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360° barometer study on attractiveness of France for the pharmaceutical industry

2025 edition prepared by PwC Strategy& for Leem

Complete report
17 June 2025

pwc

The 2025 360° barometer study is structured around 3 pillars that cover broad aspects of France's attractiveness for the pharmaceutical sector

Structure of the barometer study

Health sovereignty

- Research and Innovation
- Data & Technologies
- Production
- Access to medicines

Economic sustainability

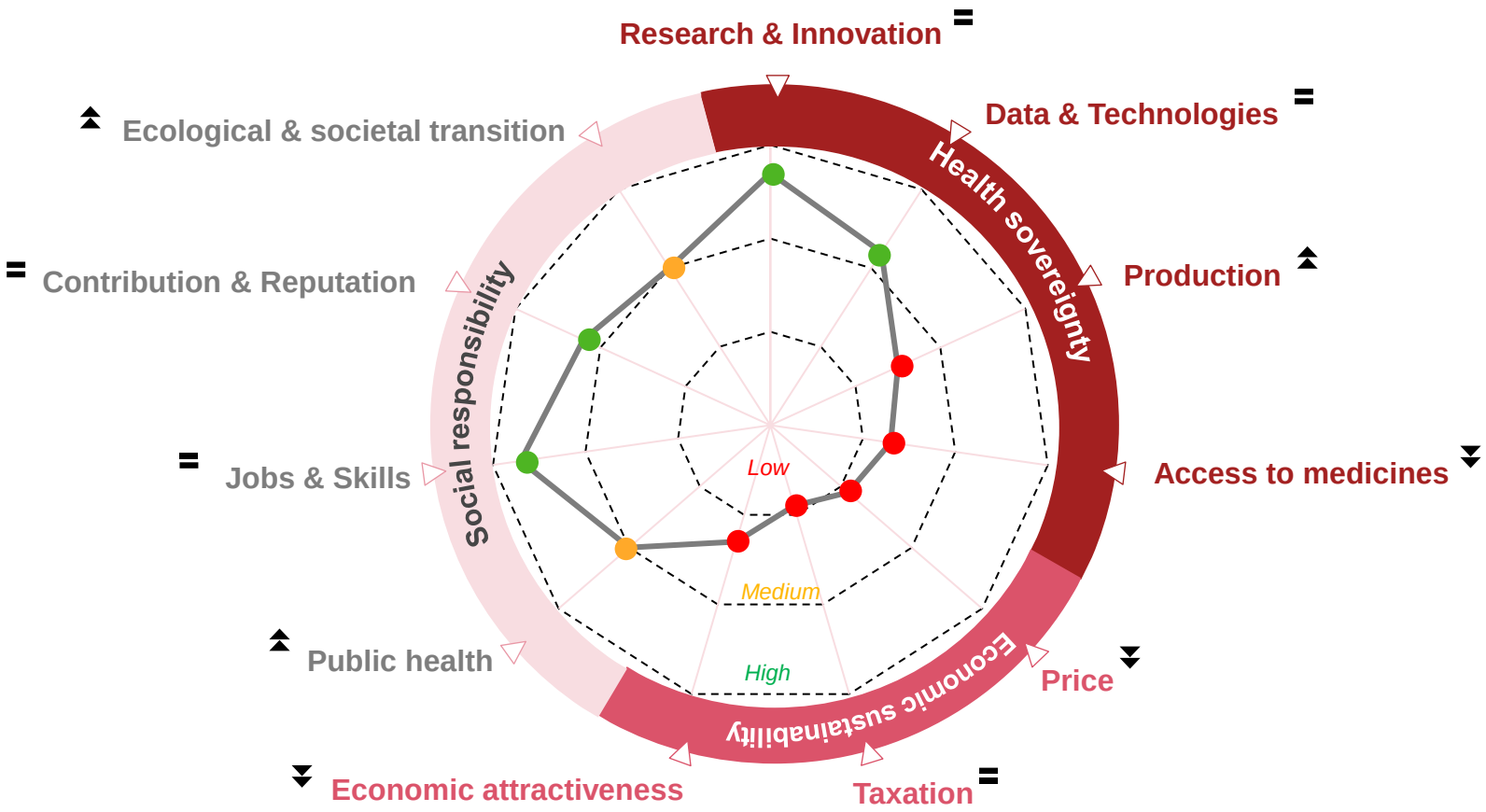
- Medicine pricing
- Taxation
- Economic attractiveness

Social responsibility

- Public health
- Jobs & Skills
- Contribution & Reputation
- Ecological & societal transition

In 2024, despite the progress made on certain topics, the attractiveness of France for the pharmaceutical industry weakened on several key criteria

Summary of France's attractiveness by topic[1]



360° barometer study on attractiveness of France for the pharmaceutical industry

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1) The rating for each topic is the qualitative summary of the various indicators investigated for the 2025 360° barometer survey

Sources: PwC Strategy&

In 2024, France regained its trade surplus, but the availability of medicines has declined

Key messages

Research and Innovation

- France benefits from a **robust research ecosystem** with a **strong talent pool, fiscal incentives for research** (the CIR Research Tax Credit), **cutting-edge research facilities** and **dynamic HealthTech community** (the No. 2 in Europe for funding raised in the period 2022-2024)
- According to the survey[1] of pharmaceutical companies, **R&I expenditure in France remained unchanged** in 2024 at €5.9 billion, with increased expenditure on clinical research at the expense of basic research – accompanied by an outlook of continued investment over the next few years (94% of responses believed that momentum will be sustained or increase)
- **France remains the European No.3 for clinical trials started** (in the period 2023-H1 2024), behind Spain and Germany (France was No.2 in Europe in the period 2010-H1 2011)
- **Spain and Germany** have put in place **a series of measures to boost their attractiveness** for clinical trials: (i) **the streamlining and acceleration of administrative formalities,** (ii) **clinical trial decentralisation and digitalisation** (iii) the introduction of **incentive policies for conducting clinical trails**

Data & Technologies

- France has **robust healthcare data matching capabilities[2]** fed by a large and reliable database; nevertheless, accessing **these data remains a long and complex process,** especially for the SNDS national health data system (6-12 months), which **hinders the use of these data** by pharmaceutical companies
- Created in 2019 to centralise and facilitate access to health data, the **Health Data Hub** is a **promising** initiative, but **its implementation is still ongoing**

Production

- In 2024, France returned to a **positive trade surplus – €4 billion for 2024 –** in pharmaceutical products, but remained less dynamic than some of its European counterparts (Ireland, Germany, Belgium and Italy)
- The results from the survey of pharmaceutical companies[1] shows an **increase in manufacturing-related investment in 2024** (38% higher than in 2023) – largely as a result of the major investments made by certain manufacturers (Novo Nordisk and Sanofi) - accompanied by an **outlook of continued investment over the next few years** (75% of respondents believed that momentum will be sustained or increase)
- **However, the majority of new medicines with market access in Europe are still** produced outside France (only 9% of new medicines since 2022 have a fabrication site in France)

Access to medicines

- In France, the **availability rate for new medicines authorised in Europe fell in 2024** (6pts lower than in 2023), although this level remained higher than the median for the European Union (60% in France compared with 50% across the EU27), but behind Germany (89%), Italy (83%) and Spain (71%)
- **The number of indications in the price negotiation phase for longer than 500 days was 78 in 2024; 22%** above that for 2023
- **The median lead time for access to new medicines in France was longer than in its European counterparts** - 523 days in 2024 between being granted MA and availability to patients, compared with 50 days in Germany and 391 days in Italy
- **The early access mechanism** introduced in 2021 **accelerated the availability of innovative medicines** (rated ASMR I to IV) **by reducing the median access lead time to 97 days** for these medicines, but the **number of medicines approved through early access has fallen in 2024** (25 compared with 32 in 2023)

1) Survey of Leem members conducted in March 2025: the 62 companies that responded represent 80% of the total turnover reported by Leem members in 2024
2) 2024 Leem survey of health data attractiveness (the 15 companies surveyed represented 45% of the total turnover reported by Leem members)

The price of medicines in France is lower than in its European neighbours combined with one of the most punitive tax regimes in western Europe

Key messages

Medicine pricing

- France is the **pharmaceutical industry's second-largest market in Europe** after Germany in terms of net expenditure
- **Expenditure on reimbursable medicines increased** up 2.4% between 2019 and 2023), despite a **relative reduction in medicines expenditure as a percentage of total health spending since 2010** (11.4% in 2010 to 8.8% in 2023); a trend that **seemed to marginally reverse in 2024** (9,0%)
- In 2024, **the price of medicines in France remained lower on average then in its European neighbours**, both for medicines without generic competition (-11%) and for those with generic competition (-16%)

Taxation

- The taxation regime applied to pharmaceutical companies in France remains **one of the highest in Western Europe**[1], with an effective tax rate of **60% on operating income in 2023, of which 88% is accounted by taxation specific to pharmaceutical sector**
- Within industry-specific taxation, The safeguard clause (clause de sauvegarde) instrument has stabilized around €1.6-1.7bn representing ~6% of local revenue for the pharmaceutical companies
- **France still offers the most advantageous incentives for R&D expenditure in Europe** (e.g. the CIR, Patent Box, etc.) – with 68% of respondent companies saying that they benefitted from the CIR and/or Patent Box), although 62% reported **a downgrading of these measures in recent years**
- In terms of **green taxation, very few sector specific incentives exist** in France or indeed in Western Europe[2]
- By contrast, the **European UWWTD 2 proposes new Extended Producer Responsibility** (EPR) accompanied by a financial contribution of up to ~80% by pharmaceutical and cosmetic companies from 2028 onwards

Economic attractiveness

- **More than 90% of companies surveyed**[3] said that France creates **a less than attractive environment** for the pharmaceutical industry due to its **administrative complexity and high levels of taxation**
- These criteria influence their investment decisions **with 64% of companies surveyed**[3] saying that it is either **unlikely or very unlikely that they will be investing in France** over the next three years
- Despite this perceived decline in attractiveness, 67% of companies surveyed[3] also felt that their 2024 economic performance was good, although only 53% of companies **marketing essentially mature medicines** shared this view

1) 2024 taxation survey of pharmaceutical companies conducted by PwC and Leem comparing the general and industry-specific taxation levels of 7 countries in 2023 (Germany, Spain, France, Ireland, Italy, United Kingdom and Switzerland)
2) The countries surveyed were Germany, Spain, France, Ireland, Italy, the United Kingdom and Switzerland
3) Survey of Leem members conducted in March 2025: the 62 companies that responded represent 80% of the total turnover reported by Leem members in 2024

The industry continues its ecological and societal transition and has achieved a significant reduction in medicine stock-outs in France during 2024

Key messages

Public health

- Having declined post-Covid, **market withdrawals increased by more than 7% in 2024** – the main causes given by the companies surveyed[1] were **economic imbalance and manufacturing issues**
- **The number of medicine stock-outs fell sharply in 2024** (-61% compared with 2023) – the companies surveyed[1] explained this decline as a result of (i) **improved internal management** of companies (ii) the **expansion of manufacturing capacities** and (iii) the effectiveness of measures implemented in collaboration with the ANSM
- **The multiplicity of medicine listings** monitored by the authorities creates an **additional layer of complexity for manufacturers** in terms of managing product shortages: more than 70% of active substances[7] are specific to France

Jobs & Skills

- **The pharmaceutical industry employs more than 100,000 people in France and that number continues to rise** (+2.4% in 2023 compared with 2022) making it the industry's second-largest European employment pool in Europe after Germany.
- **France offers high-quality initial training** (No.2 in Europe in terms of the number of graduate pharmacists after Italy) **and is recognized for its scientific excellence** with renown research centres, particularly those working in oncology and rare diseases
- The pharmaceutical industry has a strong regional presence, with **70% of jobs located outside the Île de France** (Paris region) – Auvergne Rhône-Alpes, Normandy and Centre Val de Loire are the three regions with the highest concentration of pharmaceutical industry employees after the Île de France.
- **Employment levels continue to rise across all pharmaceutical industry occupations**, with high demand in regulatory affairs, quality control, maintenance and IT

Contribution & Reputation

- According to the results of a survey published by EFPIA and PwC in 2024, the pharmaceutical industry **makes significant contribution to French economy-** every €1 injected into the economy by the pharmaceutical industry generates ~€2.1 for the French economy.
- **This level of economic and therapeutic contribution by the pharmaceutical industry was recognised and appreciated by the French population[3]** in 2022, despite those areas for improvement highlighted (e.g. greater transparency, effective reduction of medicine shortages and paying greater attention to its environmental impact)
- **The level of trust in pharmaceutical companies remained unchanged at 62%** in 2023[4], and is among the medium to high range for all industries

Ecological & societal transition

- Since **Leem introduced the PACTES (Pharmaceutical Industry Societal Commitment Plan) in 2022, the CSR maturity of pharmaceutical companies has progressed** across all 6 of its priorities[5]
- In terms of the Environment priority, those companies that signed the Leem PACTES have committed to **reducing their Scope 1 and 2 emissions by -50% by 2030,** although a lack of financial resources and the profitability impacts of energy transition initiatives remain obstacles according to the companies surveyed[6]
- **The companies surveyed[1] are improving in terms of greater transparency and communication**, with (i) **96%** saying that they have implemented the **Leem rules of ethical practice** and a further 11% in the process of doing so, and (ii) **78% saying that they maintain regular internal communication** about their **anti-corruption** measures

1) Survey of Leem members conducted in March 2025: the 62 companies that responded represent 80% of the total turnover reported by Leem members in 2024
2) These figures are taken from a study conducted by EFPIA and PwC in 2024. The 3 components of the value produced by the pharmaceutical industry are: (i) the direct contribution made by the industry to the economy (ii) the indirect contribution of the industry (e.g. via its supply chain) and (iii) the induced contribution i.e. expenditure by those employed in the industry
3) The 2022 Odoxa "Societal observatory of pharmaceutical companies" survey 4) the 2023 IPSOS "Image of pharmaceutical companies" survey 5) the Leem PACTES progress report (2024) 6) the LEEM Action for Decarbonisation survey (2024) 7) ATC5 code of the French MITM and critical medicines lists

The 2025 360° barometer study draws on more than 60 reference data sources

List of data sources utilized in the study

The 2025 360° barometer study of France's attractiveness for the pharmaceutical industry is based on a datasets sourced from public sources, reference databases, Leem studies and surveys of Leem members.

Public sources

Description

- Reports published by public authorities and institutions
- Topic-specific studies conducted by public- or private-sector organisations

Main sources

- EFPIA and EFPIA/PwC study
- Annual European price comparison report produced by the TLV (Swedish Health Authority)
- CEPS annual report
- DREES annual report

Reference databases

Description

- Public and proprietary databases of proven reliability

Main sources

- Medicines database
- ANSM databases
- HAS databases (ASMR and SMR ratings)
- Eurostat
- OECD

Leem studies

Description

- Topic-specific studies conducted by Leem over several years

Main sources

- Leem comparative study of the tax treatment applied to the pharmaceutical industry in France and Europe (2024)
- The Attractiveness of France for Clinical Research sudy (2025)
- The Leem economic review (2024)
- The Careers Observatory survey (2024)

Surveys of Leem members

Description

- Data from responses to Leem questionnaires

Main sources

- Questionnaire completed by members for this barometer study (March 2025) - *62 respondents representing 80% of the total turnover reported by Leem members*
- The health data access questionnaire (2023)
- The PACTES Progress Report (2024)

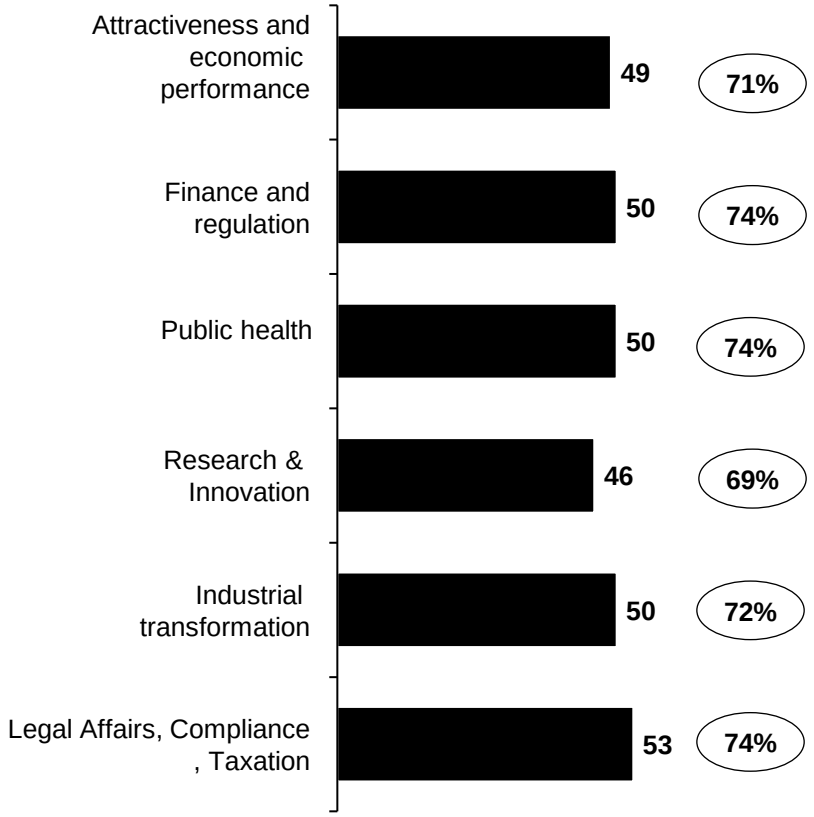
62 companies responded to the anonymous 2025 360° barometer survey, representing 80% of the total turnover reported by Leem members in France

2025 survey of Leem members

- **Anonymous survey of Leem member companies conducted in March 2025** covering the following topics:
  - *Attractiveness and economic performance*
  - *Finance and Regulation*
  - *Public health*
  - *Research & Innovation*
  - *Industrial transformation*
  - *Legal Affairs and Compliance*
  - *Taxation*
- **62 pharmaceutical companies responded to the 2025 survey,** representing **80% of the total turnover** reported by Leem members.

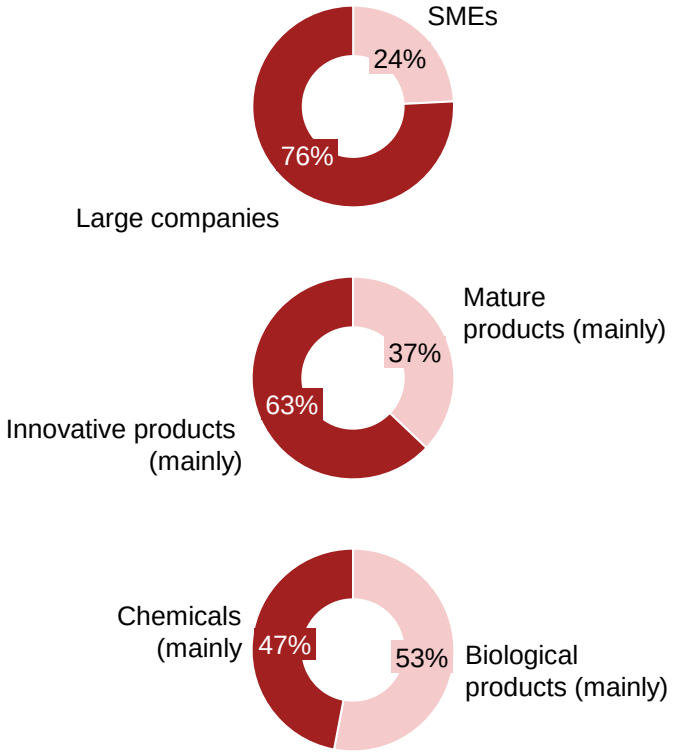
Number of 2025 survey respondents by topic

No. and % of total turnover reported by Leem members for 2024



Breakdown of respondents by size and medicines produced

% of respondents



- ***SMEs*** *= companies with turnover below €50 million*
- ***Mature products (mainly)*** *= companies in which more than 50% of turnover results from the marketing of mature (vs. innovative) medicines*
- ***Chemicals (mainly)*** *= companies in which more than 50% of turnover results from the marketing of chemical products (vs. biological)*

Source: Questionnaire completed by members for this barometer survey (March 2025) - *62 respondents representing 80% of the total turnover reported by Leem members*

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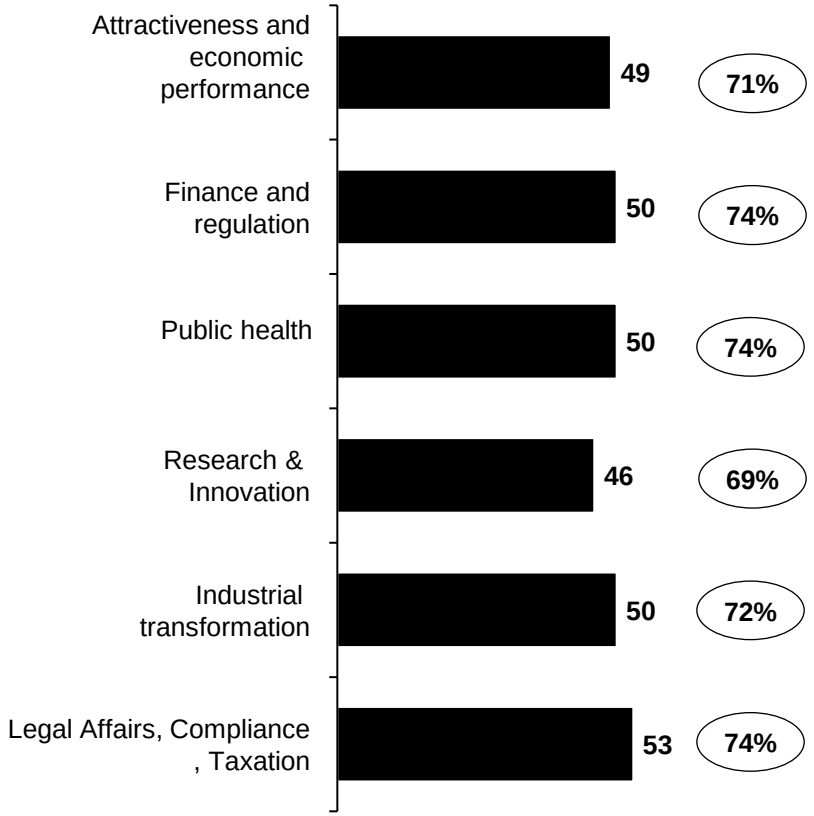

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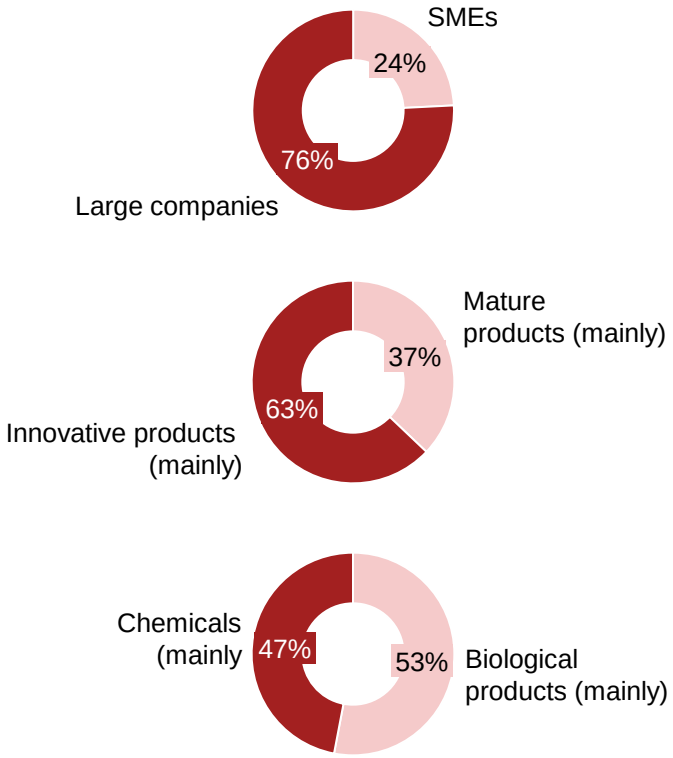

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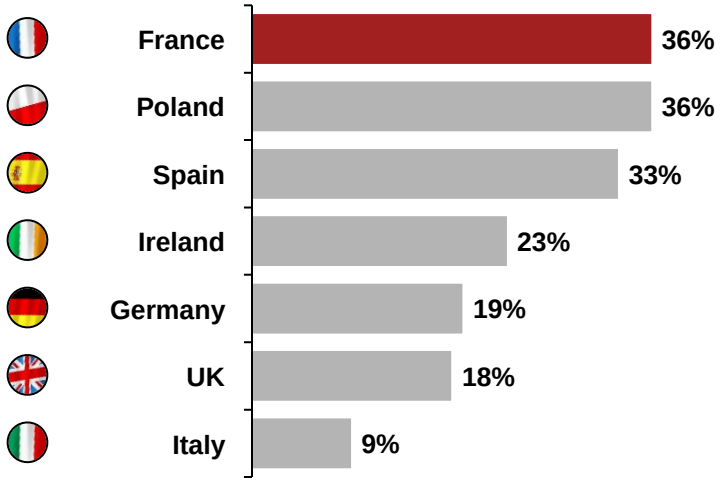
Contents

France benefits from a robust research ecosystem rooted in its scientific excellence, its CIR research tax credit and its cutting-edge research institutions

Structure of the French R&D ecosystem

France has some of the most incentive-focused R&D tax measures in Europe.

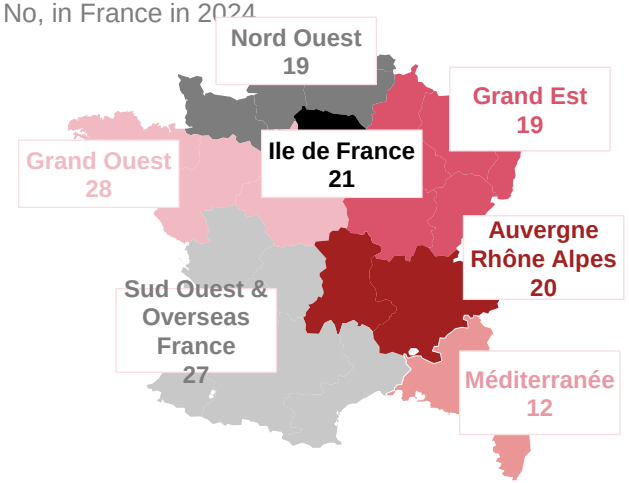
- **The French Research Tax Credit (CIR) remains one of the highest of its kind in Europe,** but is closely followed by certain of the schemes recently implemented or uprated in other Western European countries (e.g.: Poland)
- **The CIR rate in France varies** depending on the level of R&D investment concerned: **30% up to €100 million and 5% beyond that level**



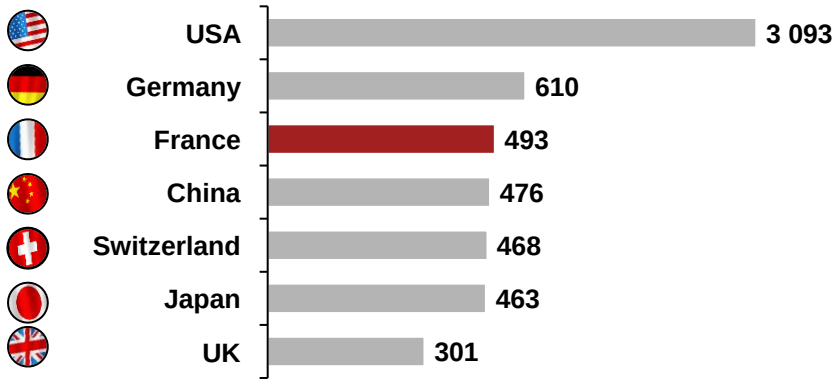
French academic excellence and infrastructure are conducive to pharmaceutical research

- The pharmaceutical industry **partners almost all healthcare facilities involved in research and innovation** in France (around 150 facilities) and other research-centred infrastructures, including 5 bioclusters (PSCC, B&M, Genother, BCF2I and MIB) and 18 IHU teaching hospitals.
- **France has a world-renowned medical research ecosystem** that includes centres such as the Institut Pasteur (23,000 staff – 10 Nobel Prize winners) and the Curie Institute (52,000 patients and 82 research teams).
- This level of scientific excellence is reflected in **France's third-place ranking in terms of total pharmaceutical patents filed in Europe in 2024.**

Healthcare facility ecosystem
No, in France in 2024



Number of pharmaceutical patents filed in Europe by country
No. in 2024



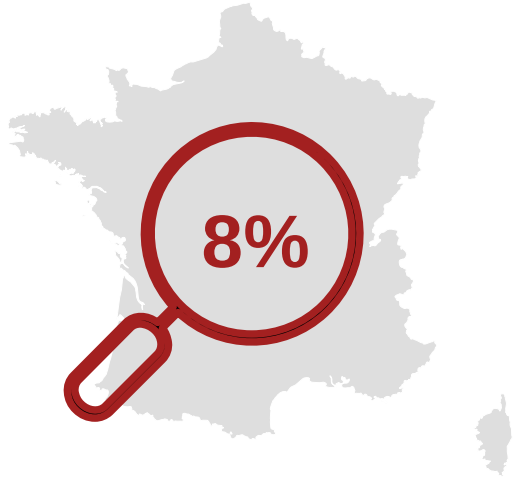
360° barometer study on attractiveness of France for the pharmaceutical industry

Sources: OECD, European Patent Office, Institut Curie, Institut Pasteur, Leem and PwC Strategy&

According to respondents, R&D investment in France remained stable in 2024 at €5.9 billion, nearly 70% of which was dedicated to clinical research

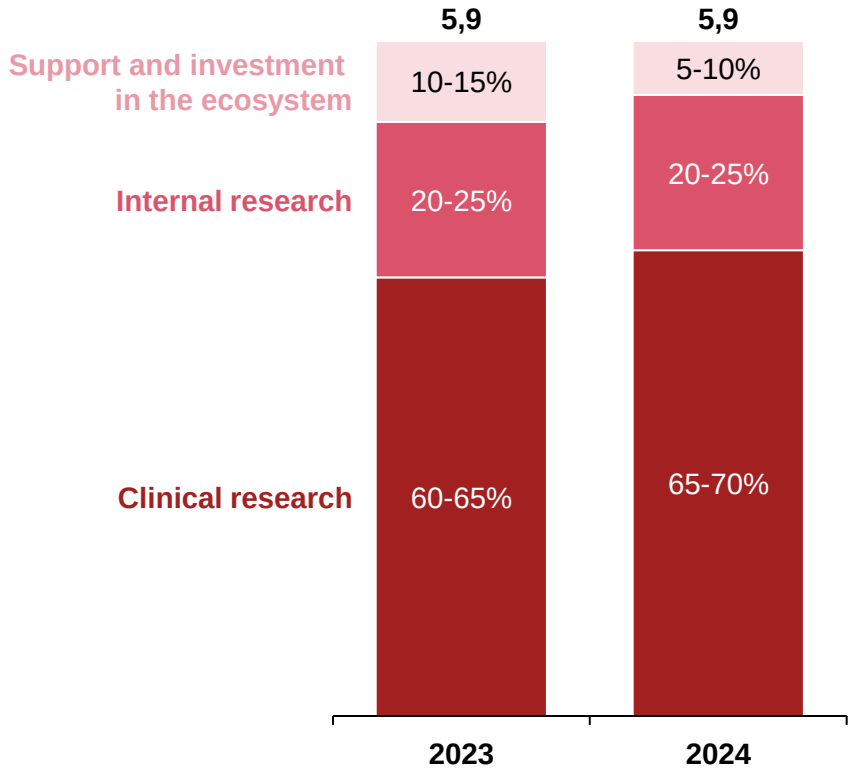
Investment in R&D

Survey



On the basis of responses to the 2024 Leem survey, France would represent **8%** of total reported R&D expenditure worldwide

Estimated expenditure on R&D investment in France by category
€ billion, 2023-2024



Comments

- According to respondent companies, **R&D investment** in the French pharmaceutical industry **remained unchanged in 2024 compared with 2023**
- Nevertheless, companies have revised their allocation of **investment to focus more closely on clinical research** (up 5-10%) **at the expense of upstream research** (a declining share of support for the ecosystem)

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1) R&D expenditure in France has been extrapolated from figures collected from Leem members
Sources: 2025 Leem member survey conducted by PwC Strategy& / 46 respondents together representing 69% of turnover generated by the industry in France

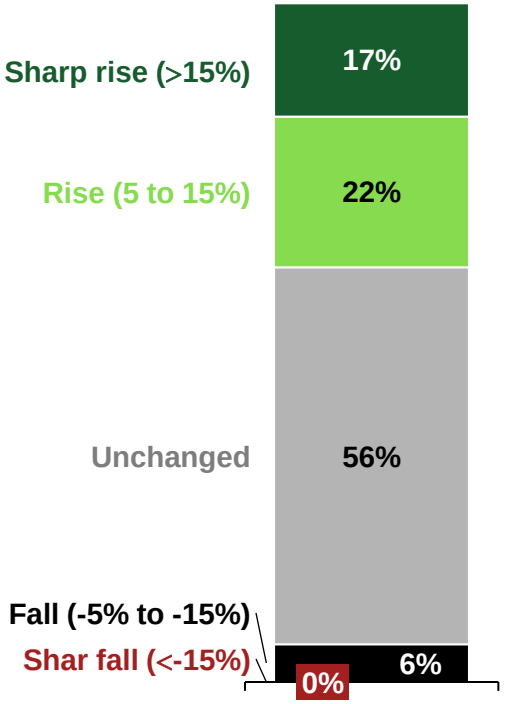
According to 94% of respondent companies, R&D investment in France is expected to remain unchanged or increase over the next 3 years

Investment in R&D

Survey

Forecast trend for R&D investment in France over the next 3 years
%, 2025

What is your company's forecast trend for R&D investment over the next 3 years?



