be open in informing about companies’ stances regarding environmental, social, and governance (ESG) issues.”

—National bleeding-disorders patient group, Switzerland

“Information disclosure in this specific area should be strengthened.”

—National HIV/AIDS patient group, China

### ► The importance of corporate ESG to patient groups

Only a few of the hundreds of commentaries received by PatientView from respondent patient groups describe pharma companies’ ESG activities as currently relevant to patients, and more a way for the industry to attract ethical investment. Other respondent patient groups acknowledge the potential of ESG to support companies’ efforts at building more patient-centric measures of company performance. Such a patient-centric approach could boost a company’s corporate reputation—and perhaps even encourage more growth, they say.

“While all companies strive for profit, I think companies that collaborate and ethically/sustainably contribute to society will be remembered as growing and successful businesses.”

—National arthritis patient group, Korea

“Sustainability; ethical principles; non-political, win-win orientation in business—and, not in the least, patient centricity.”

—International blood-cancers patient group, Romania

### ► Patient-group involvement in defining ESG criteria and assessing company performance at ESG

Looking to the future, many patient groups would like pharma companies to improve how they involve patient communities in defining patient-relevant ESG measures. A significant number (140) of respondent patient groups offered their own criteria for pharma’s ESG targets [details provided in the ‘Pharma and ESG—the Patient Perspective’ report]. Already, too, respondent patient groups are proving capable of measuring pharma’s aptitude at ESG.

“It is important to consider the environment, social, and governance of a pharmaceutical company, in regards to their reputation or brand, in order to evaluate if they are a good choice to work with.”

—National skin-conditions patient group, Australia

“Our organisation assesses the improvement in the provision of healthcare by pharmaceutical companies a lot. That footprint goes beyond developing medicines, vaccines, supplies, and diagnostic tests, to meeting the medical needs that are pressing in the world. A lot of companies perform this work on sustainability and responsibility, but it is not central for them. Finally, we assess the environmental impacts that the companies cause.”

—National arthritis patient group, Brazil

“From an environmental perspective, our group is focused on how the company prioritizes their international efforts to work with the regions on key efforts to minimize and reduce the impacts on the environment, and public declarations of their commitment to help reduce climate change.”

—National mental-health patient group, Canada

### ► How 47 pharma companies perform for ESG—from a patient perspective

Patient groups were posed two key questions about individual pharma-company performance on ESG:

- 1.) “If you were asked to make a definite choice: Which three companies were ‘best’ in 2021 at ... Adopting an ‘Environmental, Social, and Governance’ (ESG) agenda—from the perspective of the patients known to your organisation?”
- 2.) “If you were asked to make a definite choice: Which three companies were ‘best’ in 2021 at ... Communicating their performance at ‘Environmental, Social, and Governance’ (ESG) to patient groups?”

#### The five pharma companies ranking top at ESG in 2021 (and 2020), from the perspective of patient groups familiar with the company\*

As assessed by respondent patient groups familiar with the company	Adoption of ESG	Communication of ESG	Overall ranking 2021 N = 629	Overall ranking 2020 N = 511	Difference
Roche (Genentech/Chugai)	1 <sup>st</sup>	1 <sup>st</sup>	1 <sup>st</sup>	2 <sup>nd</sup>	+1
Pfizer	2 <sup>nd</sup>	3 <sup>rd</sup>	= 2 <sup>nd</sup>	3 <sup>rd</sup>	+1
ViiV Healthcare	3 <sup>rd</sup>	2 <sup>nd</sup>	= 2 <sup>nd</sup>	1 <sup>st</sup>	-1
Gilead Sciences	4 <sup>th</sup>	4 <sup>th</sup>	4 <sup>th</sup>	4 <sup>th</sup>	0
Horizon Therapeutics	5 <sup>th</sup>	5 <sup>th</sup>	5 <sup>th</sup>	6 <sup>th</sup>	+1

**The five pharma companies ranking top at ESG in 2021 (and 2020), from the perspective of patient groups working with the company\***

