'Corporate Reputation of Pharma in 2016—The Patient Perspective'

EMBARGOED PRESS RELEASE 6AM, GMT, TUESDAY MARCH 21ST, 2017

~ CONTACT: ALEX WYKE ~ TEL: +44 (0)1547-520-965 ~ EMAIL: REPORT@PATIENT-VIEW.COM

ABOUT THIS REPORT AND SURVEY

- **Results drawn from survey conducted**: November 2016 to early-February 2017.
- **Feedback from the patient groups surveyed**: 1,463 patient groups; 46+ specialties; 105 countries.
- **Survey conducted in 16 languages**: Japanese, Korean and Hungarian were new additions in 2016 (and had an impact on the survey results).
- **Industry analyses**: compared with other healthcare sectors; assessed for a wide range of activities, and across different geographic areas.
- **Recommendations from respondent patient groups**: how to improve corporate reputation.
- **Company analyses**: 47 pharma companies, assessed on seven indicators of corporate reputation.
- **Pharma companies tell their own story on patient centricity**: AbbVie; Eisai; Janssen (Pharmaceutical Companies of Johnson & Johnson); LEO Pharma; Lundbeck; Novartis; Servier; and ViiV Healthcare.
- **Report length**: 227 pages.

For the purposes of this report, the phrase 'corporate reputation' is defined as the extent to which pharma companies are meeting the expectations of patients and patient groups.

The 47 companies analysed in this 2016 report

AbbVie I Allergan I Almirall I Amgen I Astellas Pharma I AstraZeneca I Bayer I Bial (new for 2016) I Biogen I Boehringer Ingelheim I Bristol-Myers Squibb I Celgene I Chiesi Farmaceutici I Eisai I Eli Lilly (Lilly) I Ferring I Gedeon Richter I Gilead Sciences I Grifols I Grünenthal I GSK I Hospira I Ipsen I Janssen (Pharmaceutical Companies of Johnson & Johnson) I LEO Pharma I Lundbeck I Mallinckrodt I Menarini I Merck & Co I Merck KGaA I Mylan I Novartis I Novo Nordisk I Octapharma I Otsuka I Pfizer I Roche I Sandoz I Sanofi I Servier I Shire I Stada Arzneimittel I Takeda I Teva I UCB I Valeant I ViiV Healthcare.

ASSESSING THE PHARMA INDUSTRY AND ITS COMPANIES

The pharma industry's performance at corporate reputation is assessed by three types of measures (2011-2016)

1. How pharma's corporate reputation compares with that of seven other healthcare-industry sectors.
2. How pharma's corporate reputation has changed over the past five years.
3. How good or bad the pharma industry is at various activities.

The seven indicators of corporate reputation used to assess the 47 pharma companies are:

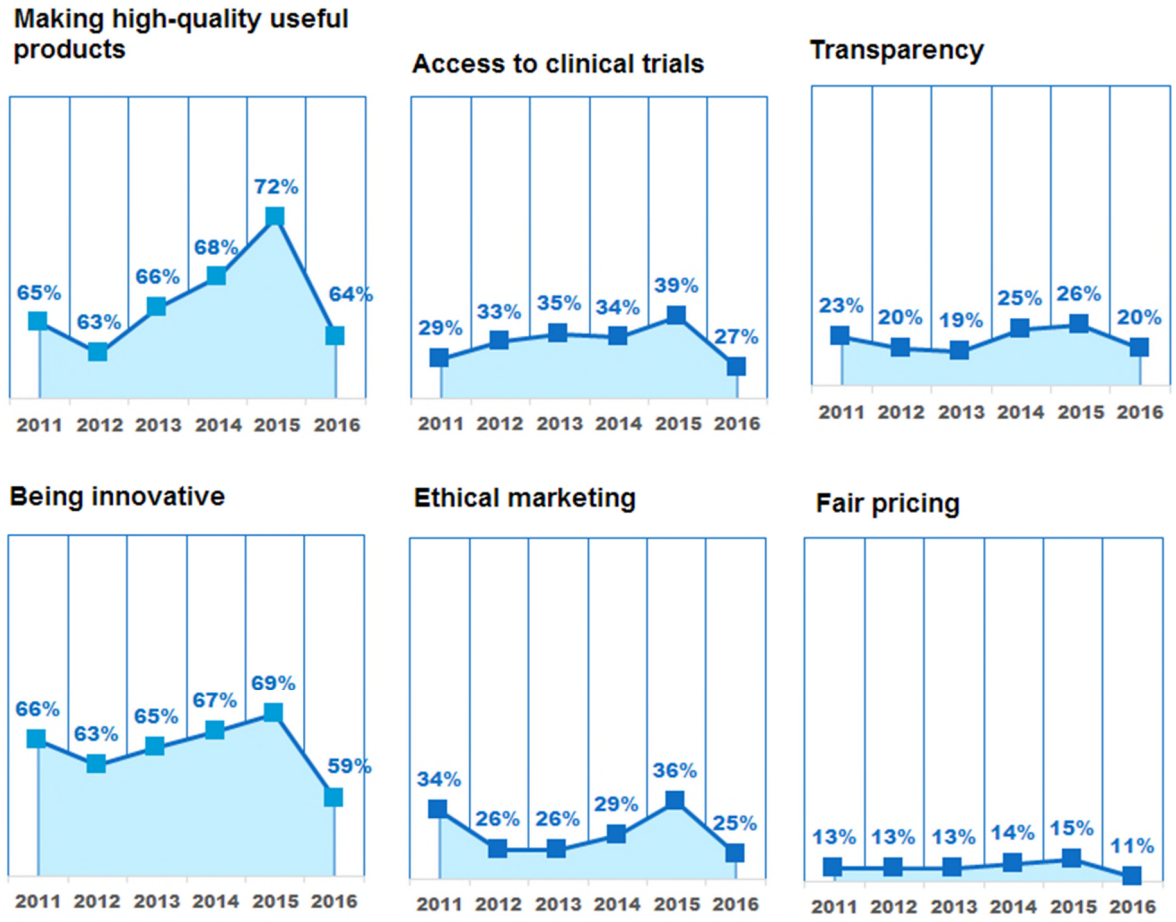
1. Patient centricity.
2. .Patient information.
3. Patient safety.
4. Useful products.
5. Transparency.
6. Integrity.
7. Effectiveness of patient-group relationships (NEW for the 2016 analysis).

HOW DID INDUSTRY FARE?

Patient groups judged that the pharma industry's corporate reputation **fell** in 2016 - after having reached a high in 2015 (as assessed over a 2011-2016 six-year period).

- Just **37.9% of respondent patient groups thought that the pharma industry had an "Excellent" or "Good" corporate reputation in 2016**. 44.7% of patient groups had said the same in 2015.
- In 2016, only **23% of patient groups thought that pharma's corporate reputation had improved over the previous five years**. 28% of patient groups had said the same in 2015.
- In 2016 (as in 2015), pharma continued to be ranked 5th out of eight healthcare sectors (ahead only of generics, for-profit, and not-for-profit health insurers).
- **Patient groups thought that pharma's ability to conduct activities of importance to patient groups declined in 2016**. Patient groups were more sceptical in 2016 even about pharma's ability to innovate (an important patient-group measure of confidence in the industry).
- Regarding the quality of pharma's innovation across several geographic areas: **patient groups in New Zealand would seem to have the *least* confidence in pharma's ability to innovate; those in Greece, the *most***.

Patient groups' perceptions of the pharma industry 2011-2016, at various activities,
% of total responses each year

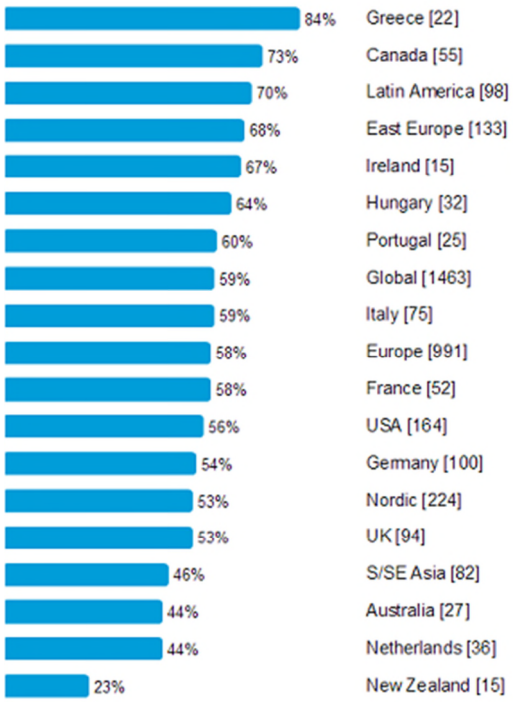


"Work with patient groups to ensure that the needs of both partners are being met. It is understood that pharma needs to make a profit. However, if they wish to work effectively with patient organisations, occasionally, they need to put profit aside."