Comments

- **Respondent companies seem minded to invest in R&D in France** over the next few years.
  - **100% of Large Companies responding to the survey** say they intend **to continue investing**
  - **This trend is more nuanced among SMEs**, 17% of which say they plan to reduce investment by between 5 and 10% over the next three years
- The **global macroeconomic uncertainties** driven by protectionist pressures in certain countries **could change the balance of investment decisions taken by companies** in the pharmaceutical industry: the protectionist measures introduced by certain countries could encourage some companies to **redirect investment towards their primary domestic markets** in order to secure access to those markets

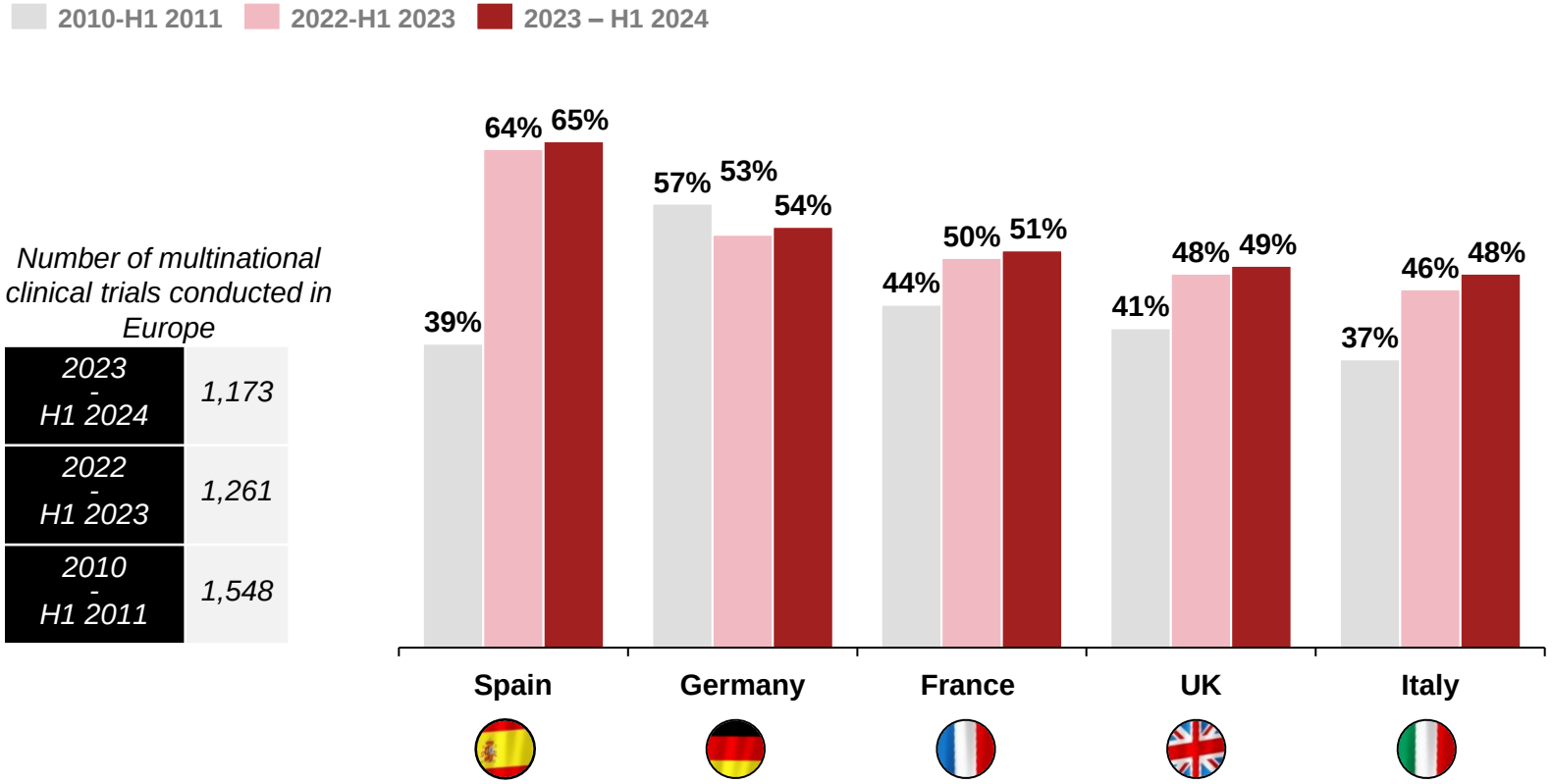
1) R&D expenditure in France has been extrapolated from figures collected from Leem members
Sources: 2025 Leem member survey conducted by PwC Strategy& / 45 respondents together representing 63% of turnover generated by the industry in France

France ranks No. 3 in Europe for clinical trials, while Spain, the European leader, has shown significant progress in recent years

Clinical trials

Trend in the number of multinational clinical trials conducted in Europe over an 18-month period between 2010 and 2024

% of total multinational clinical trials in Europe conducted in each country



Number of multinational clinical trials conducted in Europe	
2023 - H1 2024	*1,173*
2022 - H1 2023	*1,261*
2010 - H1 2011	*1,548*

Comments

- **Spain has the greatest momentum in terms of clinical trials conducted in Europe** as a result of (i) **simplified administrative procedures** and shorter clinical trial launch lead times (ii) **increasing investment** over the past 10 years (€800 million in 2021 compared with €470 million in 2011) and the virtuous system of hospital foundations[1] (iii) an **incentive-driven patient referral system** (iv) **provision of qualified personnel** in hospitals
- **Germany is experiencing a sharp decline** in its number of clinical trials as a result of **(i) the length of time taken for negotiations** between research institutions and pharmaceutical companies **(ii) tighter data protection regulations**
- To regain its **attractiveness for clinical trials, Germany** has introduced **a price-based incentive** for medicines where more than 5% of clinical trial patients are German nationals (measure adopted in July 2024)

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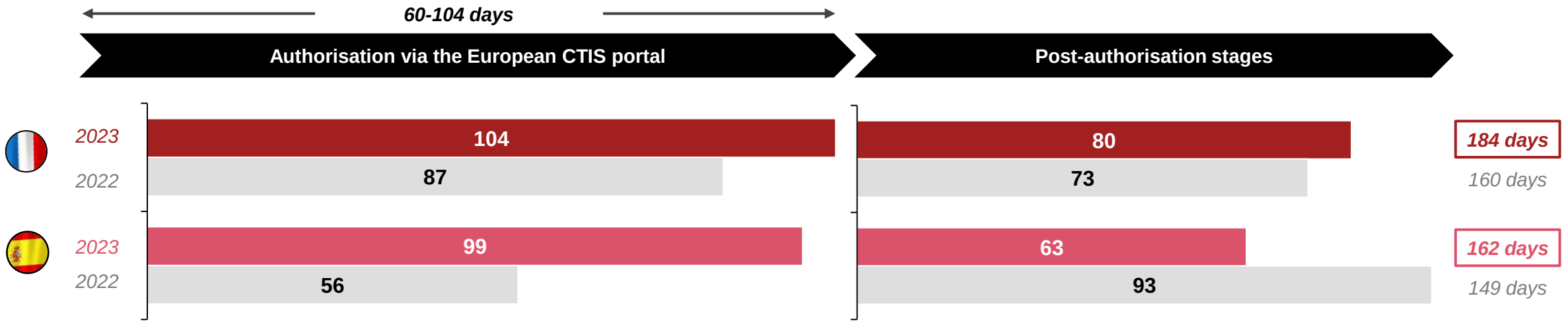
1) Clinical research in Spain is funded through hospital foundations; under this scheme, 12% of profits earned from hospital-based clinical trials are returned to the foundation
Sources: Leem and PwC Strategy&

The lead time for inclusion of the first patient in a clinical trial was 184 days in 2023 in France with a target to reduce this to 120 days by 2030

Procedure and lead time for including the first patient in a clinical trial



Comments

- **In January 2022, the European Union introduced a harmonised procedure** (EU Regulation 536/2014) **facilitating multinational trials in the EU and reducing lead times** (to a maximum of 104 days) with a **single submission and coordinated assessment between countries**
- **France has committed to reducing its total lead time to 120 days by 2030** with application of the 45 days allowed by law for the post-authorisation stages (contractualisation and the organisational practicalities of hosting the clinical trial at the centre) by streamlining the single agreement
- **The process of absorbing implementation of the reform explains why some countries, such as France and Spain, are showing longer lead times** than before.
- **Spain, Belgium, the Netherlands, Germany and Denmark** have introduced **fast-track procedures for single-country national trials,** enabling faster assessments than the European procedure.

According to the survey, targeted incentives, a greater administrative responsiveness and a better access to data would encourage R&D investment

Investment in R&D

Survey

Proposed measures for boosting the attractiveness of France for clinical trials

In your opinion, what incentives and improvements should be explored with the French public authorities to make the country more attractive for inward investment in pharma R&D?

Implementation of a proactive 360° policy

- **Perpetuating and streamlining the CIR**[1] for pharmaceutical companies
- **Correlating incentives for clinical trials with the medicines downstream value chain** (e.g. in Germany, companies can negotiate preferential product prices where more than 5% clinical trial patients are German nationals)

Streamlining and accelerating administrative procedures

- **Accelerating validation procedures** with the ANSM[2] and CPPs[3] and the introduction in France of a fast-track procedure for trials of particular interest
- **Streamlining the contractual and associated invoicing procedures** (single agreement)
- **Facilitating the decentralisation of clinical trials**

Facilitating access to health data

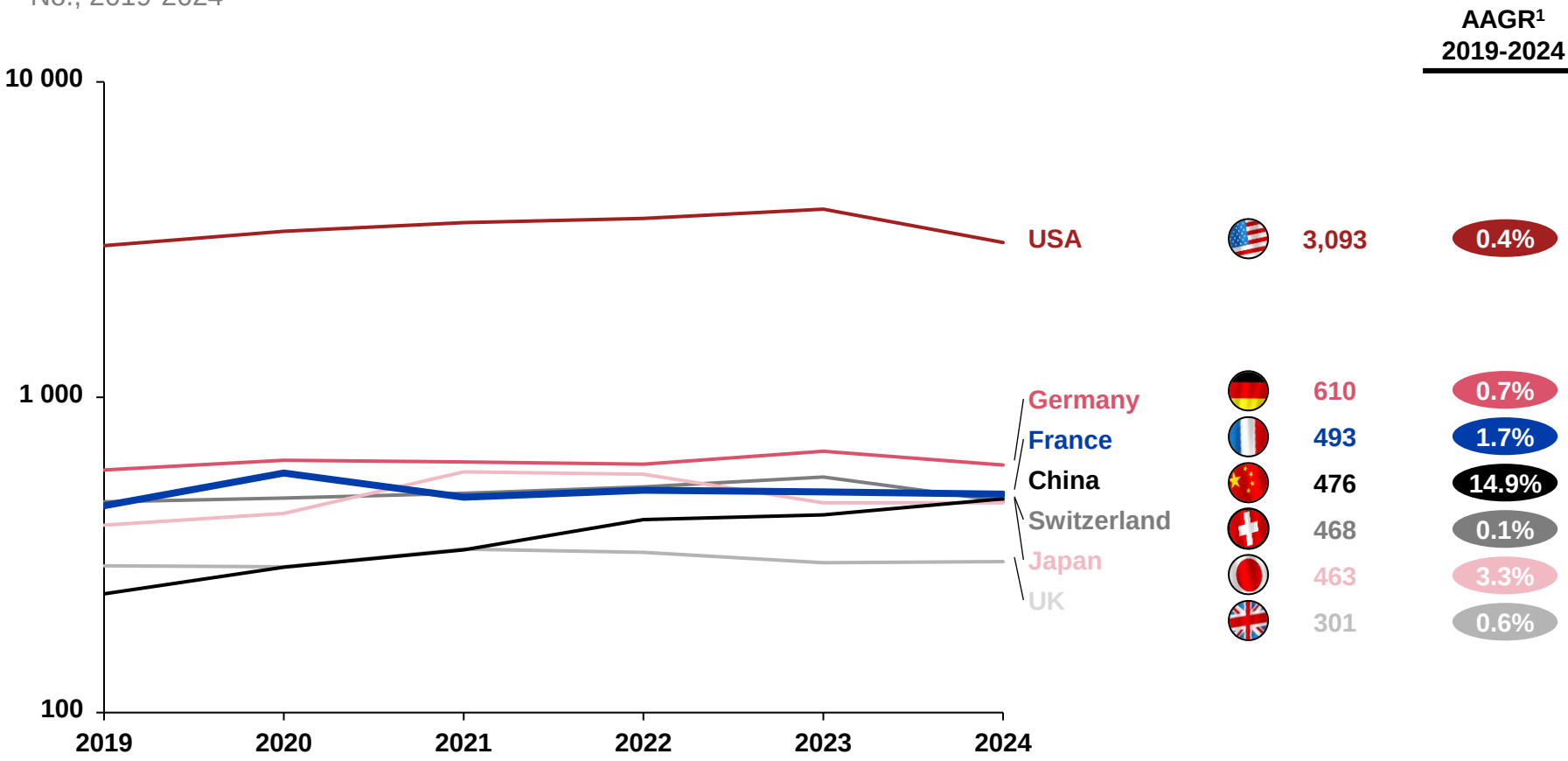
- **Harmonising and streamlining the use of available data** nationally and in centres through systematic digitalisation of medical records
- **Reducing the lead time for accessing health data** for the purposes of scientific research projects

1) CIR: The French Research Tax Credit 2) ANSM: French National Agency for Medicines and Health Products Safety 3) CPP: Institutional Review Board (USA) or Ethics Committee (UK)
Sources: 2025 Leem member survey conducted by PwC Strategy& / 45 respondents together representing 63% of turnover generated by the industry in France

France ranks third across the world for number of pharmaceutical patents filed in Europe with 493 patents in 2024

Number of patents filed in Europe

Top 7 countries of origin for pharmaceutical patents filed in Europe
No., 2019-2024



Comments

- **The number of patents filed in Europe fell by 13% in 2024** compared with 2023
- **France remains the European No. 2** – France filed 493 patents in 2024, a figure that has remained **consistent since 2022**
- **The number of patents filed in Europe by China has exploded** over the last five years (up 15% year-on-year)

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Strategy&

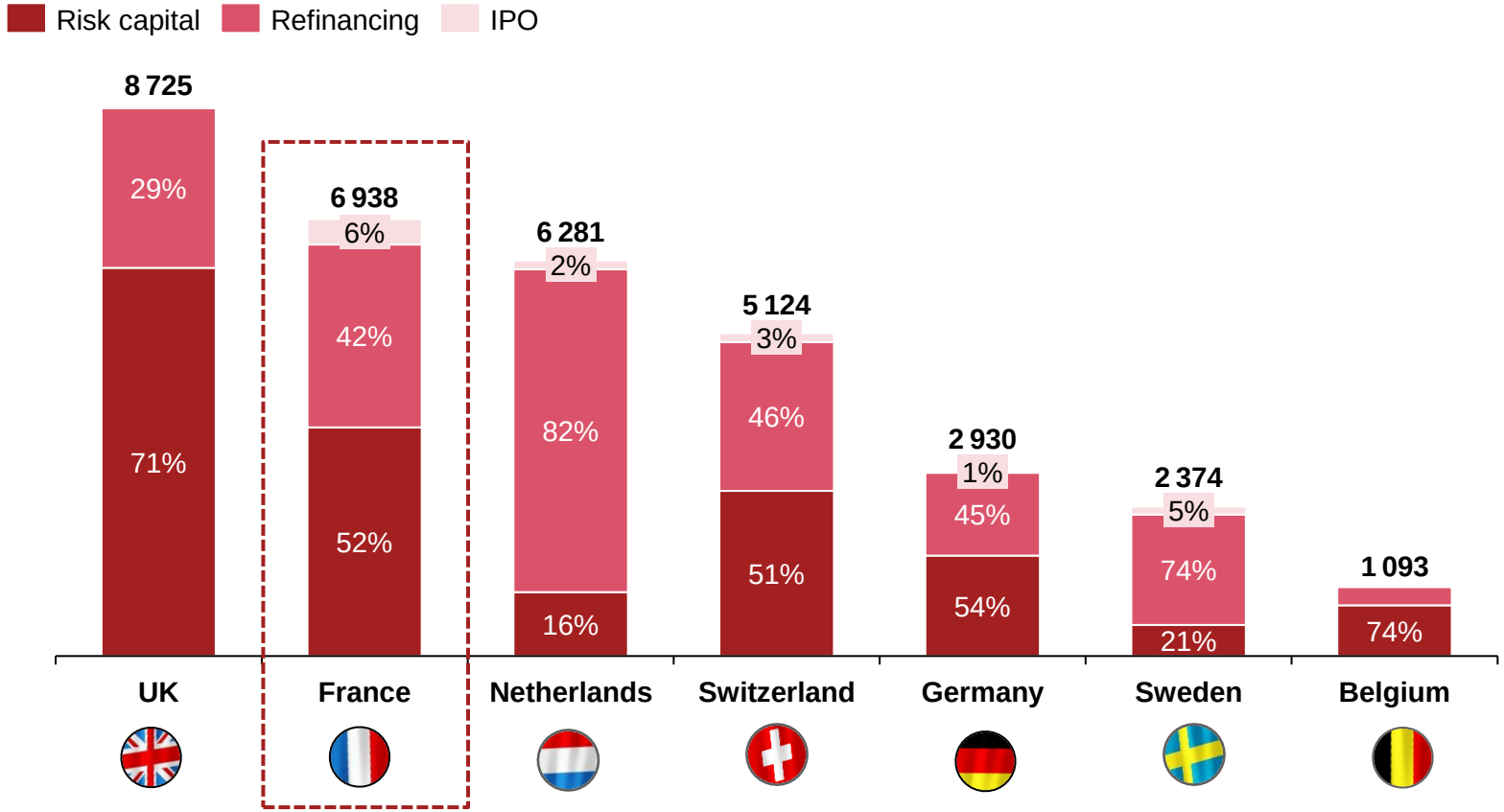
1) AAGR: Average Annual Growth Rate
Sources: European Patent Office and PwC Strategy&

France is second in Europe behind the United Kingdom in terms of funding raised by HealthTech companies over the period 2022-2024

The dynamic trend in HealthTech

Total funding raised by HealthTech[1] companies between 2022 and 2024 by country of incorporation

€ million in total for the period 2022-2024



Comments

- **In 2024**, **France experienced a fall in venture capital funding raised** (down 7% on 2023) with **lower average tickets** (€11 million on average), although the **number of transactions remained largely unchanged** (5 more transaction than in 2023), compared with **much stronger momentum in the United Kingdom, Switzerland and Germany**, which share the majority of the Top 10 transactions of 2024 (by levels of funding raised)
- **There were only 5 IPOs by European HealthTech companies in 2024**, but **none of those were French**
- On the other hand, **France is the European No.1 in terms of funding raised and the number of refinancing transaction in 2024**, with a total of €1.7 billion (3 times more than in 2023), ahead of the United Kingdom, the Netherlands, Switzerland and Germany.

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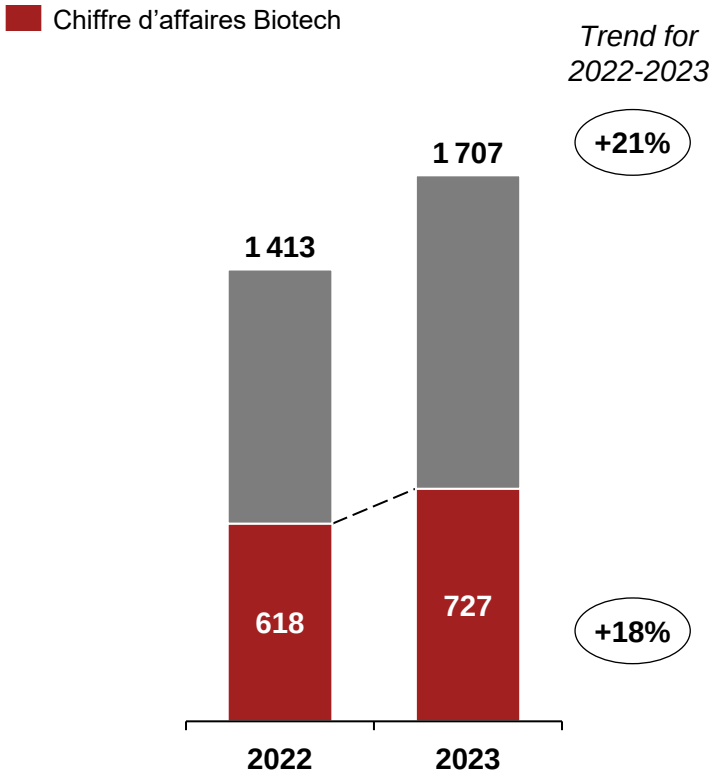
Strategy&

1) HealthTech refers to all those companies - usually startups - involved in developing solutions for the health sector by leveraging new and innovative technologies. This term encompasses biotechnology, medical device (medtech) and digital health/AI companies.
Sources: France Biotech Panorama France HealthTech 2024 and PwC Strategy&

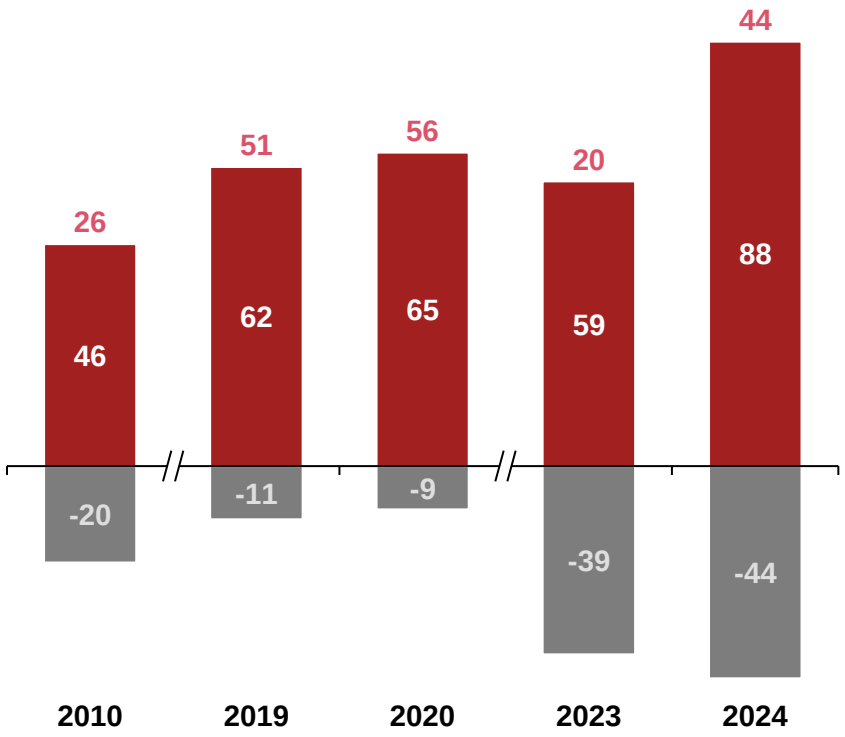
Biotechnology company startups have almost doubled in 5 years and are now responsible for 43% of HealthTech turnover in France

The dynamic trend of HealthTech in France

Total HealthTech company turnover and proportion of biotechnologies in France
€ million, 2022-2023



Trend in the number of biotechnology startups and liquidations in France
No., 2010-2024



Comments

- The majority of the **growth seen in the French HealthTech sector is driven by biotechnology companies**, which accounted for **43% of total HealthTech turnover in 2023.**
- **The ecosystem gained new momentum** in 2024 with a marked increase in the number of **business startups**
- **The higher number of business liquidations** in 2024 highlights the **refinancing challenges** faced by some businesses as a result of uncertainty around the wider economic, political and fiscal context.

360° barometer study on attractiveness of France for the pharmaceutical industry
Strategy&

1) HealthTech refers to all those companies - usually startups - involved in developing solutions for the health sector by leveraging new and innovative technologies. This term encompasses biotechnology, medical device (medtech) and digital health/AI companies
Sources: France Biotech Panorama France HealthTech 2024 and PwC Strategy&

Health data is used at every stage of medicines lifecycle, thus data access and interoperability are key

Usage of health data in the industry[1]

		Research	Clinical trials	MA assessment & pricing	Post-marketing & Pharmacovigilance	Optimization & Maturation
SNDS[2]	Information regarding reimbursement for care, medication and in-patient hospital treatment for the majority of the French population	• Epidemiological study • Estimation of the target population and potential patient characteristics	• Identification of partner centres and patients for inclusion in the clinical trial	• Economic analysis of the disease (resources and costs) • Assessment of population size and understanding of its characteristics • Definition of the care pathway	• HAS request for post-listing trial • Characteristics of treated patients and comorbidities • Analysis of treatment efficacy and tolerability • Analysis of treatment-related costs and resource usage	• Renegotiation and re-assessment of the medicine, as well as the potential for extension of indication • Therapeutic sequencing study
Registers	Continuous and comprehensive collection of personal data with specific focus on certain diseases or treatments	• Epidemiological study and disease history • Understanding the target population	• Creation of comparison groups (historic and synthetic)	• Relevant clinical comparators • Assessment of clinical trial transposability • Analysis of the impact on patient quality of life	• Long-term follow-up of treatment usage in accordance with the treatment regimen • HAS request for post-listing trial • Efficacy study	• Understanding new populations or sub-populations of interest • Real-world efficacy study
Cohorts	Long-term epidemiological studies of populations in accordance with an established research protocol	• Epidemiological study and history of the disease • Identification of target populations and biomarkers • Understanding risk factors	• Creating comparison groups • Analysis of the impact on patient quality of life • Optimisation of clinical research protocol inclusion criteria	• Relevant clinical comparators • Trial transposability assessment • Patient characteristics • Analysis of the impact on patient quality of life	• Identification of sub-populations of interest • Analysis of treatment efficacy and tolerability • Analysis of patient satisfaction and the impact on their quality of life	• Understanding new populations or sub-populations of interest • Analysis of real-world treatment efficacy and tolerability (including patient quality of life)

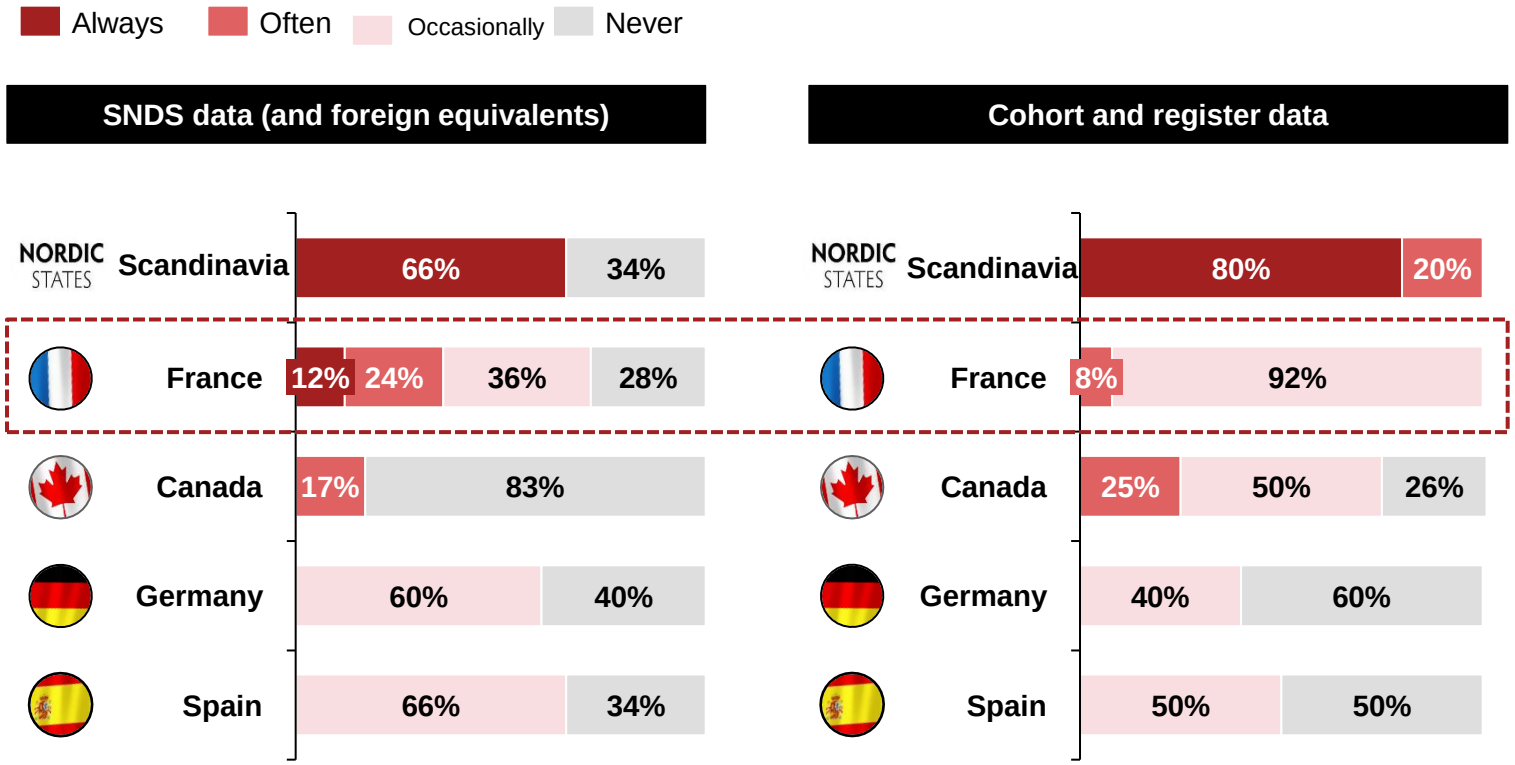
1) The uses made of health data referred here are representative only.
2) SNDS: French National Health Data System
Sources: Leem and PwC Strategy&

According to survey respondents, France has good capabilities for matching health data

Comparison of data matching capabilities

Survey

Frequency with which matching is used for SNDS (and foreign equivalent), cohort and register data



Comments

- **Data matching refers to the process of linking of complementary data from a variety of different sources** (e.g. healthcare, biological, social and other data) in order to **reconstruct complete care pathways** for an individual or population
- **France's good matching capabilities are underpinned** by the **SNDS**[1], which provides a **comprehensive and reliable database** covering a **very large sample**: **1.2 billion treatment forms** per year covering nearly **99% of the French population**
- Since the early 2000s, **France** has also developed a **substantial body of expertise in data matching**, based on the unique national identity number (NIR) or a probabilistic method.
- Efforts still need to be made in terms of **improving information system interoperability** in order to facilitate the use of cross-stakeholder data (healthcare facilities, pharmaceutical companies, etc.)

