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Part of the PwC network

360° Barometer of attractiveness of France for the pharmaceutical industry

2026 edition conducted by PwC Strategy& for Leem

Full Report (Translated version)
June 2026

pwc

The 2026 barometer is structured around 2 pillars and a foundational layer covering all indicators

Structure of the 360° barometer 2026

Access to Therapeutic Progress

- **Access to medicines**
- **Research and Innovation**
- **Data and Technology**
- **Public Health** (stock-outs and withdrawls)

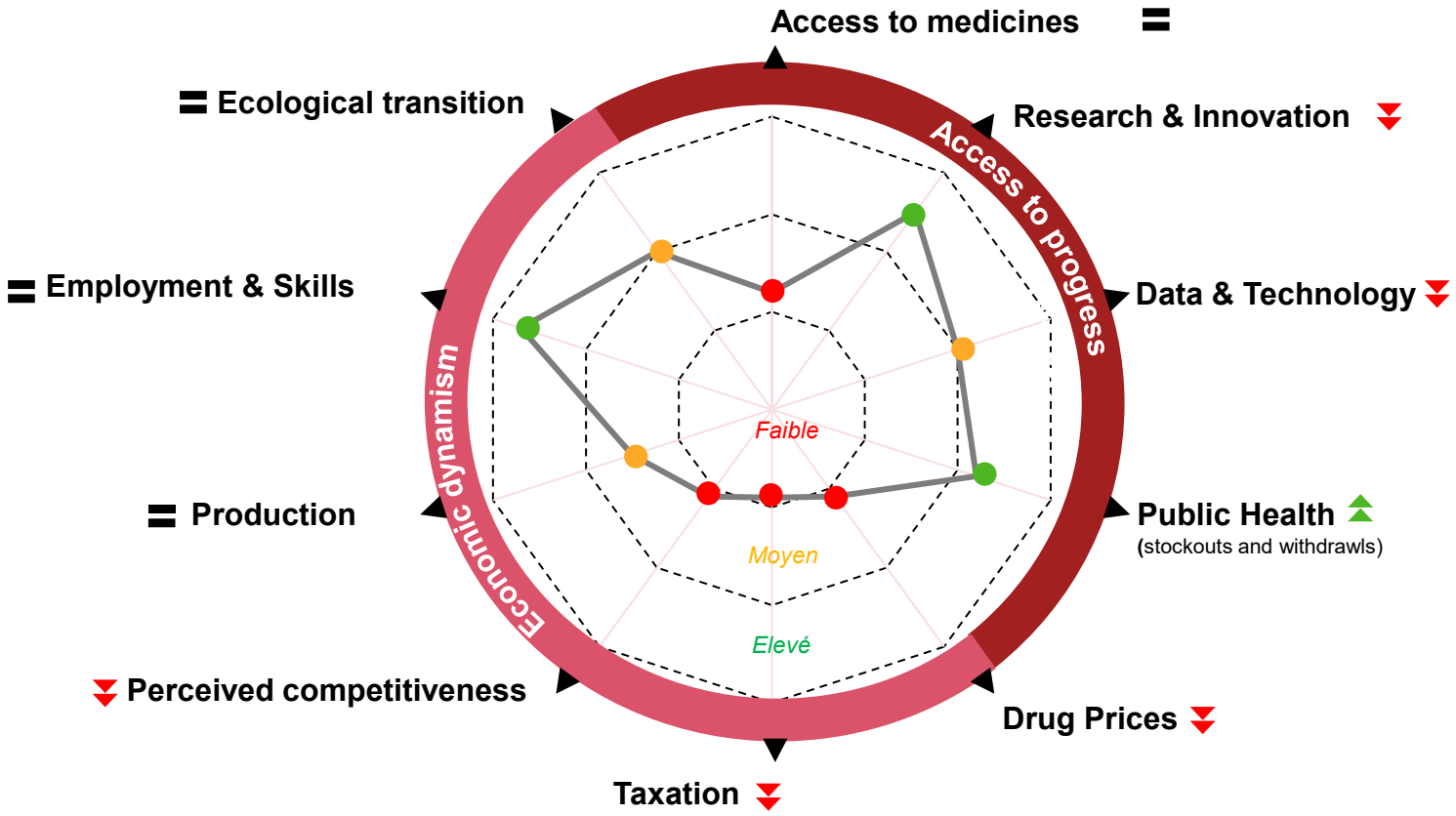
Economic dynamism

- **Drug Prices**
- **Taxation**
- **Percieved Competitiveness**
- **Territory**
  (Production, Employment & Skills, Ecological Transition)

Reputation – Political and Social Value of medicines

In 2025, France's attractiveness for the pharmaceutical sector has weakened on 5 criteria along with strengthening on public health

Summary of France's attractiveness by theme[1]



2025 vs 2024 trends on the 2 main pillars

- ▲▲ Improvement in 2025
- ▼▼ Deterioration in 2025
- = Stable

Reputation – Political and Social Value of the Medicinal Product

The pharmaceutical industry is perceived as the 4th most strategic sector to guarantee the country's sovereignty and the general public's trust in the sector has returned to its pre-covid level

1) The rating of each theme is the qualitative summary of the different indicators studied in the 360° 2026 barometer
Sources : PwC Strategy&

The pharmaceutical industry is a key sector for the French economy and a major player internationally

Key figures of the pharmaceutical sector in France, 2024

5th

Global market with 3% market share

>200

Pharmaceutical companies in France

80 € bn

Total revenue[1]

2nd

Market in Europe after Germany

>100K

Employees employed in France

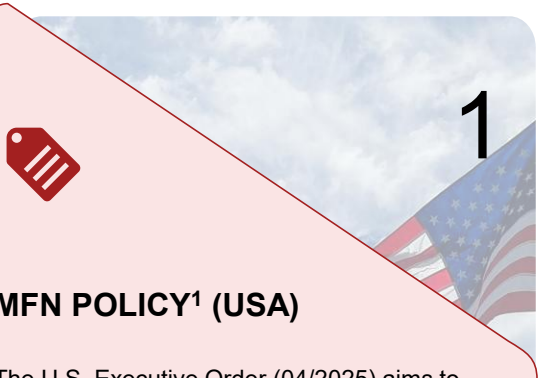
38 € bn

Exports

Note: 1) Including city, hospital and export markets
Sources : Bilan économique du Leem 2025

Evolutions in the landscape of the pharmaceutical industry in France in 2025

Focus on major evolutions (non-exhaustive)



1

MFN POLICY[1] (USA)

The U.S. Executive Order (04/2025) aims to align drug prices with the lowest international prices, challenging the differentiated pricing model that has been in place for 30 years

- Mechanism for indexing US prices to a basket of reference countries (FR, DE, UK, JP, CA, AU etc.)
- In addition to three distinct approaches under MFN (GENEROUS, GLOBE, GUARD), the administration is also pursuing voluntary agreements with laboratories for price reductions
- Progressive application of measures planned during 2026

2

NEW LFSS 2026

The LFSS 2026 aims to bring about structural changes in the regulation of medicines from 2026

- Introduction of a new additional contribution aimed at restoring the role of the safeguard clause as an exceptional regulatory mechanism
- Triggering of the safeguard clause in addition to the new contribution only in the event of a risk of expenditure overruns from 2026 onwards
- Aims to give laboratories more predictability on the amounts to be paid (predefined rates)

3

REVISED UWWTD

The revised EU Urban Waste Water Treatment Directive (UWWTD), definitively adopted in November 2024, is a major recast of Directive 91/271/EEC[3]

- Minimum funding of 80% of the costs of quaternary wastewater treatment for pharmaceutical and cosmetics manufacturers
- Mandatory transposition by Member States by 2027, for gradual implementation until 2045
- In January 2025, several European industry associations filed an appeal that was rejected in Feb. 2025. 2026 by the CJEU[4]

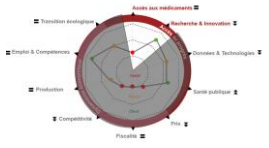
4

EU PHARMA PACKAGE

The European Pharmaceutical Package, resulting from the political agreement at the end of 2025, is the first major revision of the European Union's pharmaceutical legislation since 2004, with application scheduled for 2028.

- Strengthening data protection for innovative medicines
- Objective of simplifying and improving EMA regulations related to access to the European market
- Strengthening Member States' powers to monitor and manage shortages, including the possibility to oblige marketing authorisation holders to ensure the availability of medicinal products

Notes: 1) Most Favoured Nation; 2) Pharmaceutical Research and Manufacturers of America representing biopharmaceutical companies engaged in the research and development of new drugs in the United States; 3) 91/271/EEC = the "mother" directive of 1991 which structured wastewater treatment in Europe for 30 years and only dealt with micropollutants, microplastics, energy neutrality issues of wastewater treatment plants and PFAS / other emerging pollutants; 4) Court of Justice of the European Union Sources: Press releases, European Commission, PwC Strategy&



In 2025, the availability of new drugs in France remains at 60% and the country has declined in terms of clinical research

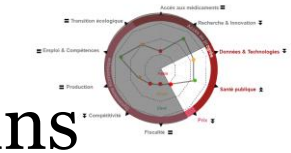
Key messages (1/5)

Access to medicines

- The **availability of new drugs being reimbursed in France is stable at 60%**, including derogatory accesses. France fell behind the United Kingdom, in a general context of decline in Europe, except for Germany, which has improved in 2025
- Access delays for new medicines are **stable and remain among the longest in Western Europe (520 days on median in 2025),** despite the existence of **early access schemes** allowing faster access for some innovative medicines **(72 days on average)**
- The **number of requests for early access** for the provision of innovative medicines (ASMR I to IV) stabilised in 2025 **(28 vs. 30 in 2024**) but for the first time since the creation of the scheme in 2021, more than half of the innovative medicines concerned were not the subject of an early access request
- On the other hand, **the number of indications in price negotiations for more than 500 days decreased by 22% in 2025**, after 2 years of increase

Research and Innovation

- Despite its scientific excellence and its solid research ecosystem, **France ranks 4th in 2025 (vs. 2nd in 2022) for the number of multinational clinical trials** launched in Europe behind Spain, Germany and the United Kingdom
- The **time taken to include the first patient for clinical trials in France is 185 days in 2025 (vs. 206 days in 2024 and 184 days in 2023**). At the beginning of 2026, France launched a fast-track system to include a 1st patient in 40 days for innovative early phases (single-country)
- **Spain (4th in the world) and South Korea (6th in the world) confirm their attractiveness** in the field of clinical trials launched thanks to a strategy that combines: (i) speed and efficiency of recruitment, (ii) rapid start of trials, (iii) dense and regionalized national coverage, organized in networks, (iv) funding mainly from manufacturers
- **France is losing ground on upstream innovation: it has fallen to 5th place in the world (vs. 3rd place in 2024)** for the number of patents filed in Europe, with 445 patents in 2025 compared to 493 in 2024, overtaken this year by Switzerland and China
- HealthTech companies continue their momentum in 2025 (**France remains 2nd in Europe in terms of funding raised over the 2023-2025** period)



In 2025, stock-outs have decreased significantly and France remains the Europe's 2nd biggest market

Key messages (2/5)

Data & Technology

- France has a **top tier technological ecosystem and a rich health data assets**, which is however struggling to be fully valued, due to access difficulties (**long delays > 1 year**, limited interoperability of databases)
- The **number of requests from drug companies for the secondary use of this health data continues to decline (-35% since 2022);** The recent announcement of a sovereign hosting provider for 2027 could allow them to be made available more quickly

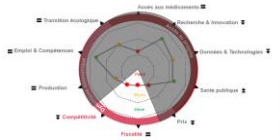
Public Health

- Declarations **of intention to withdraw a product** (-5% vs. 2024) and **product withdrawls** (-2% vs. 2024) **have decreased** this year
- In 2025, **stock-outs have continued to decline (-34% between 2024-2025)** and return to a level last seen in 2017, while risk of stock-outs declarations remain stable

Drug Prices

- In 2023, **France remains the 2nd largest market in Europe** for the pharmaceutical industry behind Germany in net spend with **pharmaceutical spending representing ~1.3% of GDP**
- **Healthcare spending in France will increase by 3.7% between 2024 and 2025**, while the share of medicines in healthcare expenditure remains around 9%
- In 2025, the annual **price reduction for medicines will reach a historic level of €1.35 billion**, with €1.4 billion in savings planned for 2026
- In 2025, the list price of medicines in France remains below the average of the European panel observed (19 countries) for both medicines **without generic competition (-13%) and with generic competition (-17%)**

The 360° barometer of attractiveness 2026 is based on a set of data taken from public and institutional reference sources, studies carried out by Leem and surveys carried out among Leem members



The French market remains challenging in terms of taxation and attractiveness for companies

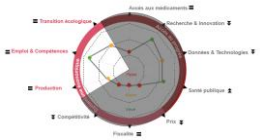
Key messages (3/5)

Fiscalité

- The **taxation rate in France** for pharmaceutical companies is **around 60% of operating profit**, it remains the **heaviest among the countries studied in Western Europe** and the gap is widening, particularly with the United Kingdom
- In 2025, the amount of the **safeguard clause (clawback) was €1.8 billion compared to €1.7 billion in 2024**, representing 5.8% of the regulated net turnover of pharmaceutical companies
- Significant **changes are planned for 2026 with the new LFSS**, which aims to offer more predictability for laboratories, in particular through the creation of an additional contribution whose objective is to restore the safeguard clause to its role as an exceptional regulatory mechanism
- France retains some of the **most attractive tax incentives for R&D investments in Europe (in particular the CIR**)
- The adoption of the revised UWWTD could impose a significant financial contribution (**€7-9 billion over 18 years**) due to the cost of wastewater treatment in France from 2028

Percieved Competitiveness

- The perception of France's attractiveness for the pharmaceutical industry continues to deteriorate**, with 97% of surveyed companies considering it unfavourable in 2025**, a proportion that has steadily increased since 2022
- As a result, **83% of companies believe that the likelihood of investing in France over the next three years is low or very low**, and only 50% consider their economic performance to be good in 2025, compared to 67% in 2024
- Regarding the impact of the American MFN policy, **64% of surveyed companies believe it will significantly or moderately reduce the launch of new products in France** over the next three years.



Despite a dynamism in terms of employment and investments in production, the sector is increasing its dependence on imports

Key messages (4/5)

Territory

Clinical trials

- Clinical trials contribute to the health ecosystem and the **economy of territories to the tune of €6.2 billion in 2025** (€35.7 billion on a European scale), according to a study by the EFPIA

Production

- Despite **a better export performance (+8.6% vs. 2024**), the trade balance for pharmaceutical products deteriorated in 2025, as a result of **increased dependence on imports (+14.2% vs. 2024**), particularly from China, which doubled between 2024 and 2025 (6% in 2025 vs. 3% in 2024)
- The **level of investment in production facilities remained stable in 2025 (+2% vs. 2024)** and majority of respondents (67%) seem willing to continue investing in France in the next 3 years (vs. 75% last year)
- Only **10% of new marketing authorisations approved between 2021-2025 have a fabrication site in France**, which places it behind its main European neighbours

Ecological Transition

- Medicines are the **1st contributor to the carbon footprint of the health sector in France** (the health sector represents 8% of the national carbon footprint)
- Pharmaceutical companies have **committed to reducing their energy-related emissions by 50% (Scopes 1 & 2) and their emissions across the value chain (Scope 3) by 25% by 2030**

Employment & Skills

- The pharmaceutical industry remains a heavyweight in terms of employment in France, **with more than 100,000 employees** and a positive trend in growth, despite a slight slowdown in 2024 **(+0.9% in 2024 compared to +2.4% in 2023**) and a growth rate below the EU average
- More than **70% of the sector's jobs are spread over regions outside Île-de-France** - Auvergne Rhône-Alpes, Normandy and Centre Val de Loire remain the 3 regions with the highest concentration of employees behind Île-de-France
- In 2025, the pharmaceutical branch became the first sector in signing the branch agreements in favour of senior employees and care givers

The therapeutic and economic value of the sector remains widely recognised by the public

Key messages (5/5)

Reputation – Political & Societal Value of medicines

- The pharmaceutical industry has strengthened its strategic importance in public opinion, **ranking as 4th most critical sector** for the country's sovereignty (after agri-food, energy and defence)
- The general public's **trust in pharmaceutical companies returned to a pre-covid level in 2025**, **down slightly vs. 2022** (54% vs. 62% in 2022)
- The **contribution of pharmaceutical companies remains widely recognized by the French on its therapeutic** (88% of respondents) and **economic** (78% of respondents) contribution

48 companies responded to the 2025 survey of the 360° barometer, representing 65% of the French pharmaceutical market[1]

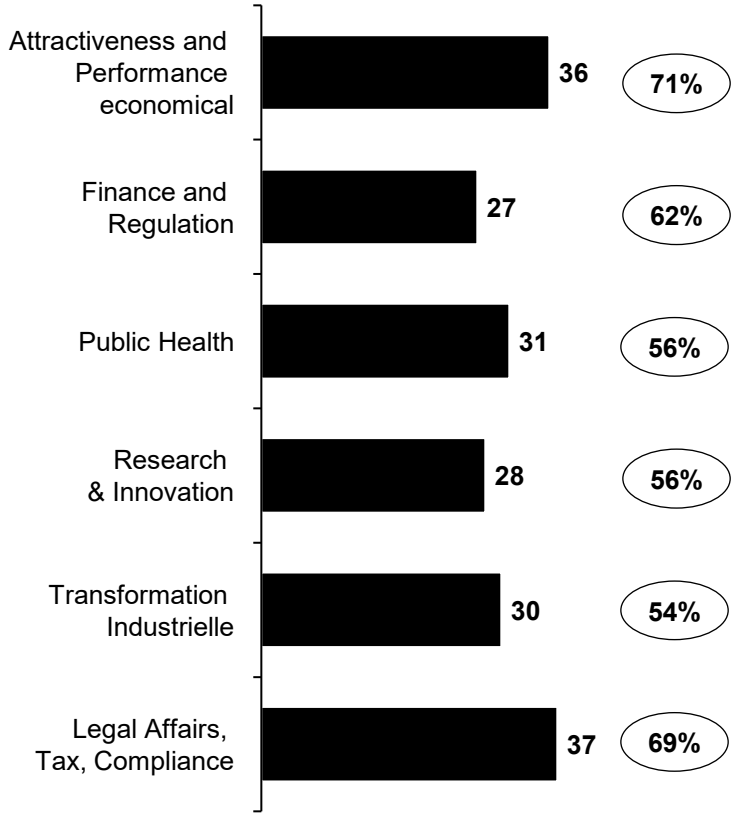
2026 survey of Leem members

Survey launched among Leem member companies in March 2026 on a range of themes:

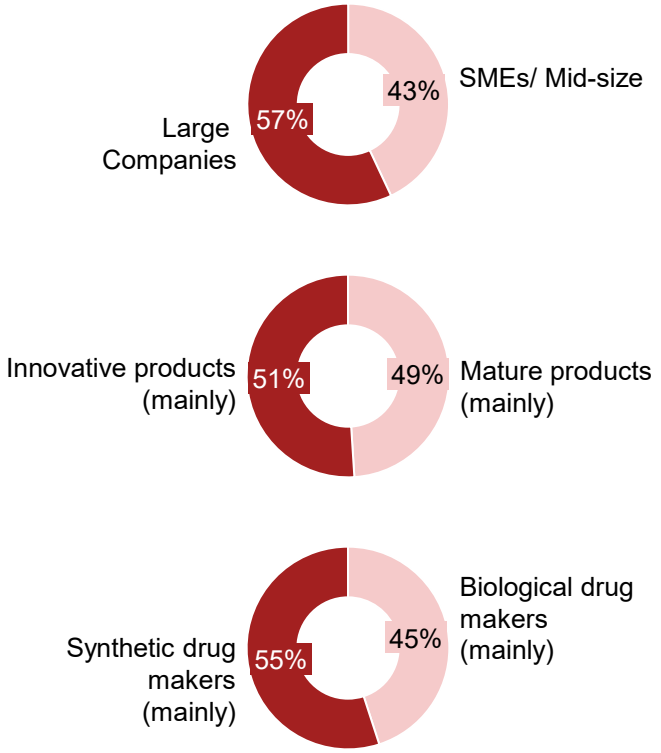
- Attractiveness, economic performance and geopolitical context
- Finance and Regulation
- Public Health
- Research & Innovation
- Industrial processing
- Legal Affairs and Compliance
- Taxation

48 pharmaceutical companies responded to the 2026 survey, representing 79% of Leem members' turnover[2] and 65% of the French pharmaceutical market[1] (vs. 70% of the market in 2025)

Number of respondents by theme to the survey
#, % of Leem members' turnover



Distribution of respondents by size and drugs produced
% of Respondents



- *Large companies = companies with a turnover of more than €1.5 billion*
- *Innovative products = companies with more than 50% of their turnover from the marketing of innovative medicines (vs. mature)*
- *synthetic drug makers (mainly) = companies with more than 50% of their turnover coming from the marketing of synthetic drugs (vs. biological drugs)*

Note: 1) Based on the GERS database (Gross TO, City and Hospital); 2) List of Leem members at the end of April 2026, 2025 turnover provided

The Barometer 2026 covers around 80 indicators and is based on more than 70 reference data sources

Selected data sources

Public sources

Description

- **Reports issued by public authorities and institutions**
- Thematic studies carried out by public or private bodies

Principal sources

- DREES Annual Report
- IQVIA Reports
- EFPIA and EFPIA/PwC study
- TLV (Swedish Authority) Annual Report on European Price Comparison
- CEPS Activity Reports
- Shift Project Reports
- …

Reference databases

Description

- **Public or proprietary databases with proven robustness**

Principal sources

- Propreitary databases of Prioritis and IQVIA
- ANSM Database
- Databases of the HAS (ASMR, SMR)
- Eurostat
- OECD
- European Patent Office
- GERS Database
- …

Leem Studies

Description

- **Thematic studies carried out by Leem for several years**

Principal sources

- Study on the comparative taxation of pharmaceutical companies in France and Europe (2026)
- Study on the attractiveness of France for clinical research (2026)
- Annual Employment Report (2025)
- Quantis Study on the Ecological Transition (2025)
- ODOXA study (2025)
- …

Survey of Leem members

Enquête

Description

- **Data from questionnaires carried out by Leem**

Principal sources

- Questionnaire completed in April 2026 by **48 pharmaceutical companies, representing 65%** of the French pharmaceutical market[1] (vs. 70% for the 2025 barometer)

1) Gross non-export turnover (GERS)

