



# Biotechnology

## Driving forces

Biotechnology companies are facing scrutiny related to the pricing and reimbursement of their products as governments seek to slow the rise in healthcare costs and as public criticism of drug pricing practices remains vocal. Companies must demonstrate the value of their products and ensure that their corresponding pricing is economically and medically justified and sustainable for those paying for them. The biotechnology industry relies heavily on human capital for innovation and the continuous development of novel medicines. The industry is characterized by extensive R&D and a high risk of failure in product development, which makes attracting and retaining the most talented researchers and scientists essential and makes intellectual property management critical. Finally, business ethics, competitive practices and product quality and safety remain important aspects. Violations have the potential to cause significant reputational and financial damage, the impact of which has grown due to the increased speed of information flow resulting from social media and tighter regulatory oversight.

## Highlighted criteria & Dimension weight

- Economic Dimension ..... 49%
  - Innovation Management
  - Codes of Business Conduct
  - Product Quality and Recall Management
- Environmental Dimension ..... 9%
  - Operational Eco-Efficiency
  - Climate Strategy
- Social Dimension ..... 42%
  - Talent Attraction & Retention
  - Addressing Cost Burden
  - Health Outcome Contribution
  - Strategy to Improve Access to Drugs or Products

## Sustainability leaders 2019

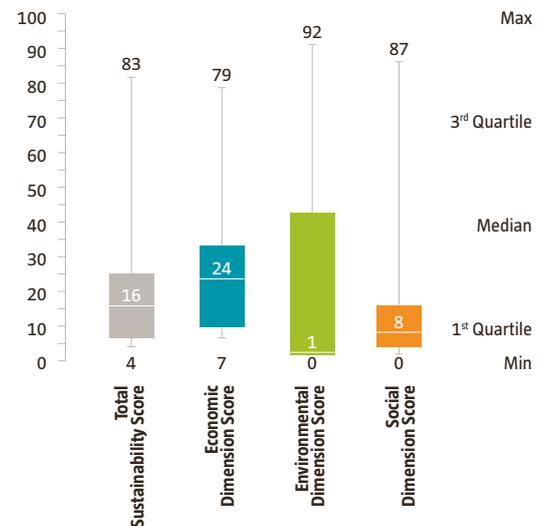
<b>SAM Gold Class</b> ●	
Biogen Inc *	United States
<b>SAM Silver Class</b> ●	
AbbVie Inc	United States

\* SAM Industry Mover

## Industry statistics

Number of companies in universe	49
Number of companies assessed in 2018	30
Assessed companies to total companies in universe	61%
Market of assessed companies to total market	90%

## Results at industry level



The box-and-whisker plot describes the distribution of scores in the industry, based on all assessed companies. More information is available in the Reading Instructions in the introduction.