360° barometer study on attractiveness of France for the pharmaceutical industry
Strategy&

1) NIR: French National Identity Number 2) SNDS: French National Health Data System
Sources: Leem survey of health data attractiveness (the 15 companies surveyed represented 45% of the total turnover reported by the industry in France) and PwC Strategy&

According to survey respondents, the lead time for accessing reimbursement data is one of the longest for France compared to other countries studied

Lead time for accessing health data

Survey

Average lead time for accessing SNDS data (and foreign equivalents) by stage (all stages included)
% of total respondents, 2021-2023

SNDS data (and foreign equivalents)

	<1m	2-3m	3-6m	6m-1yr	>1yr
France	3%	23%	15%	18%	41%
Spain	0%	14%	43%	43%	0%
Germany	18%	18%	55%	9%	18%
NORDIC STATES	0%	13%	25%	50%	13%
Canada	11%	33%	44%	11%	11%

Cohort and register data

	<1m	2-3m	3-6m	6m-1yr	>1yr
France	15%	12%	15%	38%	21%
Spain	0%	33%	22%	44%	0%
Germany	15%	0%	38%	15%	31%
NORDIC STATES	0%	45%	45%	9%	0%
Canada	0%	18%	36%	45%	0%

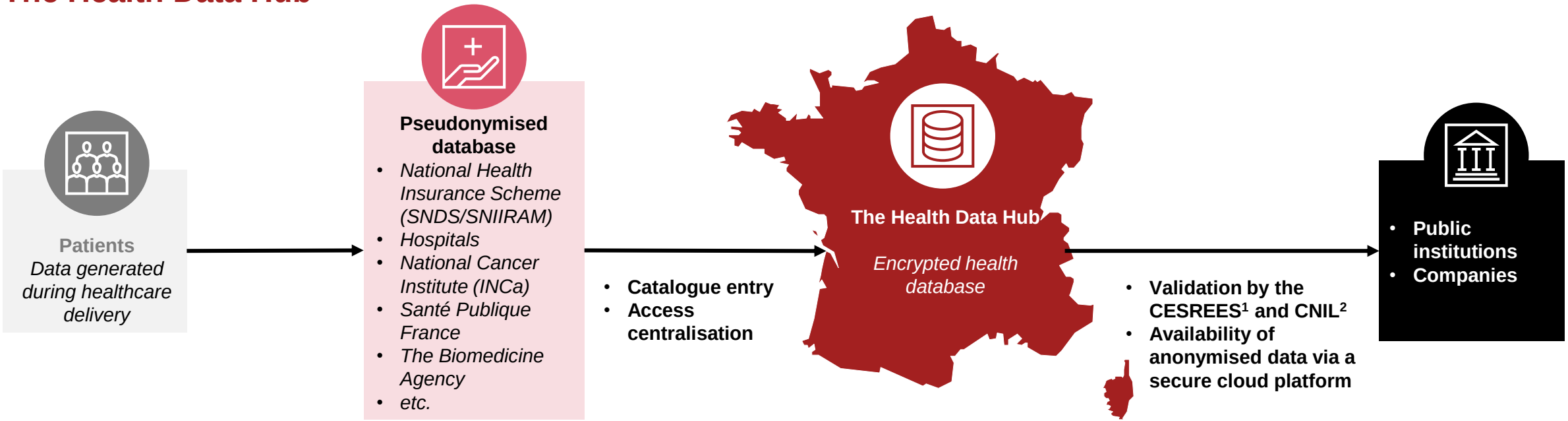
This indicator measures the actual average lead time at each regulatory, contractual or availability stage. It does not currently enable assessment which of these three stages is the most restrictive. The lead times are shown separately and have not been added together: one stage may therefore proceed more quickly than another.

Comments

- Although **efforts have been made to improve regulatory authorisation procedures** (by the French data protection agency (CNIL) and the Ethics Committee), **extraction times for reimbursement data are longer** in France than in Germany, Scandinavia and Spain
- **Latency times between data upload and availability are also problematic:** data for any given year become available only in July of the following year
- The increasing use of **hospital invoicing data** in medicines pricing and regulation **would require same-year publication** to enable better early budget preparation and forecasting.
- **It often takes longer than 6 months to access cohort and register data**, largely due to the **disparity in the contract templates used and quotations received.**

The Health Data Hub launched in 2019 is designed to centralise and facilitate access to health data, but it is currently in the implementation phase.

The Health Data Hub



Comments

- Created in 2019, the **Health Data Hub (HDH) was opened in 2020 to centralise all health data** (SNDS[3], PMSI[4], cohort and register); **data are currently being integrated into the HDH**
- **The HDH now makes it possible to centralise company requests for access to data, although data storage and availability is still controlled the contributing organisations** (CNAM for the SNDS, France Cohortes for access to cohort data, etc.)
- **Draft legislation is now in preparation** to align the **methodology that will govern the use of health data for secondary purposes with the terms of the EHDS (European Health Data Space) regulation, which is intended to simplify and harmonize health data access conditions across Europe**
- **The delay in availability** of HDH data is due in large part to the **choice of hostng service**: the rollout of a **SecNumCloud certified sovereign solution** by ANSSI[5] is expected in **2026**

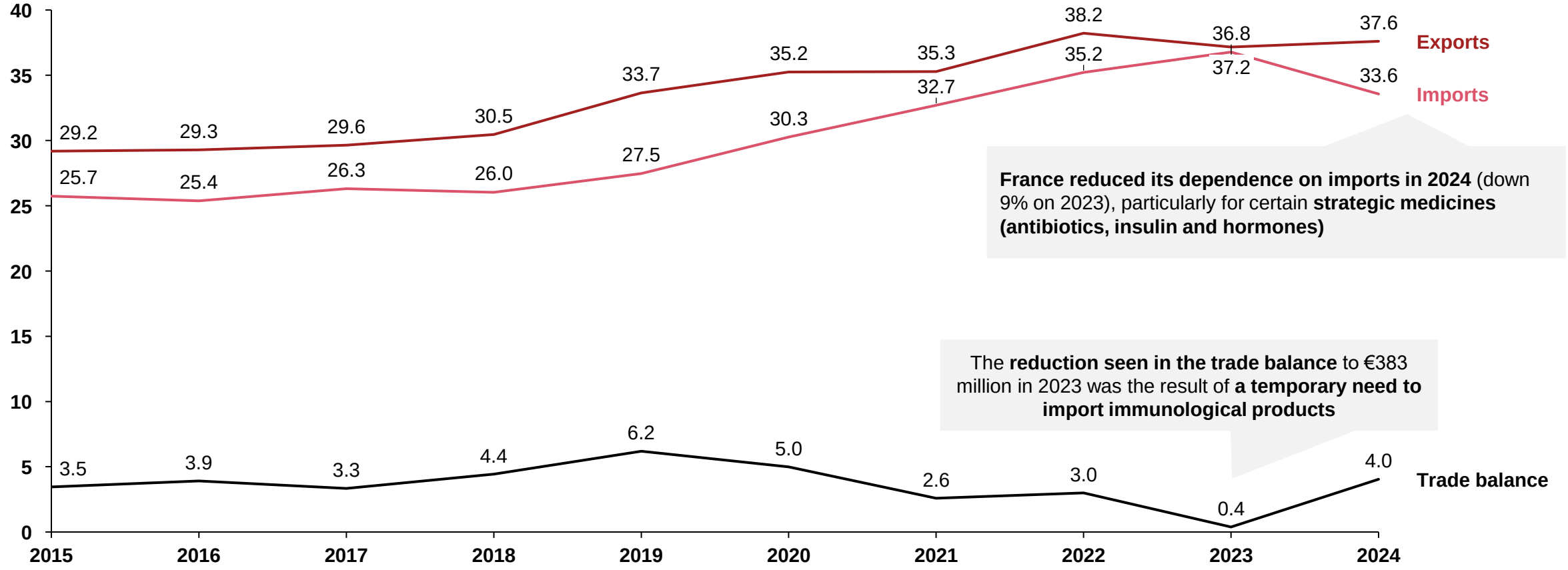
1) CESREES: Expert Committee for Research, Studies and Evaluations in the Field of Health 2) CNIL: French Data Protection Agency
3) SNDS: French National Health Data System 4) PMSI: Medical Information Systems Program 5) ANSSI: French Cybersecurity Agency
Sources: Health Data Hub, Jérome Marchand Report, Leem and PwC Strategy&

After a fall in 2023, France has recovered a pharmaceutical trade surplus of €4 billion of in 2024

Pharmaceutical trade by France

Trend in French pharmaceutical industry imports, exports and trade balance

€ billion, 2015-2024



France reduced its dependence on imports in 2024 (down 9% on 2023), particularly for certain **strategic medicines (antibiotics, insulin and hormones)**

The **reduction seen in the trade balance** to €383 million in 2023 was the result of **a temporary need to import immunological products**

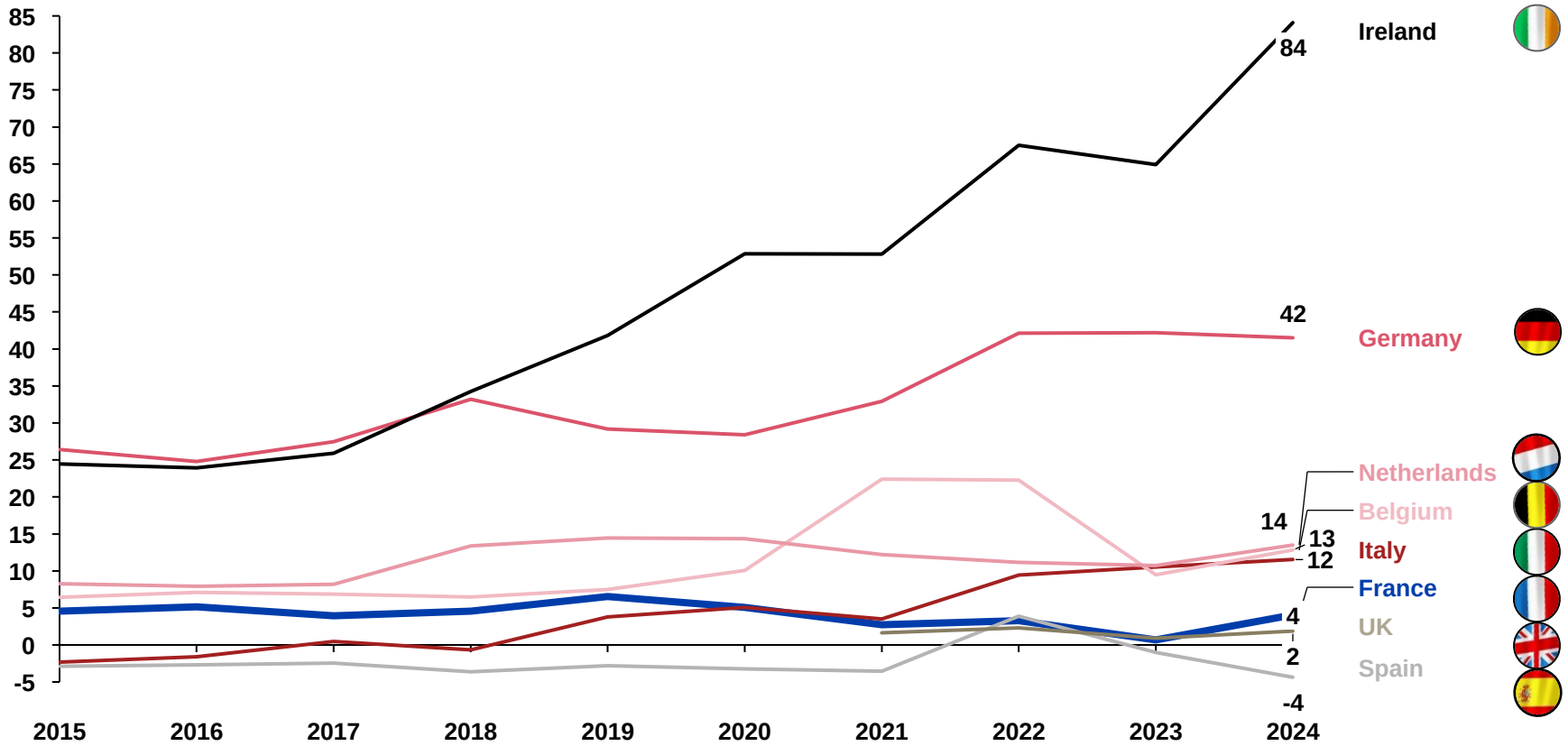
360° barometer study on attractiveness of France for the pharmaceutical industry

Sources: French customs and PwC Strategy&

France ranks tenth in Europe on trade balance behind many of its European neighbours

Trade balance in Europe

Trend in the French pharmaceutical industry trade balance compared with that for its European neighbours[1]
€ billion, 2015-2024



360° barometer study on attractiveness of France for the pharmaceutical industry
Strategy&

1) This graph does not represent all European countries
Sources: Eurostat and PwC Strategy&

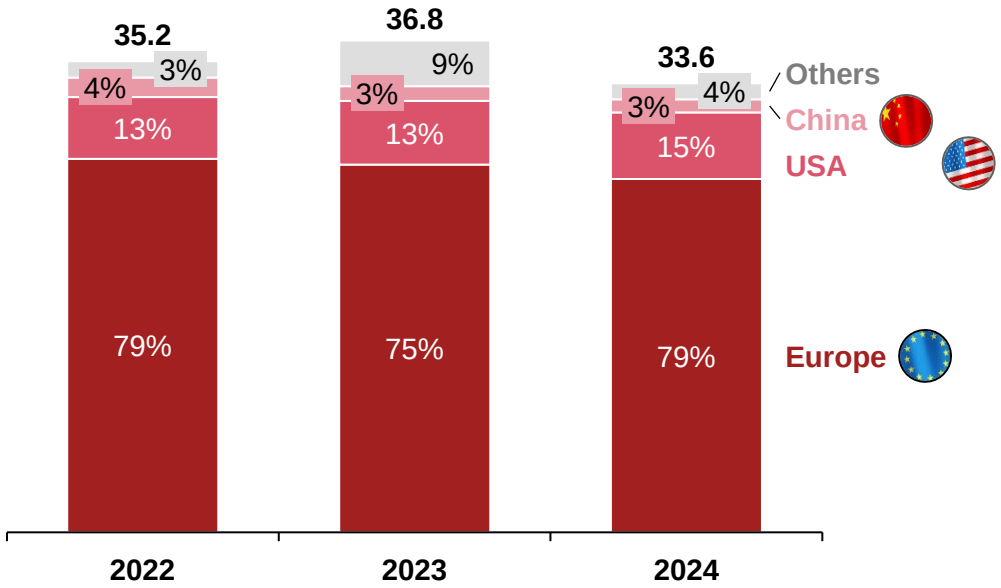
Comments

- At €84 billion, **Ireland has the largest trade surplus in Europe.** This position is explained by the high level of investment made by major pharmaceutical groups in response to the attractive tax regime that applies in Ireland
- Belgium has **returned to its pre-COVID level of trade balance**, having intensified its **production and exports of vaccines**
- **Italy reversed its trend** to improve from a trade balance deficit of €2 billion to a surplus of €12 billion following the **sharp increase in exports resulting from the investment made in manufacturing since 2020**

France imports and exports most of its pharmaceutical products from and to Europe (79% vs. 53%), followed by the USA

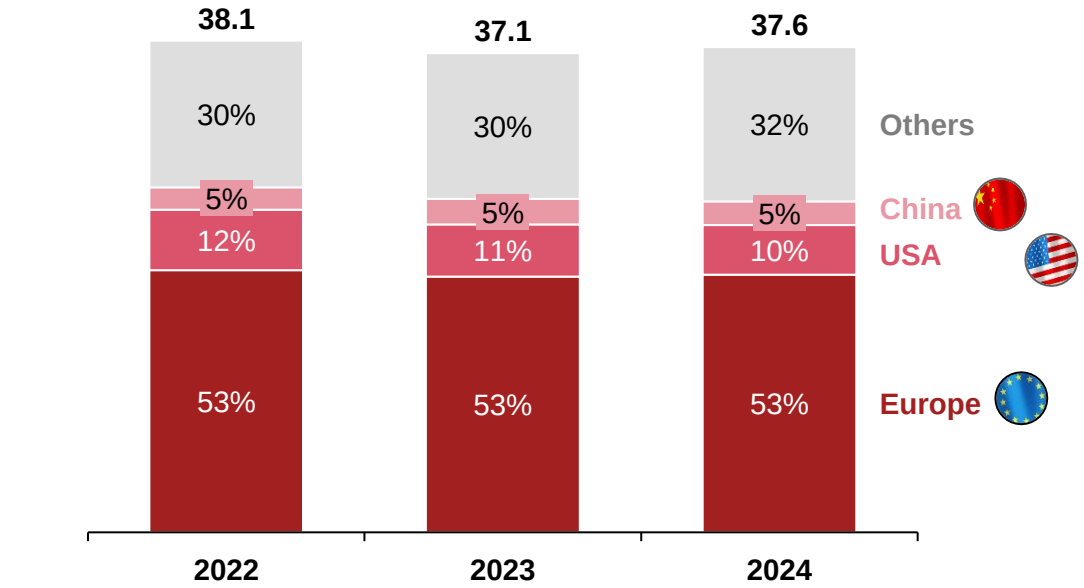
Imports and Exports of pharmaceutical products

Breakdown of pharmaceutical product imports arriving in France
€ billion, %, 2022-2024



- **France imports 80% of its medicines from Europe**, and more specifically from Germany (14%) and Ireland (11%)
- **US imports of innovative medicines** are rising as France **reduces its sourcing from China** (-32% in value terms between 2022 and 2024)

Breakdown of pharmaceutical product exports leaving France
€ billion, %, 2022-2024



- France **exports most of** its pharmaceutical products to other European countries, but mainly **Germany (12%) and Belgium (10%)**
- **Exports to the US fell** by 18% in value terms between 2022 and 2024, while those to China remained stable

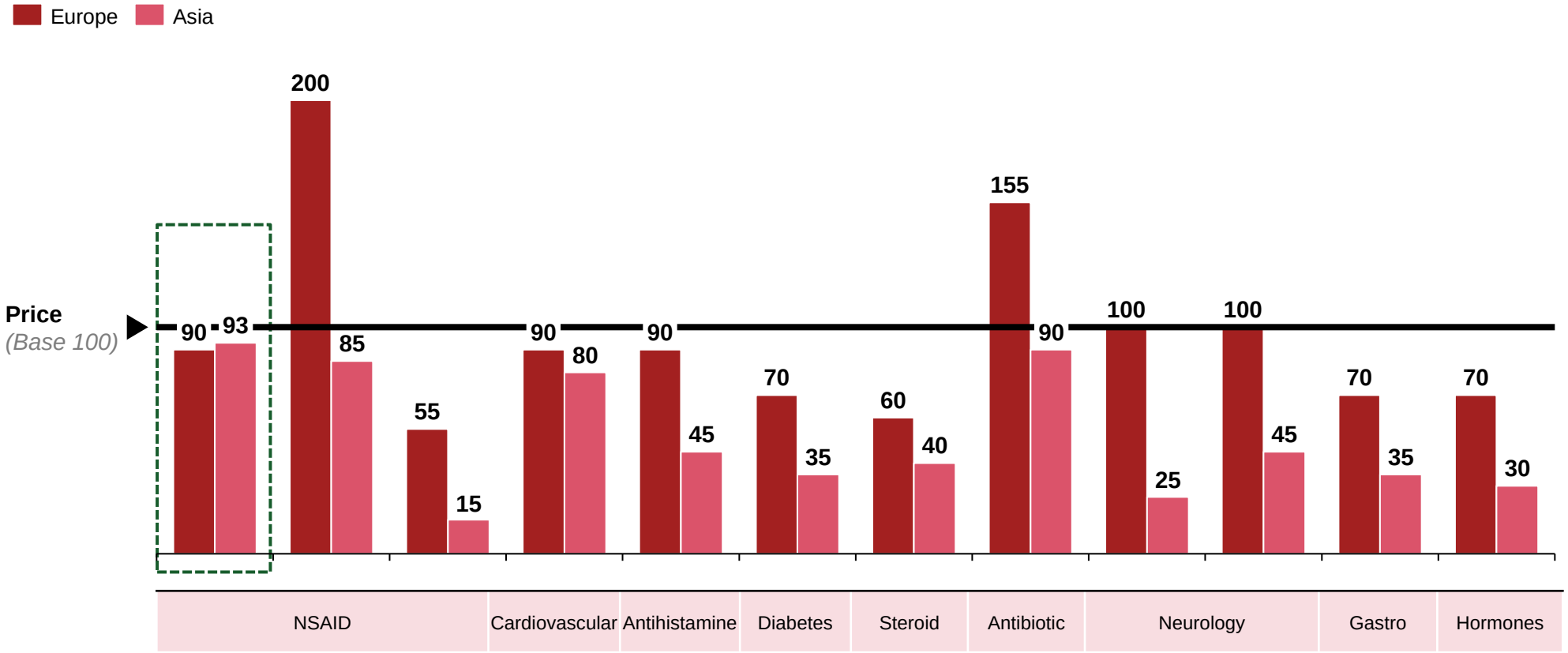
360° barometer study on attractiveness of France for the pharmaceutical industry
Strategy&

Europe includes the countries of the European Union plus the United Kingdom and Switzerland
Sources: French customs and PwC Strategy&

Across all the therapeutic areas studied by SICOS, Europe is less competitive on production costs than Asia

Comparison of API production costs

Comparison of selected molecule production costs in Europe and Asia
2024, %



Comments

- Across the entire panel of molecules studied by SICOS from a range of different therapeutic areas, **production costs are higher in Europe than in Asia**, with one exception, which results from **higher fixed and labour costs**
- **The long-term economic viability of production Europe is not secure** as Asian countries pursue agressive strategies across all molecules

360° barometer study on attractiveness of France for the pharmaceutical industry

Sources: SICOS Advancy survey *'Strengthening the API production industry in France and Europe'* (2024) and PwC Strategy&

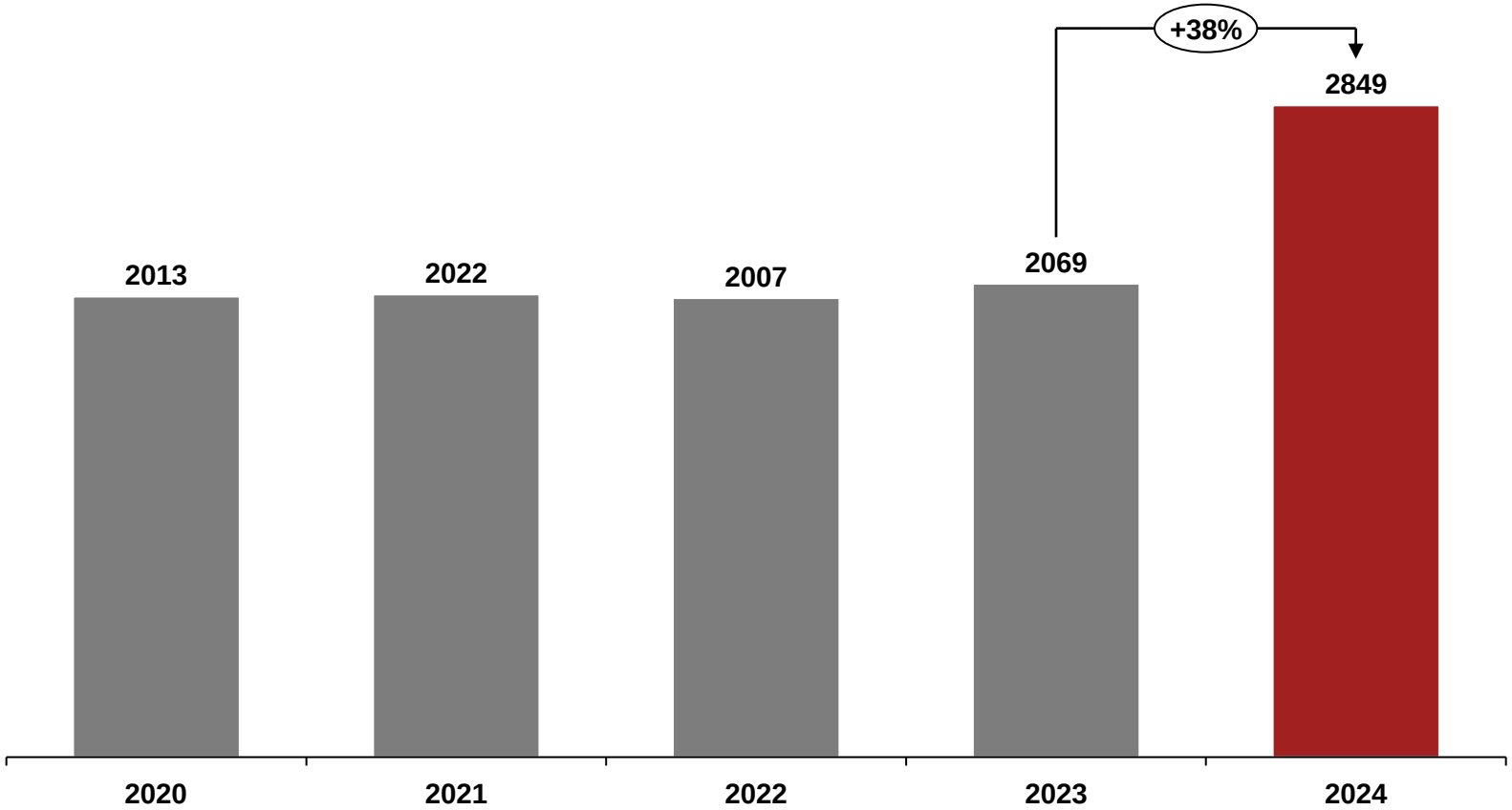
According to the survey respondents, production-related investment in France rose by 38% year-on-year in 2024

Production-related investment

Survey

Production-related investment in France

€ million, 2024, France



Comments

- **Production-related investment jumped** by 38% in 2024 compared with 2023 helped by **planned investments by major pharmaceutical companies such as:**
  - **Sanofi**, which announced it would invest **a total of €1.1 billion** on its Vitry-sur-Seine site, which is scheduled to open at the end of 2025
  - **Novo Nordisk** announced **a total investment of €2.1 billion** in its Chartres site (due to open at the end of 2026)

360° barometer study on attractiveness of France for the pharmaceutical industry

Sources: 2025 Leem member survey conducted by PwC Strategy& / 50 respondents together representing 72% of turnover generated by the industry in France

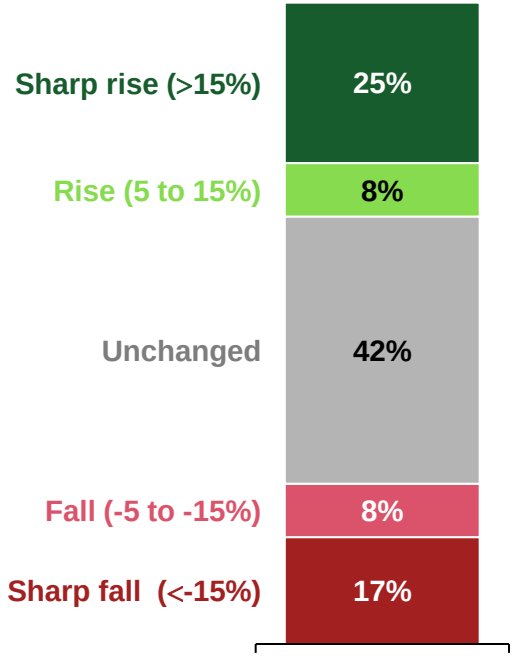
75% of respondent companies said they will continue to invest in France, with 33% of respondents reporting an upward trend

Production-related investment projection

Survey

Projection of production-related investment in France over the next 3 years
%, 2025

What does your company's production-related investment trend for France over the next 3 years look like?



Comments

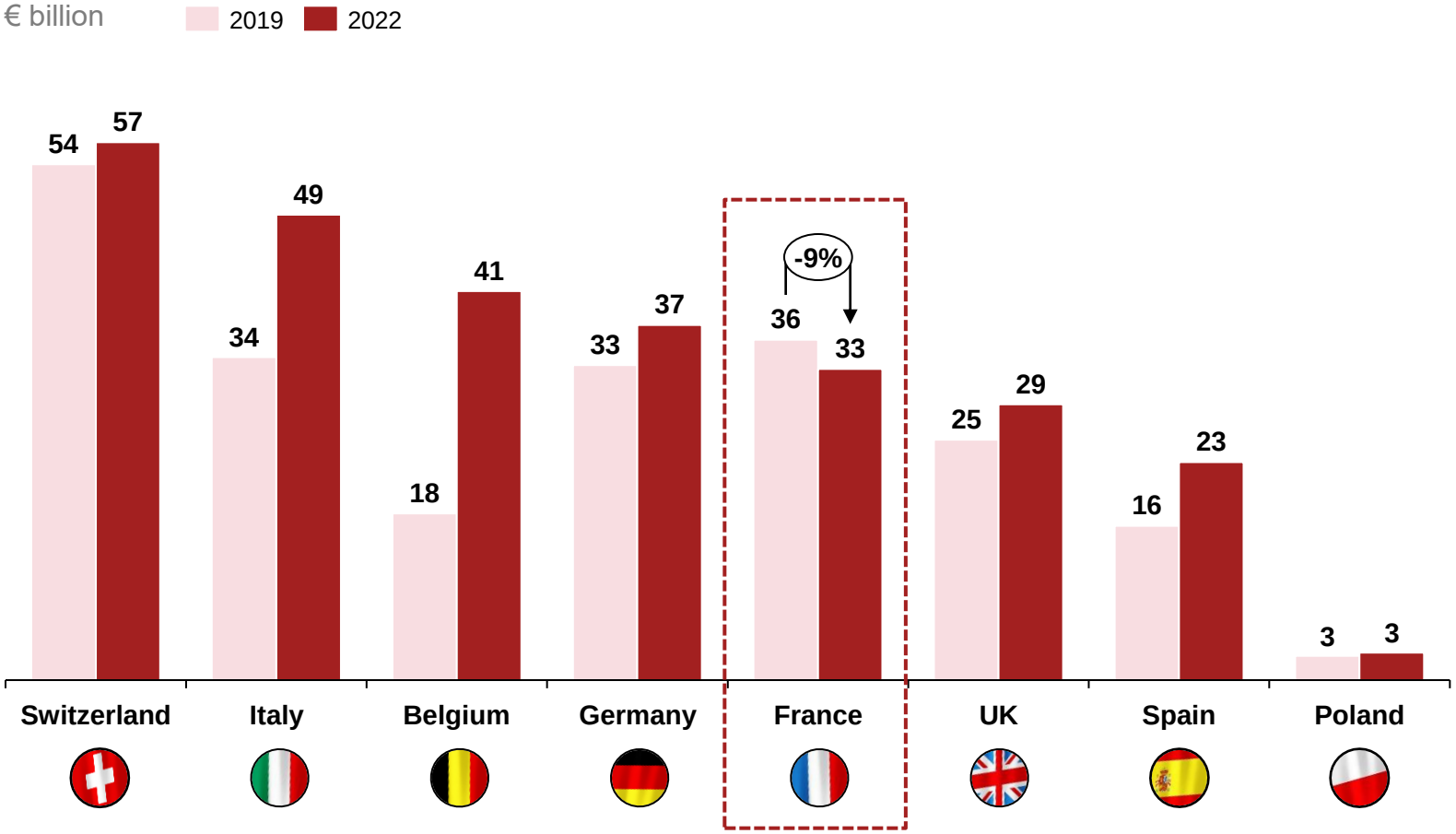
- **Respondent companies seem minded to invest in heir French production facilities** in the coming years - this trend is **particularly strong among Large Companies, 51%** of which indicate an **upward trend** (>5% increase)
- **SME respondents are more nuanced** forecasting no change (50%) or a decrease in investment (50%) in the coming years
- The **global macroeconomic uncertainties** driven by protectionist pressures in certain countries **could change the balance of investment decisions taken by companies** in the pharmaceutical industry: some companies could be encouraged to **redirect investment towards their primary domestic markets** in order to secure access to those markets

Sources: 2025 Leem member survey conducted by PwC Strategy& / 50 respondents together representing 72% of turnover generated by the industry in France

Pharmaceutical production in France fell by 9% in value terms between 2019 and 2022, during which its European neighbours increased production.