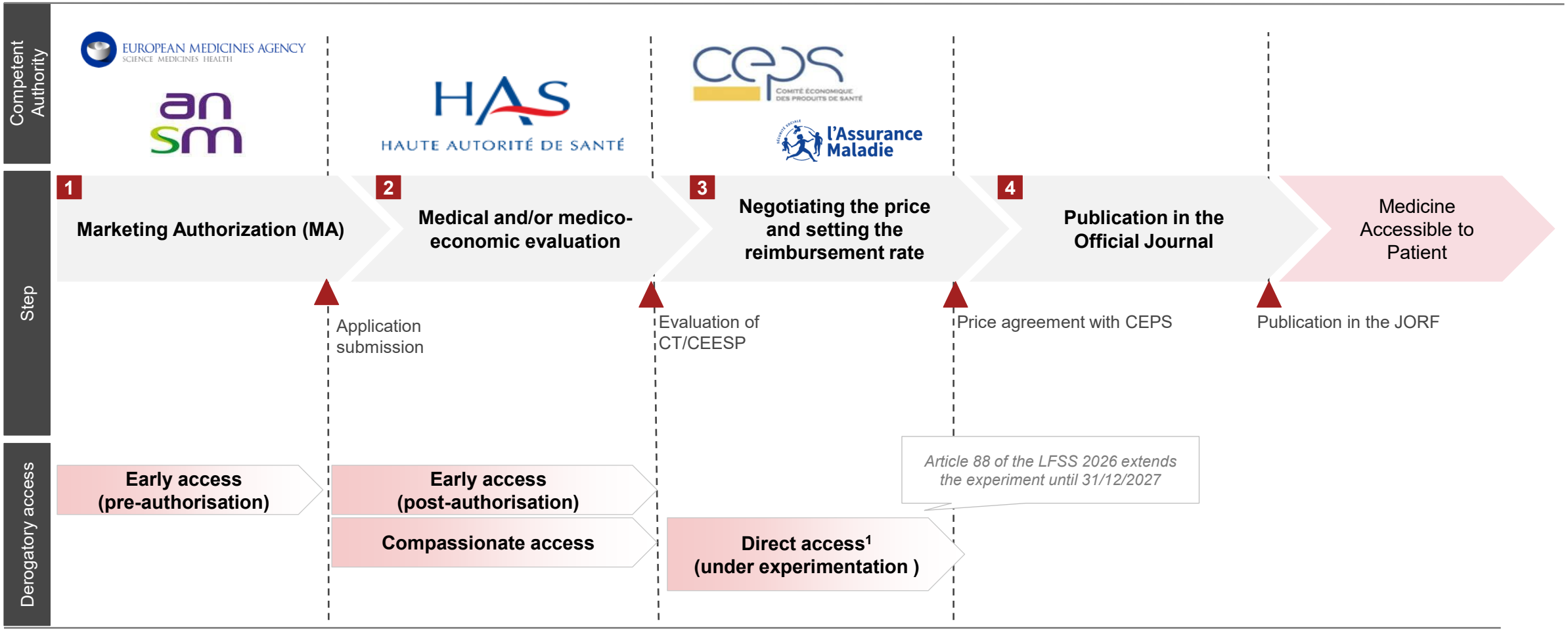
Access to progress

Economic Dynamism

Reputation: Political & Social Value

The access pathway of a drug in France is sequenced with several steps between evaluation and price negotiation

Access pathway for a drug in France



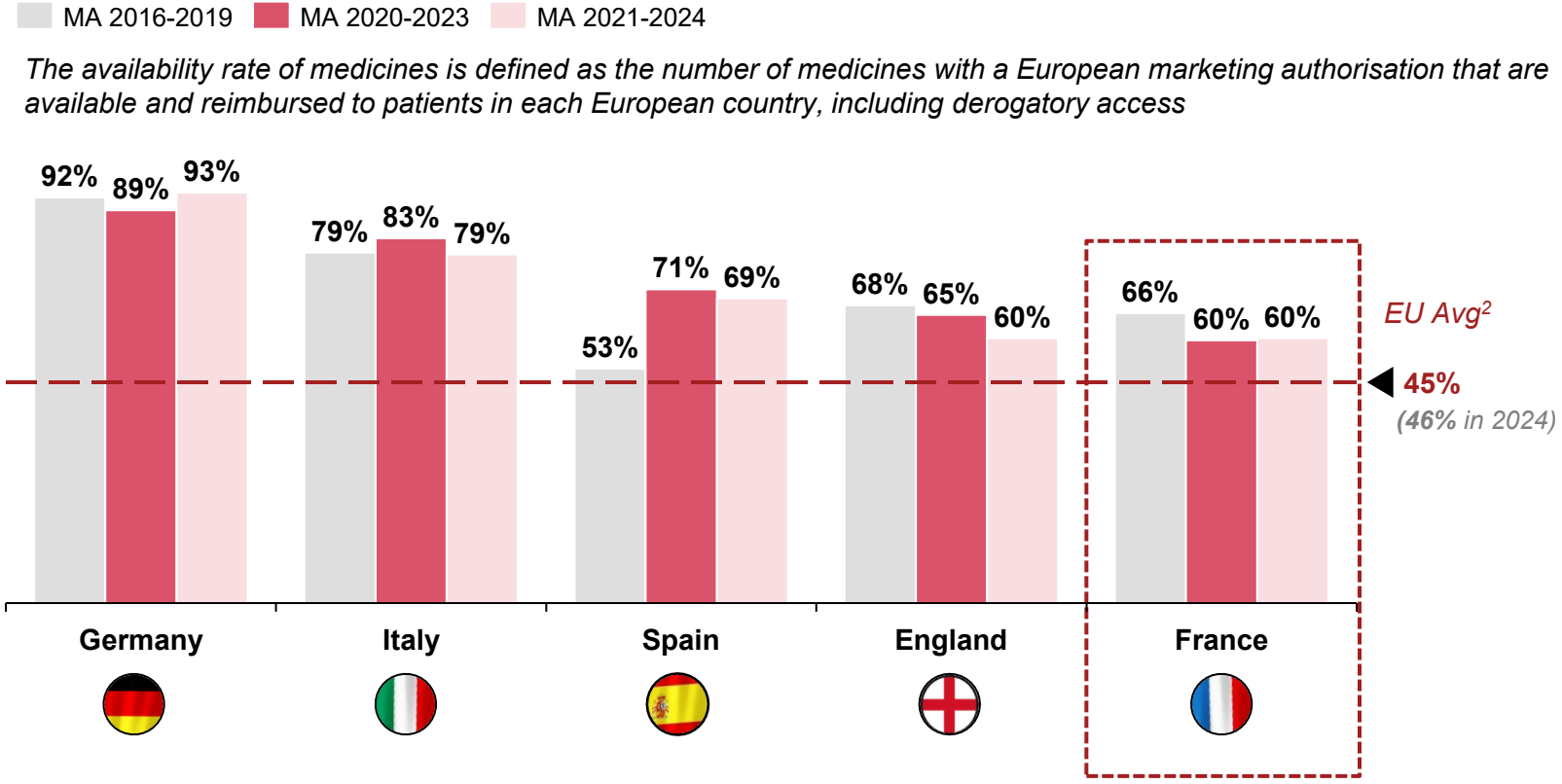
Notes: 1) Initially planned for experimentation between 2023 and 2025
Sources: Government website, Cnam, HAS, Health Insurance, ANSM press releases

In France, the availability rate of new drugs being reimbursed is stable at 60% and remains higher than the European average (45%)

Availability of medicines

Proportion of medicines available and reimbursed in France and Europe

% total of European marketing authorisations (MA)



Comments

- The availability rate of new medicines in France has been stable for medicines with an MA between 2021-2024, compared to those with an MA between 2020-2023
- Germany maintains the highest availability rate in Europe due to a shorter time to market access where the manufacturer sets a free price after approval of the drug by the European centralised procedure
- Italy makes extensive use of performance and risk-sharing agreements[1], which more systematically convert MA into access
- Spain is continuing its growth momentum for the 2021-2024 MAs, which is explained in particular by a reduction in administrative processing times

Notes: 1) The price of the reimbursed drug depends on its actual performance in patients, once placed on the market. If the drug works as expected (e.g., clinical improvement observed in patients), the negotiated price is maintained and the reimbursement is full. Conversely, if the results are lower than expected, the laboratory may have to reimburse part of the costs; 2) EU27 average for 2021-2024 marketing authorisations and wider Europe for the other periods
Sources: EFPIA Patients WAIT Indicator 2026 Survey, Spanish Ministry of Health, Putnam study for Leem on French patients' access to new medicines (2026), PwC Strategy &

Among the new drugs not available in France, oncology and neurology are the two most represented therapeutic areas

Comparison of the availability of new drugs in France vs. 4 European countries

Therapeutic area	Number of medicines launched (2022-2025)		Products not available in France but available in all 4 countries	Products not available in France but available in ≥1 countries
	Analysis carried out on a perimeter of 193 medicines[1]		France vs. Germany, England, Spain, Italy	
	#	%		
Oncology	37	19%	16%	21%
Neurology	23	12%	16%	13%
Onco-hematology	21	10%	5%	12%
Hematology	17	10%	11%	10%
Endo. / Diabetes / Metabolism	16	8%	11%	11%

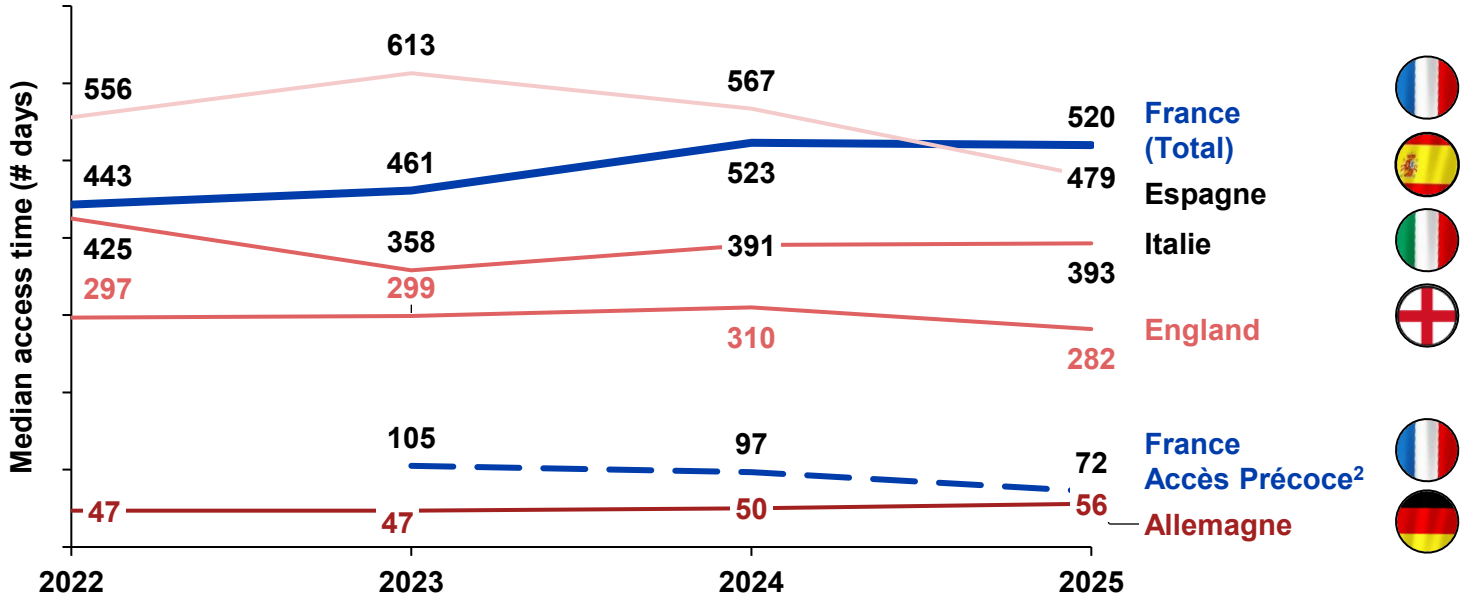
Note: 1) 193 medicinal products newly authorised by the EMA from 2022 to 2025 (first-time listing) selected by therapeutic areas and excluding diagnostic, radiopharmaceutical, biosimilar, generic/hybrid products, other products initially miscategorised and MAs dating from 2020; Comparative analysis of the availability of new drugs in France vs. Germany, England, Spain and Italy
Sources: Putnam study for Leem on French patients' access to new medicines (2026)

The time taken to access new medicines is longer in France vs. European neighbours; Early access scheme provides faster access for innovations

Median drug access times

Median access times to medicines[1] in Europe (first-time enrollment)
days, MA 2018-2021, MA 2019-2022, MA 2020-2023, MA 2021-2024[2]

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



Comments

- The access time is **633 days on average and 520 days on median in France** for all medicines that have obtained an MA between 2021 and 2024, through common law (all ASMRs)
- **Spain has significantly reduced its waiting times** since 2023, from 613 days to 479 in 2025 (-22%)
- Between 2024-2025, the **United Kingdom has also managed to reduce the lead times by 10%,** which stands at 282 days
- France is the country where these delays are the highest in 2025 among its European neighbours; however, early access makes it possible to significantly reduce them (72 days) for certain indications classified as innovative by the HAS
- In addition, since the launch of the scheme in 2022, 6 medicines have benefited from direct access; Its experimentation will continue in 2026 with 3 additional drugs[3] that will benefit from it

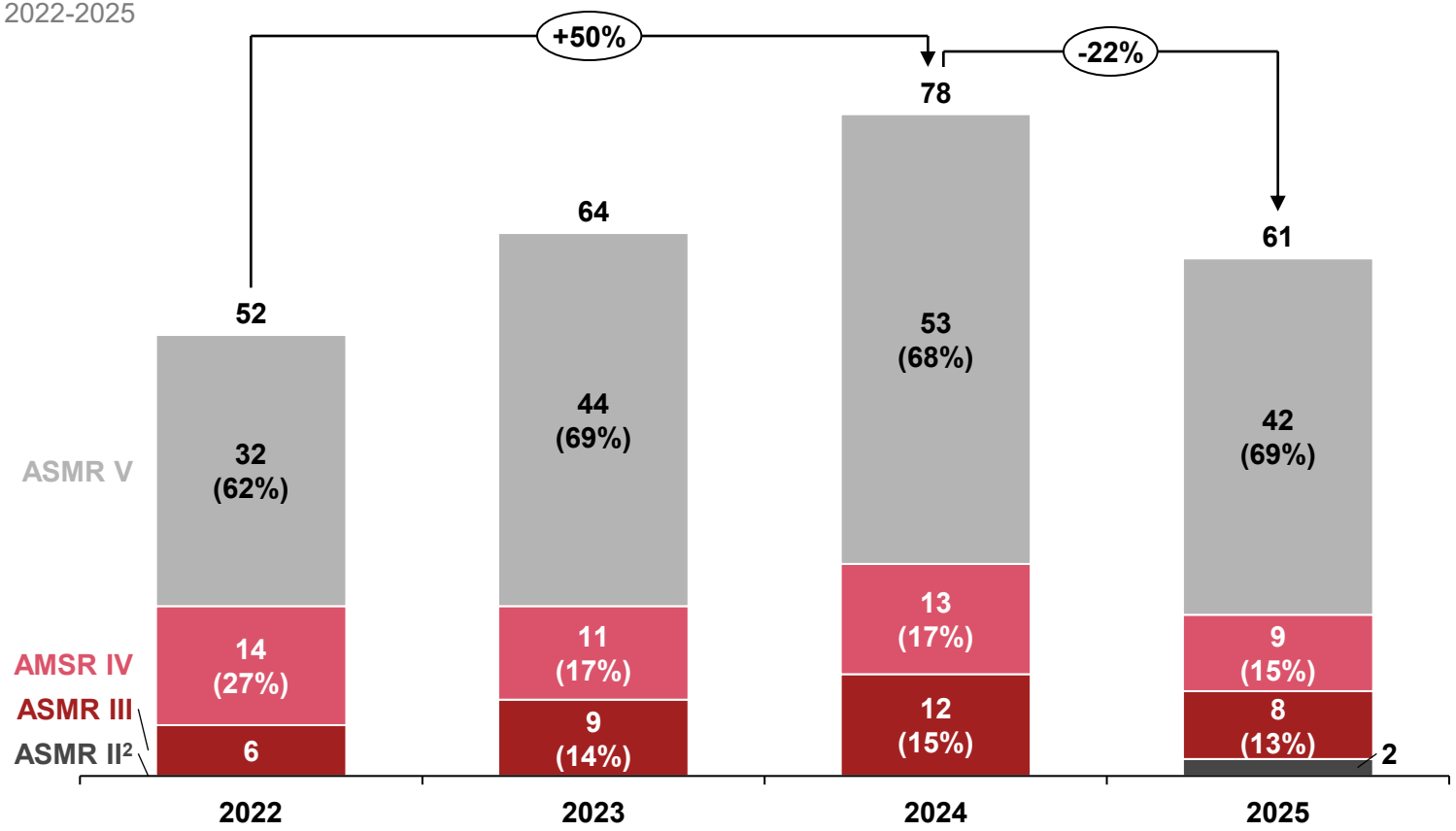
Notes: 1) The median time for each year is calculated for first-time registrations on the MAs of the previous 3 years (e.g. the 2025 deadline is based on the 2021-2024 MAs
2) The median time for early access is calculated for each year by including the requests for early access for first-time registrations on the MAs of the previous 3 years (e.g. the 2025 deadline is based on the 2021-2024 MAs); 3) Hetronifly, Opdivo and Yervoy specialties
Sources: EFPIA Patients WAIT Indicator 2026, Survey, OMEDIT, PwC Strategy&

The number of indications traded for more than 500 days fell by 24% in 2025, after 2 years of growth

Indications in price negotiation for more than 500 days

Number of indications in the process of price negotiation for more than 500 days as of December 31 of the year indicated[1]

MA, 2022-2025



Comments

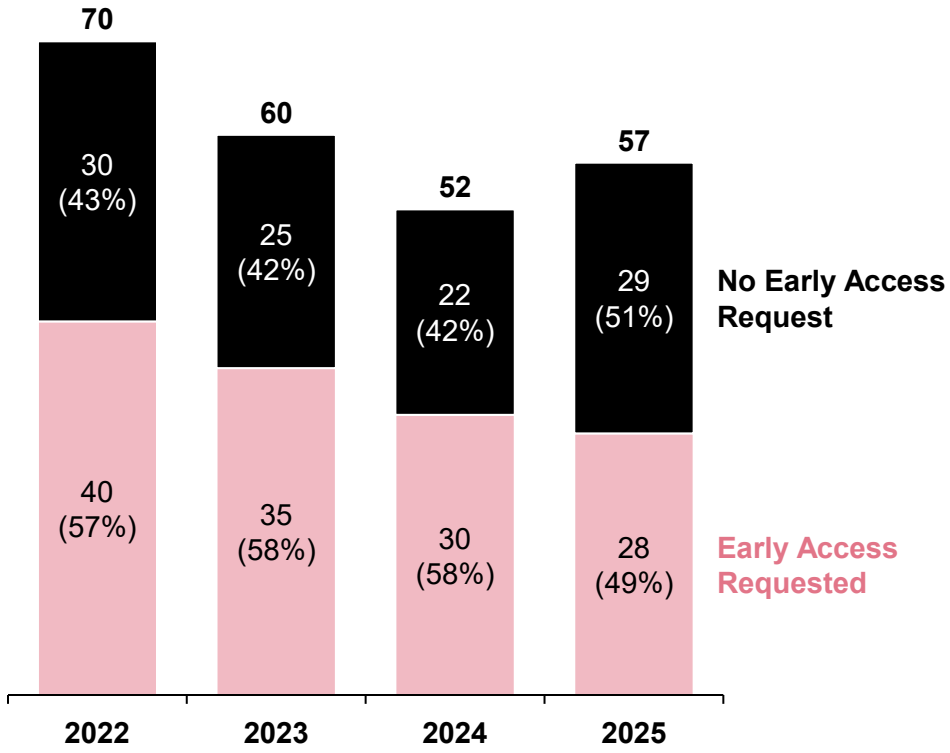
- The number of indications in price negotiations for more than 500 days fell by 22% between 2024 and 2025, after increasing by 50% from 2022 to 2024
- This concerns both indications for community medicine (56% - SS COLL list) and hospitals (44% - COLL list)
- Of the 61 indications that were at a standstill in 2025, 69% concern ASMR V indications (considered non-innovative for the patient by the HAS)

Notes: 1) The scope includes drugs that have been in price negotiations for more than 500 days on the SS COLL and COLL lists; 2) COVID Vaccines
Sources: IQVIA, Leem, PwC Strategy&

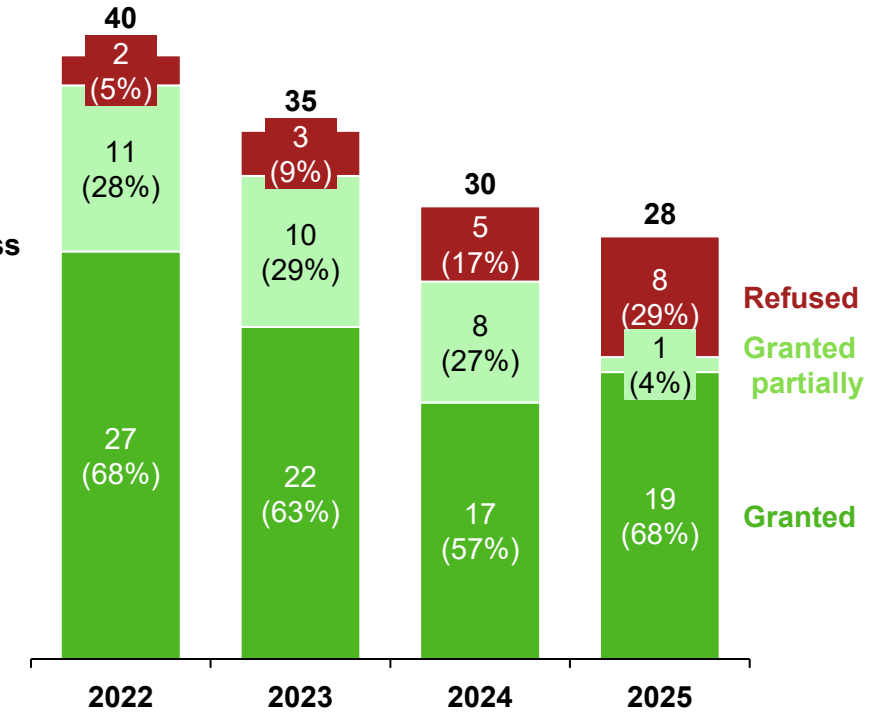
For the first time since the creation of the scheme, more than half of innovative medicines (ASMR I to IV) have not requested early access

Use of early access

Number of First Access Requests for ASMR I-IV Indications
#, %, 2022-2025



Share of first early access requests granted for ASMR I-IV indications
#, %, 2022-2025



Comments

- The number of requests for early access of innovative medicines (ASMR I to IV) stabilised in 2025 (28 vs. 30 in 2024)

Sources : Prioritis Databases 2026, PwC Strategy&

Health professionals anticipate a deterioration in access over next 5 years, especially for innovative medicines, according to a Leem survey

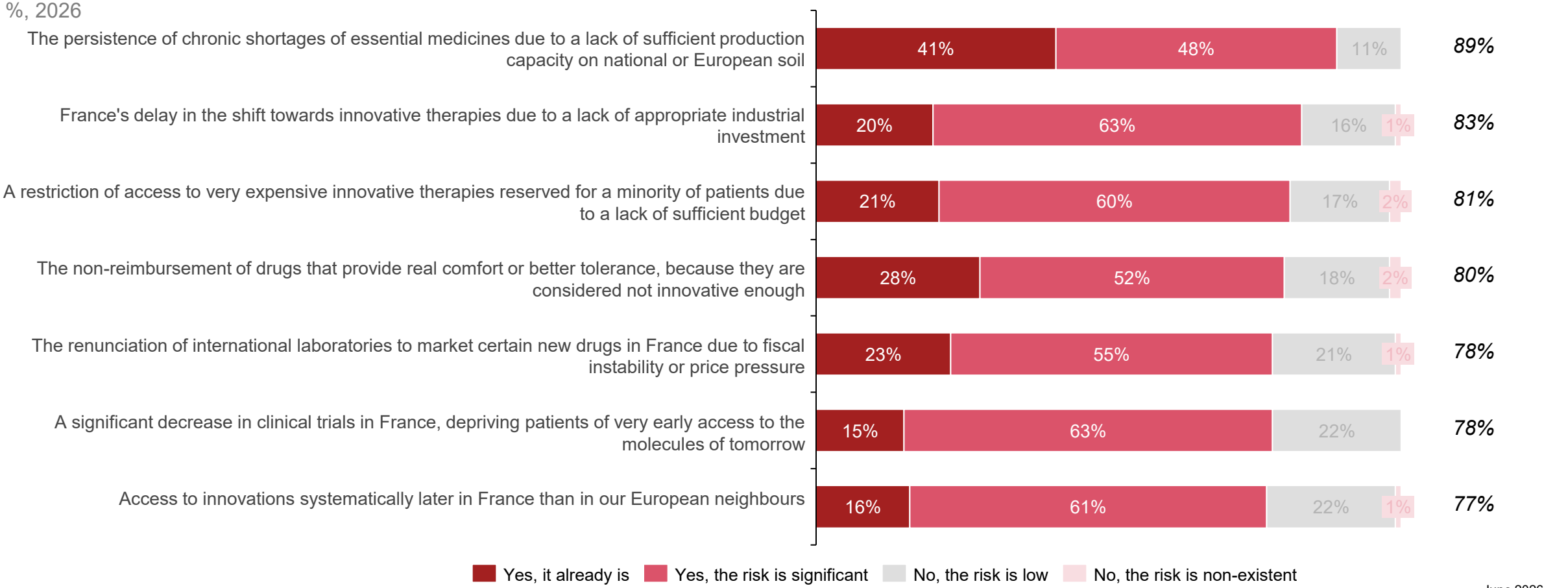
Risk factors for access to medicines

Sondage

Perception of the risk of access to medicines by health professionals

Do you think that there is a risk that France will be confronted with the following situations in the next 5 years??