As assessed by respondent patient groups that <u>work</u> with the company	Adoption of ESG	Communication of ESG	Overall ranking 2021 N = 620	Overall ranking 2020 N = 511	Difference
ViiV Healthcare	1 <sup>st</sup>	1 <sup>st</sup>	1 <sup>st</sup>	1 <sup>st</sup>	0
Roche (Genentech/Chugai)	3 <sup>rd</sup>	2 <sup>nd</sup>	= 2 <sup>nd</sup>	2 <sup>nd</sup>	0
Pfizer	2 <sup>nd</sup>	3 <sup>rd</sup>	= 2 <sup>nd</sup>	6 <sup>th</sup>	+4
Gilead Sciences	4 <sup>th</sup>	4 <sup>th</sup>	4 <sup>th</sup>	4 <sup>th</sup>	0
Lundbeck	6 <sup>th</sup>	5 <sup>th</sup>	5 <sup>th</sup>	14 <sup>th</sup>	+9

\* The percentage of respondent patient groups nominating a company as 'Best' was calculated by excluding respondent patient groups that skipped the question, or which stated that they 'Did not know' the answer to the question

## PROFILES OF RESPONDENT PATIENT GROUPS

### Therapeutic areas of respondent patient groups, 2021

Number of respondent patient groups, N = 1,500

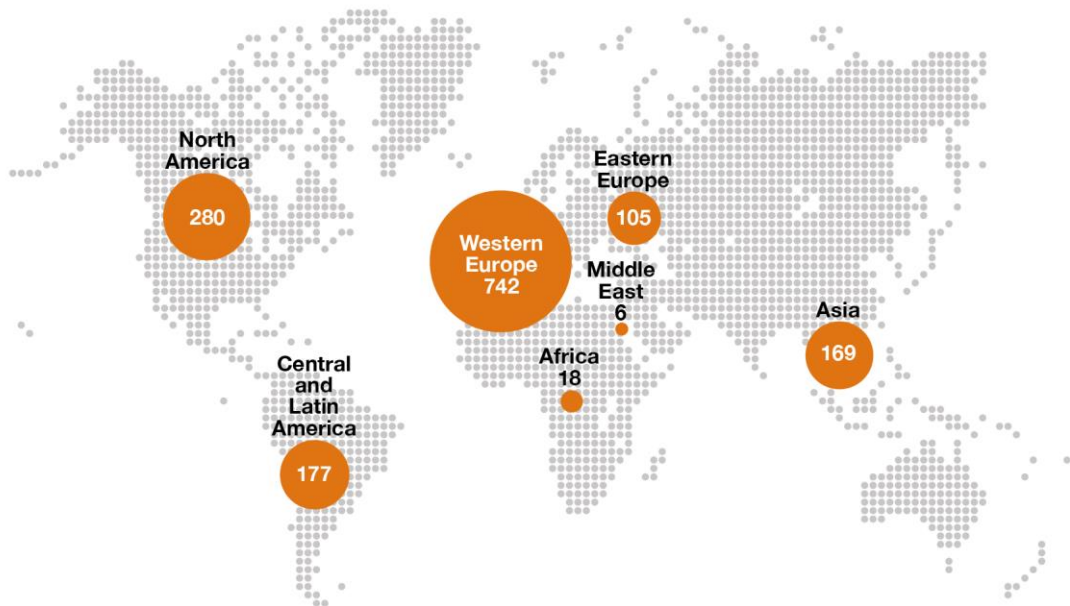
Some disease areas are found in more than one category



### Country headquarters of respondent patient groups, 2021

Number of respondent patient groups, N = 1,500

Three of the respondent patient groups did not identify the country of their headquarters



Finally, PatientView would like to thank the patient groups and health campaigners who gave up their time to respond to the 2021 ESG survey (results published June 2022).

For further information on how to obtain a copy of PatientView's 'Pharma and ESG—the Patient Perspective' report, please email: [report@patient-view.com](mailto:report@patient-view.com)

#### Note on PatientView:

For the past two decades, UK-based PatientView has undertaken regular evidence-based research into the different perspectives of patient organisations around the world on a range of issues. PatientView's reach among these patient organisations is unique, with as many as 40,000 such groups in our informal network.

PatientView Ltd

Registered office: One Fleet Place, London, EC4M 7WS, UK

Tel: +44-(0)1547-520-965

Email: [report@patient-view.com](mailto:report@patient-view.com)

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