—National patient group specialising in kidney disease, Canada

"Include legitimate (not 'owned') patient advocates in all levels of decision-making that involve patient interests (eg, design of trials, marketing practices, data safety, and monitoring boards)."

—Regional patient group specialising in cancer, USA



Patient-groups' perceptions of the pharma industry (2011-2016) at *innovation*

For different countries/regions; *% of total responses each year* [number in brackets is the number of respondent patient groups]

HOW CAN PHARMA IMPROVE?

14-point plan proposed by the 460+ patient groups that commented on how pharma can improve its patient centricity Numbers next to green bars refer to the frequency of comments

HOW COMPANIES PERFORMED

Corporate brand awareness

The number/percentage of patient groups claiming familiarity with individual pharma companies gives an idea of a company's brand awareness within the patient community. In 2016:

- 63% of the 1,463 respondent patient groups claimed familiarity with **Pfizer** - making the company the most well-known worldwide among patient groups.
- Following up were **Novartis** (60%), **Roche** (54%), **Bayer** (51%), and **Merck & Co** (42%). These five companies rank both high and low for corporate reputation in 2016. Thus, the results show that little correlation exists (at least among the larger multinationals) between familiarity and corporate reputation, as perceived by patient groups.

Respondent patient groups were also asked to state which companies they had worked with in the past five years. In 2016:

- **Novartis** ranked top, with 395 patient groups stating that they had worked with the company within the past five years.
- Following up were **Pfizer** (329), **Roche** (316), **AbbVie** (247), **Janssen** (242), and **Bayer** (206).

Companies with the best corporate reputation among patient groups in 2016

- **Overall top-tier companies**: The average performance of each company across the seven indicators of corporate reputation allowed them to be positioned into one of three tiers. Eleven companies made it into the top tier, with averages of 20%+. (SEE TABLE ON NEXT PAGE)
- **ViiV Healthcare** has made the remarkable achievement of being ranked not only 1st overall in 2016, but also 1st for all seven indicators of corporate reputation.
- **AbbVie** ranks overall 2nd in 2016, and is also 2nd for six of the seven indicators of corporate reputation (the exception was high-quality products, for which it ranked 3rd).
- New to the overall top tier is **Grifols**, up from 25th in 2015 to overall 6th in 2016. **Shire** is up from 21st in 2015 to overall 10th in 2016. The radical jump for both companies was due to positive feedback for them from haemophilia patient groups, which responded in greater numbers in 2016.
- **Pfizer** has slipped out of the top tier, dropping one place to overall 12th in 2016. Pfizer, though, ranks in the top tier for four of the seven indicators of corporate reputation.

Other high flyers

- The responses in 2016 from haemophilia patient groups also increased the rankings of **Octapharma** (up from 42nd in 2015 to overall 24th in 2016).

- **Allergan**'s jump in the rankings, from 39th in 2015 to overall 26th in 2016, was primarily due to favourable feedback from patient groups in Scandinavia, and from those based in South Asia/South-East Asia, as well as from the 35 respondent neurological patient groups worldwide that were familiar with the company.
- **Amgen**, which jumped from 26th in 2015 to overall 19th in 2016, gained positive feedback from the 107 respondent cancer patient groups familiar with the company.
- **Chiesi** jumped from 36th in 2015 to overall 30th in 2016, primarily due to positive feedback from rare-disease patient groups.
- **GSK** jumped from 17th in 2015 to overall 13th in 2016, due to positive feedback from 36 patient groups from South Asia/South-East Asia, and 39 respiratory/allergy patient groups worldwide.