%, 2026



Sources : Etude Ipsos pour le Leem (2026)

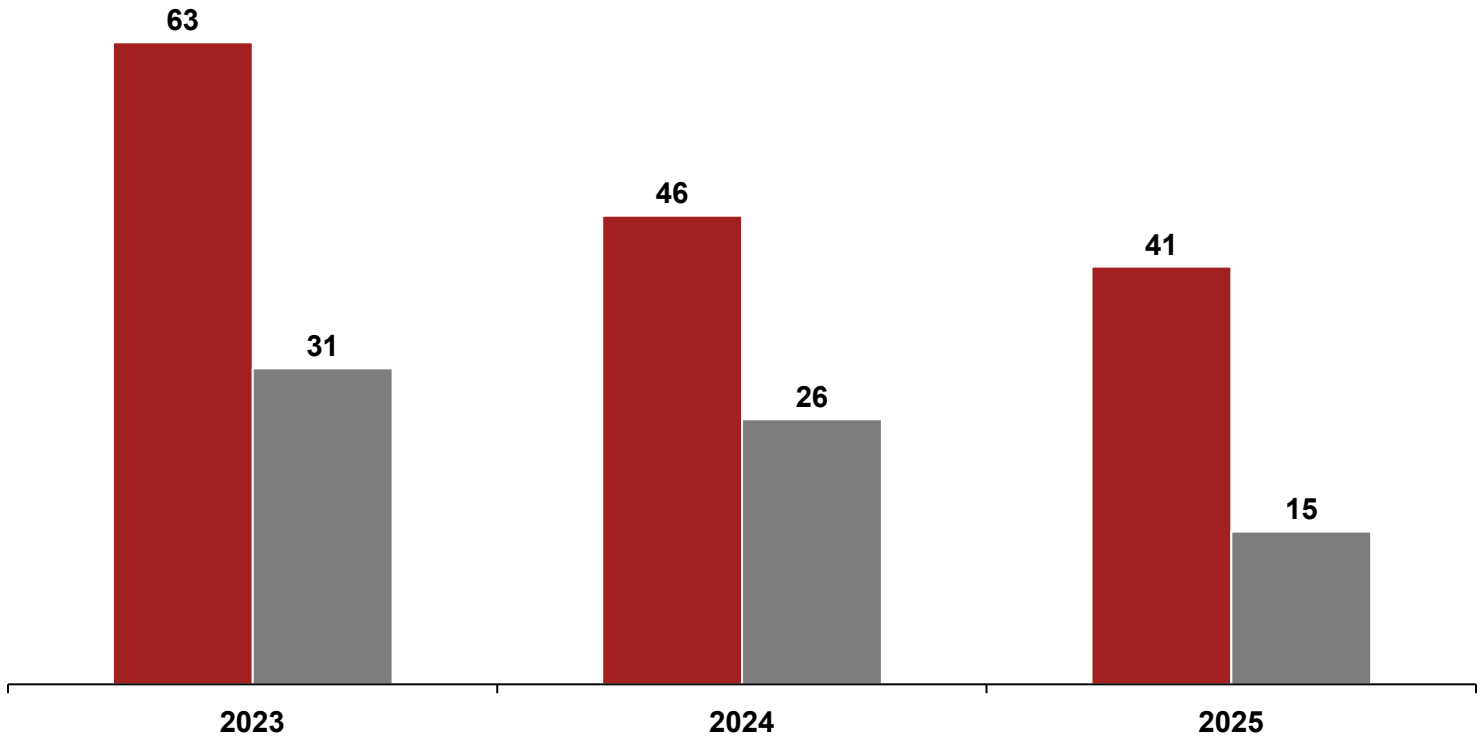
The time taken to publish in the JORF has decreased, both for registration for reimbursement and for the price reduction

Delay for the publication in the JORF

Enquête

Average time between the date of signature of the amendment by the President of the CEPS and the date of publication in the JO by category

# of days, 2023, 2024, 2025 — Reimbursement Registration — Price reduction of the indication



- The time observed in 2025 for the publication in the Official Journal of refund registrations is 41 days, 5 days less vs. 2024
- The gap in the time taken to publish it in the JORF between the registrations for reimbursement and the price reduction of the indication seems to have widened in 2025 (26 days, compared to 20 days in 2024), according to the panel of respondents to the 2025 survey.

JO = Official Journal of France
Sources: 2026 survey of Leem members / 27 respondents representing 49% French pharmaceutical market , PwC Strategy&

France has a strong research ecosystem thanks to its scientific excellence, its CIR and cutting-edge research institutions

Structure of the R&D ecosystem in France

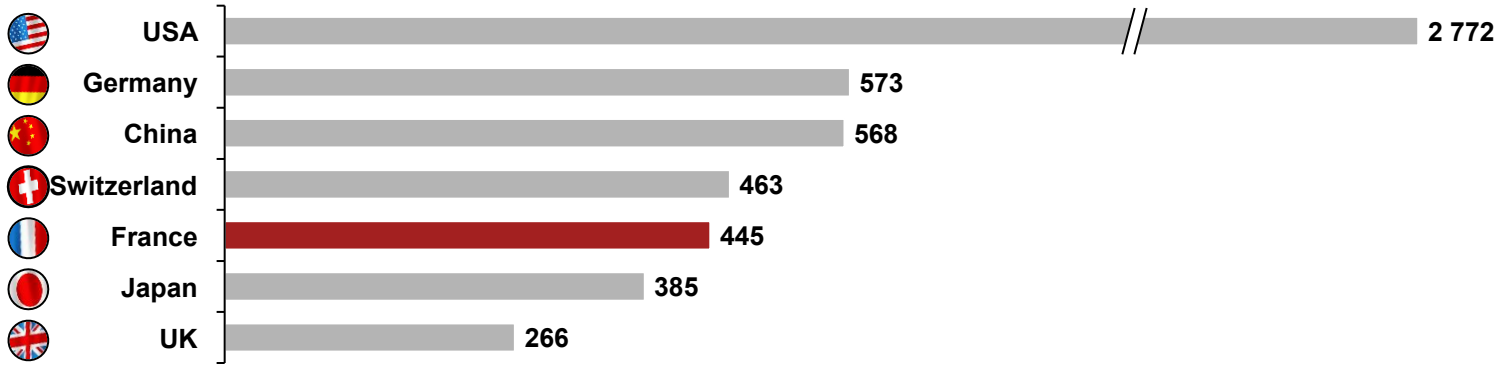
France has academic excellence and infrastructures conducive to pharmaceutical research

- The pharmaceutical industry is a partner of almost all the healthcare institutions involved in research and innovation in France (more than 200 ESs) and other infrastructures dedicated to research, including: 5 bioclusters (PSCC, B&M, Genother, BCF2I, MIB) and 18 IHUs
- France has a renowned medical research ecosystem with: centers such as the Institut Pasteur (23,000 people – 10 Nobel Prizes) or the Institut Curie (52,000 patients, 82 research teams) and 6 competitiveness clusters (Alsace Biovalley, Atlanpôle Biothérapies, Eurobiomed, LyonBipole, Medicen Paris Region, Nutrition Santé Longevity)
- This scientific excellence is reflected in France's 5th place in the number of pharmaceutical patents filed in Europe in 2025, recently competing with China and Switzerland

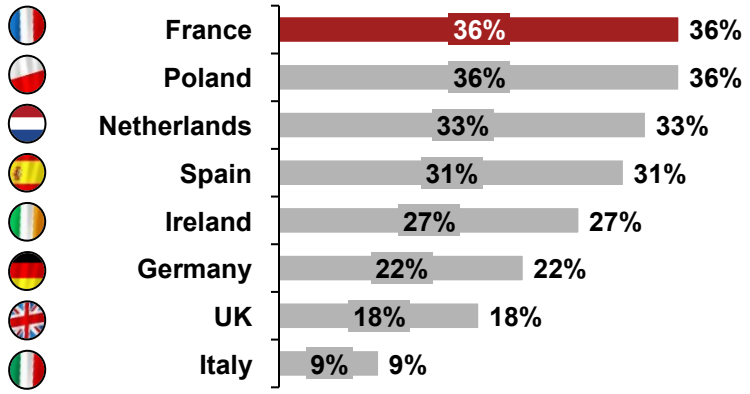
France has some of the most attractive tax measures for R&D in Europe

- The Research Tax Credit (CIR) in France remains one of the highest in Europe, but is closely followed by certain measures recently implemented or improved in other Western European countries (e.g. Poland)
- The CIR rate in France is scalable with the amounts of R&D investment considered: 30% up to €100M and 5% beyond that

Number of pharmaceutical patents filed in Europe by country in 2025



Tax incentives for R&D investment by country in 2025



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

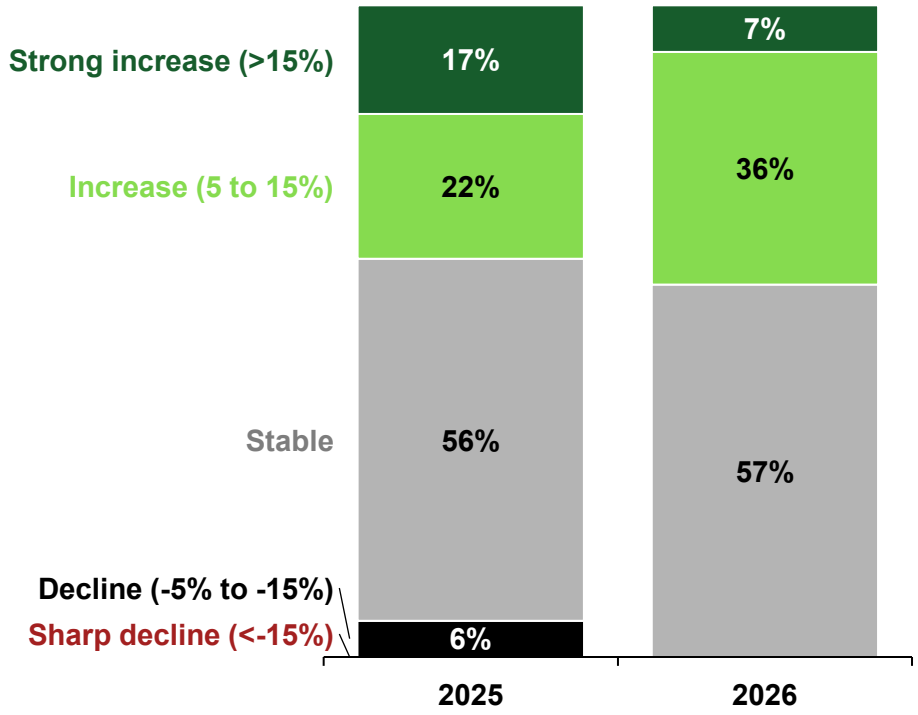
For 43% of the responding companies, R&D investments in France are expected to increase over the next 3 years

R&D investments

Enquête

Dynamics of R&D investments in France over the next 3 years
%, 2026

What is the R&D investment dynamic of your company over the next 3 years?



Comments

- There has been a decline in the proportion of respondents who expect a sharp increase in their R&D investments over the next 3 years (7% vs. 17% last year)
- It should be noted that all the responding companies in 2026 were Large Companies and 100% of these companies plan investments over the next 3 years (similar response in 2025)
- Global macroeconomic uncertainty with protectionist pressures from some countries could encourage some players to redirect their investments towards their majority domestic markets to secure access to this market

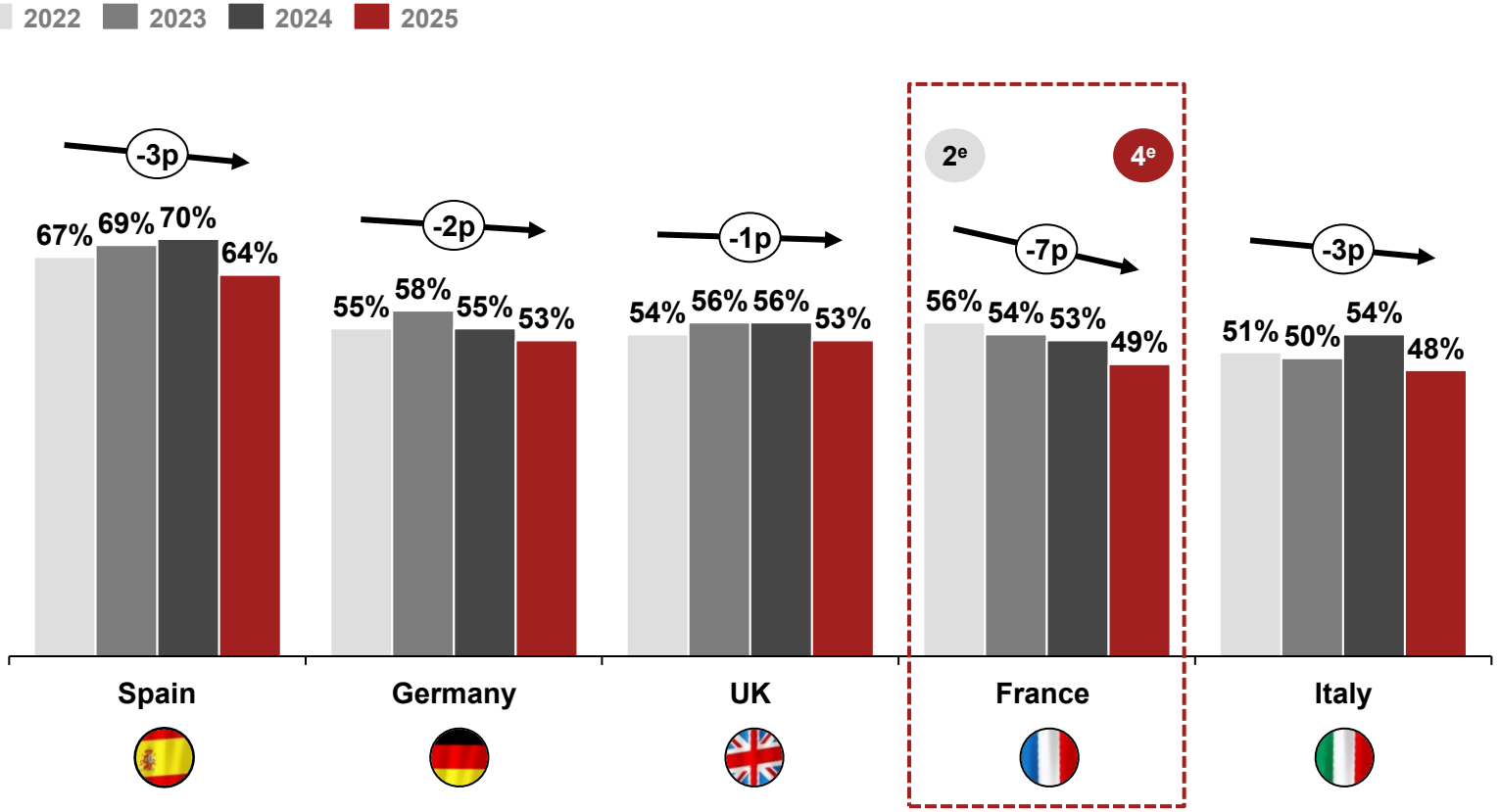
Sources: 2026 survey of Leem members / 28 respondents representing 44% of French pharmaceutical market, PwC Strategy&

France ranks 4th in Europe on multinational clinical trials with patients while Spain keeps its 1st place

Clinical Trials

Evolution of the share of multinational clinical trials with patients in Europe between 2022-2025 over a period of 12 months

% of the number of multinational clinical trials in Europe conducted in the country



Comments

- The share of multinational clinical trials with patients carried out in European countries is down in 2025 vs. the previous 2 years
- Spain maintains the best momentum on clinical trials in Europe and participates in 64% of new trials
- The other 4 countries show a close turnout (around 50%)
- To promote clinical trials, measures have recently been put in place:
- At the EU level, the FAST-EU[1] pilot project (since the end of January 2026) aims to reduce evaluation times for multinational clinical trials
- In France, a fast-track system of the ANSM (since March 2026) reduces the authorization time from 31 to 14 days for mono-national phase I and I/II trials of innovative drugs for serious or rare/disabling diseases

Notes: 1) Facilitating and Accelerating Strategic Trials; this mechanism concerns exclusively clinical trials of medicinal products for human use, conducted within the framework of Regulation (EU) No. 536/2014, and does not apply to clinical investigations of medical devices, governed by Regulation (EU) 2017/745;
Sources: Leem Study on the attractiveness of France for clinical research (2026), ANSM, BluePharm, PwC Strategy&

-Xp Reduction in percentage points between 2022 & 2025

Spain and Korea have successful models for clinical trials with a population and therapeutic areas comparable to France

		Benchmark models	
Population (# of inhabitants; 2024)	**~68M**	**~50M**	**~52M**
Life expectancy of the population (# of years, 2023)	**83.1**	**84.0**	**84.3**
Dominant proportion of the clinical trial portfolio	**Oncology Early phases (1 and 2)**	**Oncology Early phases (1 and 2)**	**Oncology Early phases (1 and 2)**
Industrial Clinical Trials[1] (# of tests; share of global trials; 2024)	**~550** *(2,85%)*	**~730** *(3,8%)*	**~665** *(3,5%)*
Time to cast a clinical trial (# days until the 1st patient is included; 2023)	**~184j[2]**	**~162j[2]**	**~120-150j**

Notes: 1) Includes national and multinational trials; 2) As the data dates from 2023, France seems to have since reduced its gap with Spain, even if the Spanish national fast-track has recently accelerated their authorizations; Entry into force on 16/03/2026 of a fast-track system in France for single-national, phase I and I/II integrated trials, launched by the ANSM, which reduces the authorisation time from 31 to 14 working days in the fastest format and targets innovative medicines
Sources: PwC study for the Leem Benchmark on efficient organizations in clinical research (Spanish and Korean model), 2026

The Spanish model promotes efficient recruitment and rapid implementation, placing Spain 4th in the world for commercial CBs

Key success factors of the Spanish model

Summary of the key success factors of the Spanish model

Clinical trial start-up process & regulation	• **Rapid start of trials (≈ 162 days until the 1st patient) thanks to national performance management (BEST[2] project), close coordination with regulators and harmonized processes, supported by teams dedicated to contracting and trial management**
Patient Referral and Coordination of flows	• **Facilitation of patient inclusion via intuitive digital tools (Match Trial) and the role of patient associations, reducing access friction** • **Seamless patient orientation based on physician referral reflexes, interconnection of regional channels and support from specialized coordination teams**
Organization Clinical Trial Centers	• **Dense national coverage, structured around regional hubs, guaranteeing broad and diversified access to patients and strong operational performance** • **Gradual refocusing of flows to limit the saturation of major centres**
Funding and foundations	• **Financing mainly industrial (≈ 85% of trials), largely reinvested locally (≈ 70% of the additional hospital cost), and supervised by dedicated teams within hospitals and foundations, contributing to the structuring and dynamization of commercial clinical trials**

4th in the world & 1st in Europe

in number of industrial clinical trials in 2024

Attractiveness factors for manufacturers

Inclusion[1]	◕	~95% of recruitment targets met and a low rate of open centers with few or no patients included
Speed[1]	◑	Rapid implementation (162 days of 1st patient inclusion in 2023), but slowed down by European regulations (+13 days vs. 2022)
Data quality[1]	◑	Trials recognized as efficient by manufacturers on the quality of data and patient selection