Production volume

Production volume of pharmaceutical products[1]



360° barometer study on attractiveness of France for the pharmaceutical industry
Strategy&

1) No data is available for Ireland
Sources: EFPIA, Leem and PwC Strategy&

Comments

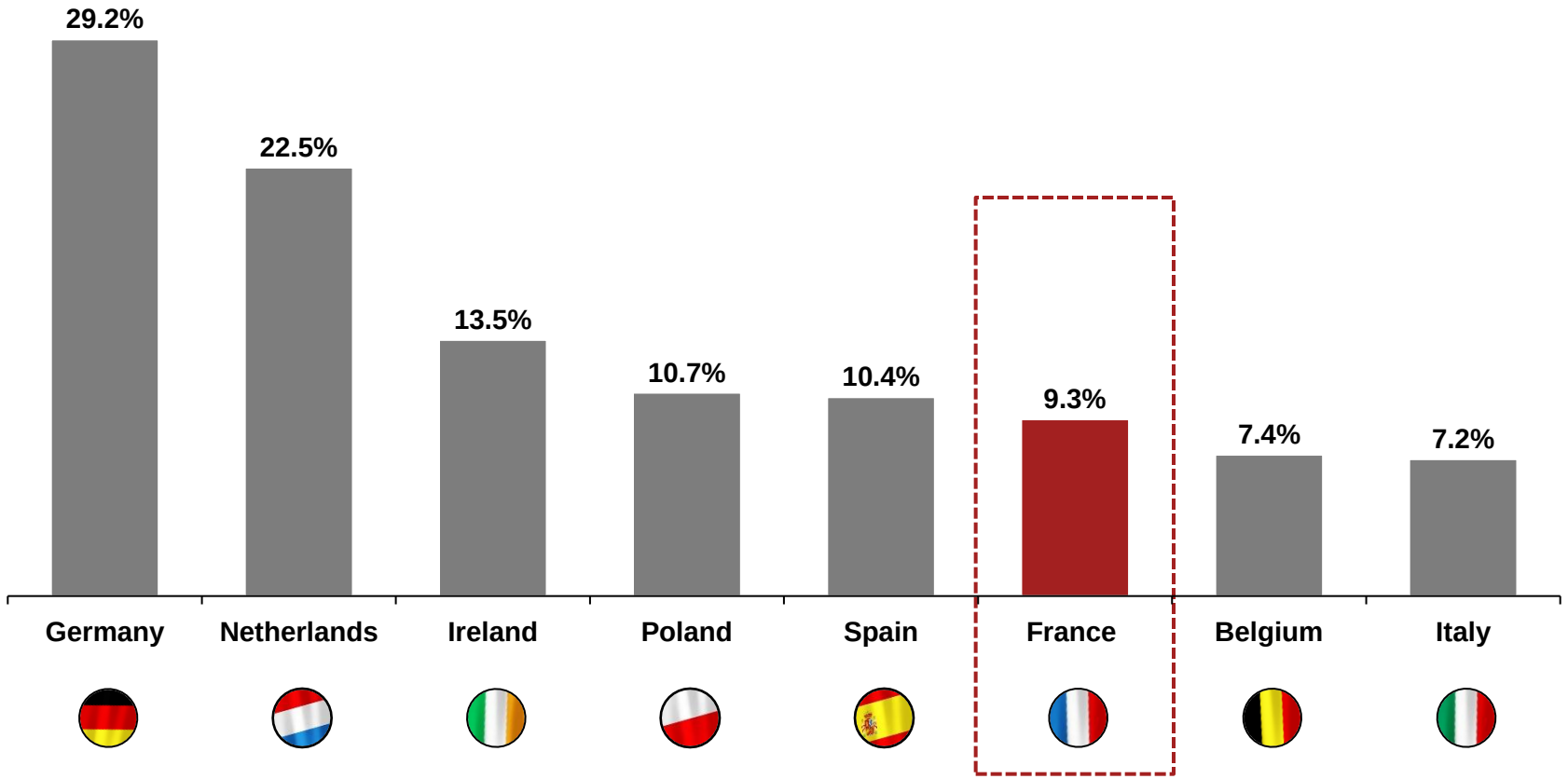
- **Medicines production in France fell by 9% in value terms between 2019 and 2022,** as production focused more on mature and generic products.
- **Switzerland remains Europe's leading producer of medicines** thanks to its **business-friendly advantages** (particularly tax measures) and skilled workers.
- Since 2020, **Italy has pursued an active policy of investment accompanied by regional incentives** (e.g. in the southern economic development zone) that have attracted investment from **major groups** and the strong development of **CDMOs**
- **Belgium** doubled its production by value as a result of **expanding its vaccine production capacity** during Covid. The 2023 development of the Wallonian BioWin cluster of more than 15 specialist innovative therapy companies and 8 CDMOs will help inject new impetus into this momentum

Of the 431 new indications (MAs) approved in Europe since 2020, only 9% have a French fabrication site

Geographic fabrication location of approved new medicines

No. of new MAs approved in Europe with at least one fabrication site in the country shown

No. of MAs 2020-2024



Comments

- **Germany has the largest number of sites manufacturing new MAs marketed in Europe** (all types: chemical, biological, generic and biosimilar)
- **Some countries specialise in one type of medicines,** as in the case of Poland, which has at least one manufacturing site producing 41% of new MAs generics

360° barometer study on attractiveness of France for the pharmaceutical industry

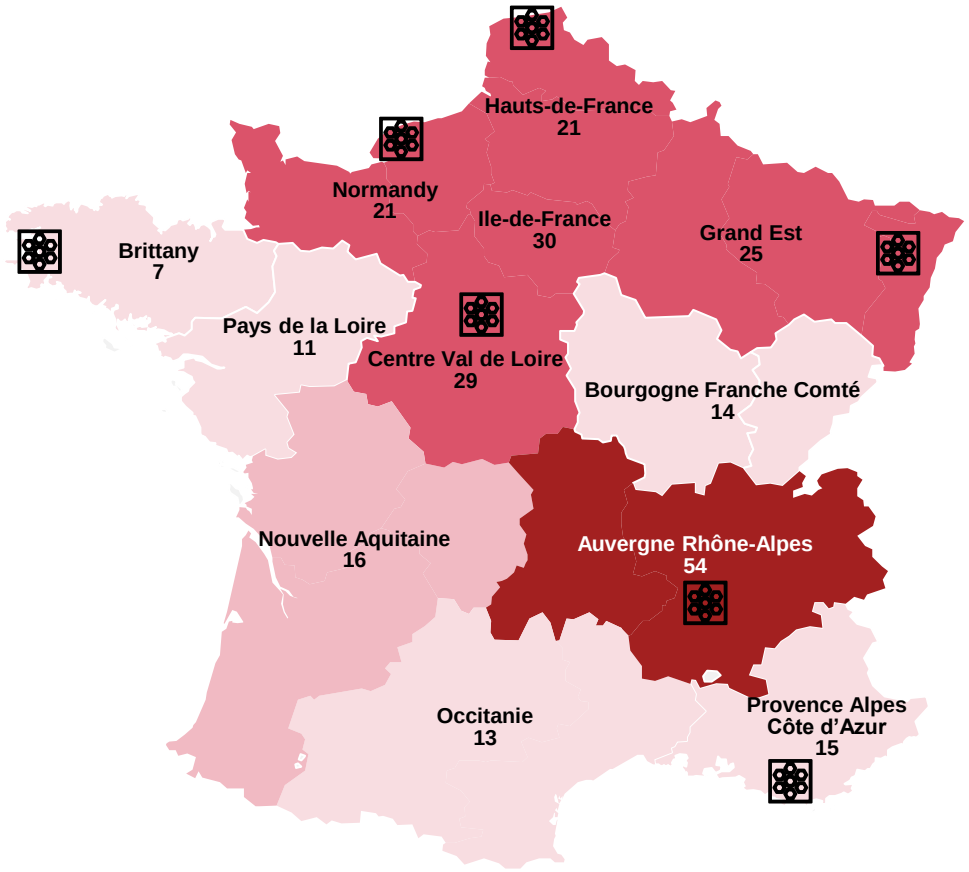
Sources: Leem and PwC Strategy&

France has 256 production sites distributed across the country

Regional footprint of production sites

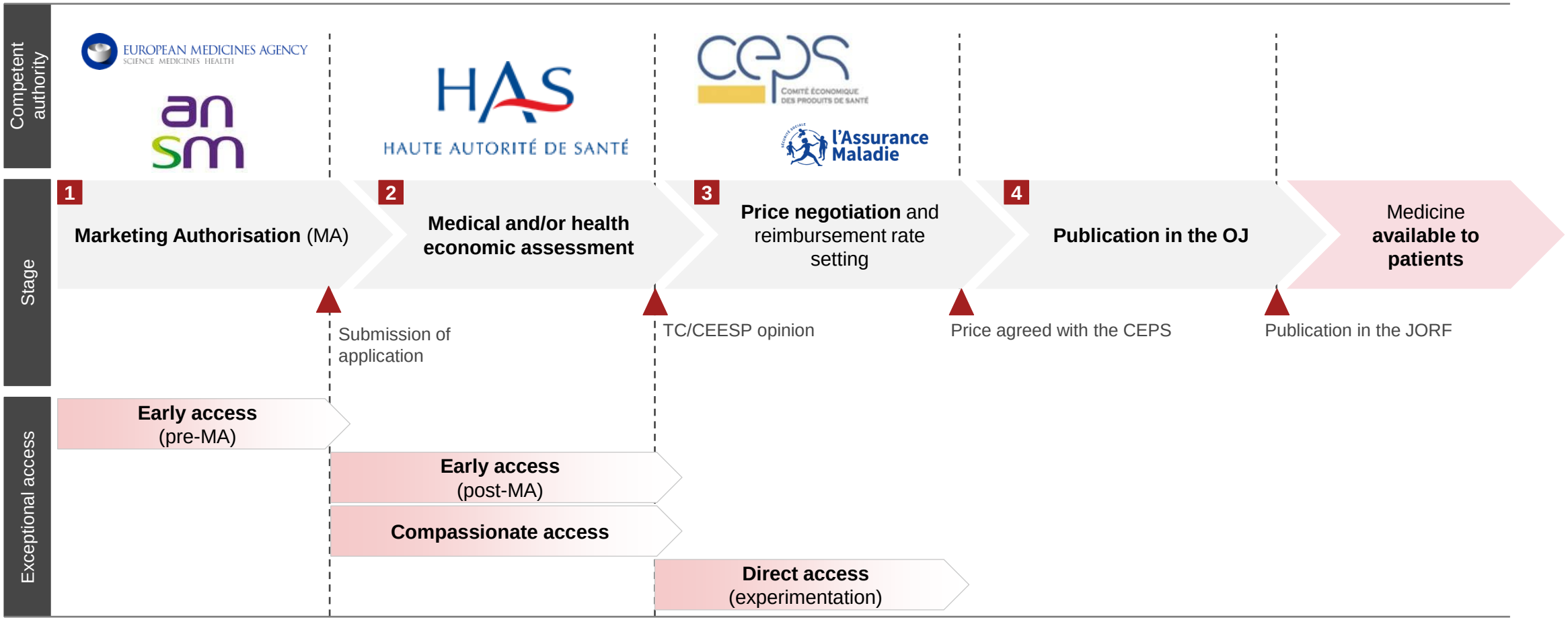
Geographic distribution of French production sites
#. in France in 2024

Top 3
Auvergne Rhône-Alpes
Ile-de-France
Centre Val de Loire



The pathway to market access for medicines in France has distinct phases including health assessment and price negotiation

The market access pathway in France



Sources: Cnam, HAS and ANSM

The percentage of new medicines available in France fell in 2024 (6pts lower than in 2023)

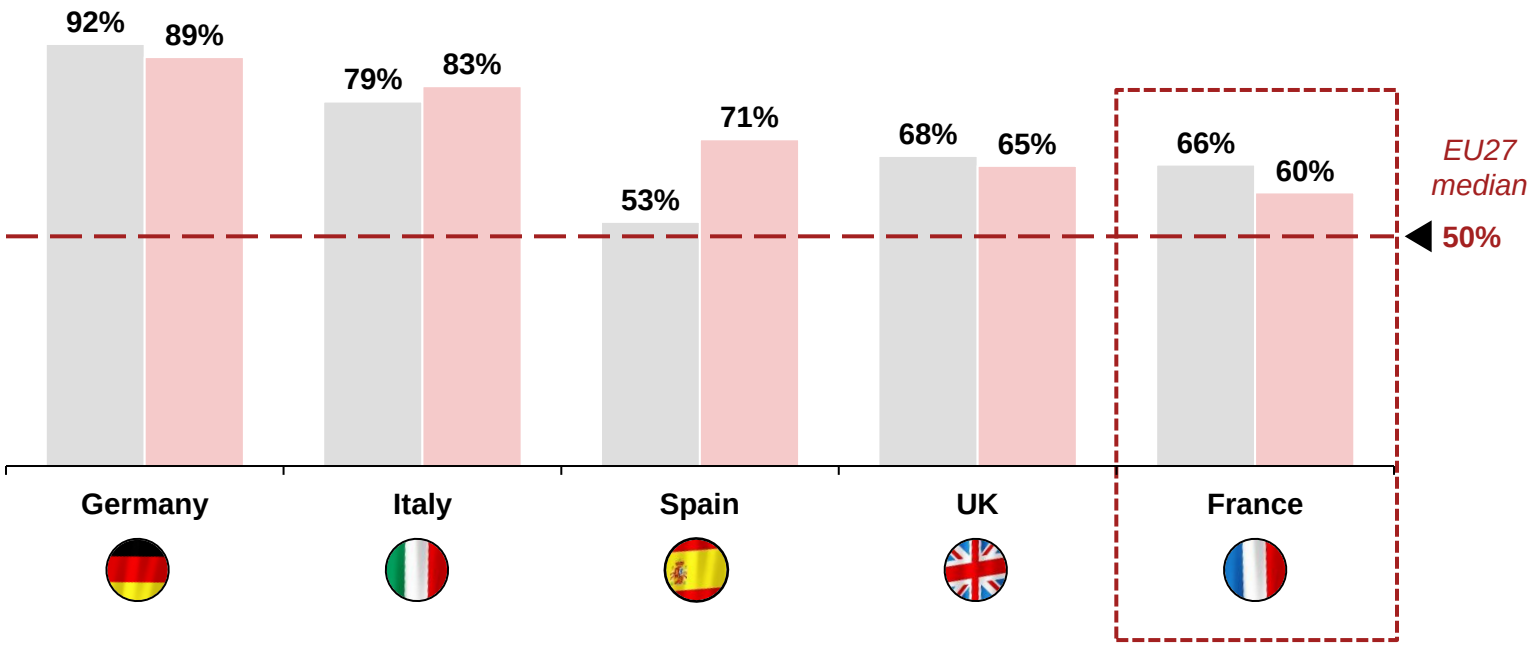
Availability of medicines

Proportion of medicines available in France and Europe

MAs granted between 2016-2019, availability at 31/12/2020; MAs granted between 2020-2023, availability as of 31/12/2024; % of total European MAs

MA 2016-2019 MA 2020-2023

The medicines availability rate is defined as the number of medicines granted European marketing authorisation that are accessible to patients in a given European country



Comments

- **Germany has the highest availability rate in Europe** thanks to its **simplified process for ensuring market access** following approval of medicine via the centralised European procedure, which means that companies **are free to set their own prices for the first year.**
- **The pricing model in Italy**, which makes frequent use of **risk-sharing agreements[1], encourages companies to bring their medicines to market** more quickly
- **Spain has managed to increase its availability rate** by 18% following **joint efforts by the Spanish government and manufacturers** to reduce the medicines access lead time by **accelerating clinical analysis and price negotiation procedures.**
- **The 60% availability rate in France results from the fact** (i) that companies **do not file** applications in France, and (ii) that some medicines granted MA in 2020-2023 are **still being processed by the French authorities**

360° barometer study on attractiveness of France for the pharmaceutical industry
Strategy&

1) Reimbursed medicine prices depend on their actual performance in patients once marketed. If a medicine performs as expected (e.g. delivers a clear clinical improvement for patients), the negotiated price is retained and fully reimbursed. Conversely, if results fall below expectations, the pharmaceutical company may have to repay part of the costs.

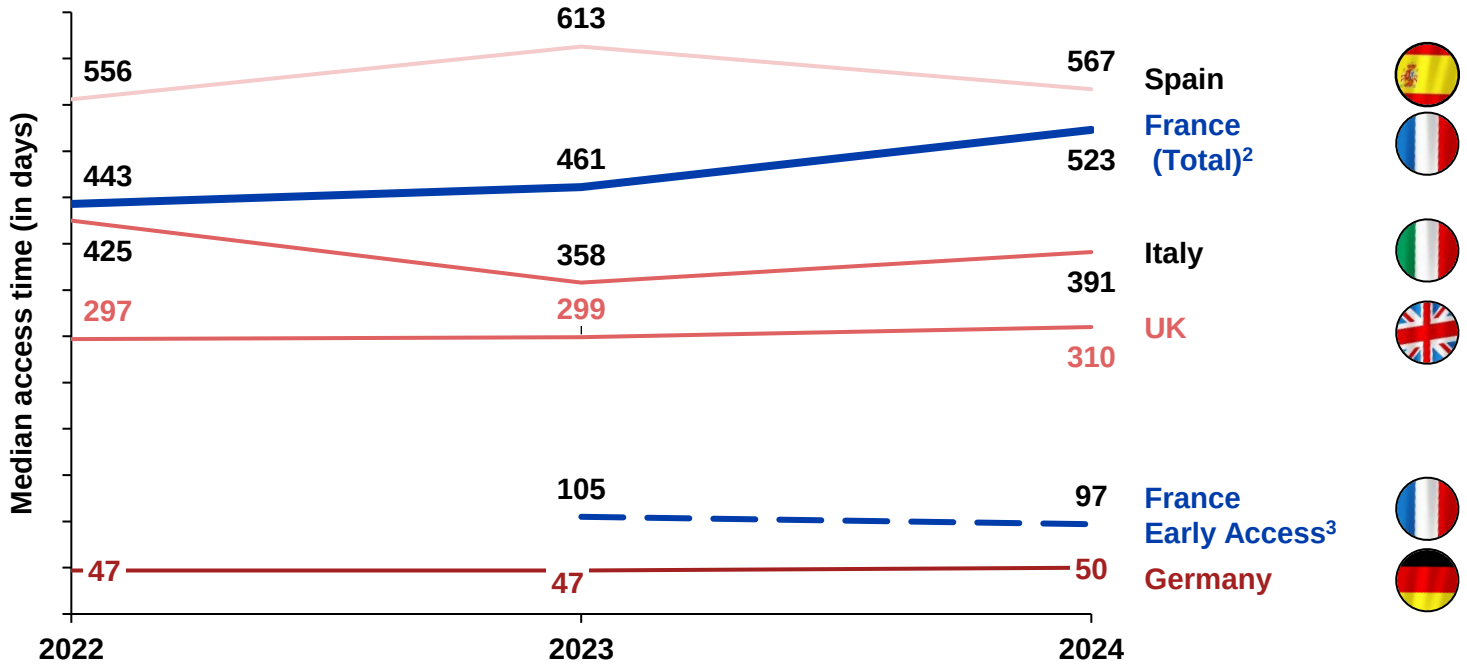
Sources: EFPIA Patients W.A.I.T. Indicator 2024 Survey and PwC Strategy&

The lead time for market access in France has increased in 2024 while the early access scheme has reduced the lead time for eligible medicines

Median lead time for access to medicines

Median lead time for access to medicines[1] in Europe (initial listing)
No. of days, MAs 2018-2021, MAs 2019-2022 and MAs 2020-2023[2]

The median access time is the number of days between the granting of marketing authorisation and the date on which the medicine becomes available to patients (included on the reimbursable medicines list)



Comments

- **The considerable level of heterogeneity in access models and assessment processes across Europe results in an equally large disparity in lead times**: each country has its own clinical and economic assessment processes and requirements
- The very short access time in **Germany** is explained by the fact that it uses a **different access model** than other European countries: **medicines can be marketed as soon as MA is granted,** at which point the pharmaceutical company is free to set its own price for the first 6 months (12 months pre-2022)
- **The French early access scheme** operational since July 2021 shortens access lead times for certain indications classed as innovative by the HAS. This lead time was **97 days in 2024.**

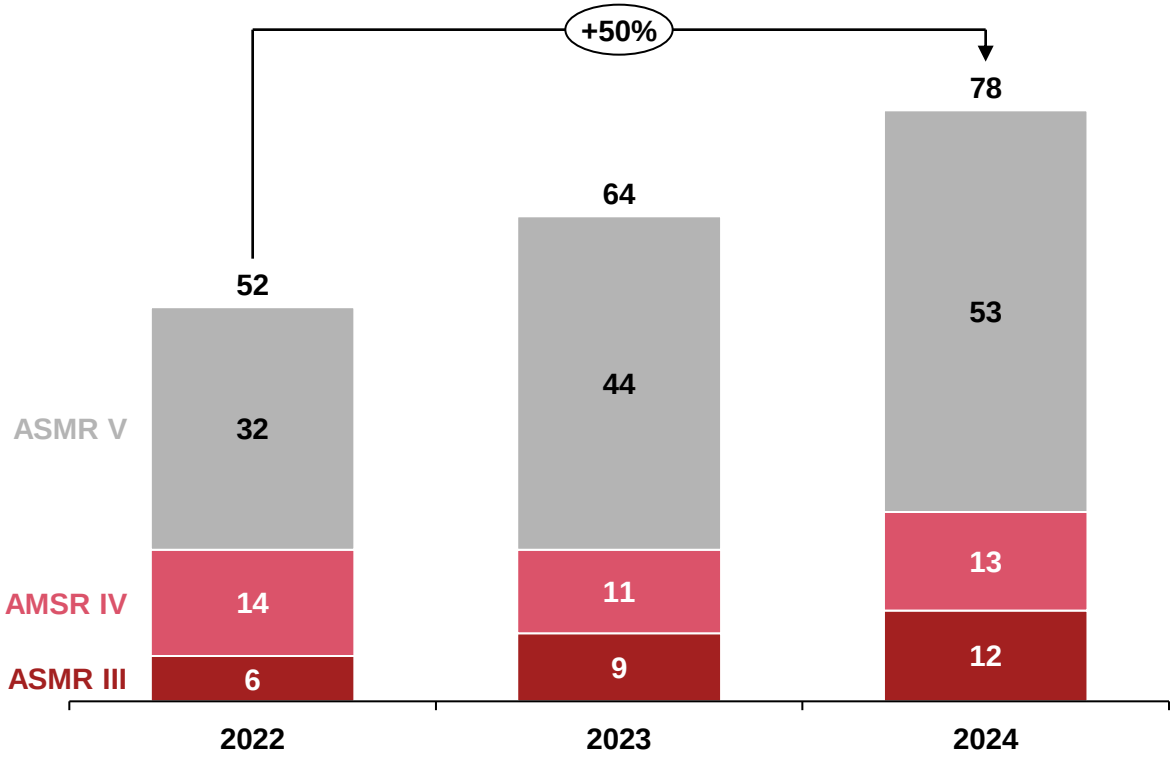
1) The median lead time for each year is calculated for initial listings of medicines granted MAs in the previous 3-year period (e.g. the lead time for 2024 is based on MAs granted between 2020 and 2023)
2) The scope of the EFPIA survey for France covers initial listings via the standard and early access schemes
3) The median lead time for early access is calculated for each year by including early access applications for initial listings of medicines granted MAs in the previous 3-year period (e.g. the lead time for 2024 is based on MAs granted between 2020 and 2023)
4) Within the scope of the EFPIA WAIT 2024 Survey, 35 medicines were granted an MA in 2023, 4 of which were available via the early access scheme.
Within the scope of the EFPIA WAIT 2023 Survey, 53 medicines were granted an MA in 2022, 17 of which were available via the early access scheme
Sources: EFPIA Patients W.A.I.T. Indicator 2024 Survey, HAS and PwC Strategy&

The number of indications in price negotiation for more than 500 days has risen by 50% in the 2 years between 2022 and 2024

Indications in price negotiation for longer than 500 days

Number of indications spending more than 500 days in the price negotiation process at 31 December of the year shown[1]

No. of MAs for 2022, 2023, 2024



Comments

- **The number of indications in price negotiation for more than 500 days has risen by 50% in the 2 years between 2022 and 2024 – this affects indications for outpatient care** (56% - SS COLL list) **and inpatient care** (44% - COLL list)
- **Of the 78 indications in a position of access stalemate in 2024, 68% were indications with an ASMR V rating** (considered non-innovative for patients by the HAS)
- **The increase in indications in a position of access stalemate is explained by the very significant increase in back-and-forth exchanges between pharmaceutical companies and the CEPS**
  - **Negotiation lead times are becoming longer due to the time taken to obtain certain health economic data and the non-availability of comparisons** at the start of the negotiation process, both of which would make it easier to set the price of the medicine concerned in France.
  - **European price comparators are often used** in price negotiations with the CEPS: **some pharmaceutical companies therefore wait for prices to be set in neighbouring European countries** so that these European comparators can be used in discussions with the CEPS

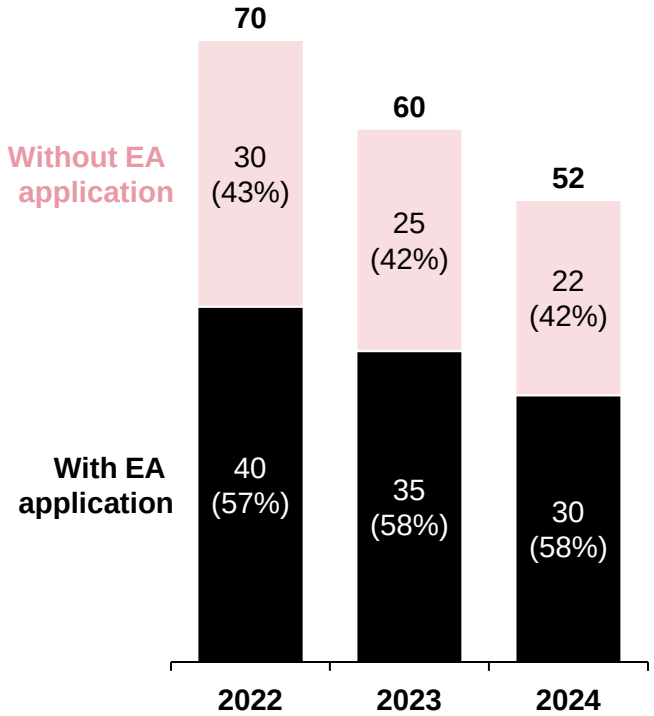
360° barometer study on attractiveness of France for the pharmaceutical industry
Strategy&

1) The scope includes medicines on the SS COLL and COLL lists which remain in the price negotiation process for more than 500 days
Sources: IQVIA, Leem and PwC Strategy&

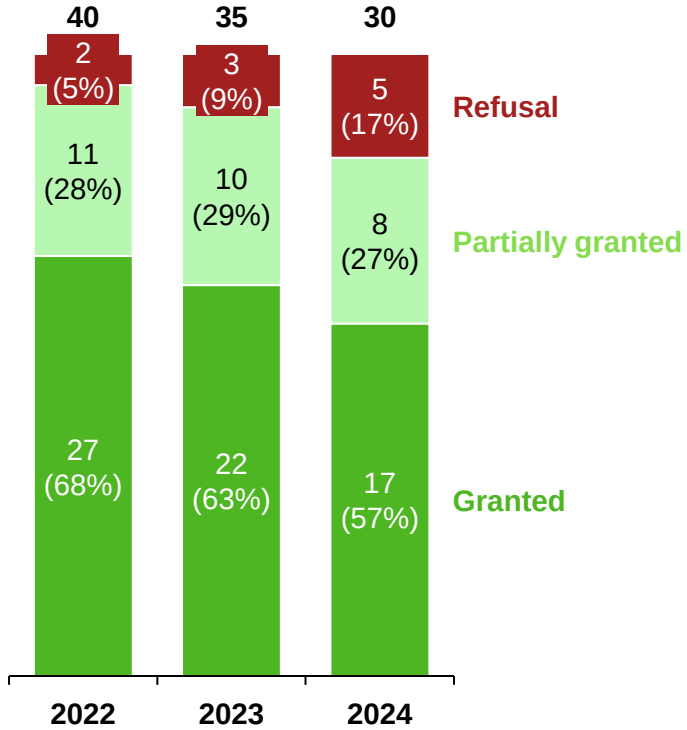
Nearly 58% of ASMR I-IV rated indications applied for early access in 2024 and the number refused early access applications increased (17% in 2024 vs 9% in 2023)

Usage of early access scheme

Number of first applications for early access (EA) in relation to indications with an ASMR I-IV rating
No., %, 2022-2024



Percentage of first applications for early access granted[1]
No., %, 2022-2024



Comments

- **The early access scheme** introduced in 2021 **accelerated the availability of innovative medicines** (rated ASMR I to IV by the HAS) – **58% of which were the subject of early access applications in 2024**; a level consistent th 2023
- However, **an increasing number of indications with an ASMR I-IV rating are having their early access applications refused - 17% in 2024** compared with 9% in 2023
- **The HAS is currently assessing the factors driving this increase in refusals**