Companies with the best corporate reputation among patient groups in 2016

TOP TIER 20% or more of patient groups familiar with the company state it is "best" at an indicator

MIDDLE TIER: 10% to 19.9% of patient groups familiar with the company state it is "best" at an indicator

LOWER TIER: 0% to 9.9% of patient groups familiar with the company state it is "best" at an indicator

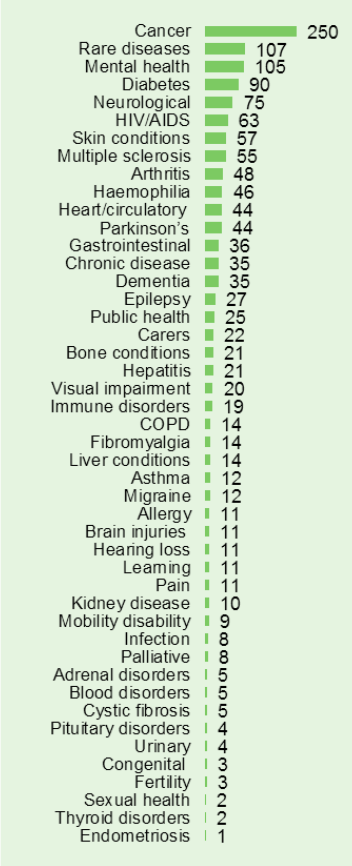
High flyers

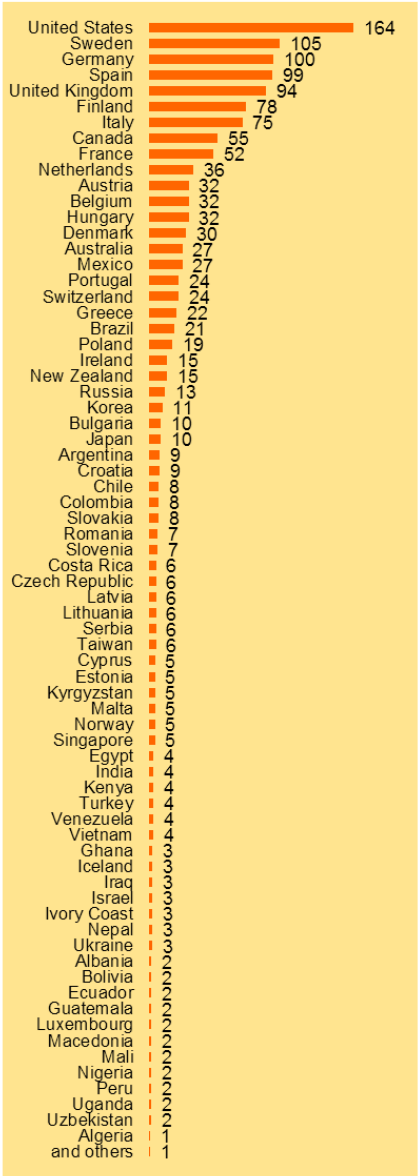
Company	Rank 2016	Rank 2015	Difference
Gedeon Richter	20th	43th	23
Grifols	6th	25th	19
Octapharma	24th	42nd	18
Allergan	26th	39th	13
Shire	10th	21st	11
Amgen	19th	26th	7
Chiesi	30th	36th	6
GSK	13th	17th	4

	Final rank	Average score across 7 indicators
ViiV Healthcare	1	47.5%
AbbVie	2	35.3%
Novartis	3	26.0%
Novo Nordisk	4	25.4%
Gilead Sciences	5	26.1%
Grifols	6	24.1%
Janssen	7	23.4%
Roche	8	22.0%
Lundbeck	8	21.7%
Shire	10	22.2%
UCB	11	20.7%
Pfizer	12	19.6%
GSK	13	18.3%
Celgene	14	17.5%
Bayer	15	16.1%
Eisai	16	16.2%
Lilly	17	16.1%
Sanofi	18	14.9%
Amgen	19	15.2%
Gedeon Richter	20	14.1%
Otsuka	21	14.5%
Biogen	22	13.6%
Ipsen	23	13.1%
Octapharma	24	12.5%
AstraZeneca	25	11.9%
Allergan	26	11.5%
Merck & Co	27	11.3%
LEO Pharma	28	11.2%
B-MS	29	10.8%
Chiesi	30	10.3%
Astellas	31	10.1%
Takeda	32	9.9%
Grünenthal	33	9.6%
Teva	34	8.9%
Boehringer	35	8.2%
Mylan	36	8.2%
Mallinckrodt	36	7.7%
Menarini	38	7.7%
Ferring	39	7.3%
Merck KGaA	40	5.6%
Almirall	40	4.4%
Servier	42	5.9%
Sandoz	43	5.0%
Bial	44	4.4%
Stada	45	3.3%
Valeant	46	1.6%
Hospira	47	1.0%

PROFILE OF RESPONDENT PATIENT GROUPS

Numbers of patient groups





PATIENT VIEW
UNDERSTANDING PATIENTS