EC: Clinical Trials

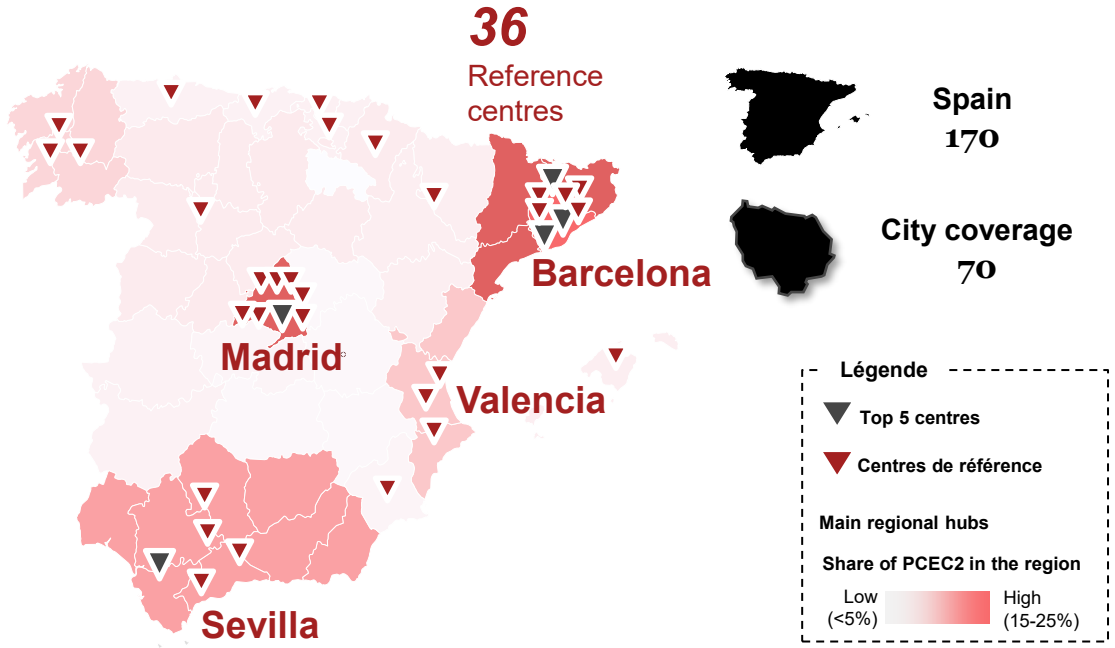
Notes: 1) Scoring based on interviews conducted and available documentation; 2) BEST project: The BEST project (Benchmarking Excellence in clinical Trials) is a national benchmarking system led by Farmaindustria since 2004

Sources: PwC study for the Leem Benchmark on efficient organizations in clinical research (Spanish and Korean model), 2026

A dense national network, supported by strong industrial funding, is associated with a strong growth of clinical trials in Spain

Key success factors of the Spanish model (1/2)

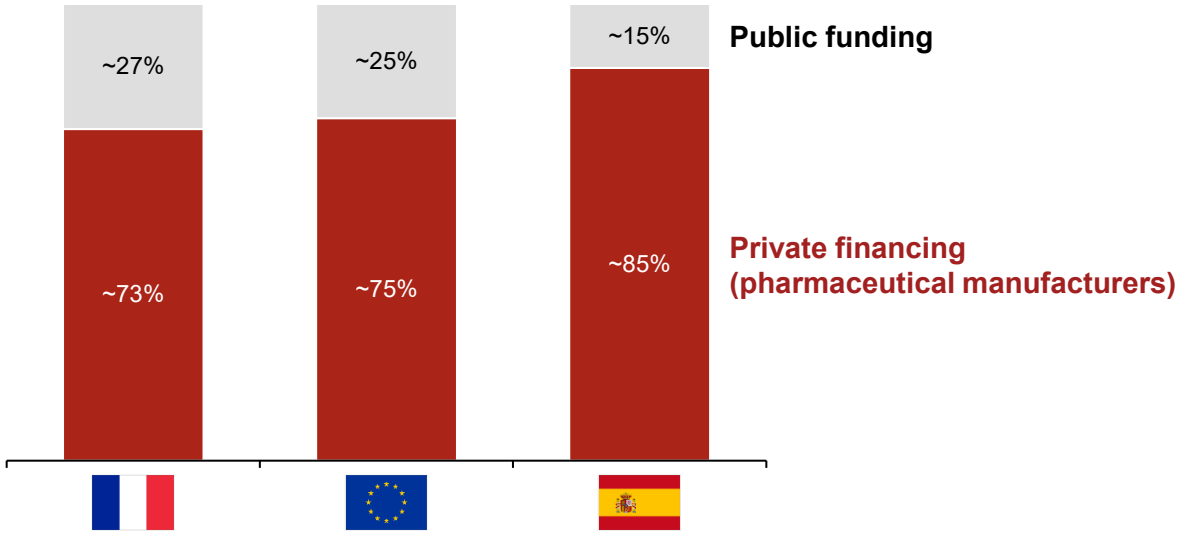
Clinical trial centres are present throughout Spain and will be organised into a network around regional hubs in 2025



- A dense national network articulated in regional networks that allows wide and diversified access to patients in industrial trials
- This concentration around regional hubs has long made it possible to optimise performance, although the trend is to decentralise flows to reduce the saturation of centres

The significant share of financing by pharmaceutical manufacturers explains the dynamism of commercial clinical trials in Spain

Clinical trial start-ups, by type of sponsor
% of trials, 2022, Spain, France & EEE[1]



- Mainly industrial funding (~85% of trials), largely reinvested locally (~70% of the additional hospital cost paid by sponsors to the centres)
- The supervision by dedicated teams within hospitals and foundations contributes to the structuring and dynamization of commercial clinical trials

Notes: 1) European Economic Area; 2) Research and clinical trial units
Sources: PwC study for the Leem Benchmark on efficient organizations in clinical research (Spanish and Korean model), 2026

Easy access to information, a proactive culture towards clinical trials and the organization of hospital networks simplify addressing

Key success factors of the Spanish model (2/2)

Accessible information and patient relays normalize participation and reduce inclusion frictions

EC Public Registry

Free and open patient access to the REec[1] database, a very detailed and intuitive source of information, updated almost daily by the AEMPS

Patient Associations

Patient associations (grouped in the POP[2] platform) play **an active role in information and training** and **maintain a permanent link with stakeholders** in the ecosystem (manufacturers, authorities, hospitals) through **regular meetings, workshops and conferences**

Awareness Initiatives

Annual campaigns to raise awareness among the general public (e.g. INCLIVA on translational research) financed by industry or institutions**, congresses dedicated to clinical research** and authorized advertising support patient recruitment

Positive perception

*"Clinical trials are seen as a **real opportunity for care**, driven by **a strong trust** in the specialists who support them."*

90%** **of the general public** recognizes the benefits of **clinical trials

Addressing is made fluid thanks to doctors who address "by reflex“ as well as interconnected regional circuits and dedicated teams

- **The REec[1]** (or CTIS[3]) **updated daily guarantees community doctors** a very good visibility on the trials in progress and **the use of new matching tools** (e.g. MatchTrial in oncology[4]) make the orientation even more fluid

MatchTrial

- **A regional hospital network interconnected** with common systems (e.g., EMR[5] and management tools) **streamlines addressing between centers**
- **Cross-functional clinical trial units that avoid silo management** within hospitals and **oversee patient recruitment**

Notes: 1) National Clinical Trials Registry; 2) Plataforma de Organizationes de Pacientes; 3) Clinical Trial Information System; 4) Solution also valid in France; 5) Electronic Medical Record
Sources: PwC study for the Leem Benchmark on efficient organizations in clinical research (Spanish and Korean model), 2026

The Korean model, known for the efficiency and speed of its recruitment, positions Korea 6th in the world for commercial CBS

Key success factors of the South Korean model

Summary of the key success factors of the South Korean model

Regulation and Patient Recruitment	• **Parallel and accelerated authorisation processes**, led by facilitating authorities, allowing a rapid regulatory start • **Proximity between patients and large hospitals**, promoting addressing and adherence, reinforced by intuitive digital platforms facilitating access to information
Organization Clinical Trial Centers	• **Networks of state-of-the-art hospitals concentrated in Seoul** (>50% of the population), creating a strong critical mass effect • **Integration of groups of specialized centers** and **pooling of technology platforms**, optimizing the execution of clinical trials
Technology platforms and patient pre-screening	• **Integrated technological infrastructures within major centres** (NGS[1], biobanks) • **Quasi-systematic molecular profiling** in care pathways, allowing pre-screening well in advance of trials
Infrastructure and ecosystem financing	• **Convergence of funding from pharmaceutical manufacturers** (~90% of clinical trials in 2024), **large conglomerates** and **the State**, which has strongly accelerated the development of the ecosystem and technological infrastructures dedicated to commercial clinical trials

6th in the world and 2nd in Asia

*in number of industrial clinical trials with **Seoul** ranked as **the 2nd largest city** in the world in 2024*

Attractiveness factors for manufacturers

Inclusion[2]	The concentration of population around **the large integrated hospitals** and the capacity for **pre-screenings** guarantee **reliable recruitment**
Speed[2]	**Short trial** set-up **times** (~120-150 days for 1st patient inclusion)
Data quality[2]	**Good quality of** clinical trial data recognized by industry

Notes: 1) Next Generation Sequencing; 2) Scoring based on interviews conducted and available documentation
Sources: PwC study for the Leem Benchmark on efficient organizations in clinical research (Spanish and Korean model)

Korea combines integrated infrastructure for pre-screening and patient proximity to hospitals to facilitate patient referral

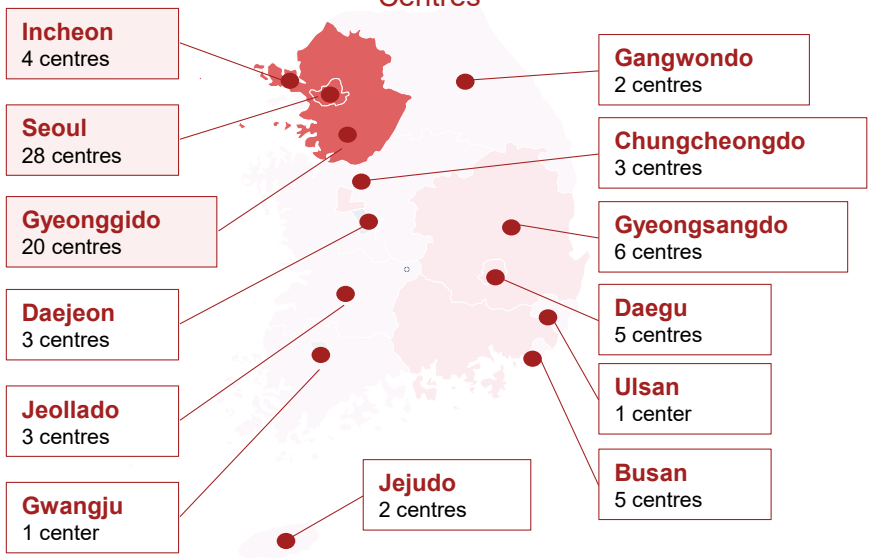
Key success factors of the South Korean model

Molecular profiling and biobanks are integrated into clinical trial capabilities in major hospitals

Geographical distribution of NGS 1 centres

#, October 2025, South Korea

81 NGS Approved Centres



- The combination **of NGS, biobanks and clinical data** shared within hospital groups makes it possible **to identify relevant molecular subpopulations upstream for targeted commercial trials** directly at the level of the investigator centers

The proximity of patients to large intermediate hospitals facilitates direct referral and strengthens their adherence to clinical trials

EC Public Registry

In addition to CRIS[1], KoNECT offers a **national clinical trial participation portal** (TrialForMe) for the general public that centralizes information on clinical trials, with **educational content** and personalized advice, **facilitating patient inclusion**

Direct access to specialists

The **high urban concentration** in Korea, where major hospitals are easily accessible (with little filtering), **allows direct access to specialists** without the intermediary of city doctors. This promotes addressing and **builds patient confidence**

Positive perception of CBS

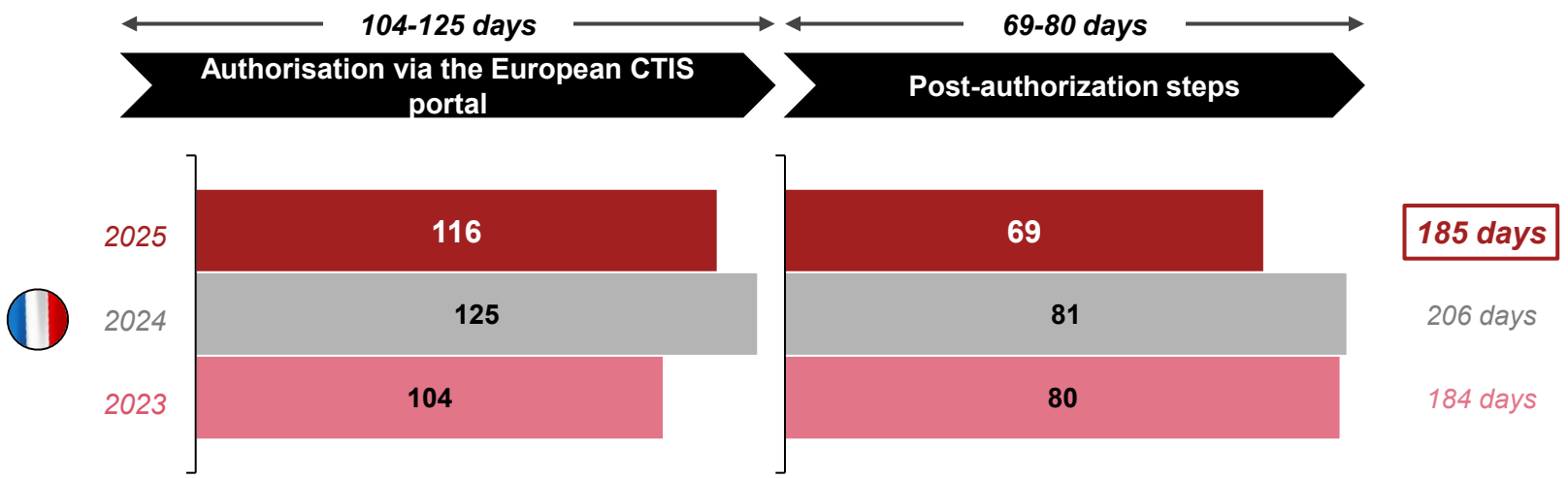
83% *of respondents consider **clinical trials necessary***

60% *of respondents say they are **willing to participate in a trial***

Note: 1) Clinical Research Information Service, recognized by the WHO
Sources: PwC study for the Leem Benchmark on efficient organizations in clinical research (Spanish and Korean model)

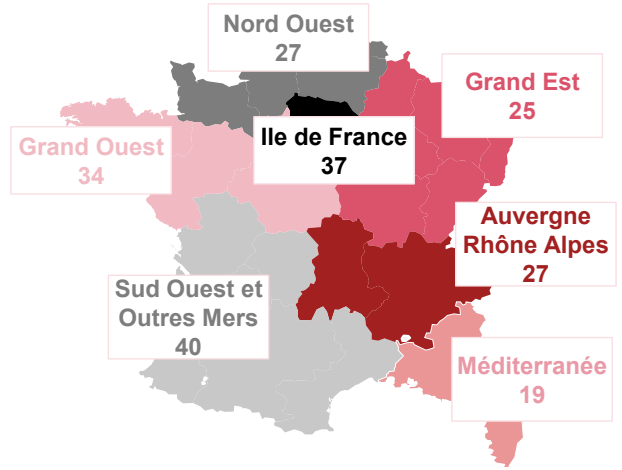
Delay for the inclusion of the 1st patient in a clinical trial is 185 days in 2025 with the objective of a period reduced to 120 days in France by 2030

Procedure and Time Frame for Including the 1st Patient in a Clinical Trial



Ecosystem of healthcare facilities

#, 2025, France



Comments

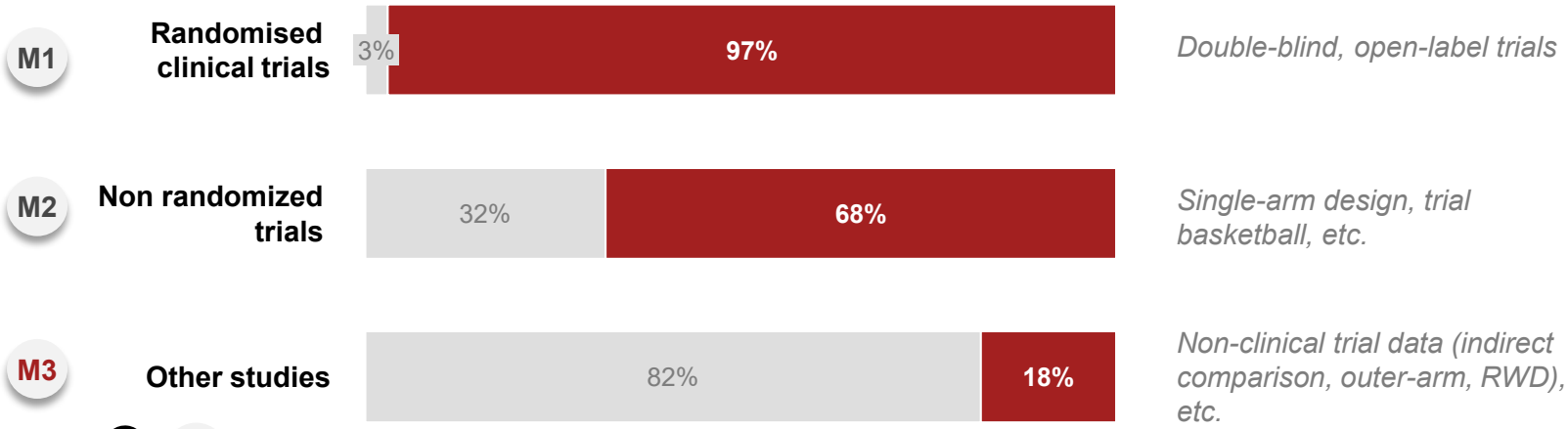
- Since **January 2022**, Regulation (EU) No. 536/2014 has required a **single submission via the CTIS portal** with a coordinated assessment between Member States within a **maximum period** of **106 days**, **with all new applications having to go through this system** since **January 2023** and **all pre-existing trials** having to go through **it.Have migrated before January 2025**
- **France has committed to reducing the total time limit to 120 days by 2030** by reducing the time taken to authorise, contract (via the single agreement) and organise the centres
- In **March 2026, France introduced a fast-track device from authorisation to inclusion**, so as to include a 1st patient in **40 days** after the trial was submitted

Sources: Leem Study on the attractiveness of France for clinical research (2026), France 2030, PwC Strategy&

The eligibility of non-clinical trial studies is low vs. clinical trials

Admissibility of studies

Admissibility of studies submitted[1] by manufacturers to the HAS, by category to conduct clinical trials
%, Filing Period 2023-2025



M3

RARE DISEASES

- **Observational studies** or **indirect comparisons: 21% of studies of which 25% are admissible**
- **Phases I, I/II** : **9% of studies of which 60% are admissible**

CANCERS

Indirect comparisons: 21% of studies of which 4% are admissible

Phases I, I/II: 17% of studies of which 77% admissible

Comments

- The **new doctrine** of the **Transparency Commission (2023-2025)** includes a section on **alternative methodologies**
- Between **2023-2025**, the **HAS almost systematically took into account randomised trials (97%)** and a majority of **non-randomised trials (68%) in its opinions**
- However, **82%** of the "**other studies**" (partially or fully integrating data outside clinical trials) were not **admissible**
- The latter are **particularly used** for **rare diseases** (40% of the studies submitted) for which conventional approaches are not possible[2]

Notes: 1) Analysis of the studies submitted in the common law and early access files since the publication of the new doctrine of the HAS Transparency Commission (2023–2025); 2) Due to insufficient populations, ethical constraints, clinical heterogeneity
Sources: Study Attractiveness of France for clinical research at Leem (2026), EMA

According to the survey, administrative simplification, tax incentives and access to data would increase the attractiveness of R&D

R&D investments

Survey

Proposal for measures to boost France's attractiveness for clinical trials

In your opinion, what are the incentives and avenues for improvement to be explored with the public authorities to improve the attractiveness of pharma R&D in the region?