360° barometer study on attractiveness of France for the pharmaceutical industry

Sources: HAS, Leem and PwC Strategy&

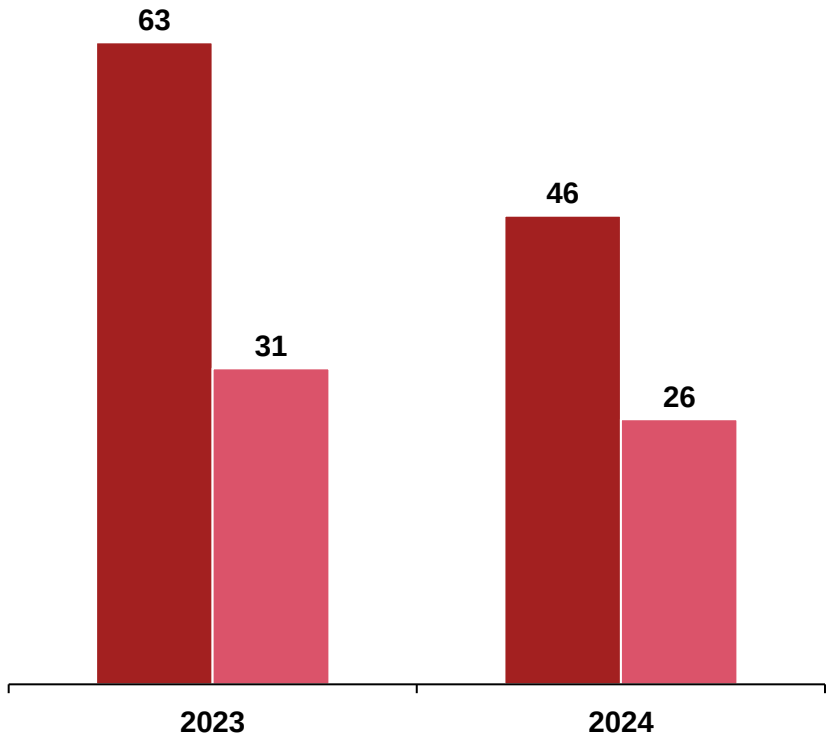
In 2024, Publication of the decision accepting a drug into reimbursement list took 20 days longer than price reduction for an indication

Lead time for publication in the Official Journal (JORF)

Survey

Average time elapsed between the date on which the amendment is signed by the CEPS Chairman and the date of publication in the Official Journal by category

# of days, 2023, 2024



- **The lead time for the publication of reimbursement applications in the Official Journal was 46 days in 2024,** which appears to be 17 days shorter than that reported by the *panel of respondents to the 2023 survey*
- **The gap between the lead time for publication of reimbursement applications in the Official Journal** seems to have reduced in 2024, but still remains **longer than that for publication of price cuts** *according to the panel of respondents to the 2023 and 2024 surveys*

Sources: 2025 Leem member survey conducted by PwC Strategy& / 25 respondents together representing 65% of turnover generated by the industry in France

Agenda

Health sovereignty

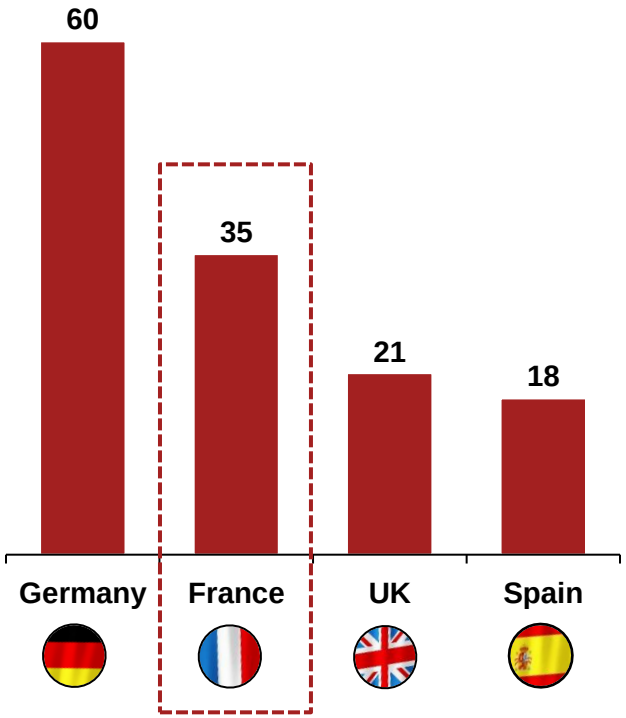
Economic sustainability

Social responsibility

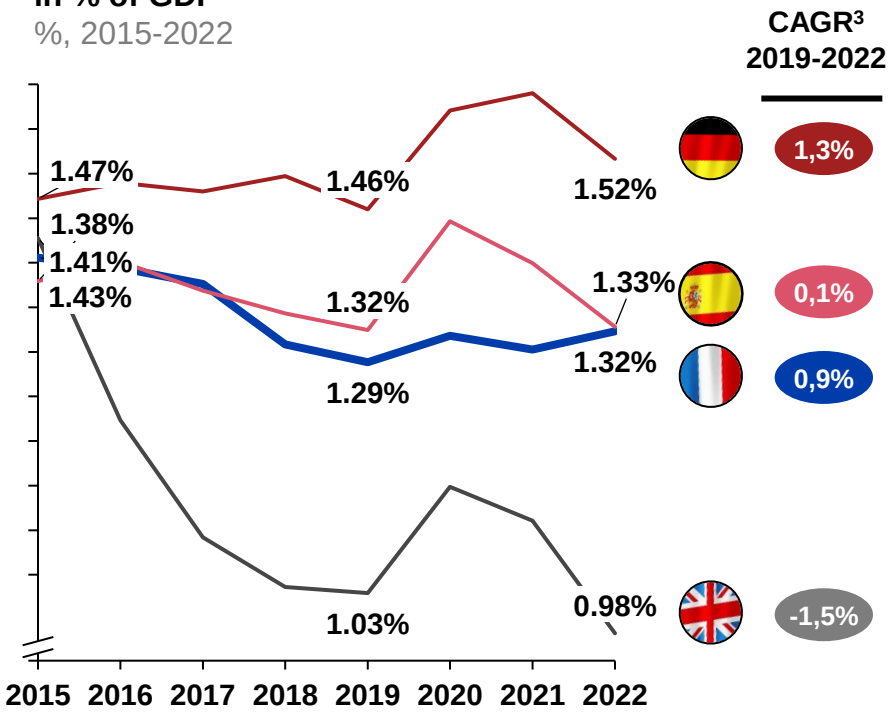
France is the second largest market in Europe by value after Germany

Market size

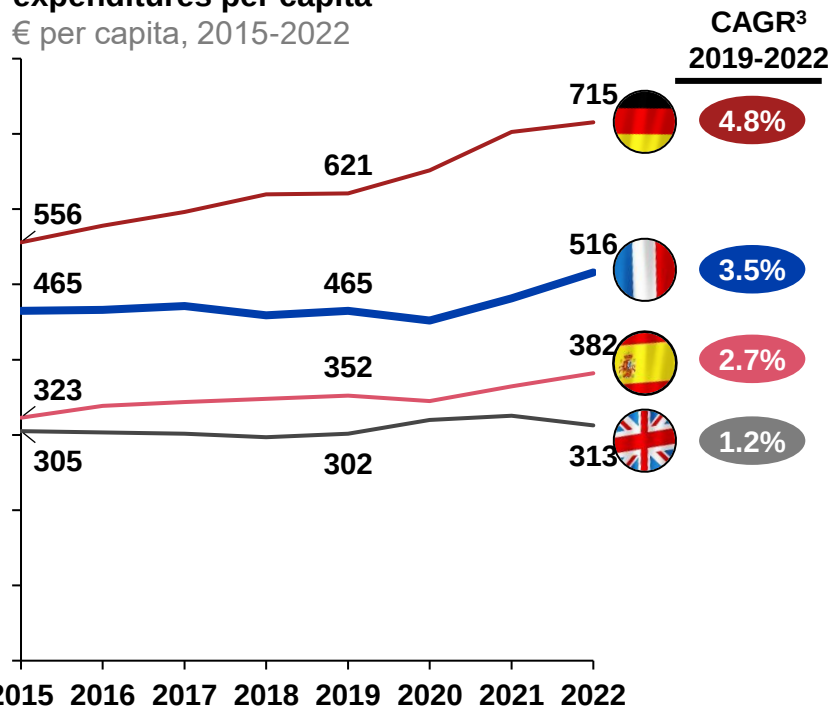
European comparison of expenditure on pharmaceuticals[1,2]
€ billion, 2022



European comparison of pharmaceutical expenditures in % of GDP[1,2]
%, 2015-2022



European comparison of pharmaceutical expenditures per capita[1,2]
€ per capita, 2015-2022

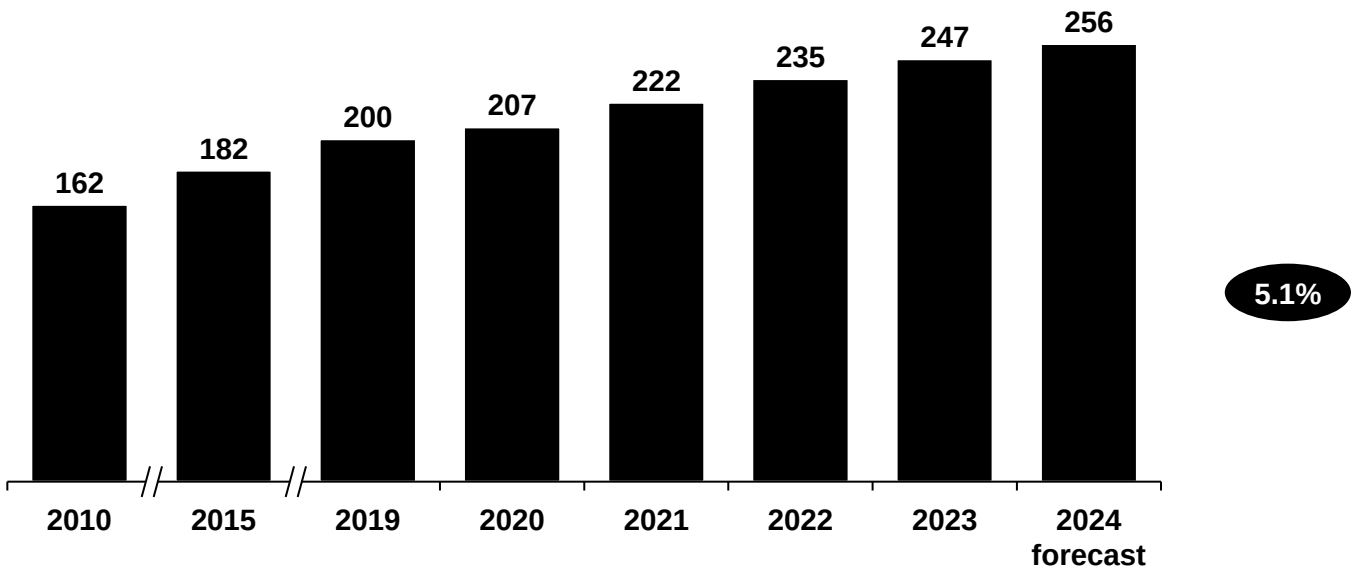


1) Expenditure on pharmaceuticals is defined by the OECD as total expenditure on prescription and non-prescription medicines (HC511 and HC512 respectively in the ICHAHC functional classification). Consumables (HC513) are not included. 2) Expenditure on pharmaceuticals includes wholesale and retail margins and value-added tax. In most countries, the term expenditure relates to net expenditure, i.e. reflecting any manufacturer, wholesaler or pharmacy discounts. Pharmaceutical products consumed in hospitals and other healthcare facilities are excluded. 3) CAGR: Compound Annual Growth Rate.
Sources: OECD and PwC Strategy&

The regulated net turnover[1] generated by pharmaceutical companies from sales of reimbursed medicines is increasing, but less rapidly than health expenditure

Health expenditure and reimbursed medicines

Trend in health expenditure (ONDAM)[2]
€ billion, 2010-2024



	2010	2015	2019	2020	2021	2022	2023	2024 forecast
Net expenditure on medicines reimbursed by basic health insurance schemes[1] (€ billion)	18	19	20	19	20	21	22	23
Share of health expenditure (%)	*11.4%*	*10.4%*	*9.7%*	*9.1%*	*9.2%*	*8.9%*	*8.8%*	*9.0%*

Comments

- **The regulated net turnover[2] from sales of reimbursed medicines has averaged 2.9% year-on-year growth** since 2019, **but this rate remains lower than that for health expenditure which was 5.1% over the same period** – this growth is driven mainly by outpatient care and inpatient care costs
- These relative trends are explained by (i) **the CEPS pricing policy** of regular price cuts (ii) **long-term application of the safeguard clause** and (iii) - to a lesser extent - a **fall in the number of prescriptions issued by doctors and patient consumption of pharmaceuticals**

360° barometer study on attractiveness of France for the pharmaceutical industry
Strategy&

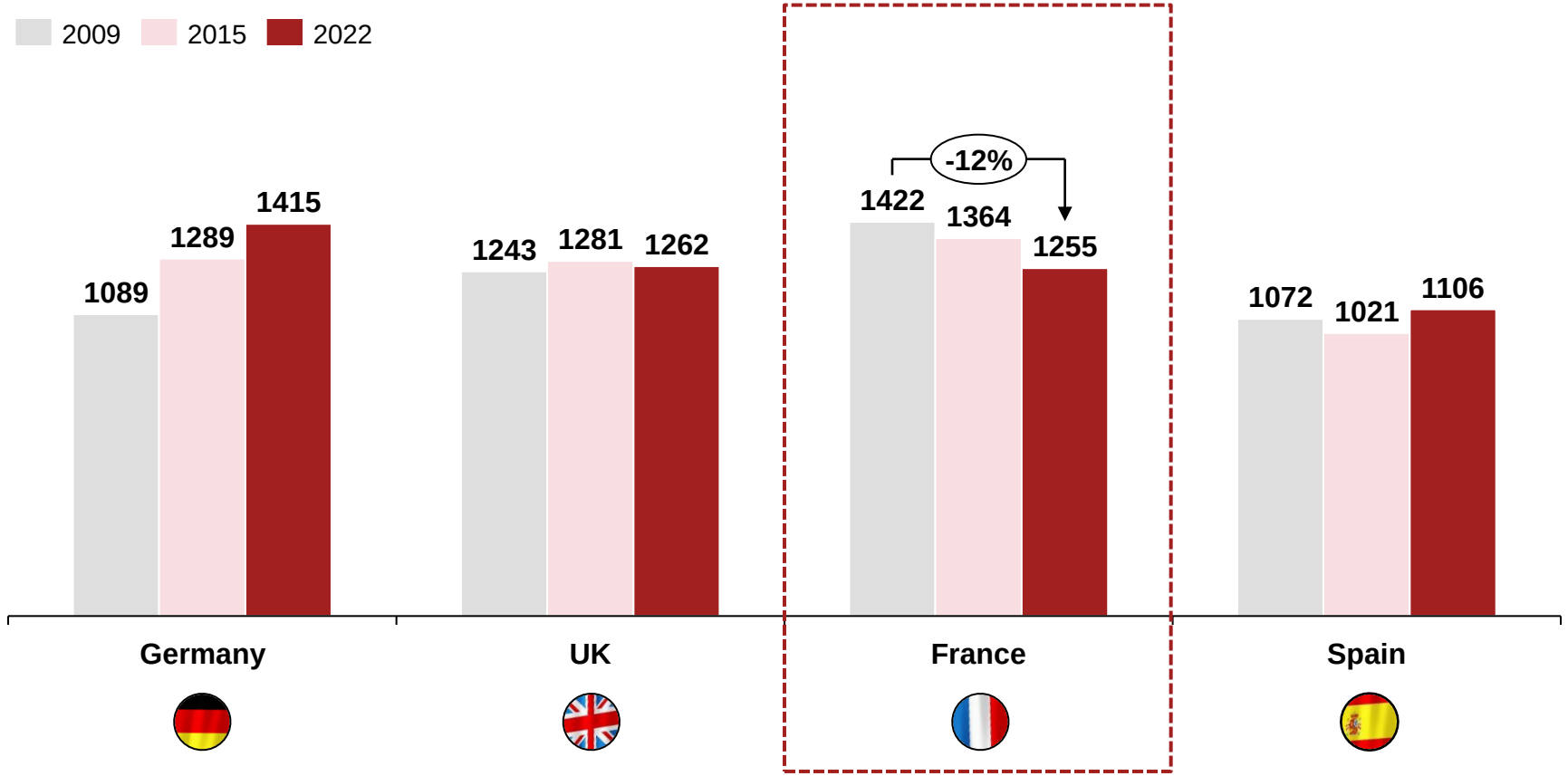
1) Regulated net turnover from medicines reimbursed by basic health insurance schemes (net of the safeguard clause)
2) Excludes exceptional expenditure related to the Covid pandemic.
3) AAGR: Average Annual Growth Rate
Sources: PLFSS (French Social Security Finance Bill), Gers, Leem and PwC Strategy&

Unlike its European neighbours, France is seeing a decrease in the volume of medicines sold per capita

Volume of medicines sold

Trend in the volume of medicines sold per capita via community pharmacies

Number of units per capita, %



Comments

- Per capita **consumption of medicines fell by 12% in France between 2009 and 2022**, but **increased by 30% in Germany** over the same period
- **The decline in the volume of medicines consumed** per capita in France is explained by (i) **limitation of non-relevant prescriptions** (ii) **a more moderate level of consumption** by patients and (iii) the **introduction of co-payments**, which has influenced the trend dynamics
- Combined with the increase in expenditure on medicines, this decline in volumes is driving an underlying **increase in the average price of medicines** as a result of the market emergence of more innovative and complex medicines (e.g. in oncology)

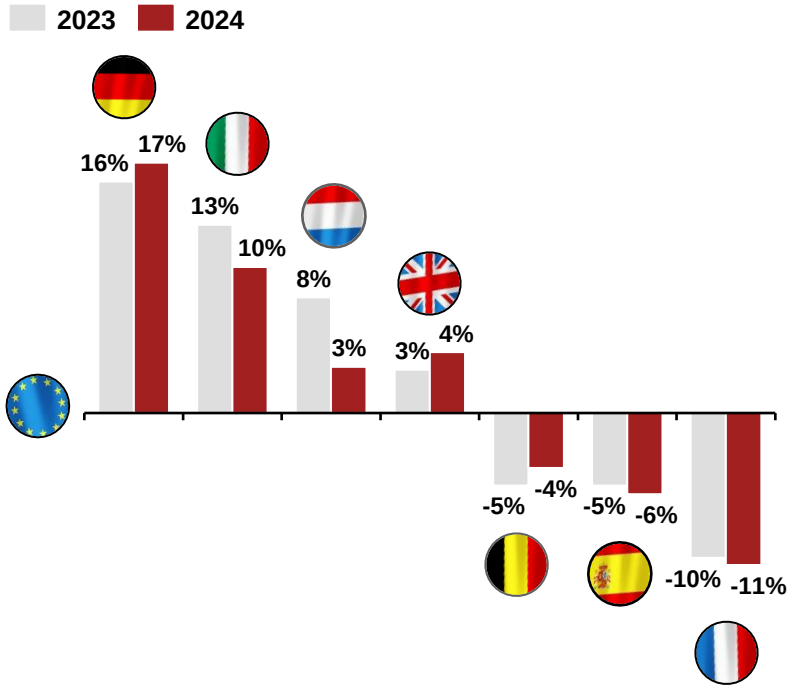
360° barometer study on attractiveness of France for the pharmaceutical industry

Sources: DREES (French Directorate for Research, Studies, Assessment and Statistics), the Leem economic review for 2024 and PwC Strategy&

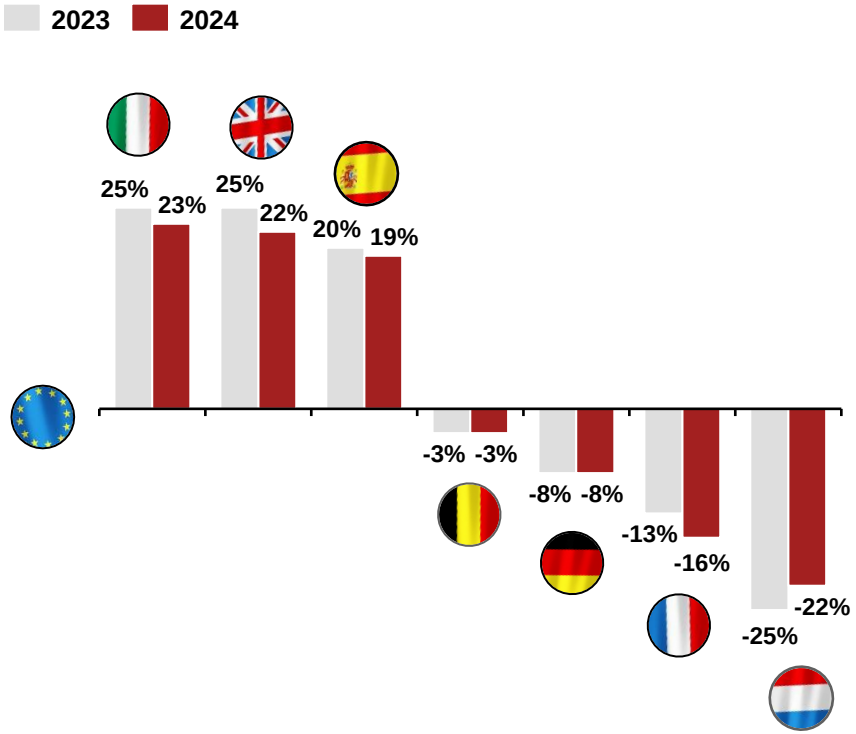
Compared with its European neighbours, the average price of medicines in France remains lower and fell further between 2023 and 2024

Price of medicines in Europe

European comparison of the price of medicines without generic competition[124]
%, 2023-2024



European comparison of the price of medicines with generic competition[234]
%, 2023-2024



Comments

The pricing strategy at every stage of the medicine's life cycle varies **from country to country**:

- **In France, prices remains below the European average** for medicines with no generic competitors (-11%) and mature drugs with generic competitors (-16%)
- **Germany** has a different policy in which **prices are higher at the beginning** of the medicines life cycle and are **then subject to deep discounts** for mature medicines (with generic competitors)
- **In Spain**, the prices of innovative medicines **are lower** than the European average, **but are not subject to such a significant level of discount** when **generic competitors emerge**

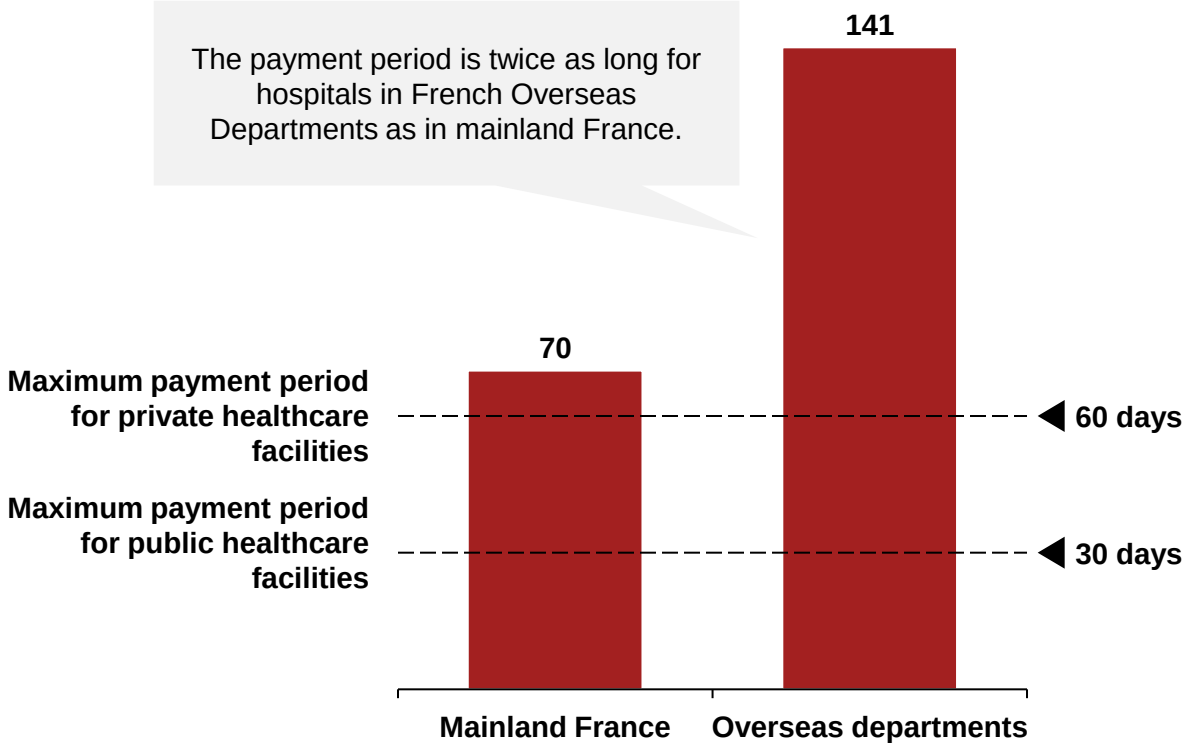
1) The 2024 TLV study was based on a panel of 899 substances and 5,626 medicines to establish the average price per country of medicines with no generic competitors 2) The prices shown in respect of medicines for outpatient use are those applicable in the Quarter 1 of 2024 3) The 2024 TLV study was based on a panel of 238 substances and 729 medicines to establish the average price per country of medicines with generic competitors 4) The European average indicated here refers to the 19 countries compared by this study: Belgium, Denmark, Finland, France, Greece, Ireland, Italy, Netherlands, Norway, Poland, Portugal, Switzerland, Slovakia, Spain, United Kingdom, Sweden, Czech Republic, Germany, Hungary and Austria
Sources: IQVIA, TLV and PwC Strategy&

The median hospital payment lead times reported by respondents are longer than those set by law

Payment periods

Survey

Median length of time taken by hospitals (public and private) to pay pharmaceutical companies
No. of days, 2024



French healthcare facilities (hospitals, clinics, etc.) are subject to a **legal requirement to pay** their suppliers, which include pharmaceutical companies, within a certain lengthe of time set out in the **Public Procurement Code**:

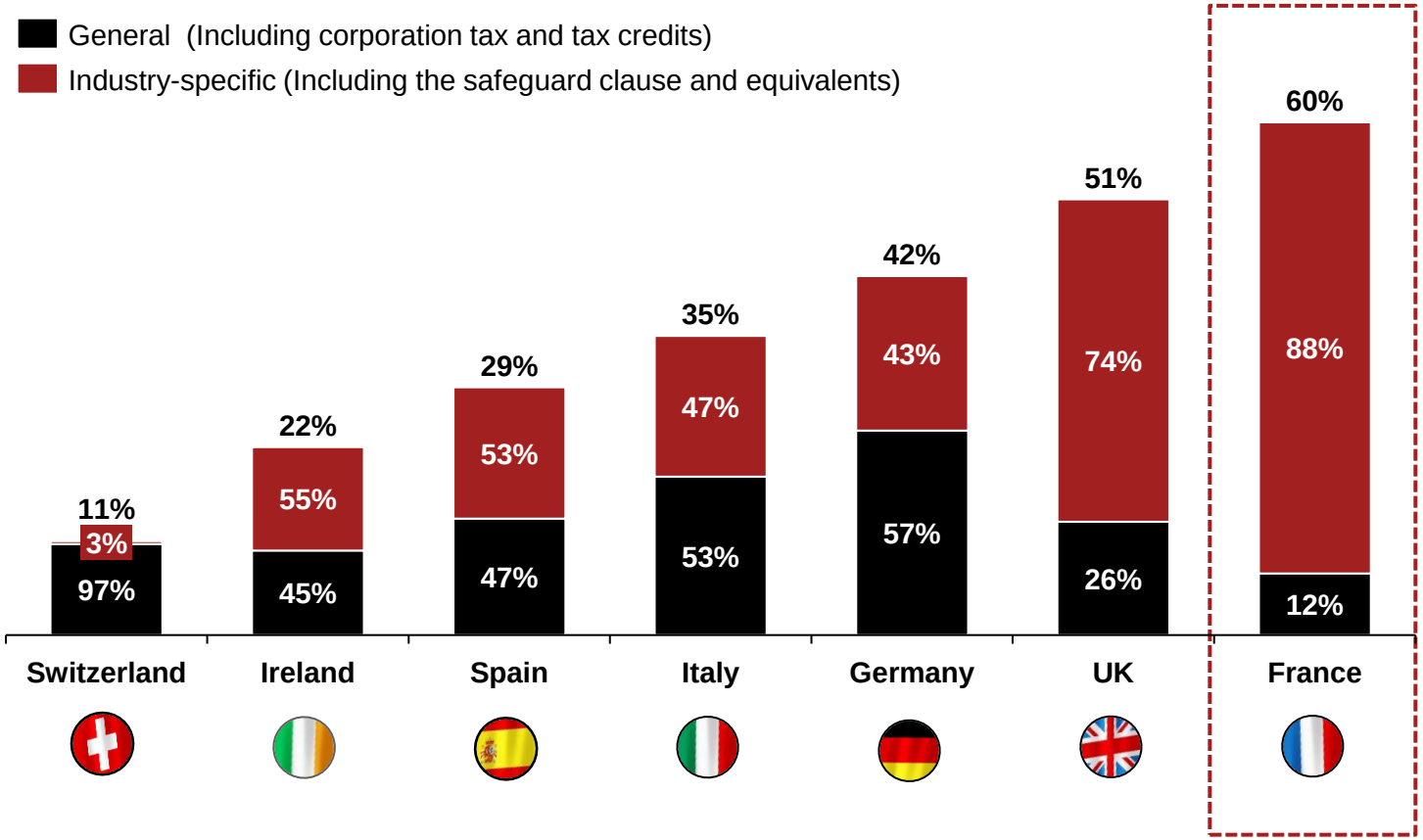
- **Public healthcare facilities**: **30 days** maximum from receipt of invoice
- **Private healthcare facilities**: **60 days** maximum from receipt of invoice

Sources: 2025 Leem member survey conducted by PwC Strategy& / 19 respondents together representing 50% of turnover generated by the industry in France

The tax regime applied to pharmaceutical companies in France is one of the most punitive in Europe with effective rate of up to 60%

Taxation in France

Effective tax rate applied to the pharmaceutical industry[1]
% of operating profit for 2023 in the 7 European countries surveyed



Comments

- **The overall marginal tax rate in France is higher than in neighbouring countries**
- Although **general taxation is mitigated by the CIR and the Patent Box schemes**, **industry-specific taxation** and economic regulatory measures **account for by far the largest proportion of tax** paid by pharmaceutical companies (88%)
- Across Europe for several years now:
  - **General taxation has tended to converge, resulting in a reduction in the French tax burden** (e.g. a lower corporation tax rate)
  - **Industry-specific economic regulatory measures are becoming increasingly strict** (e.g. increases in safeguard clause mechanisms)
- **General taxation in France is significantly higher** in 2025 following the introduction of an **additional one-off contribution** levied on the profits of Large companies: 2.4% on companies with turnovers above €1 billion and 4.7% on those with turnovers above €3 billion

360° barometer study on attractiveness of France for the pharmaceutical industry
Strategy&

