Driving forces
COVID-19 has placed pharmaceutical companies in the spotlight, as companies’ vaccines and treatments are at the heart of society’s effort to end the pandemic. But the pharmaceutical industry has also been facing increasing scrutiny related to pricing and reimbursement of their products, as governments seek to slow the rise of health care costs, while the incremental value of innovation within traditional pharmaceuticals has declined. Companies depend heavily on human capital for innovation, continuous development of novel medicines and the quality of marketing strategies. The industry is characterized by extensive capital invested in sales and marketing and research and development, and there is a high risk of failure in product development. This makes process optimization and human capital management critical. Finally, controversies related to business ethics, competitive practices and product quality and safety have the potential to cause significant reputational and financial damage.

Highlighted criteria & dimension weights
Environmental Dimension ... 9%
  – Climate Strategy
  – Operational Eco-Efficiency
Social Dimension .......... 41%
  – Addressing Cost Burden
  – Health Outcome
  – Contribution
  – Strategy to Improve Access to Drugs or Products
  – Talent Attraction & Retention
Governance & Economic Dimension ................... 50%
  – Codes of Business Conduct
  – Innovation Management
  – Product Quality and Recall Management

Industry Awards 2022

<table>
<thead>
<tr>
<th>S&amp;P Global Gold Class</th>
<th>S&amp;P Global Silver Class</th>
<th>S&amp;P Global Bronze Class</th>
</tr>
</thead>
<tbody>
<tr>
<td>GlaxoSmithKline plc</td>
<td>Roche Holding AG</td>
<td>Novartis AG</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>Switzerland</td>
<td>Switzerland</td>
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<tr>
<td>ESG Score 88</td>
<td>ESG Score 86</td>
<td>ESG Score 83</td>
</tr>
</tbody>
</table>

Industry Statistics

- Number of companies assessed: 180
- Market capitalization of assessed companies (in USD billion): 3,709.6
- Number of companies in Yearbook: 14
- Market capitalization of companies in Yearbook (in USD billion): 1,135.6

Sustainability Yearbook Members

- Daiichi Sankyo Company, Limited, Japan
- Dr. Reddy’s Laboratories Limited, India
- Cipla Limited*, India
- Takeda Pharmaceutical Company Limited, Japan
- Eisai Co., Ltd., Japan
- Genomma Lab Internacional, S.A.B. de C.V., Mexico
- Santen Pharmaceutical Co., Ltd., Japan

* S&P Global Industry Mover