Simplifying and Accelerating Clinical Research

- Deploy **fast-track authorization procedures for multinational early-stage** trials
- Reform the "**single agreement**" to make it simpler and faster (**fixed-price approach, digitised interface**)
- Facilitate the deployment of **decentralized trials** in the territory as close as possible to patients (**electronic consent**)

Securing the tax environment and rewarding R&D investment

- Make **R&D investment** and **trial participation** a **criterion** in **drug price negotiations**
- Implement an **incentive measure** where the **level** of participation of France in clinical trials (number of patients included) is **correlated with advantages in pricing**, as the German model does
- **Perpetuate and modernize the CIR system** by guaranteeing the stability of its rules and extending its scope to better cover late clinical phases

Facilitating access to and use of health data

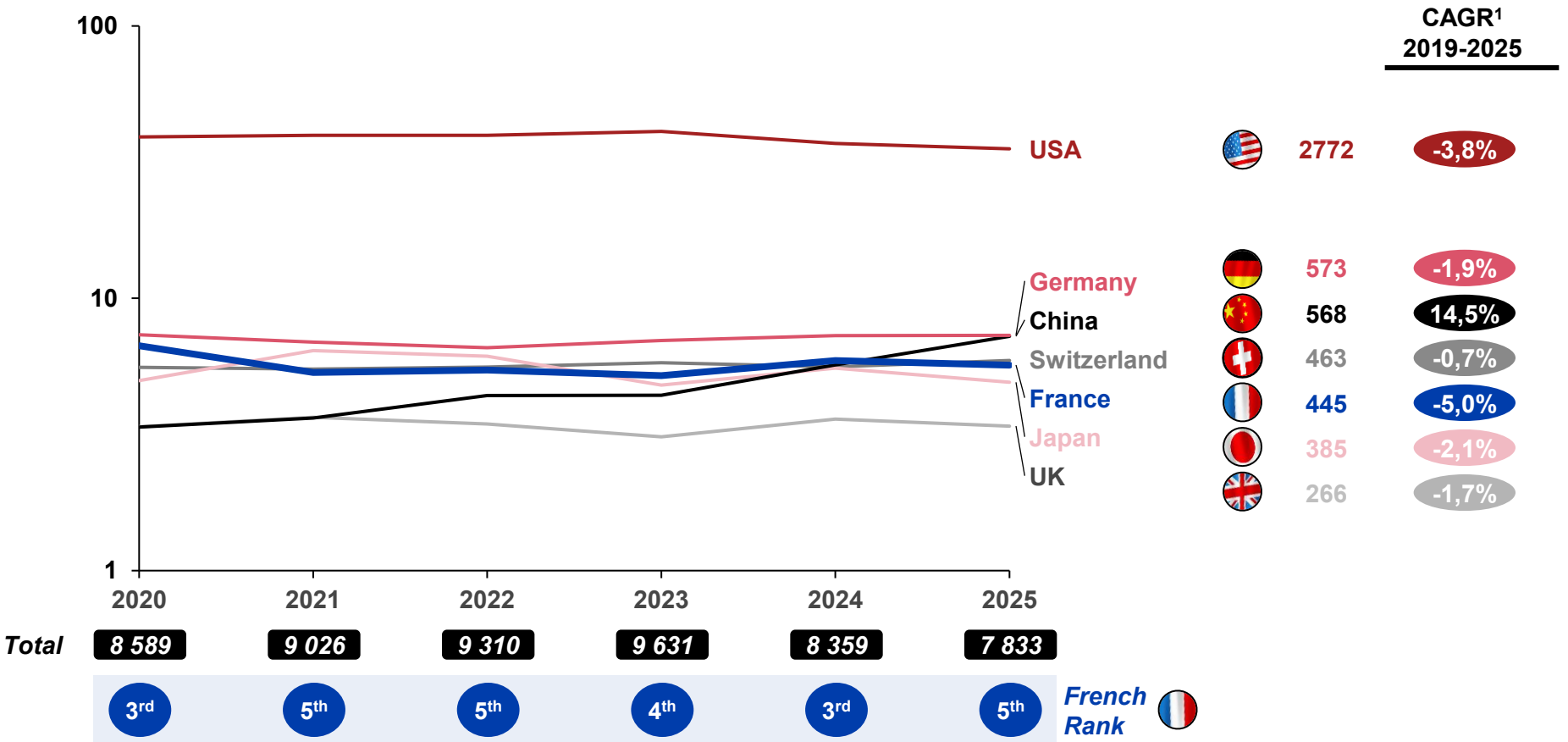
- **Significantly reduce delays** and **simplify procedures for accessing national databases** (SNDS, Health Data Hub)
- Ensure the **recognition by the HAS** of the results of **real-life data analyses**

Sources: 2026 survey of Leem members / 28 respondents representing 44% of French pharmaceutical market, PwC Strategy&

France has fallen to5th place in the world with 445 patents filed in Europe in 2025, overtaken by Switzerland and China

Number of patents filed in Europe

Top 7 countries of origin of pharmaceutical claims in Europe
#, 2020-2025



Comments

- The **number of patents filed in Europe** for pharmaceutical products is **down for the 2nd consecutive year** (**-6% between 2024-25** and **-13% between 2023-24**)
- In **2025, France will fall to3rd place in Europe** with a slight decrease in the number of patents filed (**-5% compared to 2024)** while this number had **been stable since 2022**
- In **2025**, France will be ranked **5th in the world, overtaken by Switzerland** and **China,** whose number of patents filed by the latter in Europe **has increased significantly** over the past 5 years **(+15% per year on average**)

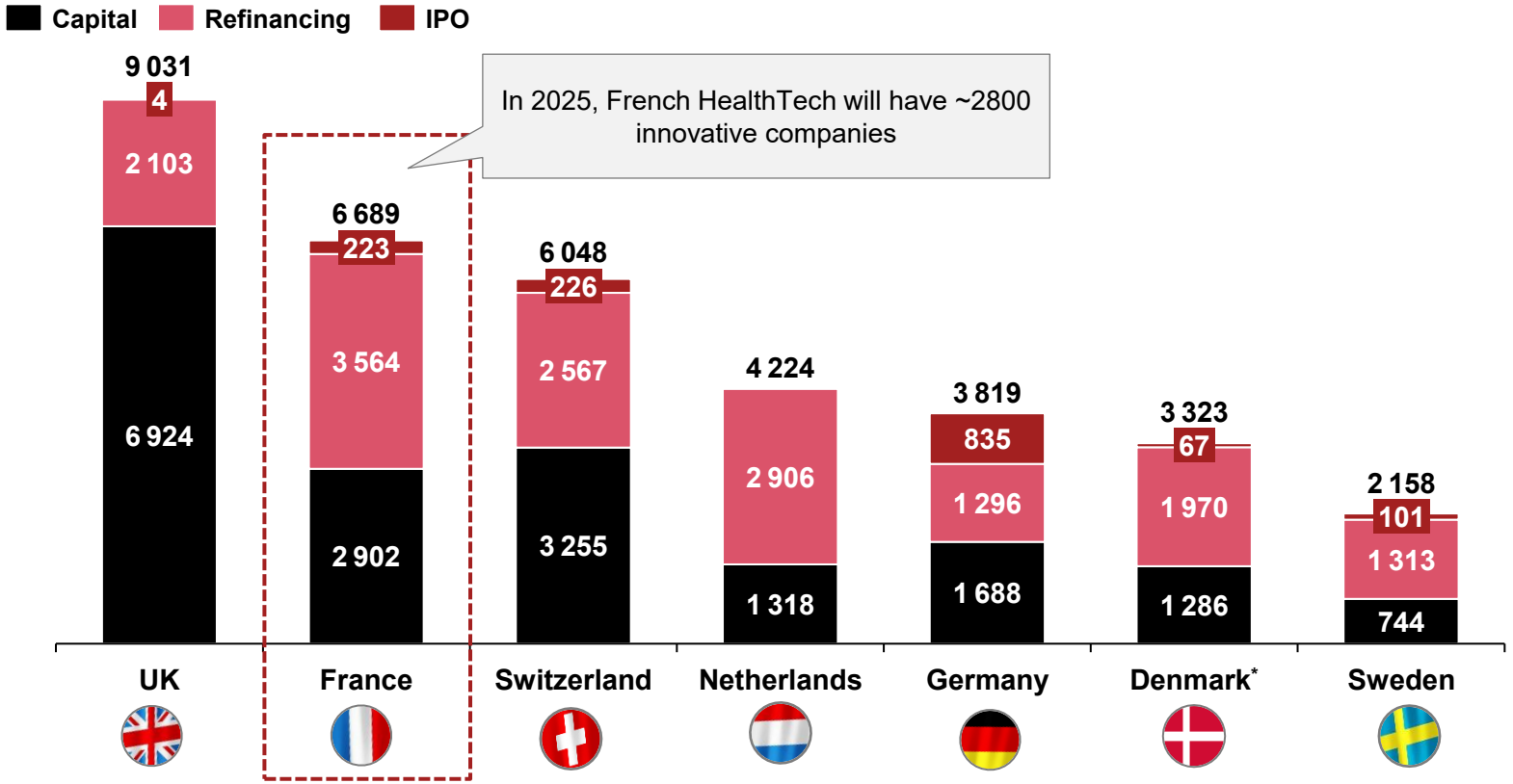
1) CAGR: Average Annual Growth Rate
Sources: European Patent Office, PwC Strategy&

France remains 2nd in Europe in terms of funding raised by HealthTech companies and 1st in the number of operations of all types of financing

HealthTech Funding

Funding raised by companies in HealthTech[1] cumulatively from 2023 to 2025 by country of incorporation

€ million, cumulative period 2023-2025



Comments

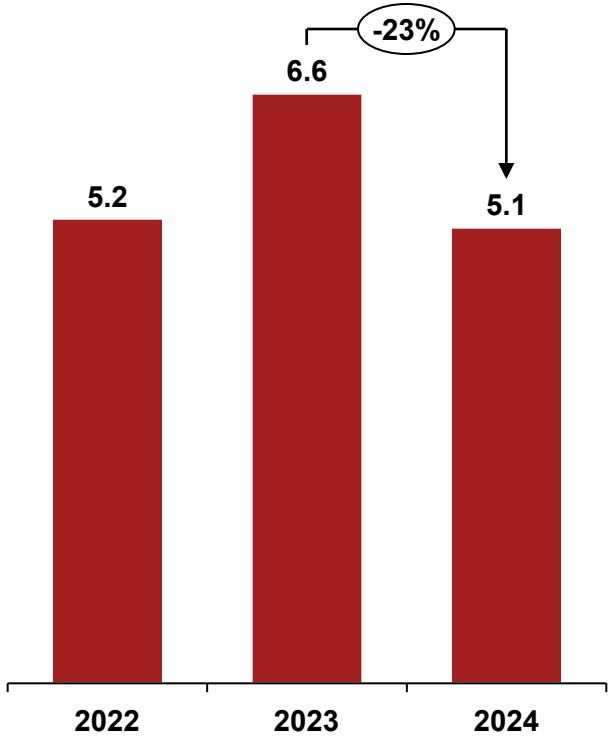
- **United Kingdom (#1), France (#2)** and **Switzerland (#3)** maintained their leadership in Europe and **France posted an increase in the number of deals,** despite a **9% decline in the amounts raised**
- **Venture capital remains the main driver of financing in Europe**: in France, and growing by **+13% in 2025** (**3rd position**) after a record year in 2024 and reaching **€1 billion**, it is in 2023-25, **behind the United Kingdom and Switzerland** but with an **average ticket** that remains **lower** (growth driven by the volume of operations)
- **France remains #1 in refinancing in 2025**, driven by several major operations[2]
- **IPOs are rare in Europe** : **7 in 2025** (vs. 5 in 2024), **€0.9 billion raised**, including the IPO of the German flagship Ottobock (€808 million); **no IPO in France for the 2nd year in a row**

Notes: * In 2025, Denmark replaces Belgium among the 7 most dynamic markets (United Kingdom, Switzerland, France, Germany, Sweden, Netherlands); 1) HealthTech brings together all companies, usually startups, that develop solutions for the healthcare sector based on new and innovative technologies. This name includes biotechnology, medical device (medtech) and digital health/AI companies; 2) Abivax (€636 million), Inventiva (€266 million), DBV Technologies (€116 million)
Sources: France Biotech's Panorama France HealthTech 2026, PwC Strategy&

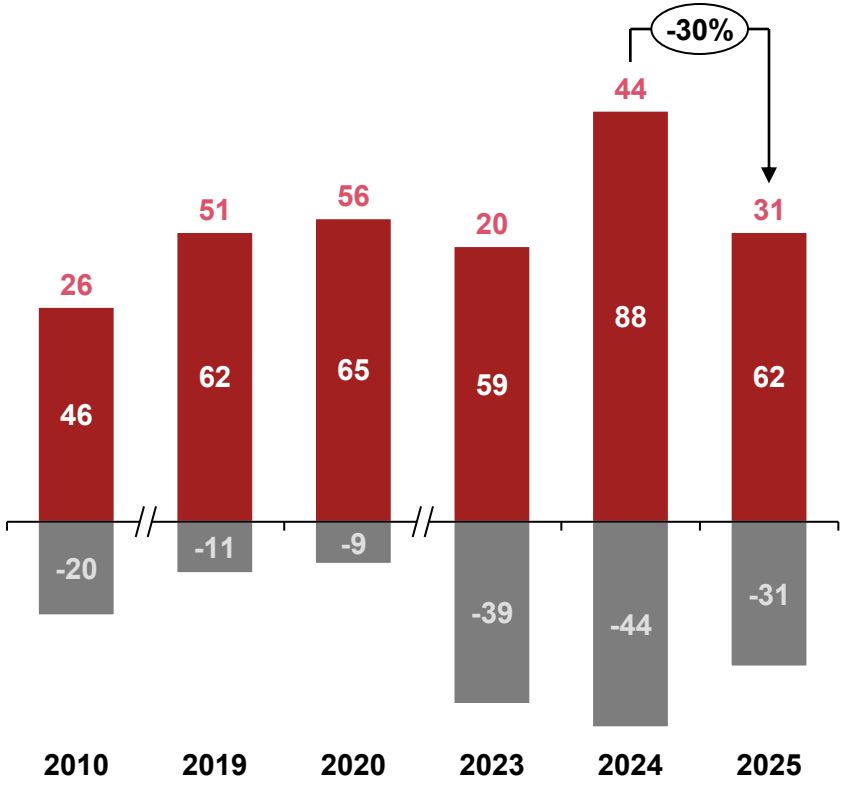
The momentum of HealthTech in France is net positive despite a slowdown in activity due to financing difficulties

Dynamics of HealthTech in France

Average turnover of healthtech companies in France
M€, 2022-2024



Evolution of the number of creations and liquidations of biotechnology companies in France
#, 2010-2025 # created # liquidated



Comments

- The **average turnover** of **Healthtech companies** in **France** is down (**€5.1 million in 2024 vs. €6.6 million in 2023**) and reflects a **complex national and international context** where **financing difficulties** are present
- Most of the **sector's growth in France is driven by biotechnology companies** , which account for **52% of total HealthTech revenue in 2024**
- The sector **will maintain its dynamism in 2025**, despite a tense economic and financial context since 2023, with a **stabilisation in business creations,** reflecting an ecosystem that is gaining in **maturity** (10 years of average age)
- The **number of Biotech liquidations** is down **-30% vs. 2024**

Note: 1) HealthTech brings together all companies, generally startups, that develop solutions for the health sector based on new and innovative technologies. This name includes biotechnology, medical device (medtech) and digital health/AI companies Sources: France HealthTech 2026 Panorama by France Biotech, PwC Strategy&

Health data is used throughout the life cycle of the medicine; hence data access & interoperability are key

Use of health data[1]

		Research	Clinical Trials	AMM evaluation & price	Postmarketing & Pharmacovigilance	Optimisation & Maturation
SNDS[2]	Information on the reimbursement of care, medicines and hospitalisations for the majority of the French population	• Epidemiological study • Estimating the target population and characteristics of potential patients	• Identification of partner centers and patients who will be included in the clinical trial	• Economic analysis of the disease (resources and costs) • Assessing the size of the population and understanding its characteristics • Definition of the care pathway	• Request for a post-registration study by HAS • Characteristics of the treated patients and comorbidities • Analysis of the efficacy and tolerability of the treatment • Analysis of treatment costs and resource utilization	• Renegotiation and re-evaluation of the drug as well as the potential for extension of the indication • Study of therapeutic sequences
Registres	Continuous and exhaustive collection of personal data with a specific focus on certain diseases or treatments	• Epidemiological study and disease history • Understanding the target population	• Creating comparison groups (historical and synthetic)	• Relevant Clinical Comparators • Evaluation of the replicability of the clinical trial • Quality of life impact analysis	• Long-term follow-up of the treatment use according to the treatment regimen • Request for a post-registration study by HAS • Efficacy study	• Understanding of new populations or subpopulations of interest • Study ofreal-life effectiveness
Cohorts	Subsequent epidemiological studies of populations over long periods of time according to an established research protocol	• Epidemiological study and history of the disease • Identification of target populations and biomarkers • Understanding Risk Factors	• Creating comparison groups • Quality of life impact analysis • Optimization of the inclusion criteria of clinical research protocols	• Relevant Clinical Comparators • Evaluation of the replicability of the test • Patient characteristics • Quality of life impact analysis	• Identification of sub-populations of interest • Analysis of the efficacy and tolerability of the treatment • Analysis of patient satisfaction and the impact on quality of life	• Understanding of new populations or subpopulations of interest • Analysis of the efficacy and tolerability of the treatment in real life (including quality of life)

Notes: 1) The uses of health data that are indicated here are not exhaustive; 2) SNDS: National Health Data System
Sources : Leem, PwC Strategy&

France's very rich and comprehensive health data assets represents a strategic strength

France's strengths in health data (non-exhaustive)

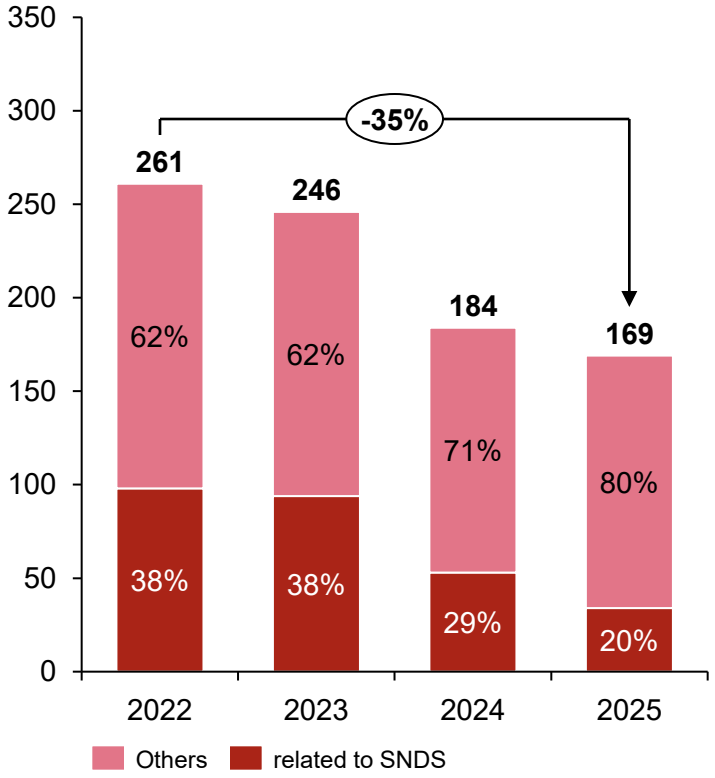
	France's structural strengths
SNDS Database	**Population coverage of 67M inhabitants** in a single database with **20 years of depth** on **medico-administrative data** and good **data quality**
Density	**Dense portfolio** of **~110 registries**, **330 cohorts** and **63 authorized** EDS with a positively **growing hospital EDS dynamic**
European governance	**High level of data governance according to the OECD** (CNIL, CESREES, HDH) with one of the most structured institutional frameworks in Europe and a leadership position **in the construction of the EHDS** (coordinator of HealthData@EU)
Research	**World-renowned mathematics ecosystem with** (13 Fields medals — joint world No. 1 with the USA, ~4,000 researchers), one **of the most dynamic AI ecosystems in Europe** (~12,400 publications/year, 8,500 researchers) and **data unicorns present in France** (Mistral AI)

Sources: Leem, OECD, Inria, CNRS, Jérôme Marchand Report (2023), HDH, PwC Strategy&

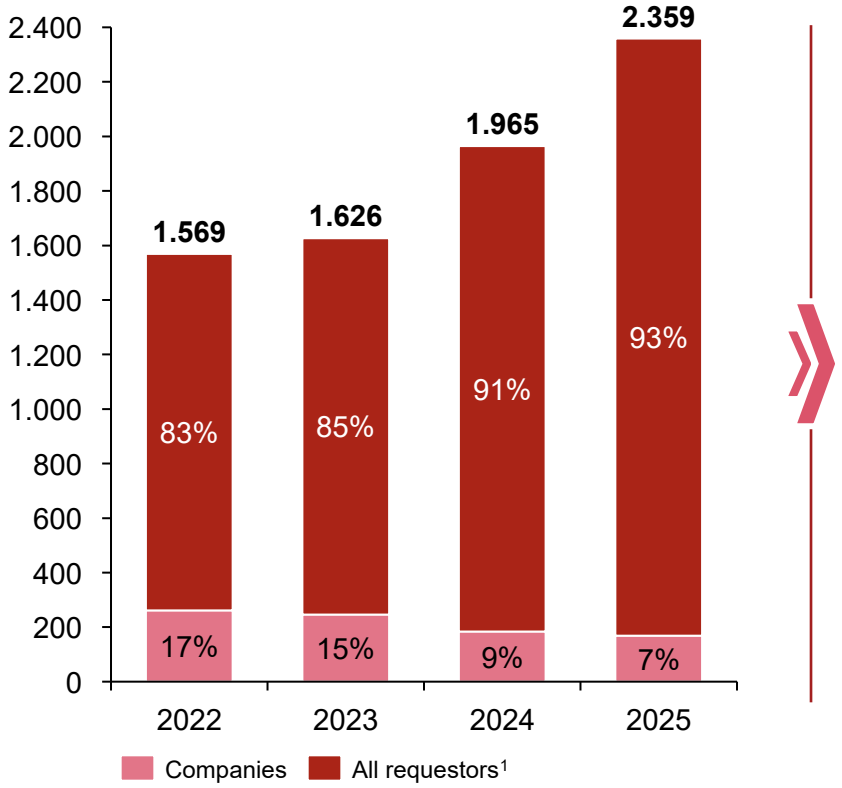
The number of requests from drug companies for the secondary use of health data has decreased by ~35% since 2022

Filing of applications by drug companies for the secondary use of health data

Evolution of the number of requests for secondary use of health data by companies
#, 2022-2025



Evolution of the share of pharmaceutical companies' requests for access to data
#, 2022-2025



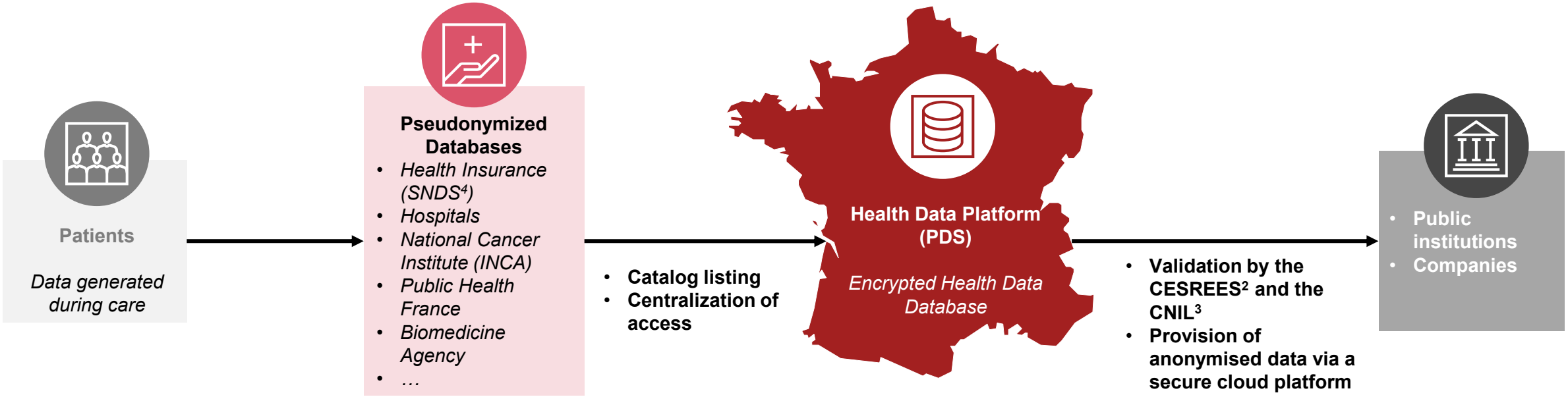
Comments

- **Structural decline in the volume of applications filed by drug companies** for the **secondary use of health data since 2022** (**-35%**)
- In addition, the **share of requests** from **pharmaceutical companies** is falling significantly (**5% of the total in 2025 vs. 17% in 2022**)
- Some **obstacles limit** France' s ability to **fully exploit its potential** in terms of **health data**, in particular:
  - **Long data access times** (> 1 year on average)
  - **Chaining to be strengthened** (interoperability difficulties)
  - **Incompleteness of data** (lack of databases on certain therapeutic areas, medical data, etc.)