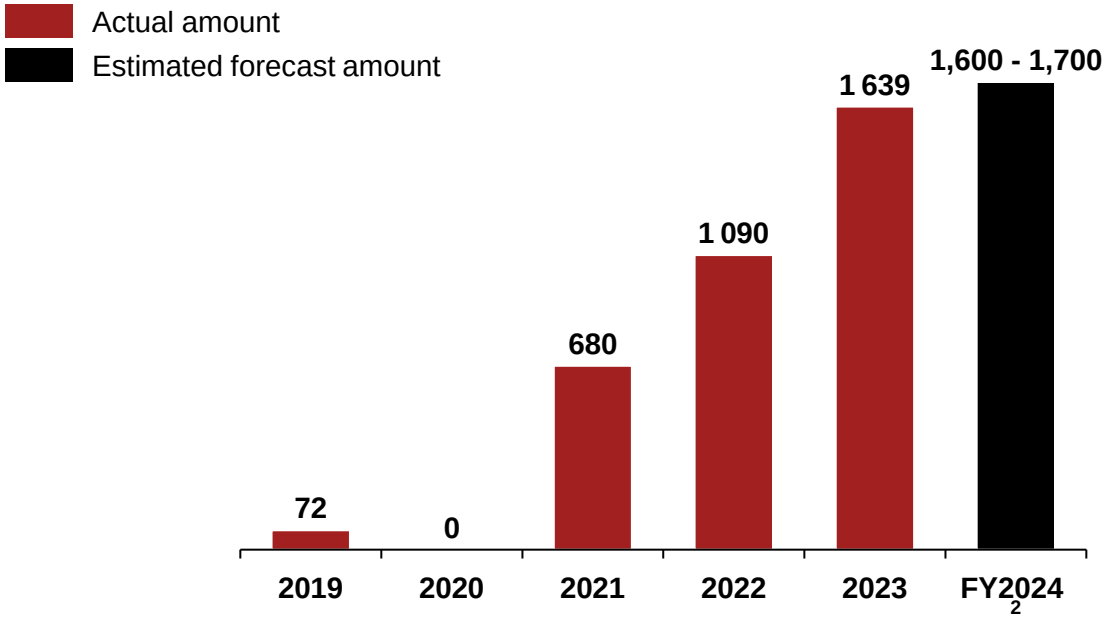
1) The tax rate is that of the 'entrepreneur' profile used in the (2024) PwC / Leem study, which includes general taxation and industry-specific taxation, including regulatory measures. The 'entrepreneur' profile is defined as having intangible assets, R&D activities and the production and distribution of pharmaceutical products
Sources: Leem / PwC comparative study of the tax treatment applied to the pharmaceutical industry in France and Europe, PwC Strategy&

The “clause de sauvegarde” instrument has stabilized around €1.6-1.7bn representing ~6% of local revenue for the pharmaceutical companies

Safeguard clause[1]

Trend in the amount of the safeguard clause between 2019 and 2024

€ million, %, 2019-2024



	2019	2020	2021	2022	2023	FY2024
Montant M € billion	23.6	23.8	24.0	24.5	24.9	26.4
Regulated net T/O (pre-clause) € billion	23.9	22.9	25.2	26.6	27.8	29.5

Comments

- **The safeguard clause has tended towards permanence** since 2021 to become a systematic **regulatory lever** within which **increases in *Montant M* are disconnected from the regulated net turnover** of pharmaceutical companies - **the clawback equated to ~6% of regulated net turnover for the industry in 2024** compared with ~3% in 2021
- **The authorities have committed to stabilising** the amount of the clawback at around **€1.6 billion for 2024 and 2025** – nevertheless, Leem believes that the clawback will rise to **€1.7 billion in 2024**
- Furthermore, the political commitment to stabilisation is contingent on **actual achievement of the underlying forecasts** for reimbursement and therefore on the forward trend of health insurance expenditure on medicines
- The **clawback is capped at 10% of the sales concerned** - in 2024 the cap was lowered to 2% for generics (1.75% in 2025) with no reduction of the overall tax burden
- A **new reform** of the safeguard clause is expected to be introduced from 2026
- **Other European countries apply systems that can be considered analogous to the clawback**, even though they differ in their nature and scope:
  - **Italy has a clawback** historically paid for by medicines used for inpatient care (excluding rare diseases) – the threshold for **medicines defined as innovative has yet to be reached**
  - The **United Kingdom** has VPAG[3]

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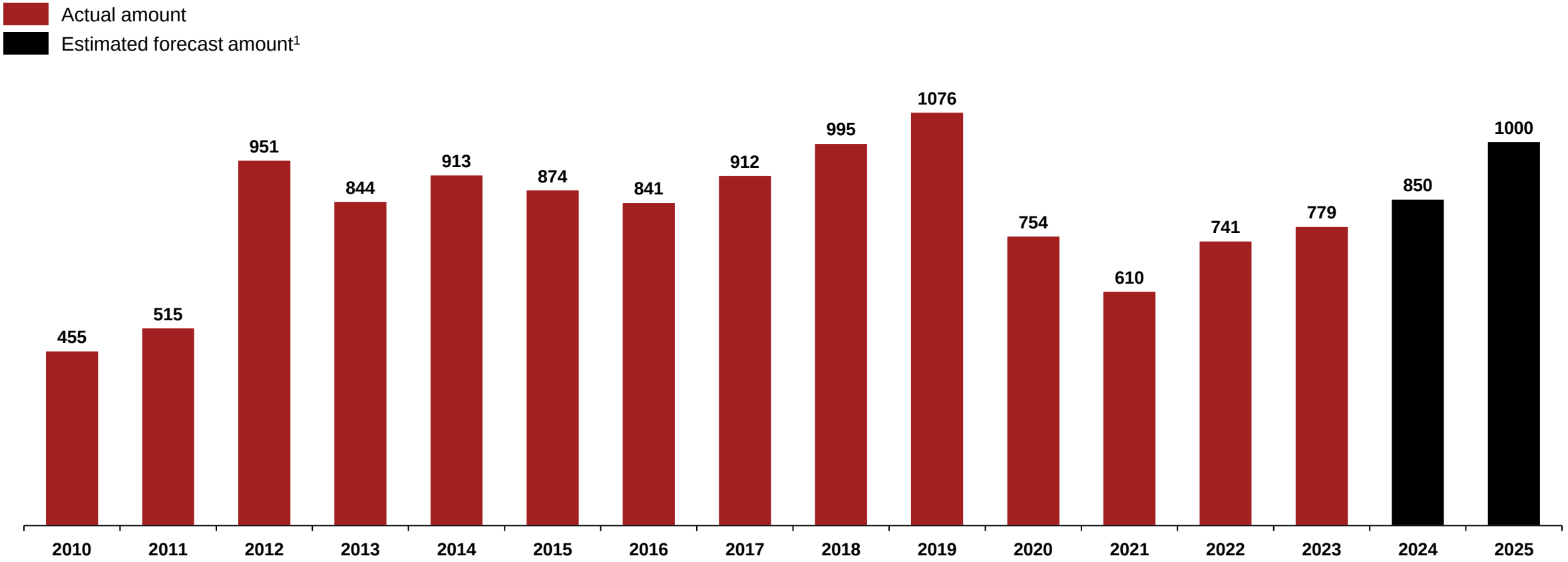
1) The safeguard clause is triggered when the net turnover figure for medicines exceeds the 'Montant M' threshold adopted as part of the Social Security Finance Act
2) Forecast range between the amount estimated by the authorities and that estimated by Leem based on data sourced from Gers 3) VPAG: Voluntary Scheme for Branded Medicines Pricing, Access and Growth
Sources: Senate legislative package for the 2024 PLFSS, Gers, Leem and PwC Strategy&

Every year, the authorities and pharmaceutical manufacturers negotiate price cuts on medicines available in the French market

Annual cuts to medicine prices

Annual cuts to medicine prices in France

€ million, 2010-2025



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1) Forecast amount estimated by Leem
Sources: PLFSS, Leem and PwC Strategy&

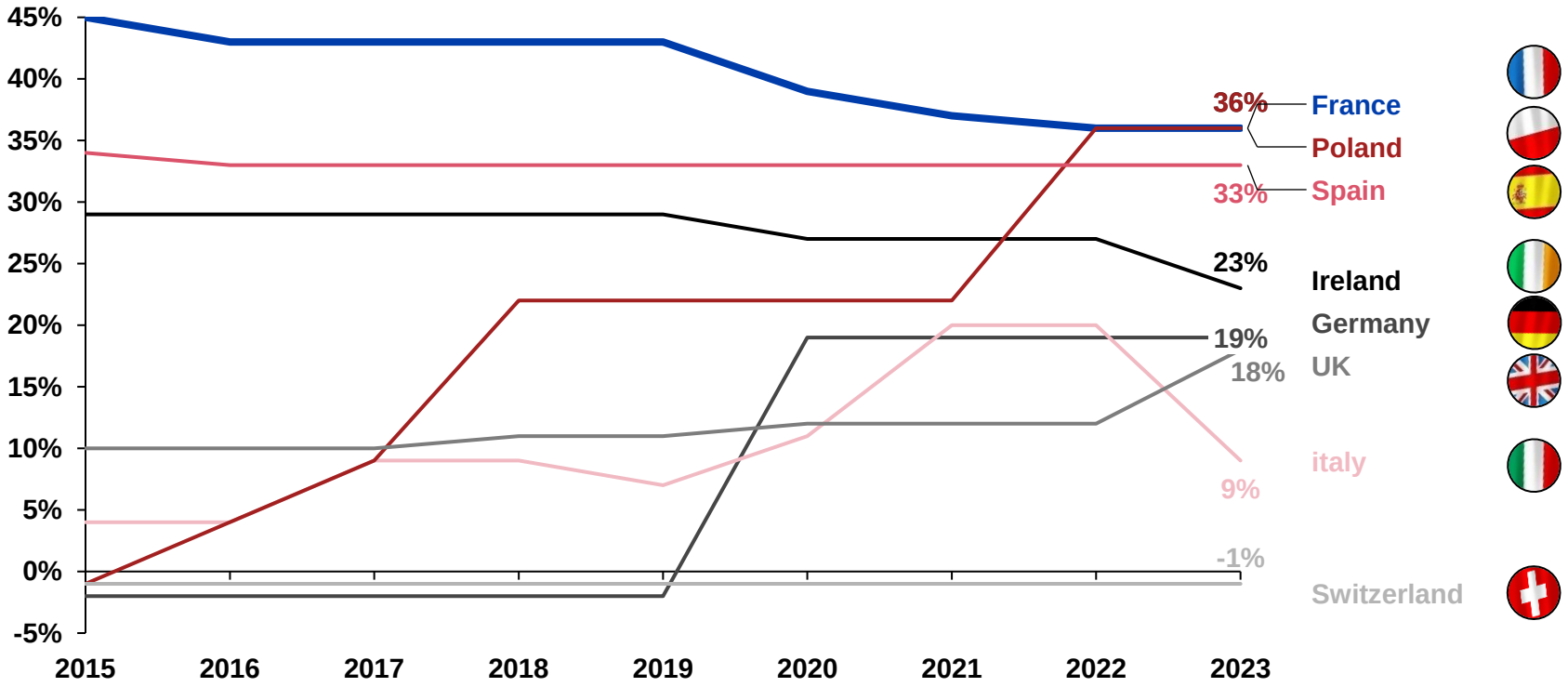
Agenda

Let’s get started

France remains the European country with the highest level of tax incentives for R&D, closely followed by some of its neighbours

R&D tax incentives

Comparative trends in tax incentive measures for R&D investment in France and Europe
%, 2015-2023



Comments

- **At 36%, France has the highest rate of research tax credit in Europe**, offering an attractive environment for companies investing in research.
- **The CIR rate in France varies** depending on the level of R&D expenditure concerned: **30% up to €100 million and 5% beyond that**
- **Poland's ramp up of its research tax credit rate from 0% to 36%** reflects an **active policy intended to attract** inward investment from companies
- Since 2019, **Germany has changed its strategy with the introduction of a 19% tax credit** to boost private sector research

360° barometer study on attractiveness of France for the pharmaceutical industry
Strategy&

Sources: OECD and PwC Strategy&

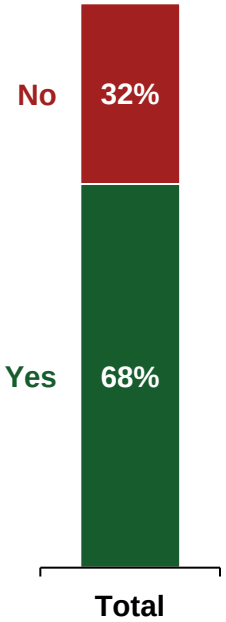
68% of respondent companies benefitted from the CIR and/or Patent Box and 62% noted a deterioration of these measures in recent years

R&D tax incentives

Survey

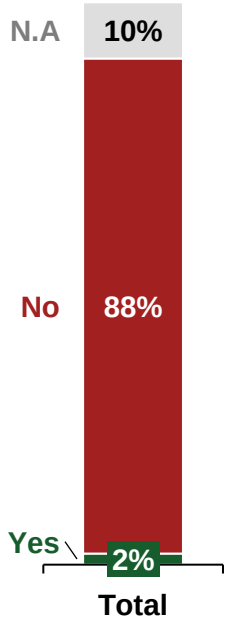
Use made of the CIR and/or Patent Box
%, 2024

Do you benefit from the CIR and/or Patent Box?



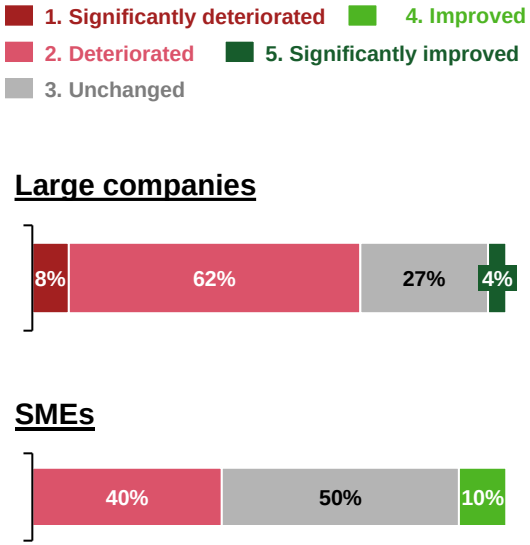
Use made of the CICo
%, 2024

Do you benefit from the CICo?



Changes to the CIR and/or Patent Box schemes in recent years
%, 2024

How would you describe the changes made to the CIR and/or Patent Box schemes in recent years?



Comments

- **68% of respondent companies** make use of the CIR, and this proportion is constant for Major companies and SMEs
  - **62% of respondent companies** say that they have experienced a deterioration in the CIR **–** this response is more frequent among Large companies (70%), and less so among SMEs (40%).
  - **This perception of deterioration is explained by** (i) the tightening of **tax inspections**, (ii) **the tighter definition of eligibility criteria** (scope, subcontracting, etc.) and (iii) **legislative unpredictability** compromising the amounts allocated
- The **CICo tax credit for collaborative research** was introduced to **promote partnership research, but take up of the scheme has been low**, and according to the survey only 1 SME respondent had used it in 2024.
  - Respondent companies explain this low take up of CICO as the result of (i) the **complexity of the system**. (ii) the **restrictive eligibility conditions** and (iii) **the caps, which are seen as too low** (€2 million in support per company, per year)

360° barometer study on attractiveness of France for the pharmaceutical industry

Strategy&

Sources: 2025 Leem member survey conducted by PwC Strategy& / 52 respondents together representing 74% of turnover generated by the industry in France

June 2025

There are limited green incentive or punitive measures dedicated to pharmaceutical companies in Europe

Green taxation for the pharmaceutical industry

The scope of investigation focusses only on those tax measures (excluding subsidies) that are applicable exclusively or typically to pharmaceutical companies in the countries referred to (general green tax measures applicable to all sectors are not included).

		France	Germany	Spain	Italy	Ireland	UK	Switzerland
So-called *'incentive'* measures	**Tax credits (TCs) and/or tax deductions for eco-friendly investments**	✗	✗	✗	✓ *Research tax credit for ecological transition, TC for transition 5.0 (eco-energy tech investments)*	✓ *Accelerated tax depreciation for purchases of energy-efficient equipment*	✗	✗
So-called *'punitive'* measures	**Taxes, duties and charges levied on a pollutant** ("polluter pays")	✓ ***EPR[1]*** *related financial contribution for the collection of unused medicines (by the Cyclamed eco-organisation)*	✗	✓ ***EPR[1]*** *related financial contribution for the collection of unused medicines (by the Sigre eco-organisation)*	✓ *Financial contribution under* ***EPR[1]*** *for the collection of unused medicines (Assinde eco-organisation)*	✗	✗	✗

360° barometer study on attractiveness of France for the pharmaceutical industry
Strategy&

1) EPR: Extended Producer Responsibility
Source: PwC Strategy&

✗ *No industry-specific or typical beneficial measure identified for the pharmaceutical industry*

From 2028 onwards, UWWTD 2 proposes EPR[1] in the form of a financial contribution paid largely by pharmaceutical and cosmetics companies

Green taxation for the pharmaceutical industry

Legislation	• **Urban Waste Water Treatment Directive** • **DERU 2**
Description	• **The European Urban Waste Water Treatment Directive** was adopted in 1991 to set minimum requirements for the collection, treatment and monitoring of urban waste water and is transposed into French legislation as DERU 2 • A **new version** of the directive was adopted in **December 2024, which increase protection from micropollutants discharged into aquatic environments**
Funding and implementation	• **The funding** of this new directive is to be based on the **'polluter pays' principle**, i.e. **paid for by those companies responsible** for putting on the market the substances concerned • EU member states must transpose this new version into national legislation in **2028**

Impacts for the pharmaceutical industry

Financial impact

- Under the terms of the new directive, **the pharmaceutical and cosmetics sectors would contribute 80% of water treatment costs**

Impact on the value chain

- Pressure to **develop more biodegradable and less persistent molecules**
- **Pressure on the economic model to integrate these costs** without passing them on through prices (regulated market)

The scope of EPR[1] and the contributions are being contested by the manufacturers with ongoing proceedings in the Court of Justice of the European Union

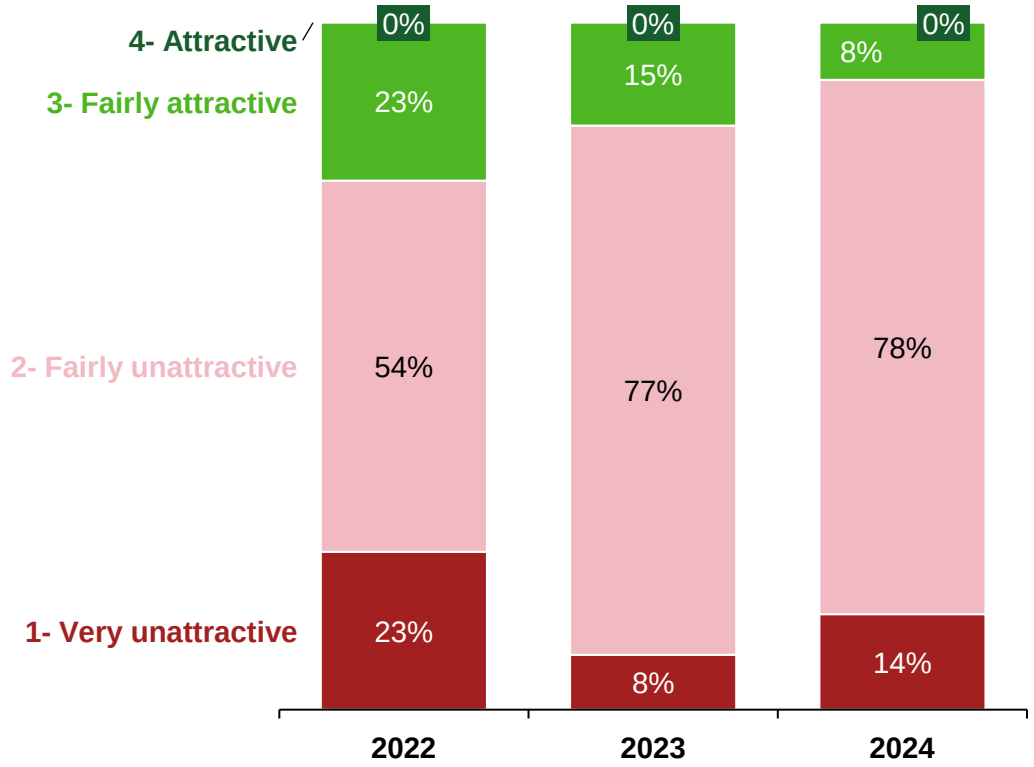
1) EPR : Extended Producer Responsibility
Sources: European Union and PwC Strategy&

More than 90% of respondent companies believe that France creates an unattractive environment to pharmaceutical companies

Level of attractiveness

Survey

How would you describe France's current attractiveness for inward investment by the pharmaceutical industry?
%, 2022-2024



Member comments

- **The pharmaceutical companies surveyed believe France is rather unattractive** - **manufacturers of generics** and companies producing mainly **biological products** are **more pessimistic.**
- According to the respondent companies, **the attractiveness of France is for the pharmaceutical industry is declining** – In 2024, only 8% of them described it as 'fairly attractive' in 2024, compared with 23% in 2022.
- Although **France has scientific excellence and talent,** respondent companies criticise:
  - **The administrative complexity** with lengthy lead times for access to medicines, starting clinical trials and/or access to data
  - **French taxation and regulation**, which are seen as unpredictable and high, and therefore reducing its attractiveness for businesses.

Sources: 2025 Leem member survey conducted by PwC Strategy& / 49 respondents together representing 71% of turnover generated by the industry in France

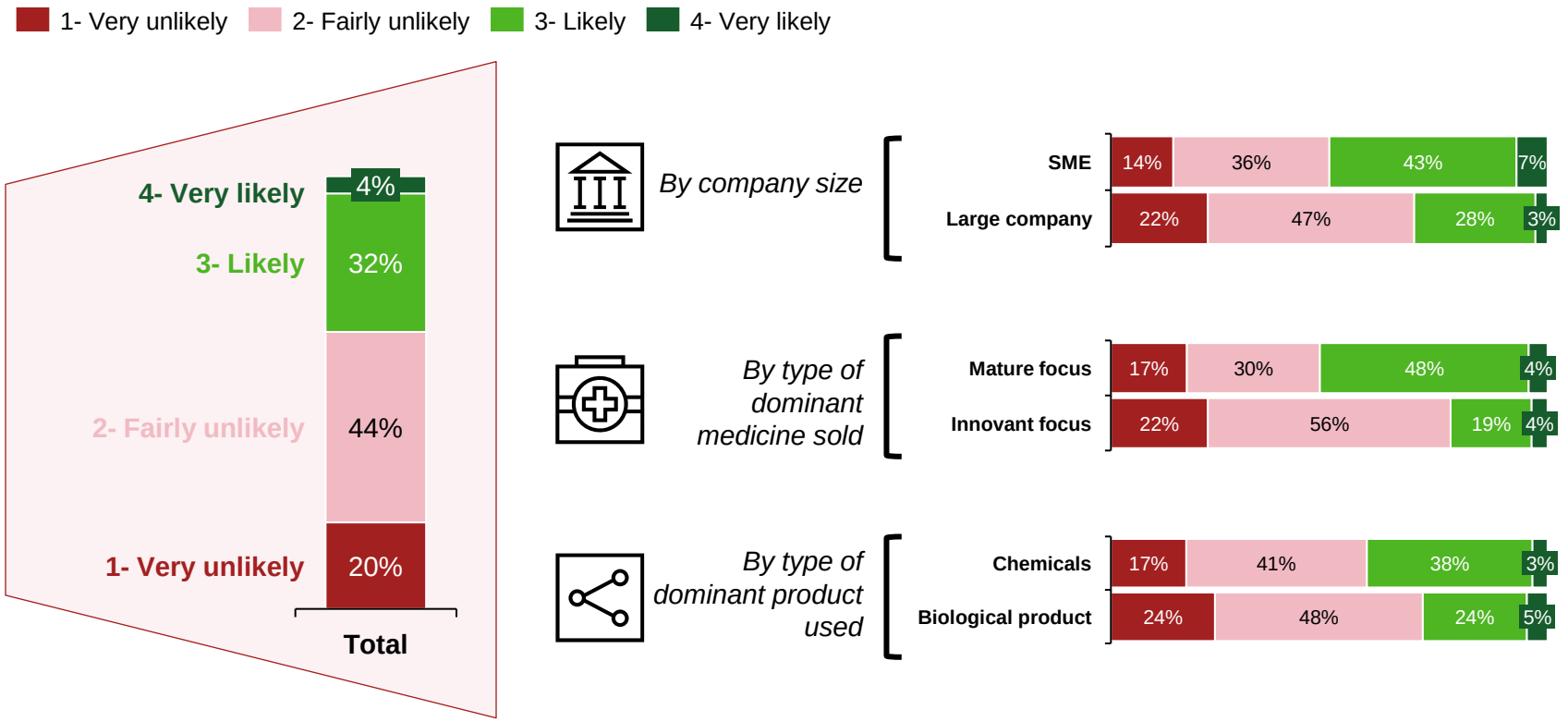
… which is influencing their decisions of investing in France over the next three years

Willingness to invest

Survey

The willingness to invest among pharmaceutical companies in France:
%, 2023-2025

How would you rate the likelihood of your company investing in France within the next 3 years?



Comments

- **The majority of respondent companies report downward trend in investment over the next three years**, and the results of the 2025 survey point to the likelihood that 69% of Large companies will not invest at all.
- According to respondent companies, **any investment they do make would be directed more towards R&D** in general, and clinical research in particular, rather than in manufacturing.
- **Investment decisions are made on the basis of comparing countries** by applying criteria focussing on attractiveness and competitiveness: (i) **uncertainty about return on investment** as a result of low prices and (ii) **higher taxation than in other European countries** appears to play an important role in the choice of companies to invest in France.

Sources: 2025 Leem member survey conducted by PwC Strategy& / 50 respondents together representing 73% of turnover generated by the industry in France

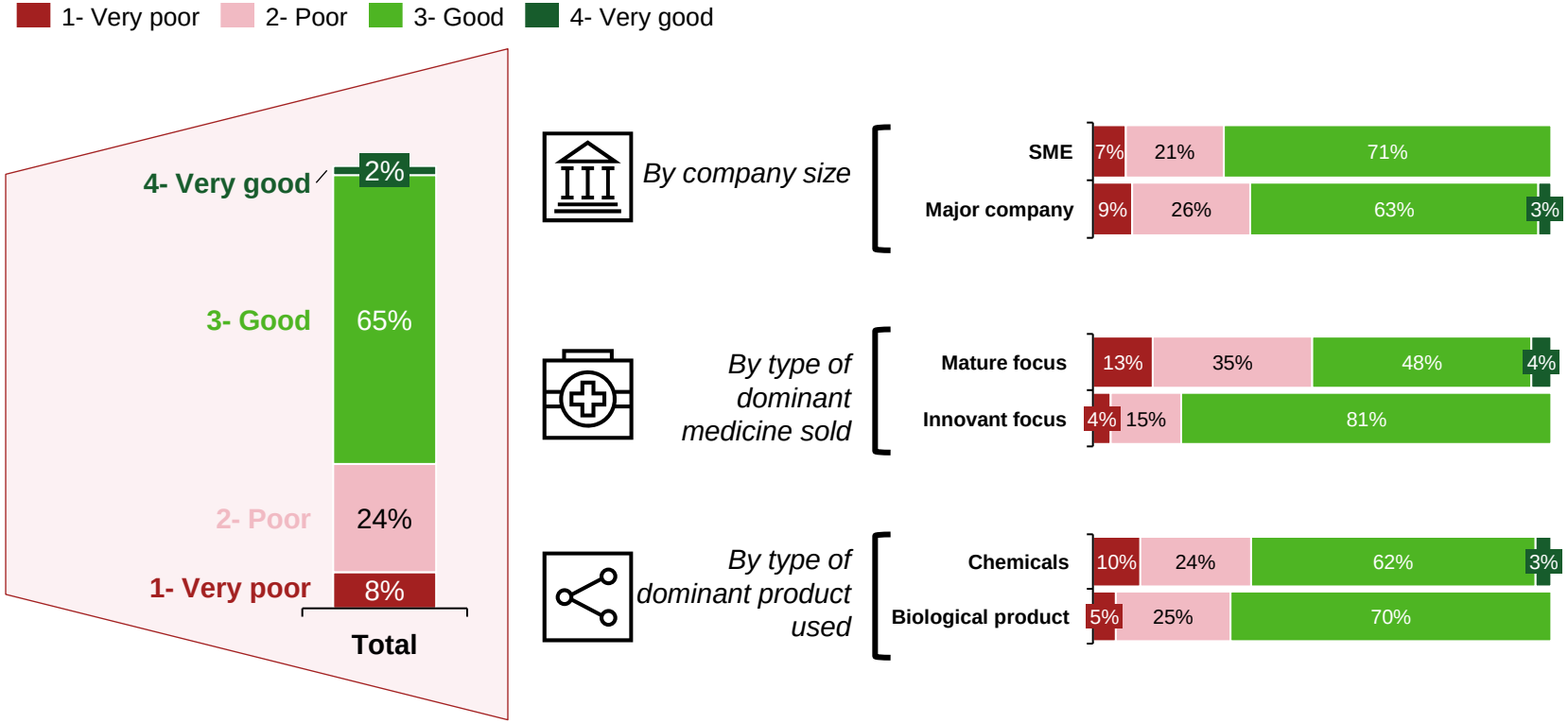
67% of respondent companies report at least a good level of economic performance in 2024

Economic performance

Survey

Economic performance of pharmaceutical companies in France
%, 2024

How would you rate your company's current economic performance in France on a scale of 1 (very unsatisfactory) to 4 (very satisfactory)?



