

Pharmaceuticals



Driving forces

Pharmaceutical companies continue to face scrutiny related to pricing and reimbursement of their products as resource-constrained governments seek to slow the rise in health care costs. Moreover, public criticism of drug pricing practices is widespread and continues to remain an important issue on the political agenda. Companies are increasingly under pressure to demonstrate the value of their products and ensure their pricing practices are sustainable. Access to treatment for disadvantaged populations is also an important issue for the industry, with the focus on developed and emerging markets alike. The pharmaceutical industry relies heavily on human capital for innovation and the continuous development of novel medicines. The industry is characterized by the extensive capital invested in R&D efforts as well as the high risk of failure in product development. For this reason, attracting and retaining the most talented researchers/scientists as well as the management of their intellectual property are key success factors in product development. Finally, business ethics, competitive practices, and product quality & safety remain important aspects contributing to the pharma sector's license to operate. Violations have the potential of causing significant reputational and financial damage, the impact of which has grown with the speed of information flow from social media and increased regulatory oversight.

Highlighted criteria

Economic Dimension

- Codes of Business Conduct
- Innovation Management
- Product Quality and Recall Management

Environmental Dimension

- Climate Strategy
- Operational Eco-Efficiency

Social Dimension

- Addressing Cost Burden
- Health Outcome Contribution
- Strategy to Improve Access to Drugs or Products
- Talent Attraction & Retention

Sustainability leaders 2018

RobecoSAM Gold Class	
GlaxoSmithKline PLC	United Kingdom
Roche Holding AG	Switzerland
RobecoSAM Silver Class	
AstraZeneca PLC	United Kingdom
Bayer AG	Germany
Daiichi Sankyo Co Ltd	Japan
Novartis AG	Switzerland
RobecoSAM Bronze Class	
Novo Nordisk A/S	Denmark
Sanofi	France
Sustainability Yearbook Members	
Bristol-Myers Squibb Co	United States
Eisai Co Ltd	Japan
Santen Pharmaceutical Co Ltd	Japan
Sumitomo Dainippon Pharma Co Ltd*	Japan
Takeda Pharmaceutical Co Ltd	Japan

* RobecoSAM Industry Mover

Industry statistics

Number of companies in universe	89
Number of companies assessed by RobecoSAM in 2017	64
Assessed companies to total companies in universe (%)	72
Market capitalization of assessed companies to total market capitalization (%)	96

Results at industry level

Dimension	Average score	Best score	Dimension weight
Economic	51	84	50%
Environmental	52	93	9%
Social	42	90	41%

Total score