Note: 1) Public health establishments, private health establishments, universities, etc.
Sources: HDH, Jérôme Marchand Report (2023), PwC Strategy&

The planned switch from the Health Data Platform (PDS)[1] to a sovereign cloud in 2027 aims to better exploit the potential of the SNDS

Health Data Platform



Comments

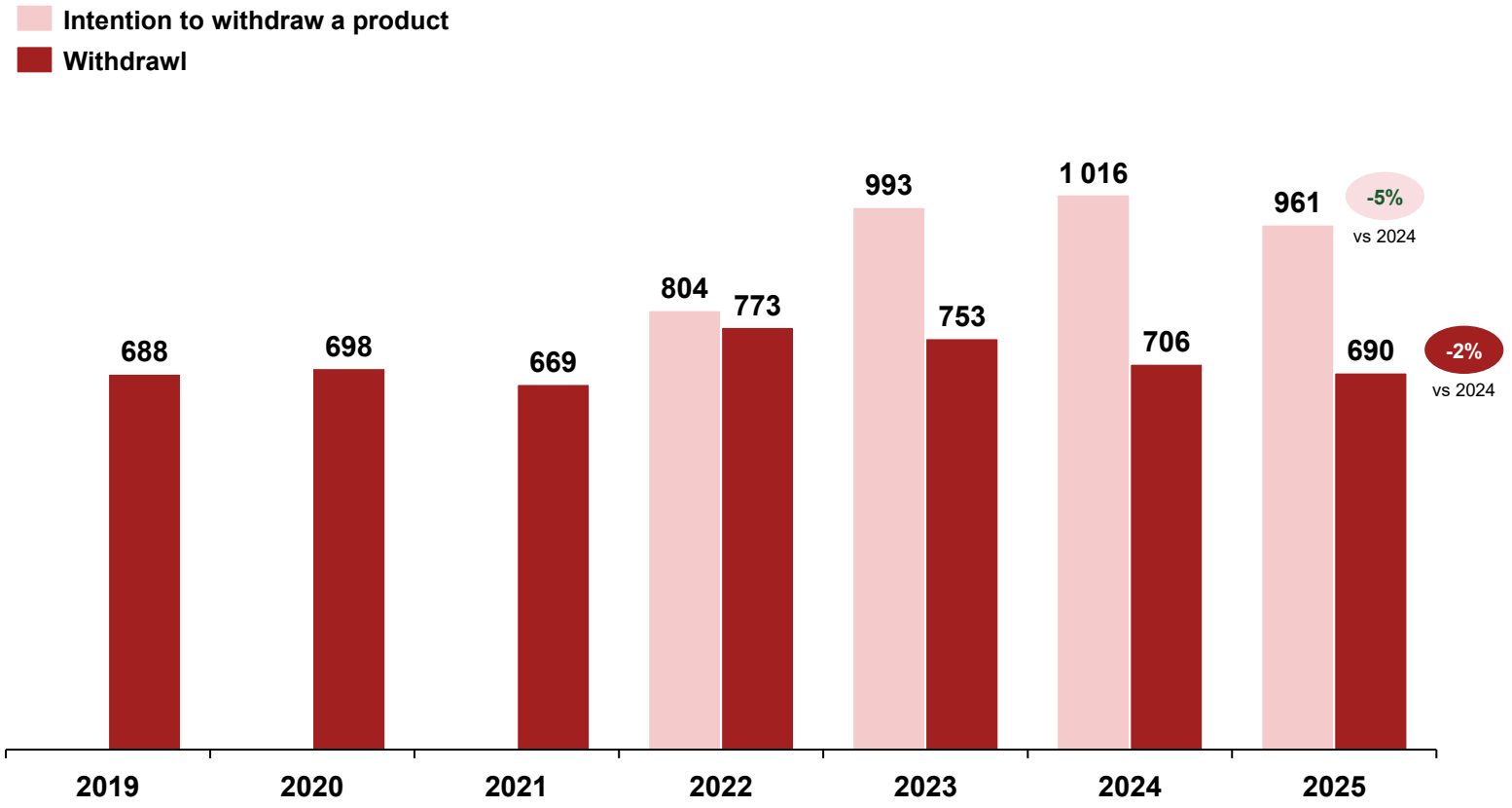
- The PDS is a **public platform** created by decree in **2019** (under the name Health Data Hub) to **centralize, structure and provide** French **health data** for **research, innovation and public policy management**
- Today, the PDS **centralises requests for access to data** and **supports project leaders**, but **the actual provision of the data** remains **in the hands of the various producing organisations** (CNAM for the SNDS)
- The **delay in availability** the PDS is following **the choice of the host with an expected migration to a sovereign cloud** (Scaleway) qualified **as SecNumCloud** by the ANSSI[5] by **2027**

Notes: 1) Formerly Health Data Hub; 2) Committee of Expertise for Research, Studies and Evaluations in the field of Health; 3) National Commission for Information and Freedoms; 4) SNDS: National Health Data System; 5) ANSSI: French National Agency for the Security of Information Systems
Sources: Press, Health Data Hub, Jérome Marchand Report (2023), PwC Strategy&

Declarations product withdrawls and intentions to withdraw a product have decreased this year

Product withdrawls

Evolution of the number of product withdrawl declarations between 2019 and 2024[1]
#, 2019-2025



Comments[2]

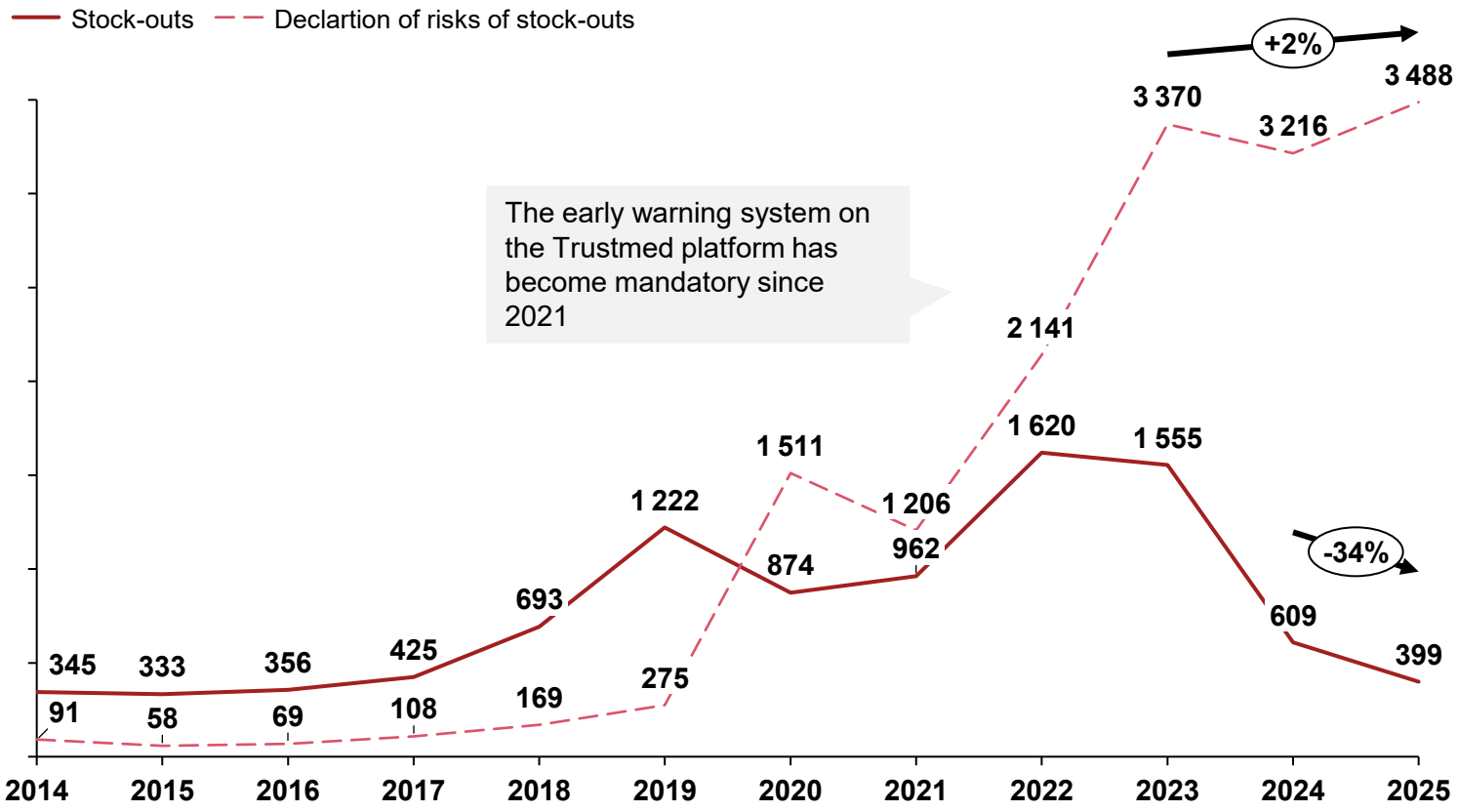
- Among the responding pharmaceutical laboratories, nearly **60%** of them have decided to **withdraw** certain products in the last 3 years
- Of the **withdrawls** reported by respondents in **2025**, a **large majority of the indications** concerned are **MITMs**
- According to the respondents, the majority of shutdowns are dictated by a pair of interdependent reasons: the **loss of economic profitability** which leads to the **strategic decision to rationalize** the portfolio
- Prices **that are too low** and the **erosion of market share** of survey respondents**,** particularly in the generic market, are mentioned as major or **main economic causes** of **discontinuations**

Sources: 1) ANSM; Some data from previous years has been slightly updated
2) 2026 survey of Leem members / 31 respondents representing 43% of French pharmaceutical market, PwC Strategy&

The reduction in stock-out continues in France falling by 34% in 2025 and a return to 2017 levels

Stock-outs & risks of stock-outs

Declarations of Stock-outs and Risks of Drug Stock-Outs
#, 2014-2025



Member comments

- Declarations of **stock-outs are** back to **their 2017 level** (**399 in 2025** vs. 425 in 2017)
- This **decrease** is **explained in particular by**: (i) **a better organization of internal shortage risk management**, (ii) the development of **production capacities** and (iii) the effectiveness of the **measures taken in collaboration between the ANSM and pharmaceutical laboratories**
- In **2025**, the **surveyed laboratories**[1] that report shortages (60% are Large Companies) identified as **main or major causes:** (i) **insufficient production capacity** and (ii) an **increase in volumes** (increase in sales and disruption of a competitor on the market)
  - The **average duration of stock-out** before the drug becomes available is estimated at **49 days in 2025** according to the survey

Sources: ANSM, 1) 2026 survey of Leem members / 24 respondents representing 39% of French pharmaceutical market, PwC Strategy&

There exist different list of crirtical/essential medicines at both national and European level

Essential, Critical and MITM Medicines

Medicines deemed **essential by the French Ministry of Health,** aimed at **ensuring their availability** and preventing shortages

620 *so-called 'essential' active substances corresponding to* ***~6500 essential[2] medicines***

Critical medicines **for the European Union** whose **supply must be prioritised** to **avoid shortages**

299 *active substances known as 'critical' for the European Union (Union List of Critical Medicines)*

Medicines for which an **interruption of treatment could endanger the lives of patients** or represent a significant loss of opportunity, **requiring specific measures to ensure their availability**

1278 *active substances of Major Therapeutic Interest (MITM) corresponding to* ***~8100 drugs[2] MITM***

Of the 620 active substances[1] on the French list of essential medicines, ***70% are specific to France*** *and* ***30% are included in the European Union's list of critical medicines***

- *Of the 1278 active substances[1] on the MITM list,* ***80% are specific to France*** *and* ***20% are taken from the European Union's list of critical medicines***
- *The number of* ***MITM active substances*** *represents* ***more than 50% of the total number*** *of active substances on the market (~13500 CIS)*

1) The name 'active substance' here corresponds to the ATC5 classification (Anatomical Therapeutic Chemical level 5) corresponds to the unique code for identifying the active substance of the medicinal product 2) The term 'medicinal product' here corresponds to the CIS code
Sources : ANSM, EMA, Leem, PwC Strategy&

Access to progress

Economic Dynamism

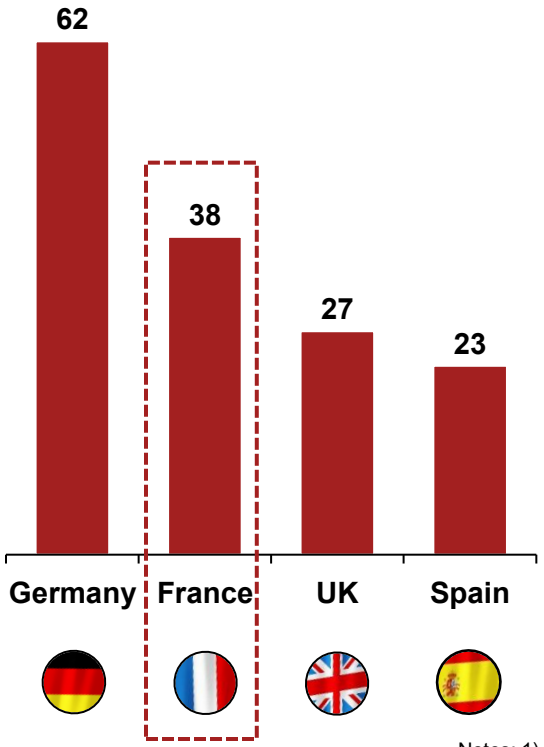
Reputation: Political & Social Value

France remains the 2nd largest pharmaceutical market in Europe in terms of value behind Germany

Market Size

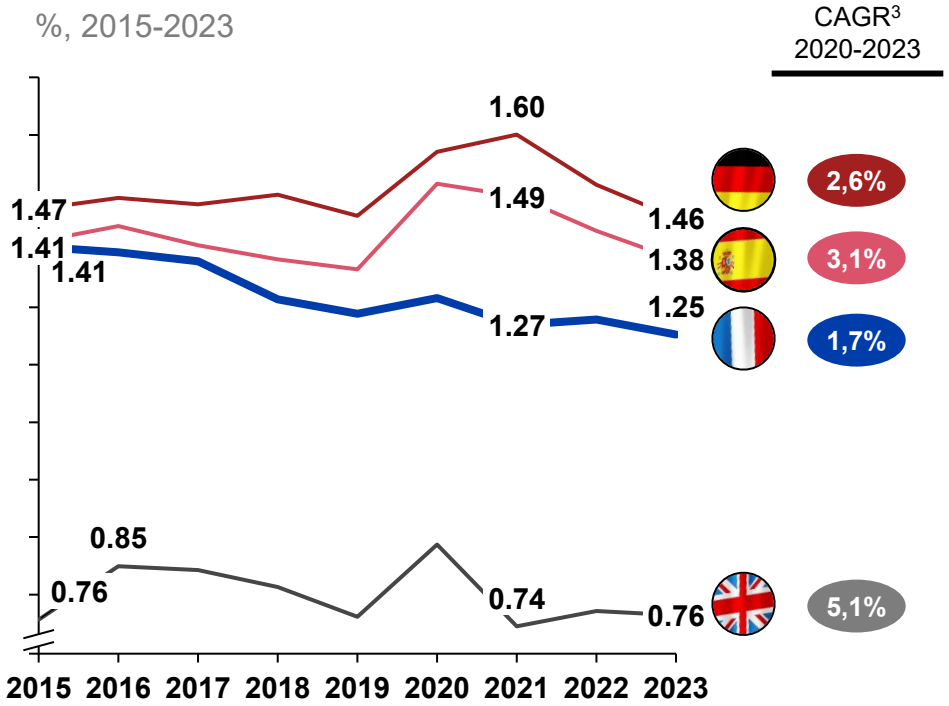
European Comparison of Pharmaceutical Expenditure (excl hospitals)[12]

Current €bn, 2023



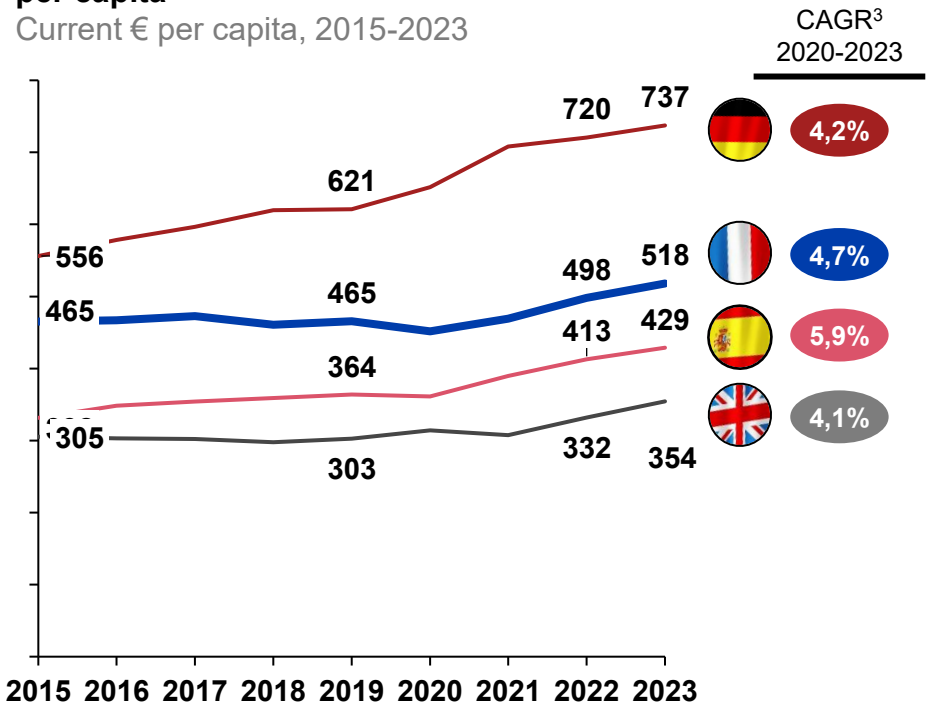
European comparison of pharmaceutical expenditure as % of GDP[12]

%, 2015-2023



European comparison of pharmaceutical expenditure per capita[12]

Current € per capita, 2015-2023



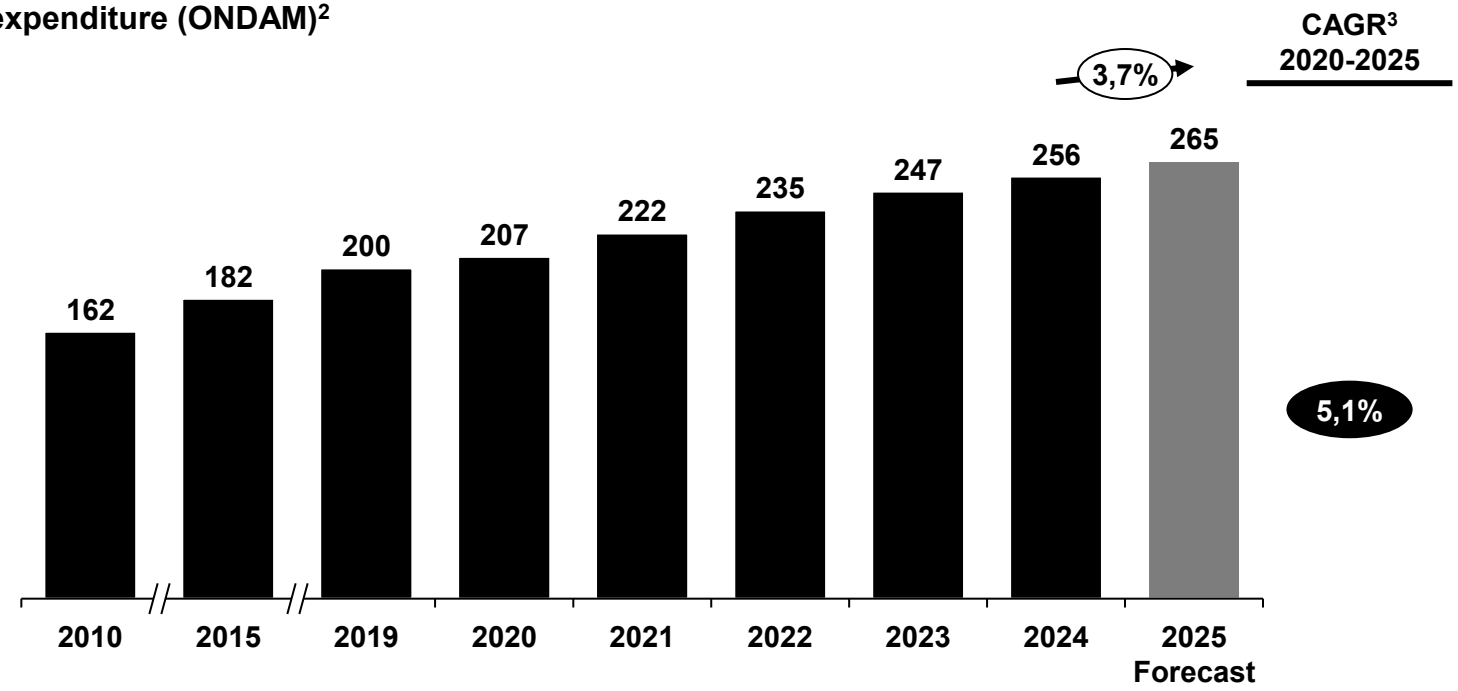
Notes: 1) Pharmaceutical expenditure is defined according to the OECD nomenclature as the sum of expenditure on prescribed medicines (HC511) and non-prescription medicines (HC512). Consumables (HC513) are not considered; 2) Pharmaceutical expenses include wholesaler and retailer margins and value-added tax. In most countries, expenditure is net expenditure, i.e. taking into account any discounts granted by manufacturers, wholesalers or pharmacies. Pharmaceuticals consumed in hospitals and other healthcare facilities are excluded; 3) CAGR: average annual growth rate

Sources: OECD, PwC Strategy&

The regulated turnover of medicines reached €24 billion in 2025, while their share in healthcare spending remained stable at 9%

Health expenses and reimbursed medicines

Evolution of health expenditure (ONDAM)[2]
€ billion, 2010-2025



	2010	2015	2019	2020	2021	2022	2023	2024	2025 Forecast	CAGR[3] 2020-2025
Regulated drug turnover, net reimbursed by basic schemes[1] (€ billion)	18	19	20	19	20	21	22	23	24	4,5%
Share of health expenditure (%)	*11,4%*	*10,4%*	*9,7%*	*9,1%*	*9,2%*	*8,9%*	*8,8%*	*9,0%*	***9,3%***	

Comments

- Healthcare expenditure (ONDAM) has **increased structurally (+5.1% per year on average since 2020),** driven by community and hospital care
- However, there has been a **slowdown in the pace of growth (3.6-3.7%),** driven by the government's regulatory efforts **since 2023** to control spending by 2029 (PLFSS 2026)
- The **share of medicines** in ONDAM **has stabilised at around 9%**