Comments

The variability of economic performance seems to relate more to the **type of medicine sold** (innovative or mature) than to the size of the company or the type of product used:

- **47% of companies selling mainly mature products report poor or very poor economic performance**, whereas the figure is 19% for those selling mainly innovative medicines
- Companies that responded poor or very poor economic performance explain it by (i) **regulatory taxation** impacting net growth because its scope **takes no account of the specific differences between mature and innovative products**, (ii) **rising production and distribution costs**, and (iii) **prices that are lower on average**, with a lack of recognition of the 'Made in France' negotiated price

360° barometer study on attractiveness of France for the pharmaceutical industry

Sources: 2025 Leem member survey conducted by PwC Strategy& / 49 respondents together representing 71% of turnover generated by the industry in France

Agenda

Health sovereignty

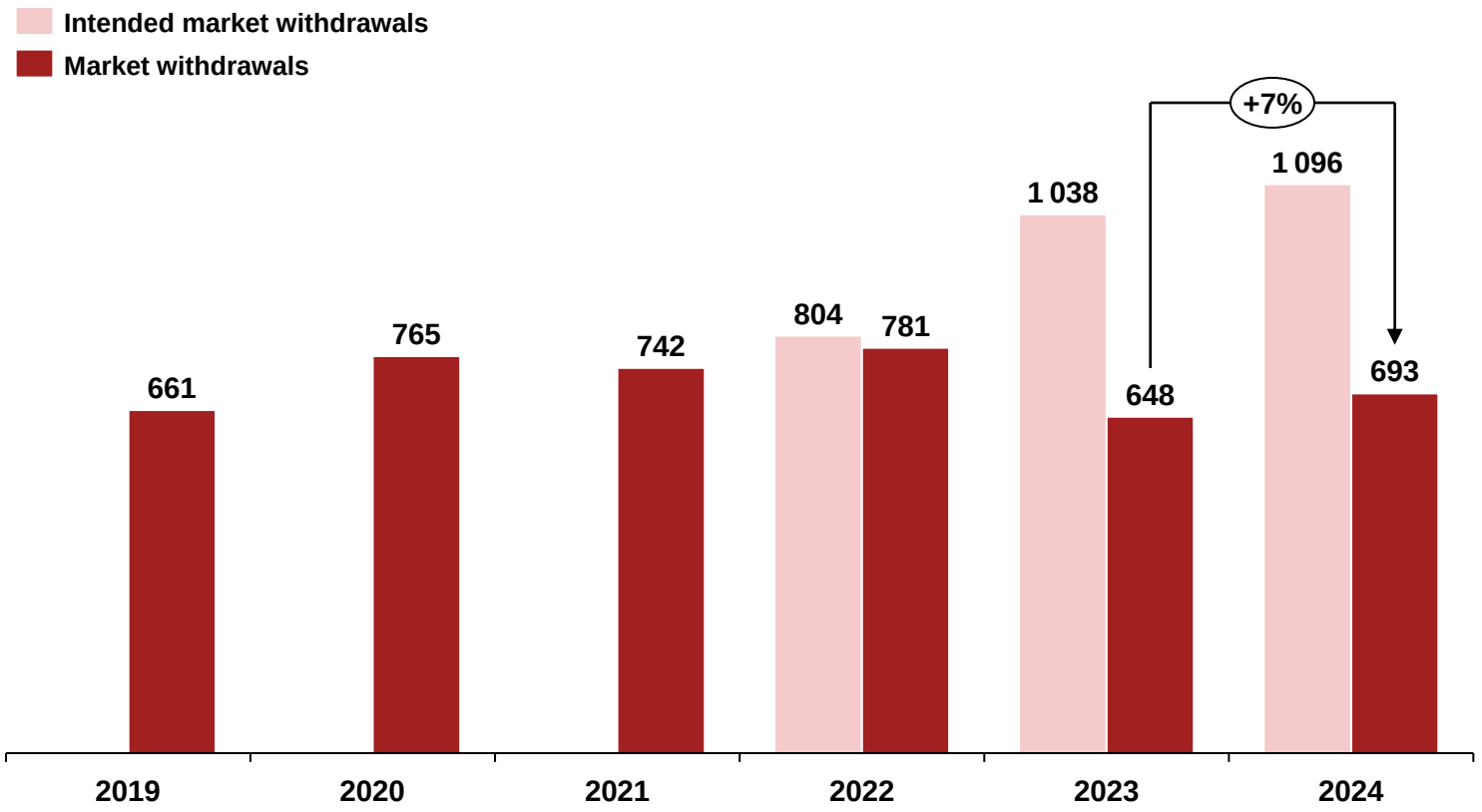
Economic sustainability

Social responsibility

Following a drop after covid, market withdrawals of medicines have increased by more than 7% in France during 2024

Market withdrawals

Trend in the number of market withdrawals between 2019 and 2024
No., 2019-2024



Comments

- **The number of intended market withdrawal reports submitted to the ANSM is increasing** (up 36% between 2022-2024) – but **only 63% of these resulted in withdrawal from the market** in 2024
- The **reasons given** by pharmaceutical companies when reporting **to the ANSM** are (i) **commercial reason**s (ii) a **switch to another proprietary product** (iii) **manufacturing reasons**
- **66% of respondent pharmaceutical companies have decided to withdraw from marketing** certain presentations in **the last few years**
- The **reasons given in responses to the survey support the analyses made by the ANSM: 65% of respondents cite economic imbalance**s as the main reason for market withdrawals – the fact is that pharmaceutical companies have **rationalised their mature product portfolios** by withdrawing from the market those whose **profitability is declining**

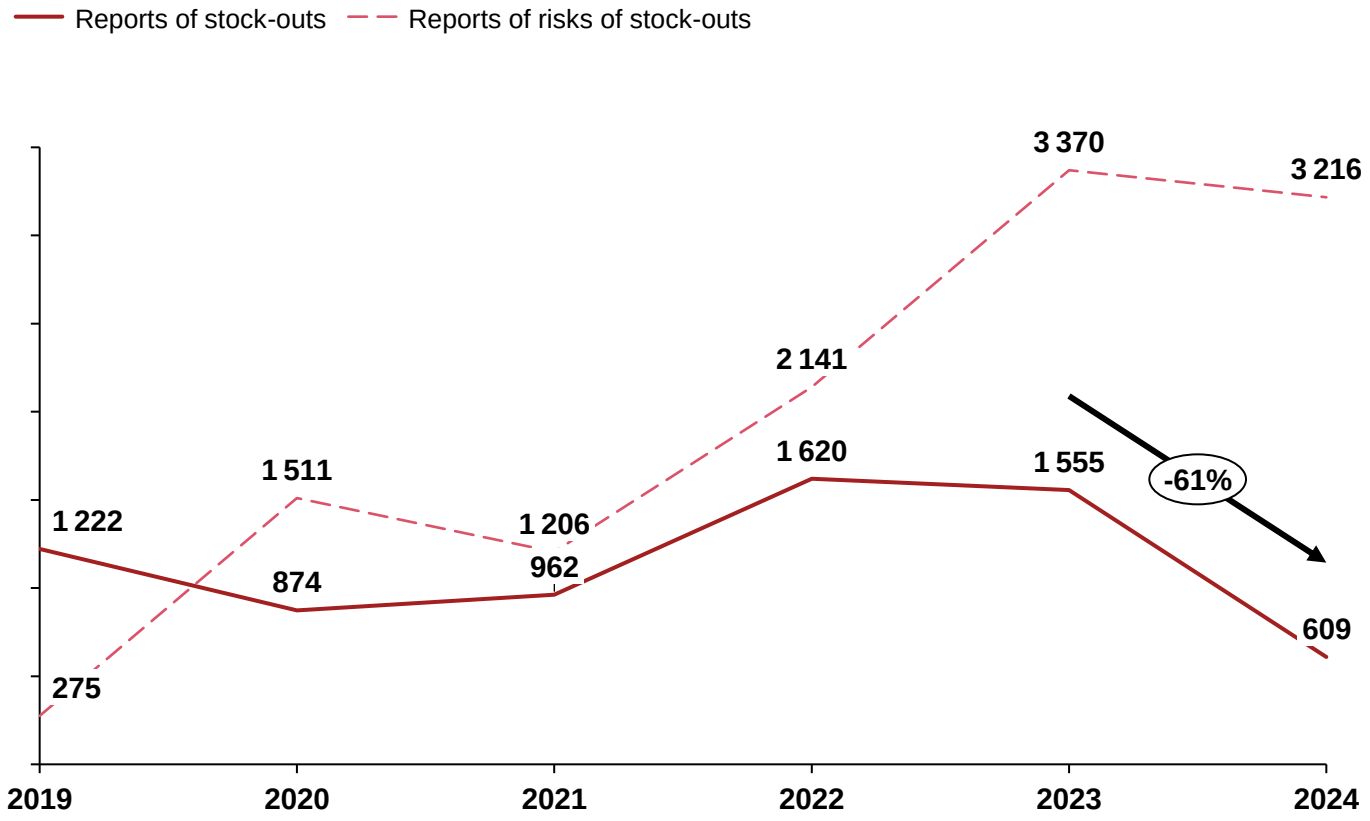
360° barometer study on attractiveness of France for the pharmaceutical industry
Strategy&

Sources: 2025 Leem member survey conducted by PwC Strategy& / 50 respondents together representing 72% of turnover generated by the industry in France

By coordinating closely with the ANSM, the French pharmaceutical industry has reduced medicine stock-outs significantly in 2024

Actual stock-outs & risks of stock-outs

Evolution of stock-out and risks of stock-out of medicines in France
No., 2019-2024



Member comments

- **82% of respondent pharmaceutical companies** have seen **a fall in stock-outs** – this **trend is shared by all pharmaceutical companies surveyed**, regardless of size or the type of medicines they sell (innovative vs. mature, biological vs. chemical, etc.)
- According to the survey results, 60% of respondents explain the two **major causes** of supply chain pressures and stock-outs in 2024 as (i) **insufficient production capacities** and (ii) **increased demand**
- **80% of respondent SMEs** also highlighted **economic constraints** as the reason for the stock-outs they experienced in 2024.
- Respondent pharmaceutical companies explain the **fall in stock-outs seen in 2024** as driven by:
  - **Organisational improvements around internal stock-out risk management**
  - **Increased production capacities**
  - **The effectiveness of measures implemented jointly between the ANSM and pharmaceutical companies**

Sources: 2025 Leem member survey conducted by PwC Strategy& / 43 respondents together representing 69% of turnover generated by the industry in France

Multiple medicine lists monitored by the authorities in France and Europe create of complexity for manufacturers for management of shortages

Essential, critical and MITM medicines

Medicines deemed **essential by the French Ministry of Health** with the aim of **ensuring their availability** and preventing shortages

610 *active substances declared as 'essential' are included in ~* ***6500 essential medicines[2]***

Medicines **critical for the European Union**, **supplies of which be prioritised** in order to **prevent shortages**

288 *active substances declared as 'critical' by the European Union (Union List of Critical Medicines)*

Medicines where **treatment discontinuity could endanger the lives of patients** or could represent a significant loss of opportunity for patients, **and which therefore require specific measures to ensure their availability**

1,278 *active substances of Major Therapeutic Interest (MITM) are included in ~* ***8,100 MITM medicines[2]***

Of the 610 active substances[1] included in the French list of essential medicines, ***70% are specific to France*** *and* ***30% also appear on the European Union list of critical medicines*** *(188 active substances[1])*

- *Of the 1,278 active substances[1] on the MITM list,* ***80% are specific to France*** *and* ***20% also appear of the European Union list of critical medicines*** *(254 active substances[1])*
- *The number of* ***MITM active substances*** *account for* ***more than 50% of the total number*** *of active substances marketed (~13,500 CIS)*

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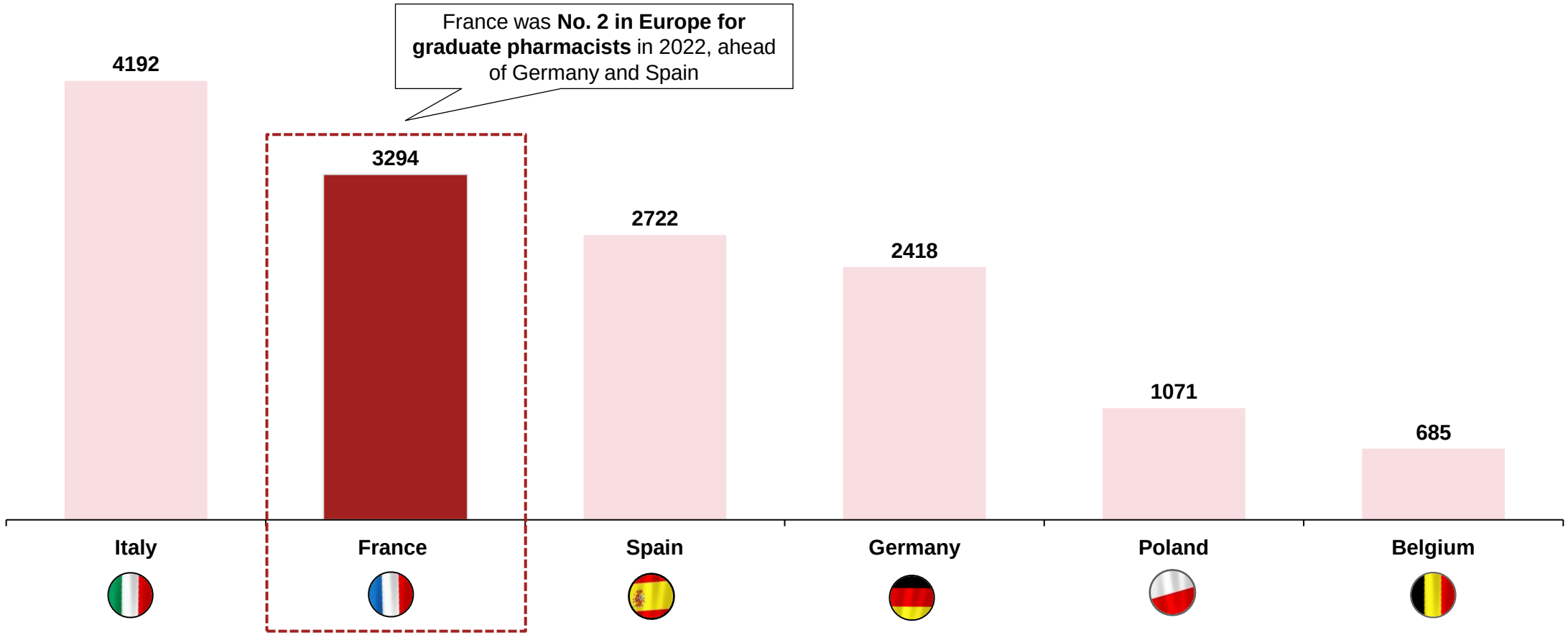
1) In this context, the terms 'active substance' equates to the ATC5 (Anatomical Therapeutic Chemical level 5) classification, the unique code identifying the active substance in a medicine 2) In this context, the term 'medicine' equates to the CIS code
Sources: ANSM, EMA, Leem and PwC Strategy&

France is second in Europe after Italy for the annual number of pharmacy graduates

Overview of pharmacy graduates

European comparison of pharmacy graduates No., 2022



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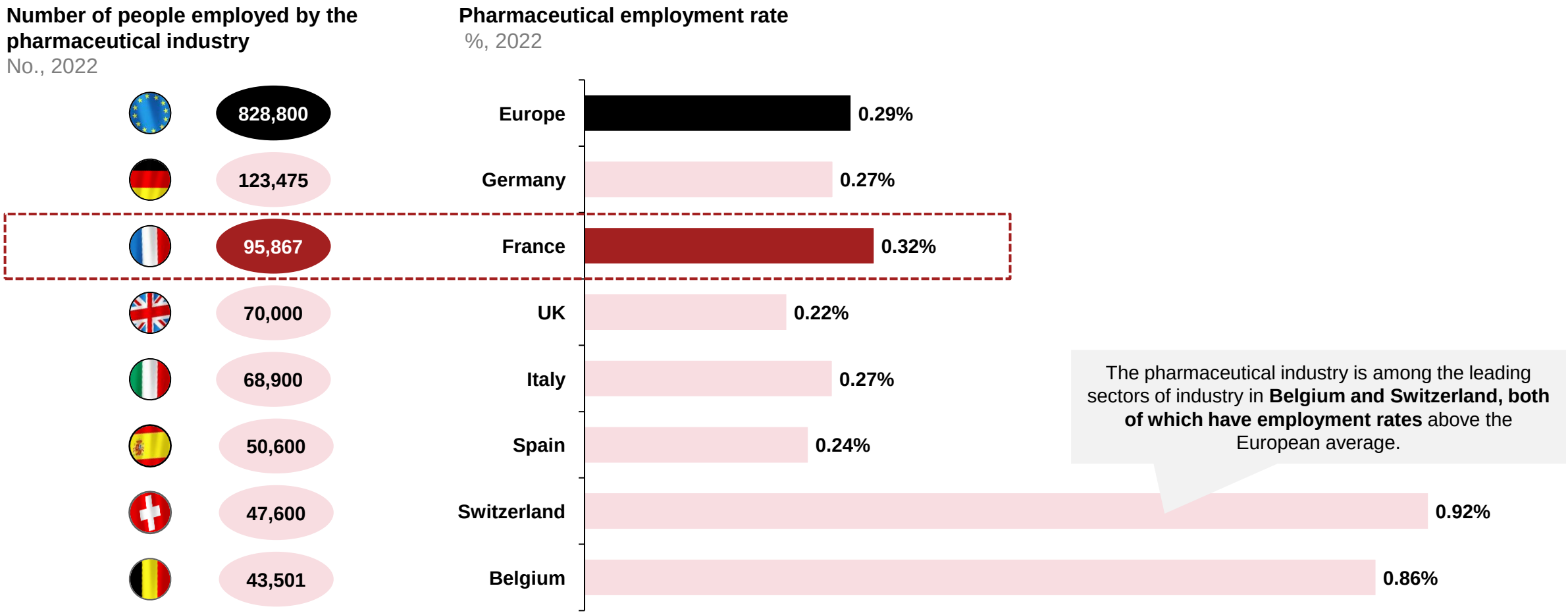
Sources: Eurostat and PwC Strategy&

France represents the second largest employee pool in Europe for the pharmaceutical industry

The pharmaceutical industry employment rate in Europe



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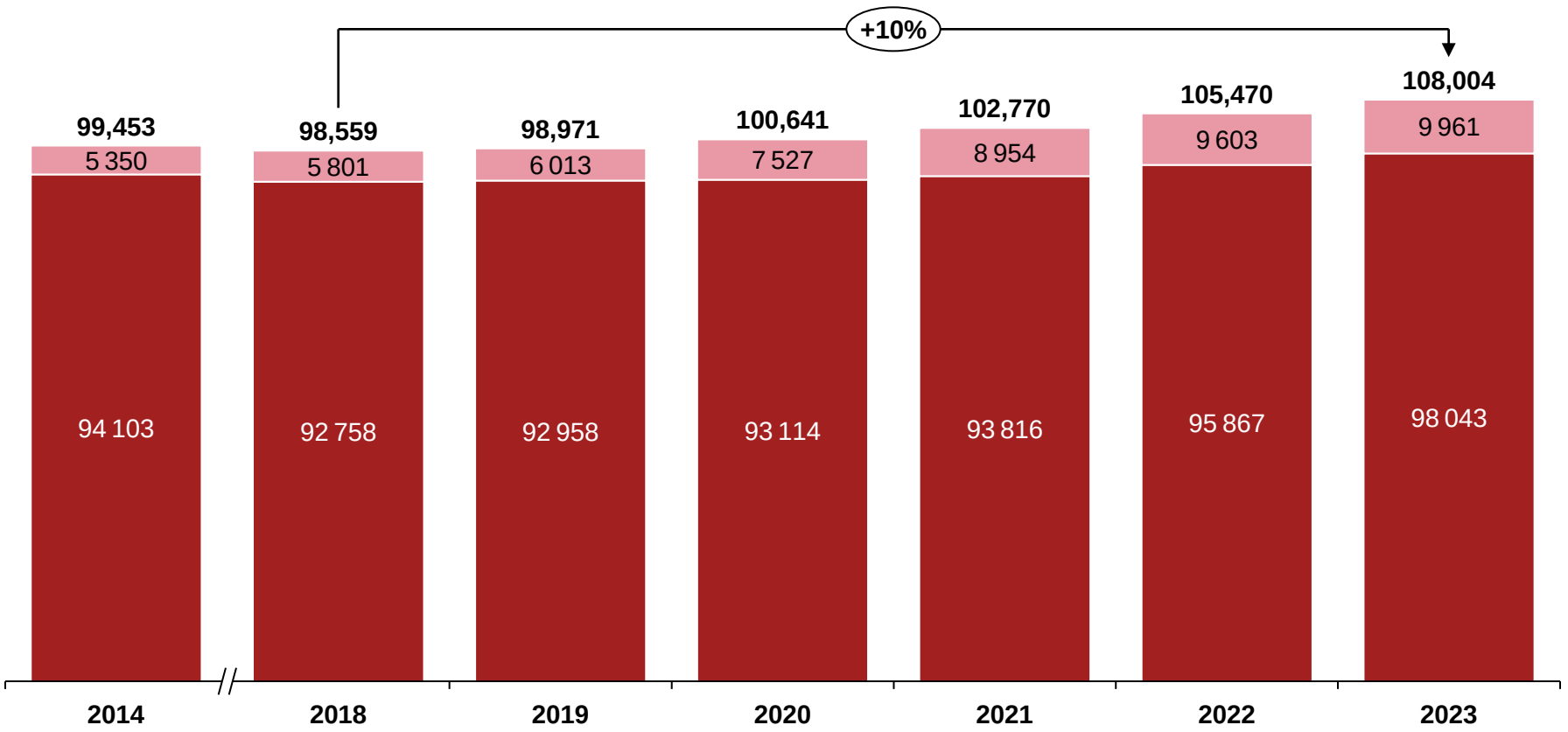
1) Europe is defined here as the European Union, United Kingdom and Switzerland
Sources: EFPIA, Eurostat, UK Official Statistics, Leem and PwC Strategy&

Since 2018, the employment trend in the pharmaceutical industry has been positive (up 10%) with a jump in work-study contracts (up 65%)

Employment in pharmaceutical industry

Employment the pharmaceutical industry in France

No., 2014-2023



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Sources: Insee, Leem and PwC Strategy&

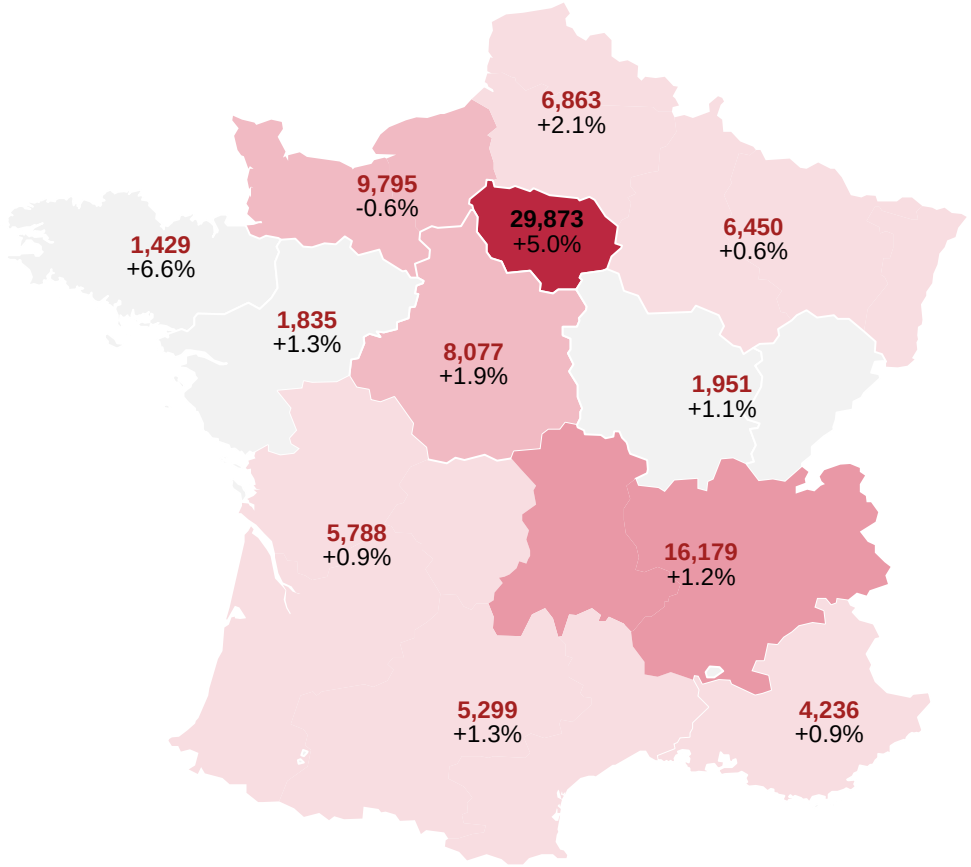
Comments

- The employment trend for the pharmaceutical industry in 2023 was **positive**, with a **2.4% increase** on the 2022 figure
- Since the 2018 reform of vocational training in France, **the number of work-study contracts has leapt dramatically** (up 65% in 5 years) – this increase has helped to **stabilise the average age** of pharmaceutical sector salaried employees at 44.6 years

The pharmaceutical industry in France has a strong regional footprint, with 70% of jobs located outside the Île-de-France (Paris) region

The regional trend in pharmaceutical industry employment

Regional distribution of employees by place of residence
No., 2023 vs. 2022



Legend
Concentration of pharmaceutical industry jobs by number of employees (red: high)

Comments

- **Auvergne Rhône-Alpes, Normandy and Centre Val de Loire** are the three regions **with the highest concentration of pharmaceutical industry employees** after the Île de France region

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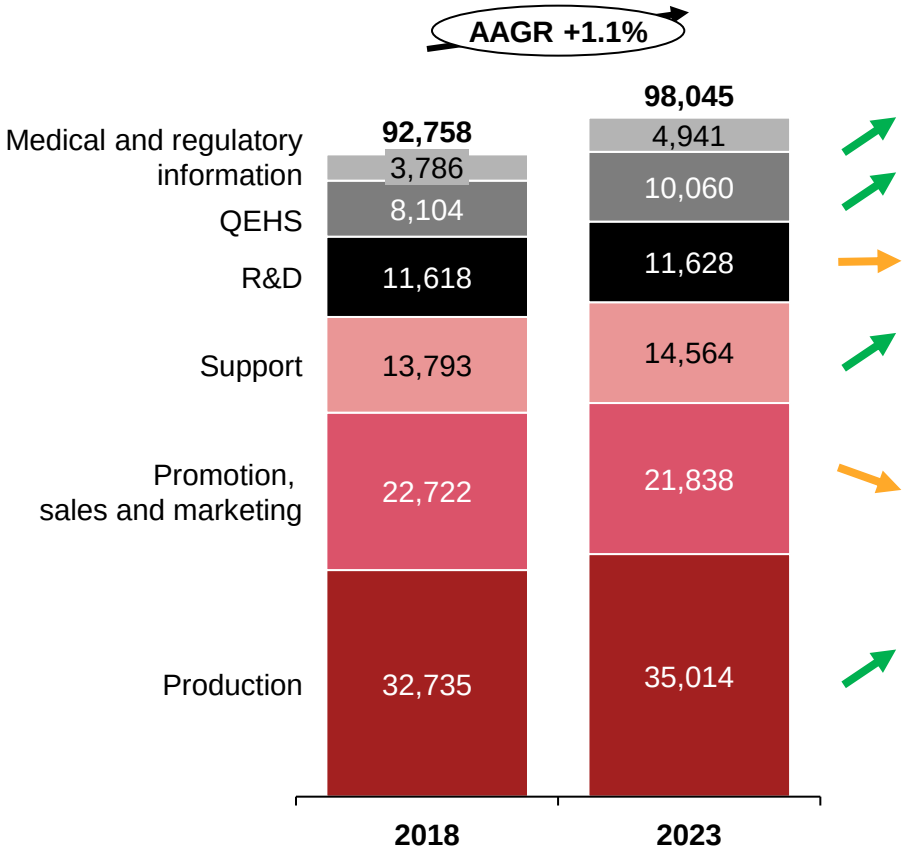
Sources: Leem and PwC Strategy&

The pharmaceutical industry in France is upskilling its workforce to meet the challenges of digital and ecological transition

Distribution of the workforce by occupational category

Evolution of fixed-term/permanent staff by job category
No., 2018-2023



Skills in short supply
2023

- Regulatory Affairs
- Quality Assurance
- Quality Control
- Inspection laboratory technicians and managers
- Information systems managers
- Data engineers
- Cybersecurity engineers
- Maintenance technicians / managers

The pharmaceutical industry must **develop new skills** to meet the economic and societal challenges of digital and ecological transition:

- **Data engineers**
- **Artificial Intelligence engineers**
- **Cybersecurity engineers**
- **Bioinformaticians**
- **Bioproduction technicians**

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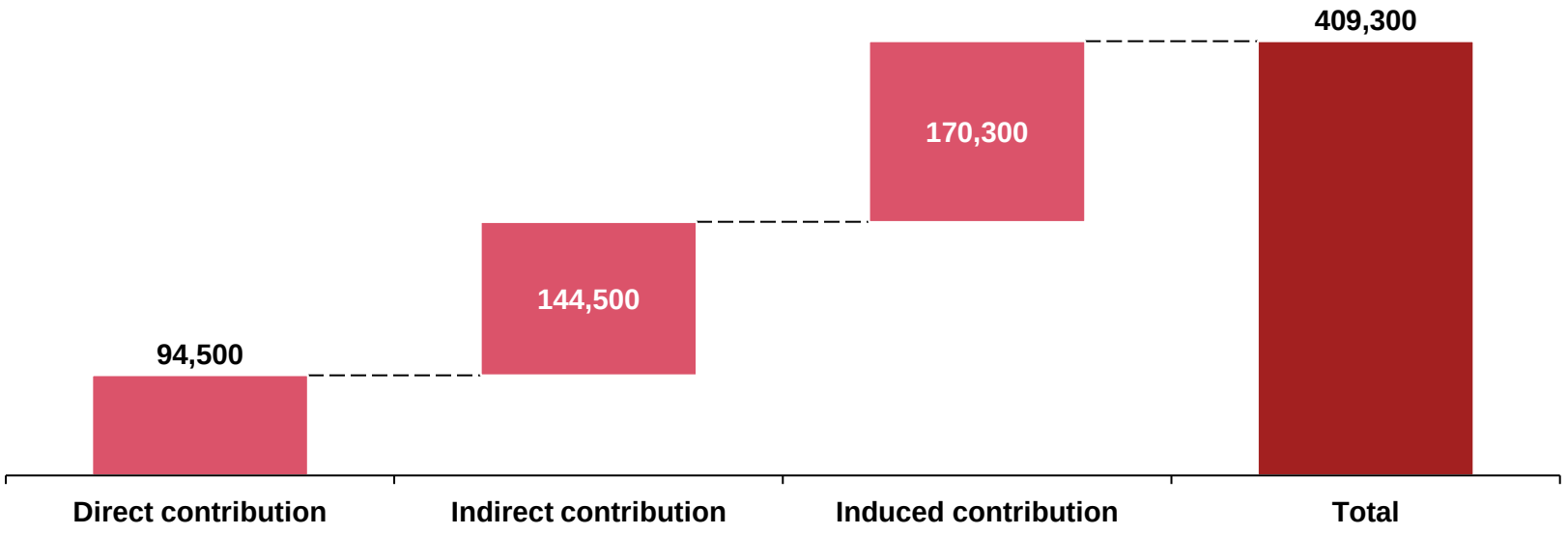
1) AAGR: Average Annual Growth Rate.
Sources: Leem and PwC Strategy

The pharmaceutical industry directly or indirectly supported 409,300 jobs in France (2022)

Value created by the pharmaceutical industry in France

Contribution of the pharmaceutical industry[1] to employment in France

No., 2022



For every job created in the pharmaceutical industry, **4 further jobs are created in the wider French economy** (2022)

Methodology

The contribution made by the pharmaceutical industry[1] to the French economy has been calculated here on the basis of 3 types of impact:

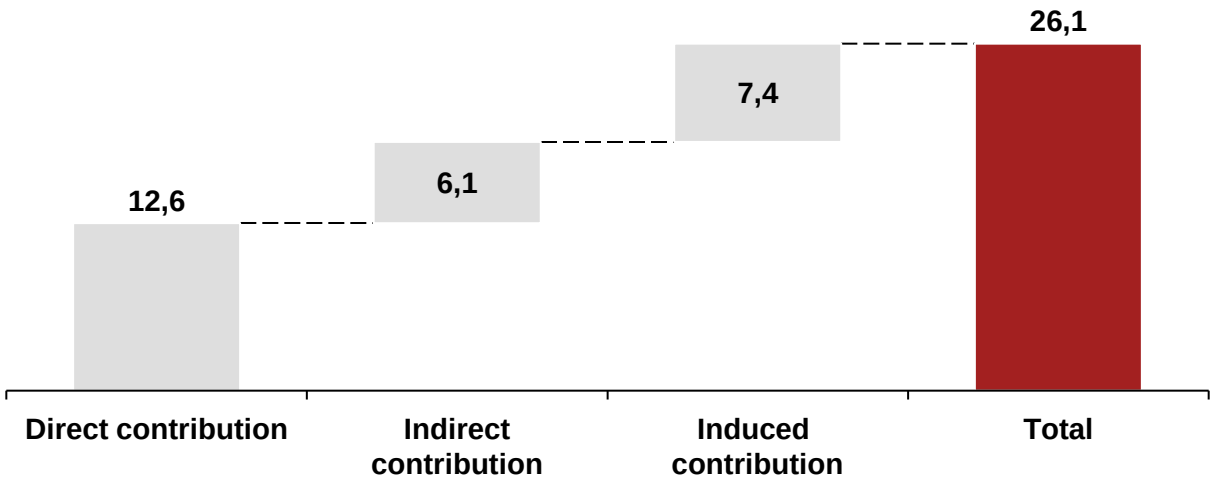
- ***The direct contribution reflects the operations of pharmaceutical manufacturers in France****: it includes those people employed directly and company expenditure (e.g. on salaries, procurement, rentals, marketing, IT, etc.)*
- ***The indirect contribution is that generated in the supply chain of the industry by its sourcing of inputs*** *. It measures the increase in production and employment created by demand for supplier goods and services at every link in the supply chain.*
- ***The induced contribution is that generated by the expenditure made by employees from their income****. It includes both pharmaceutical industry employees and those working in the supply chain. It measures the production and employment generated by demand and by employee spending.*