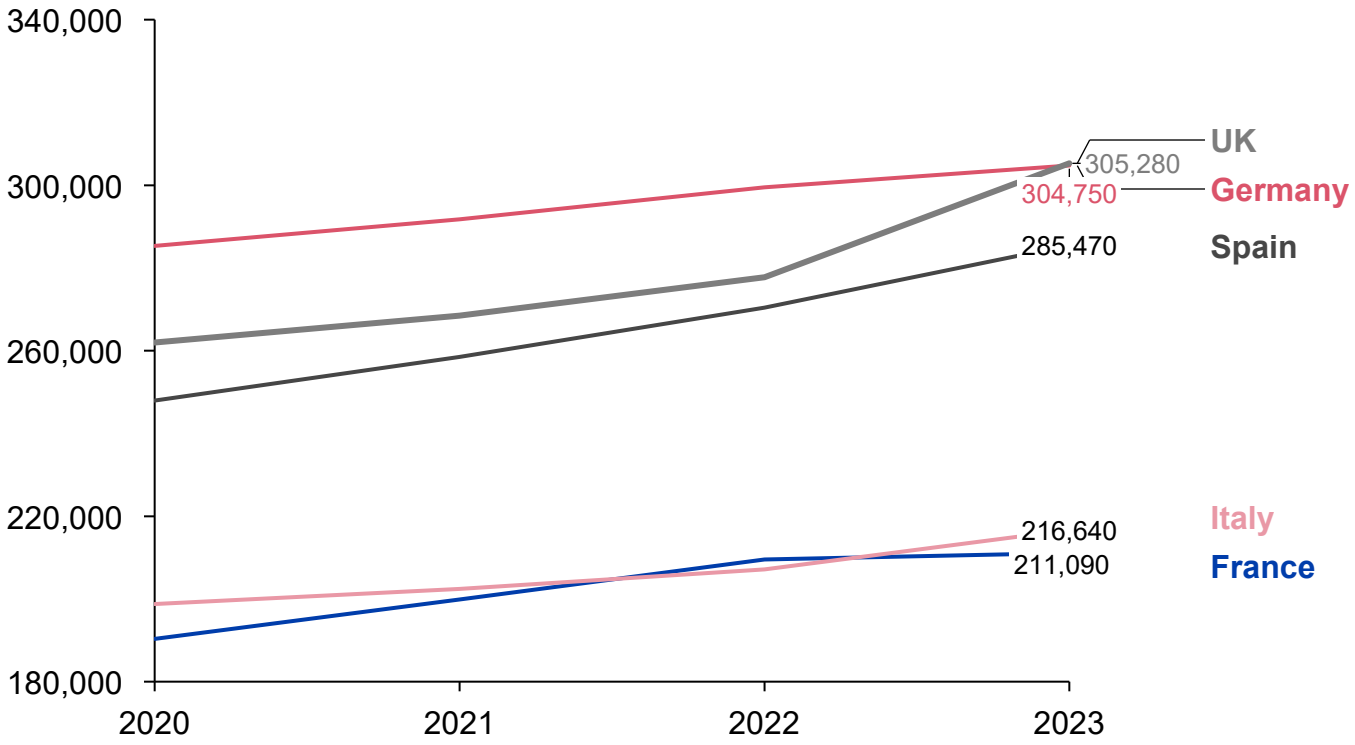
Notes: 1) Regulated turnover of medicines, net, reimbursed by the basic schemes (net of the safeguard clause); 2) Exceptional expenses related to covid are excluded; 3) CAGR: Average Annual Growth Rate
Sources: Court of Auditors, DREES, PLFSS 2026, Gers, Leem, PwC Strategy&

France is the country with the lowest per capita consumption of medicines in Western Europe

Drug consumption

Evolution of drug consumption

Defined daily dose (DDD*) per 100,000 inhabitants, 2023



	CAGR 2020-22	CAGR 2022-23
UK	+3%	+10%
Germany	+2%	+2%
Spain	+4%	+6%
Italy	+2%	+5%
France	+5%	+1%

Comments

- The **pace of growth in drug consumption (in DDD) slowed** to **1% between 2022-2023** (vs. **5% average annual growth** between **2020-2023**) after a **peak** reached in **2022** during the **COVID period**
- Conversely, **consumption has been growing more steadily** in the **United Kingdom**, **Spain** and **Italy** since 2022
- Compared to the countries studied, the **consumption of drugs** for the **cardiovascular system** (beta-blockers, antihypertensives) is **significantly lower in France** , while it is **much higher** for **anxiolytics** and **blood drugs** (antithrombotics)

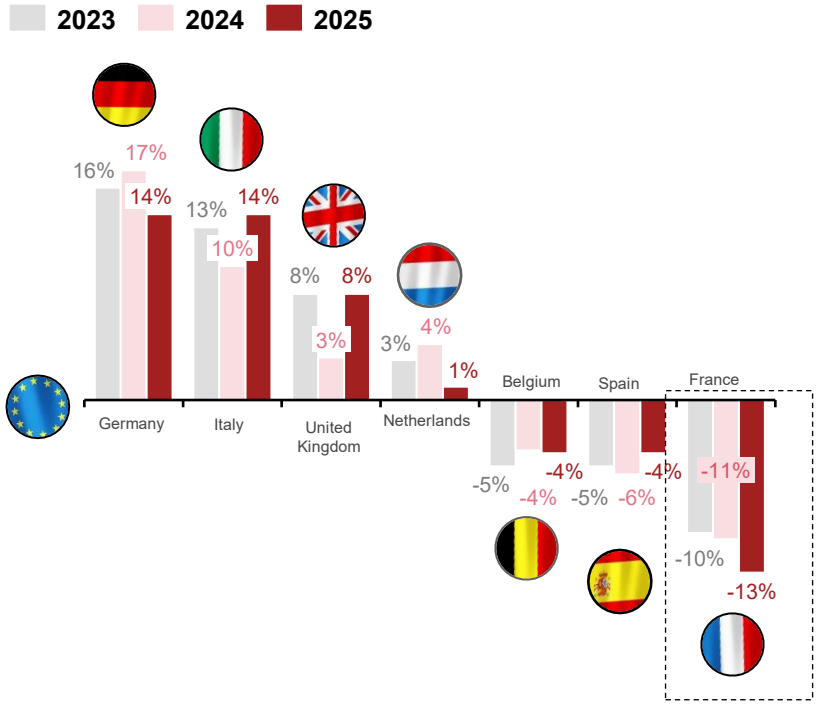
Note: * The WHO-defined Defined Daily Dose (DDD) converts the physical amounts of drugs (capsules, vials, inhalers, etc.) into a standard unit. The data include all sales of medicines in France, cover the city sector and hospitals, and include non-reimbursed medicines as well as OTCs for all categories (source ANSM and EPI-PHARE)

Sources: OECD, IQVIA, PwC Strategy&

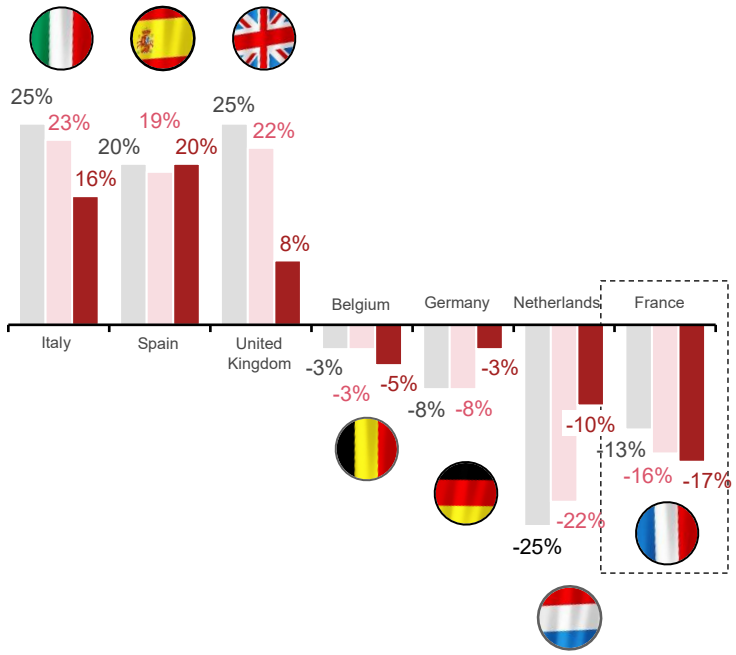
France is one of the countries with the cheapest medicines in Europe whose list prices remain below the European average in 2025

List price of medicines in Europe

European comparison of the list price of medicines **without generic competition**[124]
%, 2023-2025



European comparison of the list price of medicinal products **with generic competition**[234]
%, 2023-2025



Comments

- **France** has one of **the cheapest medicines in Europe** and their **list price with or without generic competition is falling every year** compared to the European average: **-13%** for those **without generic competition** and **-17%** for those **with competition** in **2025**
- Germany accepts a **high price for innovative medicines,** which are subject to a **steep discount after evaluation,** including after the entry of **generics**
- **Spain** favours **low prices** at **the beginning of the life of the drug** and maintains **higher prices** when **generics arrive**

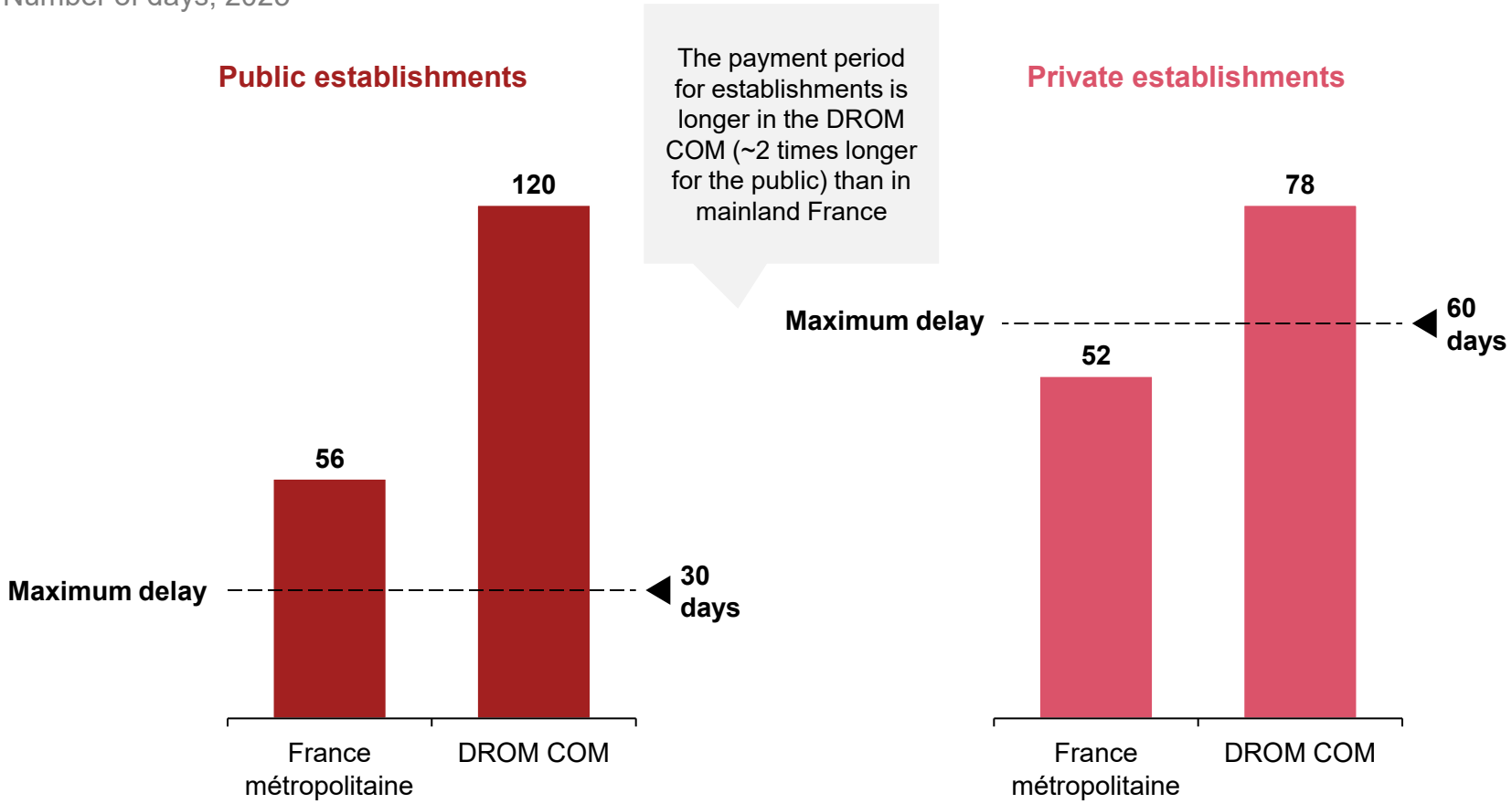
Notes: * The analysis excludes confidential discounts; 1) The TLV study is based on a panel of 870 substances and 5,573 drugs in 2025 to establish the average price per country of drugs without generic competition; 2) The prices of medicines in the city are those of the first quarter of 2025; 3) The TLV study is based on a panel of 254 substances and 785 drugs in 2024 to establish the average price per country of drugs with generic competition; 4) 20 countries are included in the study for comparison: Belgium, Denmark, Finland, France, Greece, Ireland, Italy, Netherlands, Norway, Poland, Portugal, Switzerland, Slovakia, Spain, United Kingdom, Sweden, Czech Republic, Germany, Hungary, Austria
Sources : IQVIA, TLV 2025, PwC Strategy&

The median payment period of private establishments in mainland France is below the threshold set by law

Payment terms

Investig ation

Median payment period from hospitals (public and private) to pharmaceutical laboratories
Number of days, 2025



In France, **healthcare establishments** (hospitals, clinics, etc.) have a **legal payment deadline to respect** towards their suppliers, including pharmaceutical laboratories, defined by the **Public Procurement Code** :

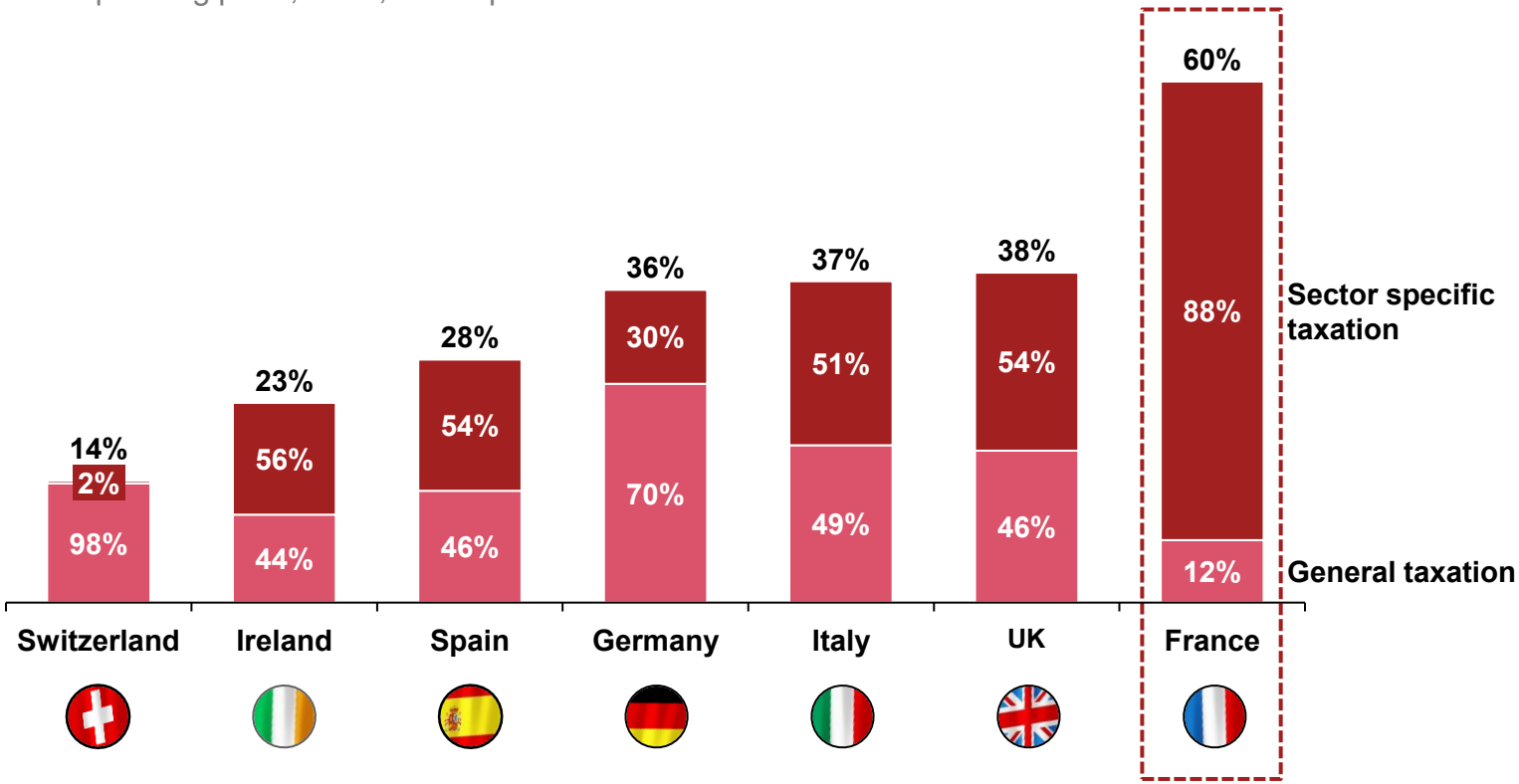
- **Public establishments** : **30 days** maximum from the date of receipt of the invoice
- **Private establishments** : **60 days** maximum from the date of receipt of the invoice
- The **median delays** in **private establishments fall below** the **threshold set by law** in **2025,** according to survey respondents
- Those of **public establishments** remain **26 days longer than** the **threshold set by law**

Sources: 2026 survey of Leem members / 20 respondents representing 39% of the sector in France, PwC Strategy&

France remains one of the heaviest taxed countries in Europe for pharmaceutical companies a taxation rate of 60% of operating profit

Taxation in France

Rates of compulsory taxes on the pharmaceutical sector[1]
% of operating profit, 2026, 7 European countries studied



Comments

- **France** has the **highest tax rate** among comparable countries, raised to **88%** by **sectoral taxation** and **economic regulation measures** — general taxation being reduced by the CIR and the Patent Box
- The gap is widening with the **United Kingdom** (22 points in 2025 vs. 9 in 2023), which has reduced its **overall rate** to **38%,** in particular through the **decline in VPAG[2] to 14.5% of pharmaceutical companies' turnover** (vs. 26.5% in 2023)
- Conversely, the **entry into force of the OECD's Pillar 2 rules,** which establish a minimum tax rate, has led to a **slight increase** in **general taxation** in the **least taxed countries (Switzerland, Ireland)**
- In **France**, the **pressure is increasing for 2025-2026** with the **introduction** of an **additional exceptional contribution to income tax** (+2.4% if turnover > €1 billion and €1.5 billion in 2026, +4.7% if turnover > €3 billion) which **significantly increases** general **taxation** for **the largest companies**

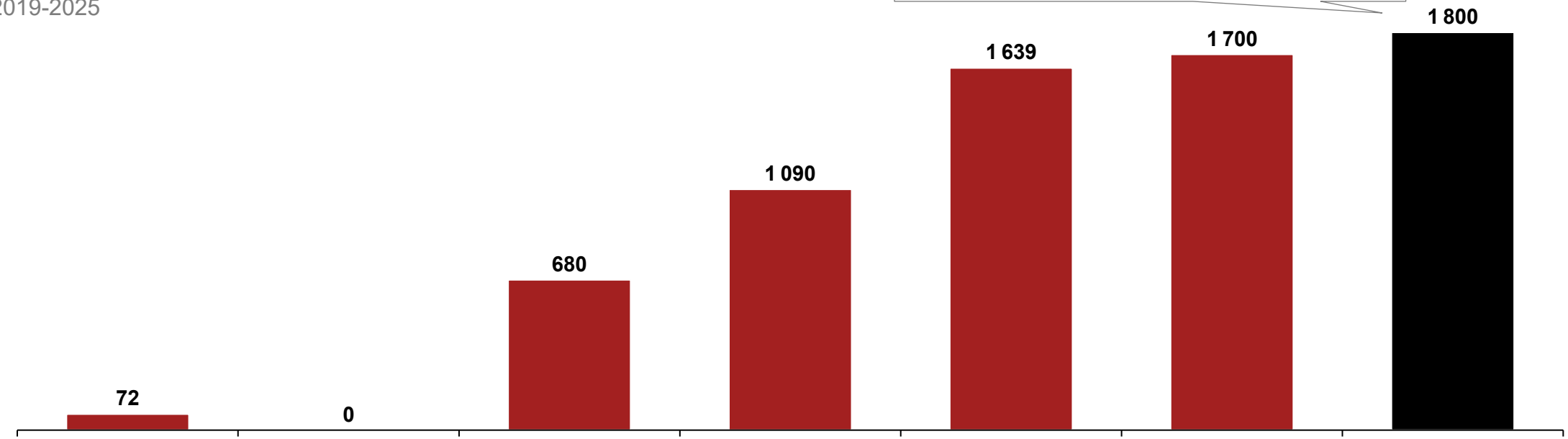
Notes: 1) The tax rate is that of the 'entrepreneur' profile of the study carried out by PwC Leem (2026) including general taxation, sectoral taxation including regulation. The typical 'entrepreneur' profile considered is defined as having intangible assets, R&D activities, production and distribution of pharmaceutical products; 2) VPAG (*Voluntary Pricing and Access Scheme*) is a voluntary agreement in the UK that serves to limit the increase in NHS spending on brand-name medicines. If sales exceed the cap, manufacturers must reimburse part of their revenues to protect the NHS budget, a mechanism similar to that of the safeguard clause in France
Sources: Leem PwC study on the comparative taxation of pharmaceutical companies in France and Europe (2026), PwC Strategy&

In 2025, the safeguard clause will reach €1.8 billion vs. €1.7 billion last year representing 5.8% of the regulated net turnover

Safegaurd Clause (clawback)[1]

Evolution of the amount of the safeguard clause between 2019 and 2025
€ million, %, 2019-2025

From **2025, exclusion** of **biosimilars** and **hybrids from the basis of the clause** and **ceiling lowered to 1.75%** for **generics** and **reference products***