1) The pharmaceutical industry is defined here in accordance with NACE codes 21.100 and 21.200
Sources: EFPIA / PwC '*The economic footprint of the pharmaceutical industry in Europe*' survey (2024) and PwC Strategy&

Every €1 injected by the pharmaceutical industry in 2022 generated ~€2.1 for the French economy

The pharmaceutical industry's contribution to the French economy

The pharmaceutical industry[1] contribution to the French economy (detailed breakdown)
€ billion, 2022



- In 2002, **the pharmaceutical industry contributed €26.1 billion to the French economy**, i.e. every **€1 spent by the pharmaceutical industry** generated **~€2.1 for the French economy**.
- **The total contribution of the pharmaceutical industry in Europe[2]** is **€448 billion**, **66% of which is generated by the Top 5 contributor countries** (Switzerland, Germany, Ireland the United Kingdom and Italy)

Methodology

The contribution made by the pharmaceutical industry[1] to the French economy is defined as equivalent to the gross added value contributed to GDP, after excluding taxes on products *(including imports)* ***and including subsidies on products*** *(including those on imports).* ***It has been calculated on the basis of 3 types of impact:***

- ***The direct contribution reflects the operations of pharmaceutical manufacturers in France****: it includes those people employed directly and company expenditure (e.g. on salaries, procurement, rentals, marketing, IT, etc.)*
- ***The indirect contribution is that generated in the supply chain of the industry and its sourcing of inputs*** *. It measures the increase in production and employment created by demand for supplier goods and services at every link in the supply chain*
- ***The induced contribution is that generated by the expenditure made by employees from their income****. It includes both pharmaceutical industry employees and those working in the supply chain. It measures the production and employment generated by demand and by employee spending.*

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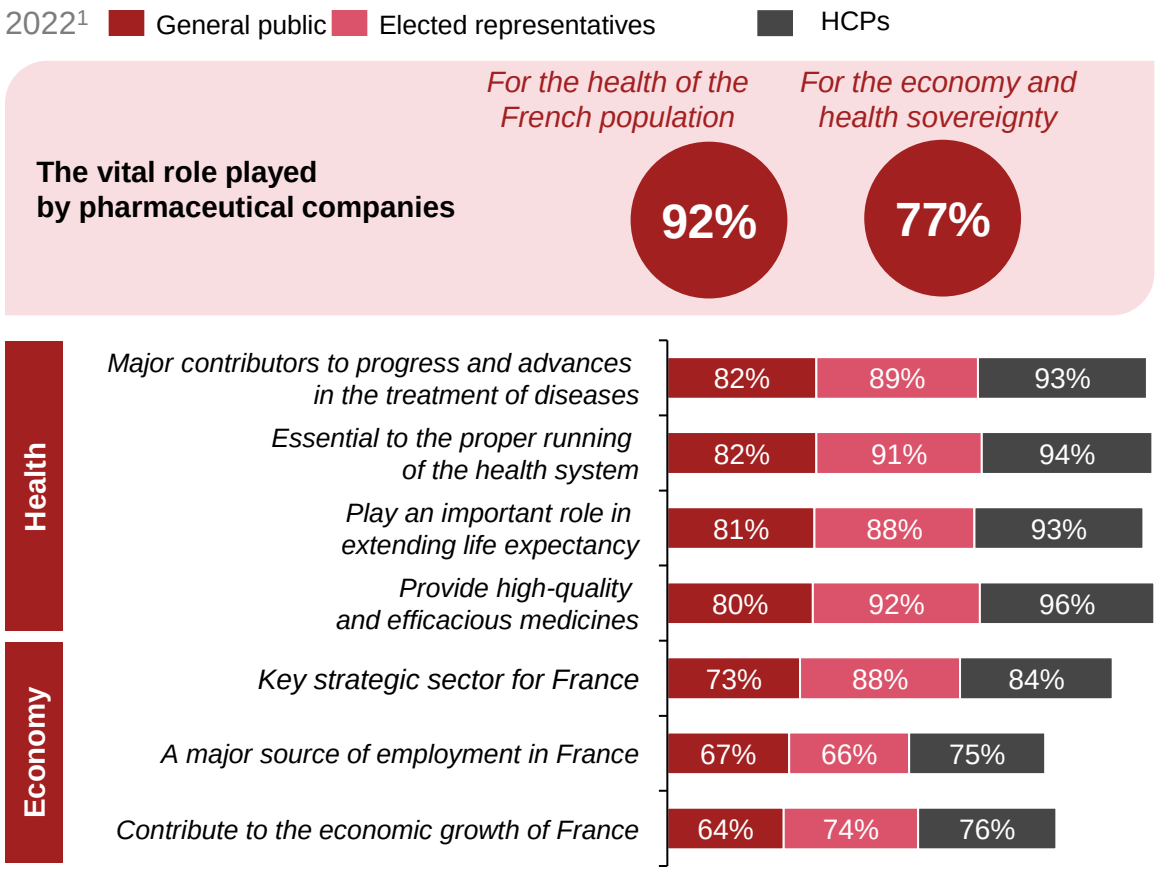
1) The pharmaceutical industry is defined here in accordance with NACE codes 21.100 and 21.200 2) Europe is defined here as the EU27, Switzerland and the United Kingdom
Sources: EFPIA / PwC '*The economic footprint of the pharmaceutical industry in Europe*' survey (2024) and PwC Strategy&

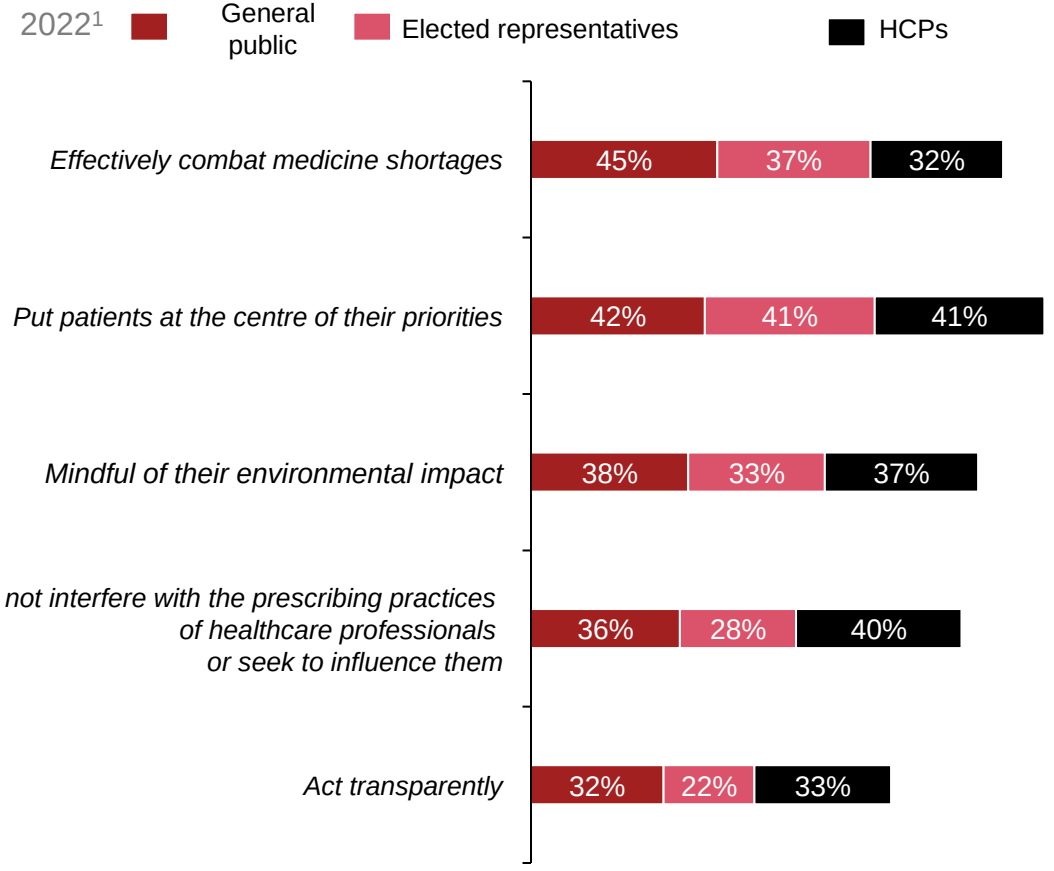
The economic and therapeutic contribution of the pharmaceutical industry is recognised by the French population with some criticisms

The reputation of the pharmaceutical industry

The useful role played by pharmaceutical companies is recognised...



… although fundamental criticisms remain about the way they deliver their mission



360° barometer study on attractiveness of France for the pharmaceutical industry

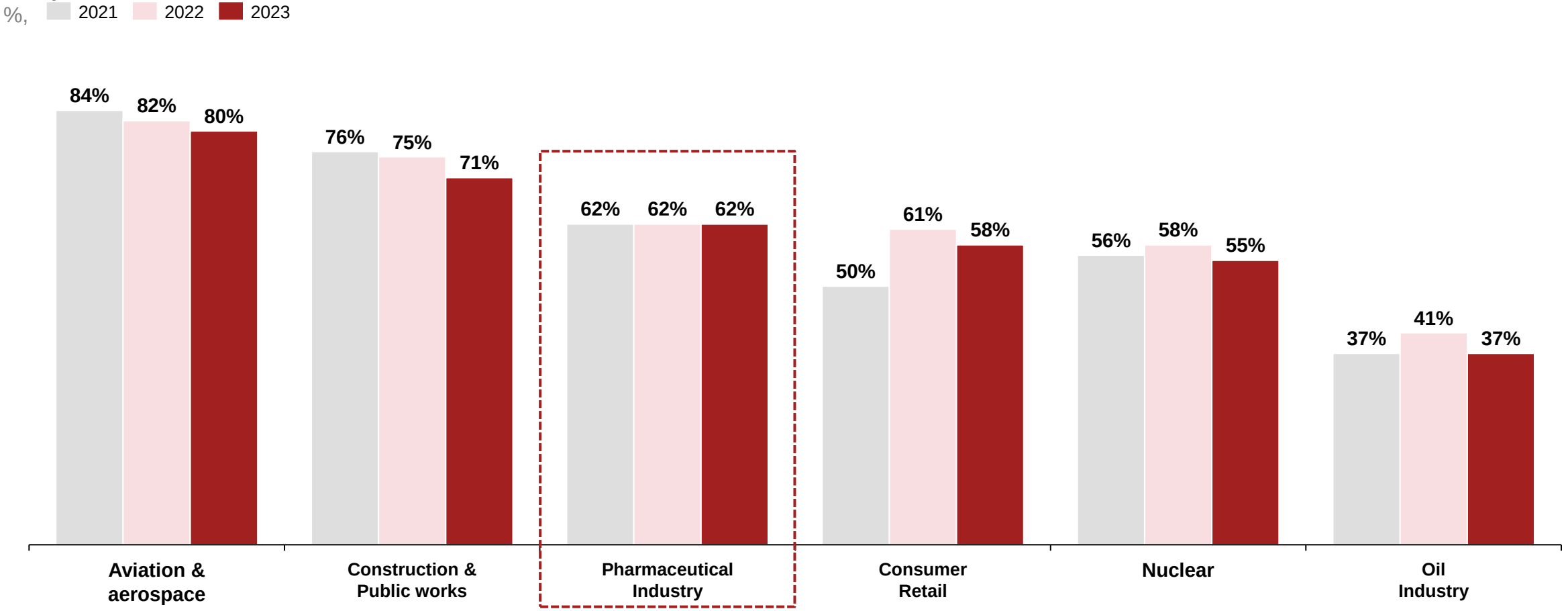
1) The survey from which the data are taken was conducted in 2022; the results of a new survey will be published at the end of 2025

Sources: The Odoxa "Societal observatory of pharmaceutical companies" survey (2022)

The level of trust in pharmaceutical companies remained unchanged at 62% in 2023

The reputation of the pharmaceutical industry

Comparison of trust levels across industrial sectors in France



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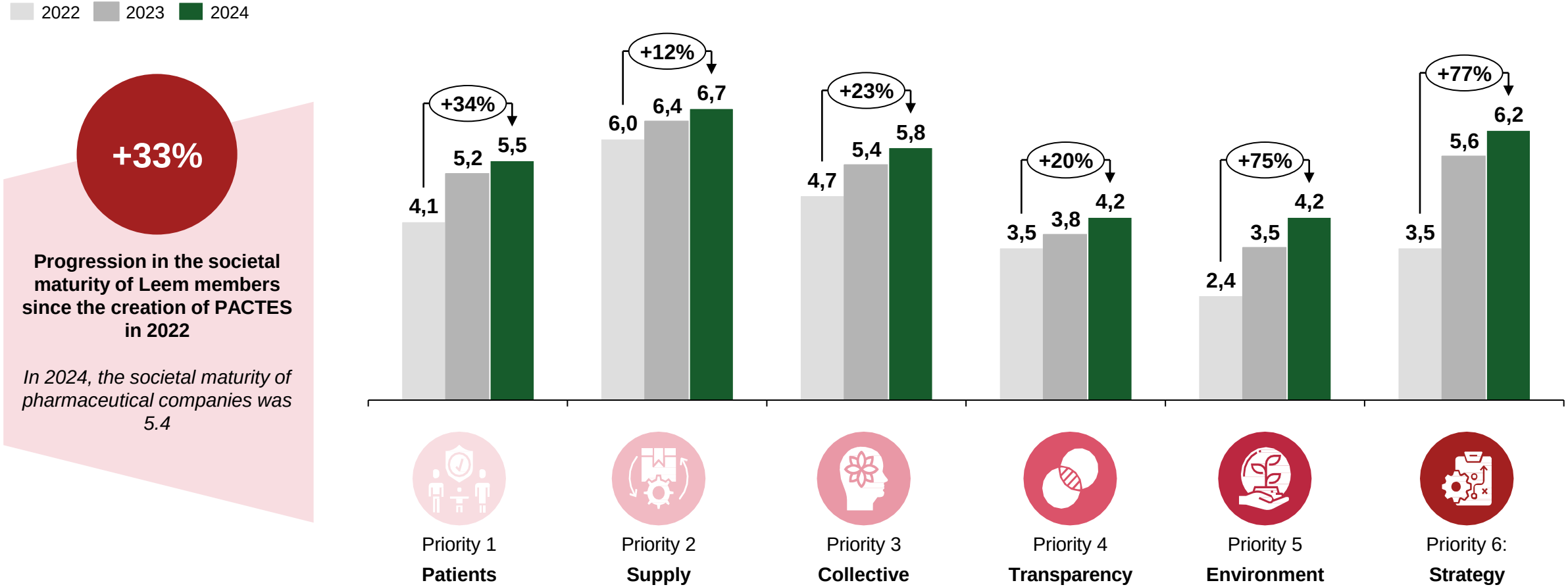
Sources: The 2023 IPSOS "Image of pharmaceutical companies" survey

Since the PACTES program was introduced in 2022, the maturity of Leem member companies has increased by 33%

Societal maturity

Survey

Trend in pharmaceutical company maturity relative to the 6 priorities set by PACTES[1] (on a scale from 1 to 10)



360° barometer study on attractiveness of France for the pharmaceutical industry
Strategy&

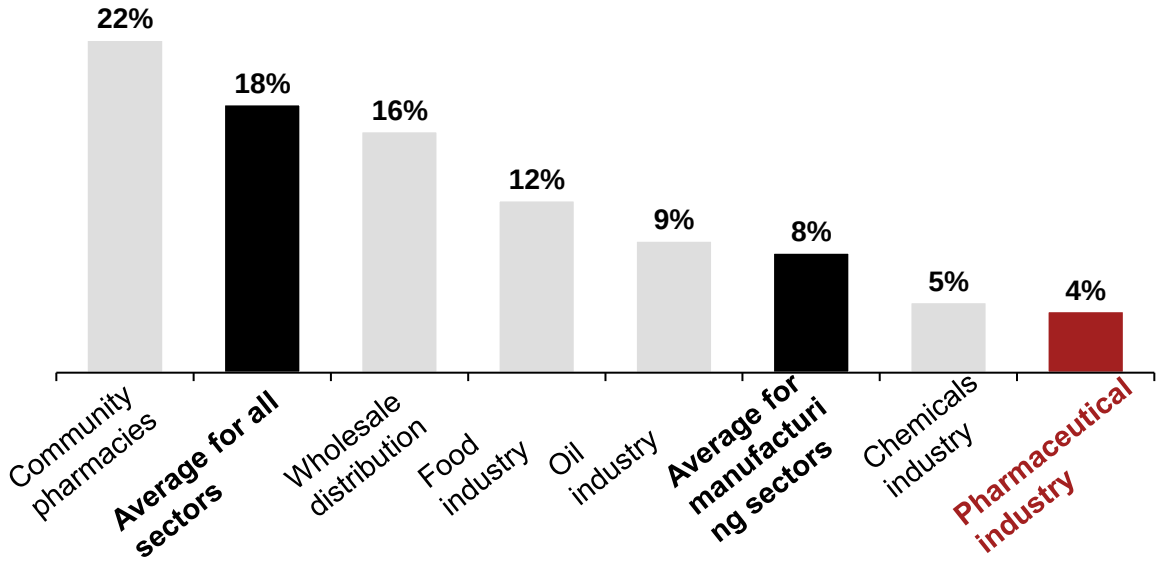
1) In 2024, those pharmaceutical companies engaged in the PACTES program accounted for 41.6% of people employed by Leem members, and 60% of their total turnover.

Sources: The Leem PACTES progress report (2024) and PwC Strategy&

The salary gap between women and men in the pharmaceutical industry is among the lowest (4.1%) of any French industry

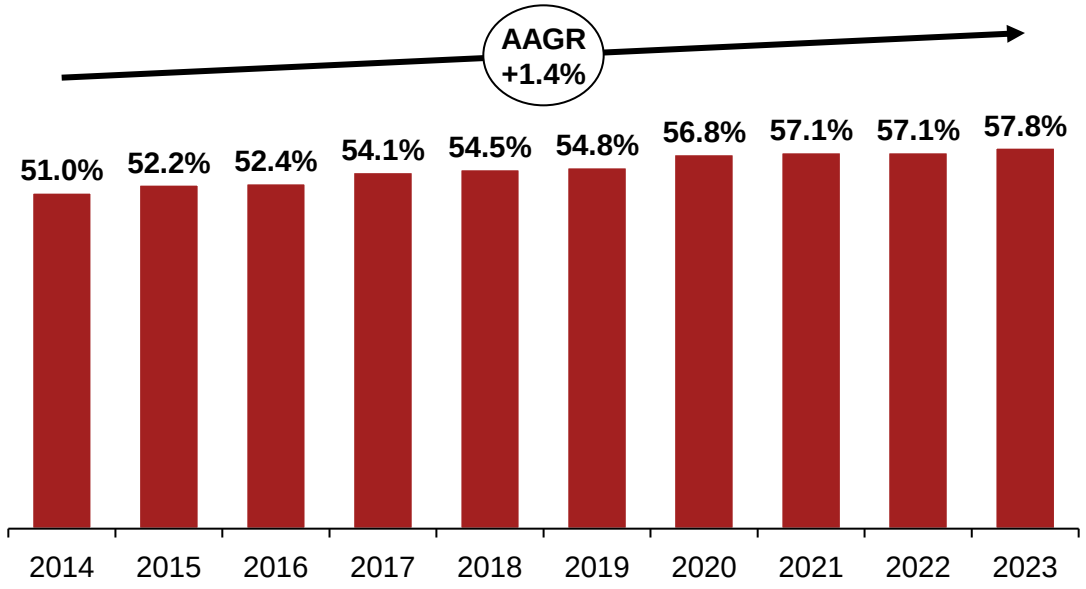
Gender-related pay

Comparison of the gender pay gap by industry sector
%, 2021



- In terms of parity, the pharmaceutical industry has a smaller gender pay gap than other sectors of industry in France (4% vs. 18%), although work remains to be done to close the gap in terms of bonuses, promotions and additional pay

Evolution in the share of women in responsible skilled jobs
French classifications 07 to 11, 2014-2023



- With **women representing 56.7% of its workforce in 2023**, the pharmaceutical industry is one of the very few sectors of French industry where women are in the majority.
- **The representation of women** in pharmaceutical industry **management roles (French classifications 07 to 11) is 57.8%.**

360° barometer study on attractiveness of France for the pharmaceutical industry

Sources: Leem and PwC Strategy&

96% of company respondents say that they have introduced procedures that incorporate the Leem rules of ethical practice

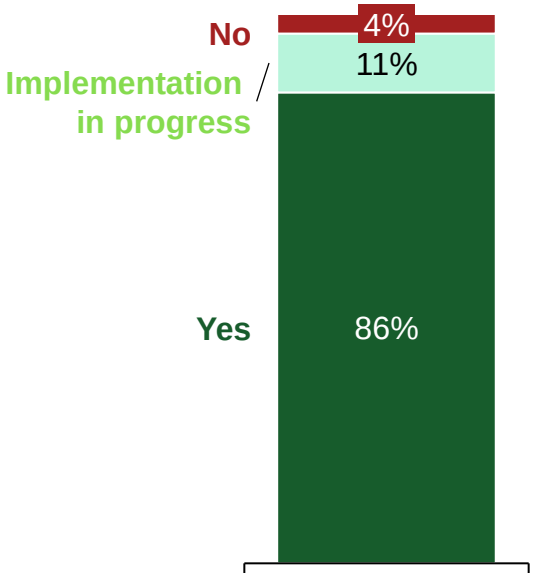
Ethics & Professional Conduct

Survey

- **Leem has defined a set of rules of ethical practice** for pharmaceutical companies which complement **national regulations on ethical issues.**
- They **govern the interaction between companies** and healthcare professionals, their professional bodies, and patient organisations.
- These rules of ethical practice are intended **to improve transparency, trust and ethical practice** in situations where companies interact with other healthcare companies and stakeholders.

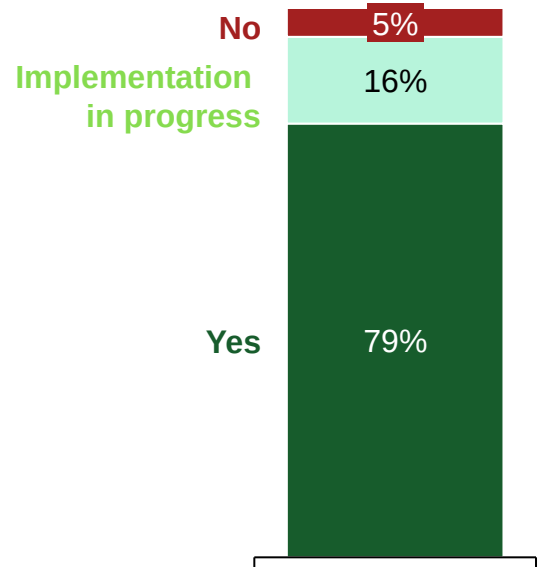
96% of companies surveyed say that they have introduced procedures that incorporate the Leem rules of ethical practice

Does your company have procedures that incorporate the Leem rules of ethical practice?
%, 2024



95% of companies surveyed say that they have implemented procedures to monitor application of these rules

Does your company have procedures for checking compliance with the Leem rules of ethical practice?
%, 2024



360° barometer study on attractiveness of France for the pharmaceutical industry

Sources: 2025 Leem member survey conducted by PwC Strategy& / 58 respondents together representing 75% of turnover generated by the industry in France

Pharmaceutical companies have committed to ecological transition with the aim of halving scope 1 & 2 carbon emissions by 2030

Decarbonisation trajectory

The PACTES **decarbonisation plan** for **2030** is fully aligned with the **Paris climate agreement**

- **A 50% reduction of Scope 1 & 2 emissions**
- **A 25% reduction in Scope 3 emissions**

6.4

Decarbonisation maturity of companies in 2024
compared with 4.3 in 2022

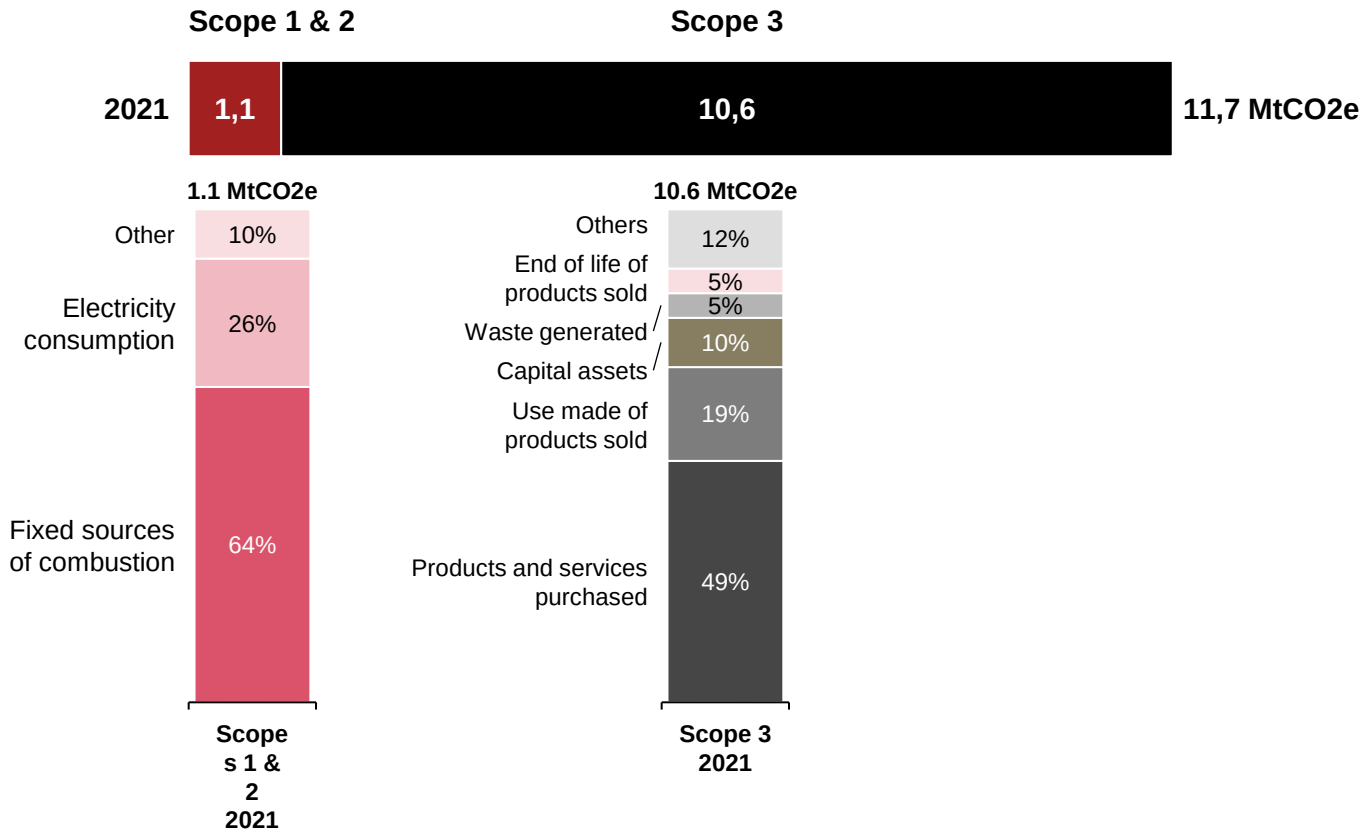
- **91%** of pharmaceutical companies have conducted a **carbon audit**
- More than **70% have set a decarbonisation trajectory** and assess its effectiveness
- **95% of pharmaceutical companies have initiatives in place to raise team awareness** of CSR issues

The emissions from pharmaceutical manufacturing in France resulted in 11,7 Mt of CO2 in 2021

Carbon emissions from medicines manufactured in France

Survey

Estimated carbon emissions from medicines produced in France in 2021
MtCO2e, 2021



Decarbonisation levers and obstacles identified by the pharmaceutical manufacturers surveyed

Levers

- **Energy efficiency and the generation and purchase of green energy** are seen as important levers by the entire pharmaceutical industry, from Large companies to midsize companies and SMEs.
- **The Large companies** have also identified **energy efficiency and process emission reductions** as critical to achieving the decarbonisation trajectory

Obstacles

- **A lack of financial resources and the profitability impacts of energy transition and decarbonisation initiatives** are seen as significant obstacles, particularly for smaller companies
- It is access to appropriate support and funding schemes that makes decarbonisation profitable
- A lack of dedicated in-house resources and skills is also seen as a major obstacle

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Sources: Leem EY survey *'Quantifying the carbon footprint of pharmaceutical companies'* (2022), Leem / PwC survey *'Action for decarbonisation'* (2024) and PwC Strategy&

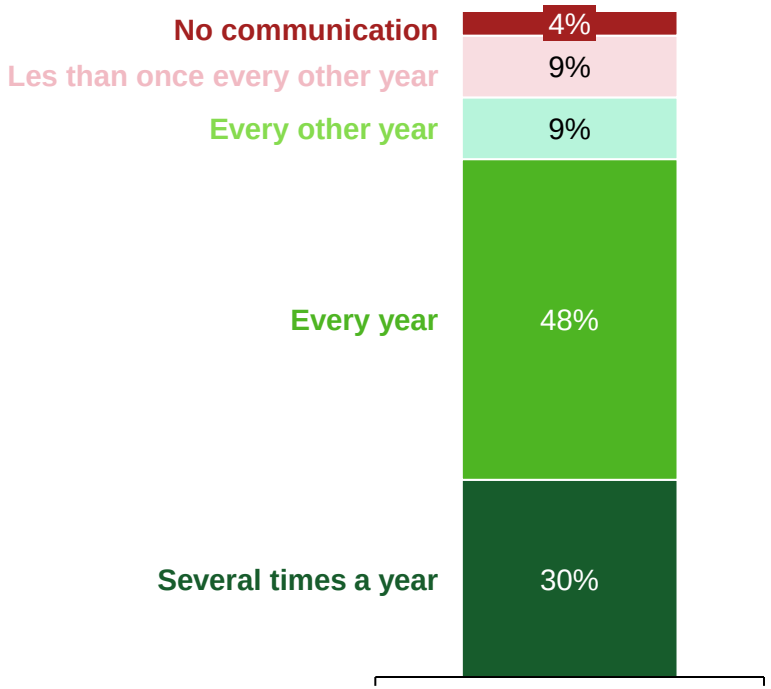
78% of respondent pharmaceutical companies say that they communicate internally about their anti-corruption systems on a regular basis

Governance and anti-corruption measures

Survey

How often does the governing body (as defined by the Sapin II Law) communicate internally about the anti-corruption system (in writing and/or verbally)?

%, 2024



85%

*of respondent companies have implemented an **anti-corruption governance structure enabling coordination between the parent company and its subsidiaries***

87%

*of respondent companies say that **compliance teams are represented on company management bodies***

85%

*of respondent companies not subject to the Sapin II law have implemented **internal corruption prevention and detection tools***

Sources: 2025 Leem member survey conducted by PwC Strategy& / 54 respondents together representing 70% of turnover generated by the industry in France

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Thank You

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June 2025