	2019	2020	2021	2022	2023	2024	2025 prévisionnel
"Montant M" Billion €	23,6	23,8	24,0	24,5	24,9	26,4	26.1*
Regulated net turnover (before the clause) Billion €	23,9	22,9	25,2	26,6	27,8	29,6	30,6

Notes: 1) The safeguard clause is triggered when the net turnover of medicines exceeds a certain threshold, called 'Amount M' voted during the Social Security Financing Act
Sources: PLFSS 2026, IFIS, OMEDIT, CEPS Activity Report, Leem calculation from Gers, PwC Strategy &

The LFSS 2026 attempts to offer a more predictable taxation for laboratories without significant reduction in the taxation rates

Reforms under LFSS 2026[1]

Calculation of safeguard clause

New calculation basis

Calculation of the **clause** on the basis of the **amounts reimbursed by the health insurance** and **no longer the amounts reimbursed**

Extended base exclusions

Exclusion of **generic specialties**, **reference products under TFR** or whose **price is identical to that of generics** from **the basis of the M contribution** (exclusion of biosimilars and hybrids since 2025 which will continue in 2026)

New distribution logic

50% distributed in **proportion to the amount reimbursed** (vs. 70% before), **30%** according to the **increase in the amount reimbursed** (unchanged) and **20%** according to the **place of production** of the medicines (new criterion favouring production in Europe[2])

Creating an additional contribution

General principle

The additional contribution (~1.6 billion)[3] will be based on **sales net of discounts. The safeguard** clause**is maintained** but should regain its role as a **safety net – no activation** of the **safeguard clause** planned **for 2026**

Applicable rates

Base rate = 6.45% for 2026

Differentiated rate = 4.01% for companies with a turnover of less than €50 million for 2026

Capping

Capping of **the 2 contributions** at **10% of turnover** in the scope of application, including generics

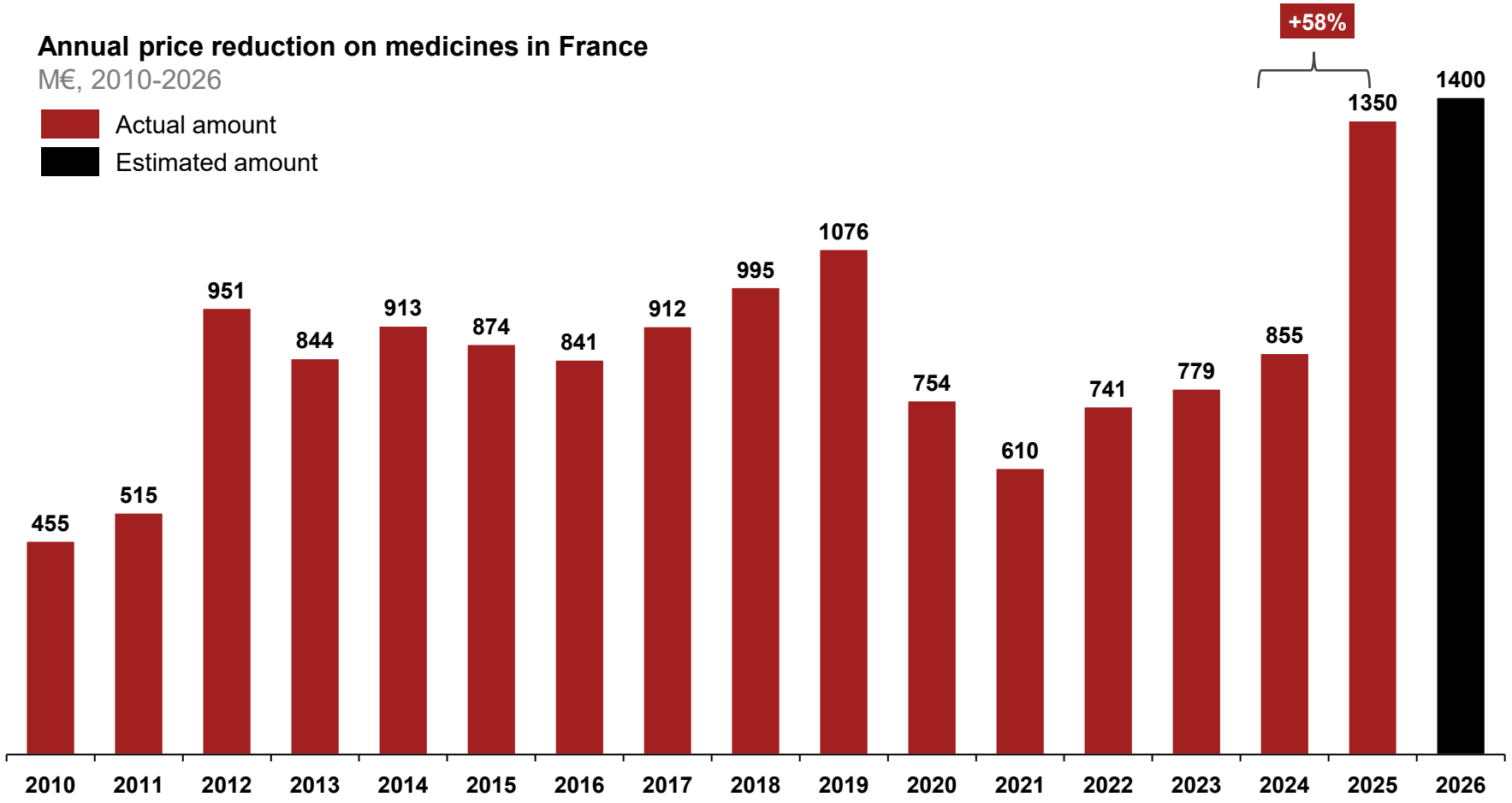
Notes: 1) Applicable from 2026; 2) Article 32 of the LFSS 2026, a coefficient will be applied according to the share of medicines produced in the EU by the company concerned (the scale is degressive – the higher the share of medicines produced in the EU, the lower it is and the lower the contribution will be); 3) 1st application from the 2026 financial year (Article 28 of the LFSS 2026), the additional contribution is used to guarantee a minimum and stable level of regulation if the safeguard clause becomes less automatic, it is based on the turnover net of discounts and applies without any condition of exceedance. Low-margin products such as generics and originators under TFR do not support this contribution
Sources: PLFSS 2026, IFIS, OMEDIT, CEPS Activity Report, Leem calculation from Gers, PwC Strategy&

Negotiated price reductions increased by 58% in 2025 to reach €1.3 billion

Annual decrease in drug prices

Annual price reduction on medicines in France

M€, 2010-2026



Comments

- A **sharply increased savings target** in the ***LFSS 2025*** **raised** to **€1 billion**, supplemented by an exceptional **€350 million alert plan,** triggered in response to the **risk of spending overruns**
- In **2026,** the **pressure is expected to continue** with a savings target raised to **€1.4 billion**
- This **unprecedented context was initiated at the end of 2024** when **pharmaceutical companies** committed to a **contractual approach with the Government** to **increase savings efforts**

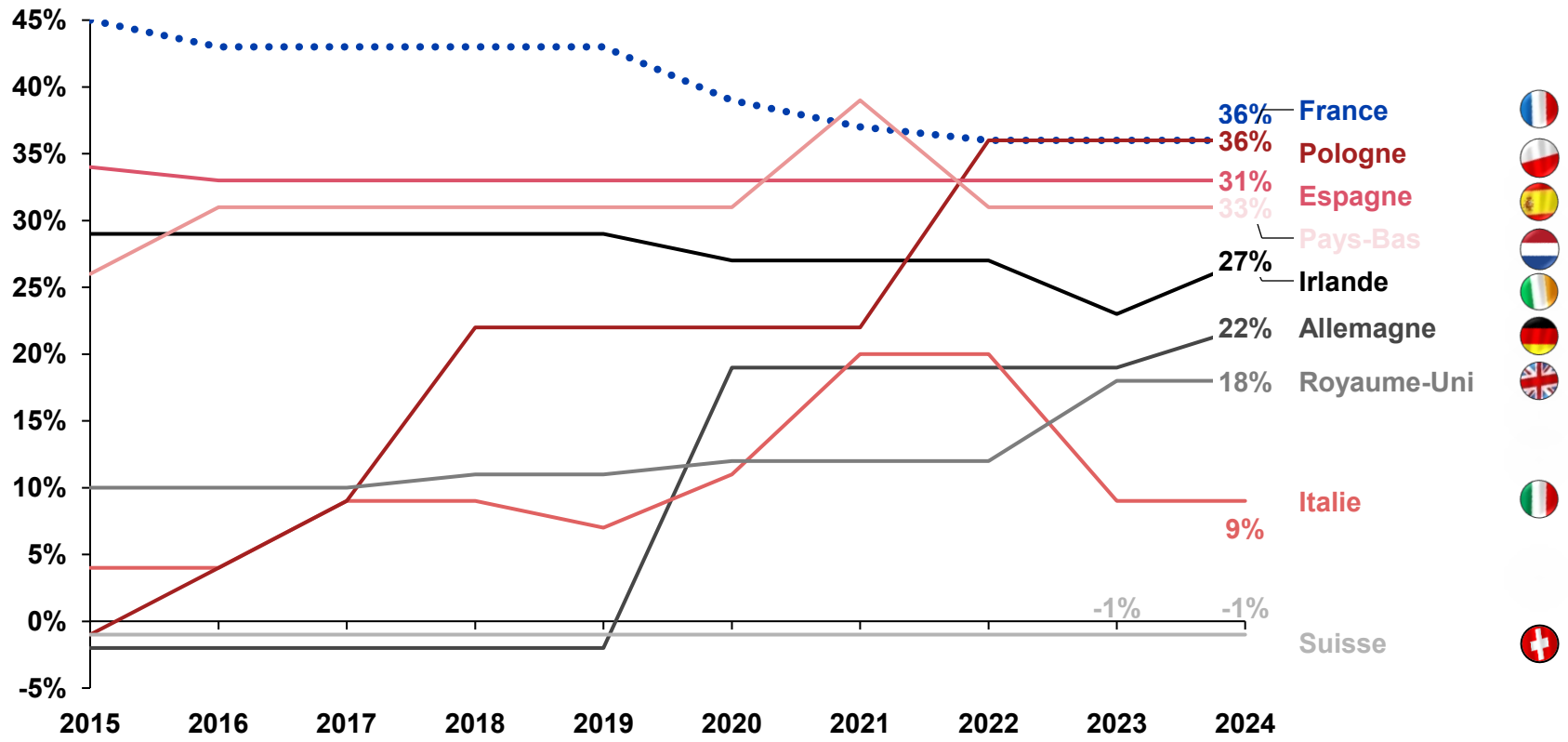
Sources: LFSS 2026 Annex, Report of the Ondam Alert Committee September 2025, Ministry of Health, CEPS Activity Report, PwC Strategy&

France remains the European country with the highest tax credit rates for research closely followed by Poland

R&D tax incentives

Comparison of the evolution of tax incentives for R&D investments in France and Europe

%, 2015-2024



Comments

- **France has the highest research tax credit rate in Europe (36%),** providing an attractive environment for research spending for companies
- Poland**'s rise** from **0% to 36%** reflects an **active policy of attractiveness**
- Since 2019, **Germany**has **changed its strategy** by implementing a **19% tax credit** to **boost private research**
- According to respondents to the 2026 survey, the **recurrent questioning of the system during the LFSS** introduces an **instability that harms its readability**

Sources: OECD, PwC Strategy &

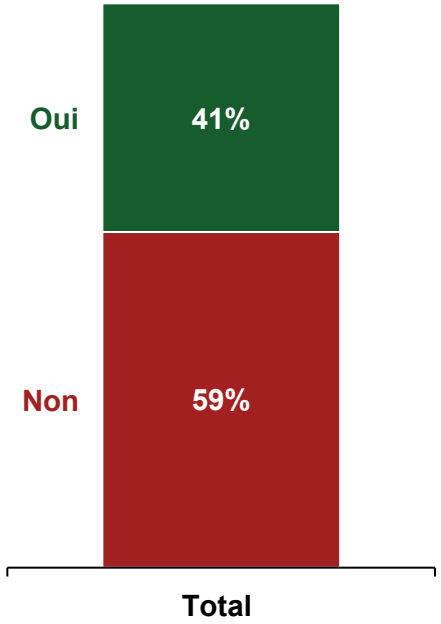
41% of the responding companies say they benefit from the CIR and/or the patent box and 45% see a deterioration in recent years

R&D tax incentives

Investigation

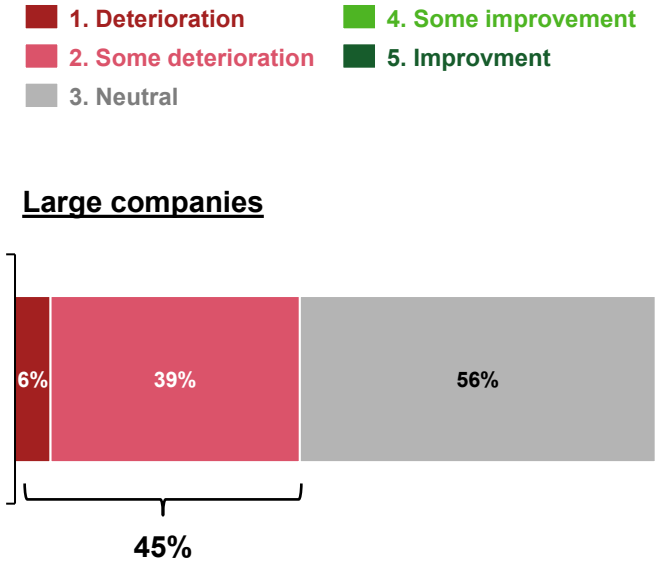
Use of the CIR and/or patent box[1]
%, 2025

Do you benefit from the CIR and/or the patent box?



Evolution of the schemes (CIR/patent box) in recent years
%, 2025

How would you describe the evolution of the systems (CIR/Patent Box) in recent years?



Comments

- In **2025, none of the SME/ETI respondents benefited from** the **CIR**
- **45%** of respondents perceive a **deterioration in the CIR** and explain it in particular because of:
  - Tightening **and complexification of the rules**
  - A **reduction in the scope**
  - Legislative **instability** that would affect the predictability of the system

Note: 1) The Patent box is a tax system that applies a reduced tax rate to income derived from intellectual property (mainly patents) in order to encourage R&D and the location of intangible assets in the country / The CIR reimburses part of the R&D expenses (salaries of researchers, essays, etc.). prototypes, scientific subcontracting, etc.)
Sources: 2026 survey of Leem members / 37 respondents representing 54% of French pharmaceutical market, PwC Strategy&

Revised UWWTD (DERU): an estimated cost of €7 to €9 billion over 18 years in France for the pharmaceutical and cosmetics sector

Impacts of the revised DERU on pharmaceutical and cosmetics companies

Act	• **Urban Waste Water Treatment Directive (Revised UWWTD/ DERU)[2]**
Description	• **The European Waste** Water Directive **on the treatment of urban waste water** was adopted in 1991 to establish minimum requirements for the collection, treatment and monitoring of waste waterthrough the **implementation of quaternary treatments** • A **new version** of the directive came into force in **December 2024** to **strengthen the protection of aquatic environments** from **discharged micropollutants**
Funding and implementation	• **The financing** of these new treatments should be based on the **"polluter pays" principle,** i.e. **financially supported by the companies responsible for** placing these micropollutants on the market • **EU Member States** must transpose the text by **01/07/2027** for an **effective start** on **31/12/2027**

Estimate of the average annual costs[1] for the pharmaceutical and cosmetics industry in France, according to the technology used[(1)]

M€, smoothed over 2028-2045

Scope chosen: 645 WWTPs in France covering 63M people and 59% of the national effluent

- **The pharmaceutical and cosmetics sector** in **France will contribute** up to **80% of the costs of quaternary water treatment,** according to the new directive
- The **costs for the sector** will represent between **€7-9 billion** between **2028-2045** depending on the scenario chosen: **(1) granular carbon technology**, **(2) powdered activated carbon or (3) combination of ozonation and granular carbon**
- The **list of sensitive areas,** and therefore the **number of WWTPs to be equipped,** will be submitted in **2030** by the **French government**

Rejected by the CJEU in Feb. 2026 appeals by the pharmaceutical and cosmetics industries challenging the Directive as not in line with the polluter pays principle

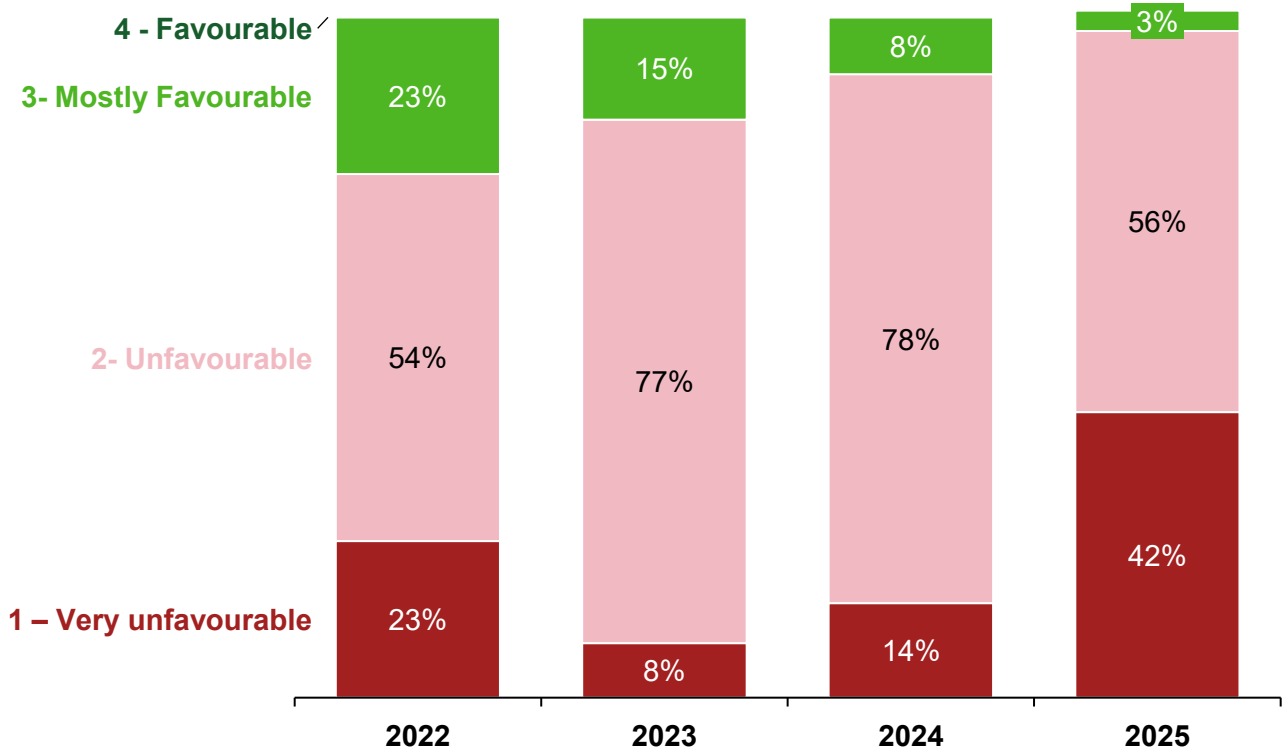
Notes: The objective of the (RE)SET study is to make an initial estimate of the costs of setting up and operating quaternary treatments as provided for by the new version of the European Directive (based on data for France. Methodology and assumptions of the study: Identification of the wastewater treatment plants concerned, modelling of future sensitive areas, 4 technologies, cost estimation (CAPEX, OPEX) according to the technologies, period from 2028-2045 i.e. 18 years, inflation of 2.0% (ECB objective); 1) Total cost divided by the 18 years of the period (2028-2045), includes OPEX and CAPEX (unamortized); 2) Published on 12 December 2024
Sources: (RE)SET 2025

According to the leaders of companies responding to survey, the attractiveness of France is degrading

Level of attractiveness

Survey

How would you describe France's current level of attractiveness for the pharmaceutical industry?
%, 2022-2025



Member comments

- **42% of the responding companies** describe France**'s attractiveness as very unfavourable,** a trend that seems to be strengthening over the years and is observed among **all types of respondents** (Large Groups vs. SMEs, focus on innovative vs. mature products, focus on biological vs. chemical products)
- Respondents explain this deterioration in particular by:
  - Low **price levels**, especially for innovative medicines
  - Heavy **and unpredictable taxation**
  - Difficult **market access** due to long delays and regulatory requirements
  - A **weakening of France's historical strengths** in **research** and **clinical studies**

Sources: 2026 survey of Leem members / 36 respondents representing 53% of French pharmaceutical market, PwC Strategy&

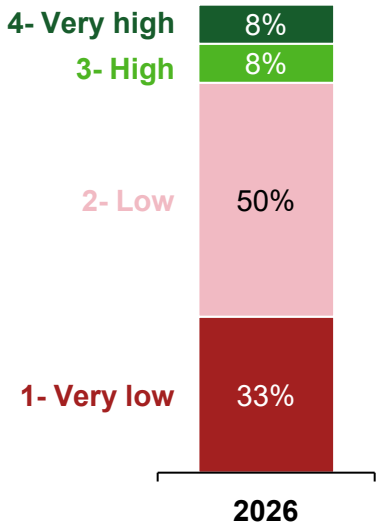
… influencing their decisions to invest in France over the next 3 years

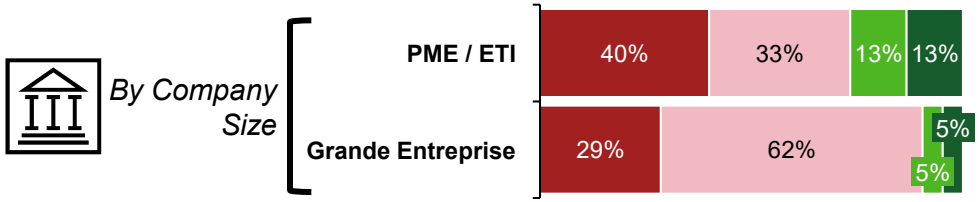
Willingness to invest

Survey

Willingness of pharmaceutical companies to invest in France
%, 2026

How would you describe the probability for your company to invest in France in the next 3 years?





Comments

- The **majority of companies describe** the **probability of investing in France** in the **next 3 years** as **low** or **very low,** a figure that is **increasing vs. last year** (**83% vs. 64%)**
- This **observation** is all **the stronger this year** for **Large Companies** (90% vs. 73% for SMEs / ETIs)
- **The choice of investment is arbitrated in a comparative manner between countries** by respondents on competitiveness criteria such as:
  - The **weight of regulation on innovation**
  - Regulatory **instability** and **lack of predictability/readability**

Sources: 2026 survey of Leem members / / 36 respondents representing 53% of French pharmaceutical market, PwC Strategy&

Only 50% of responding companies believe that their economic performance has been good or very good vs. 67% in 2024

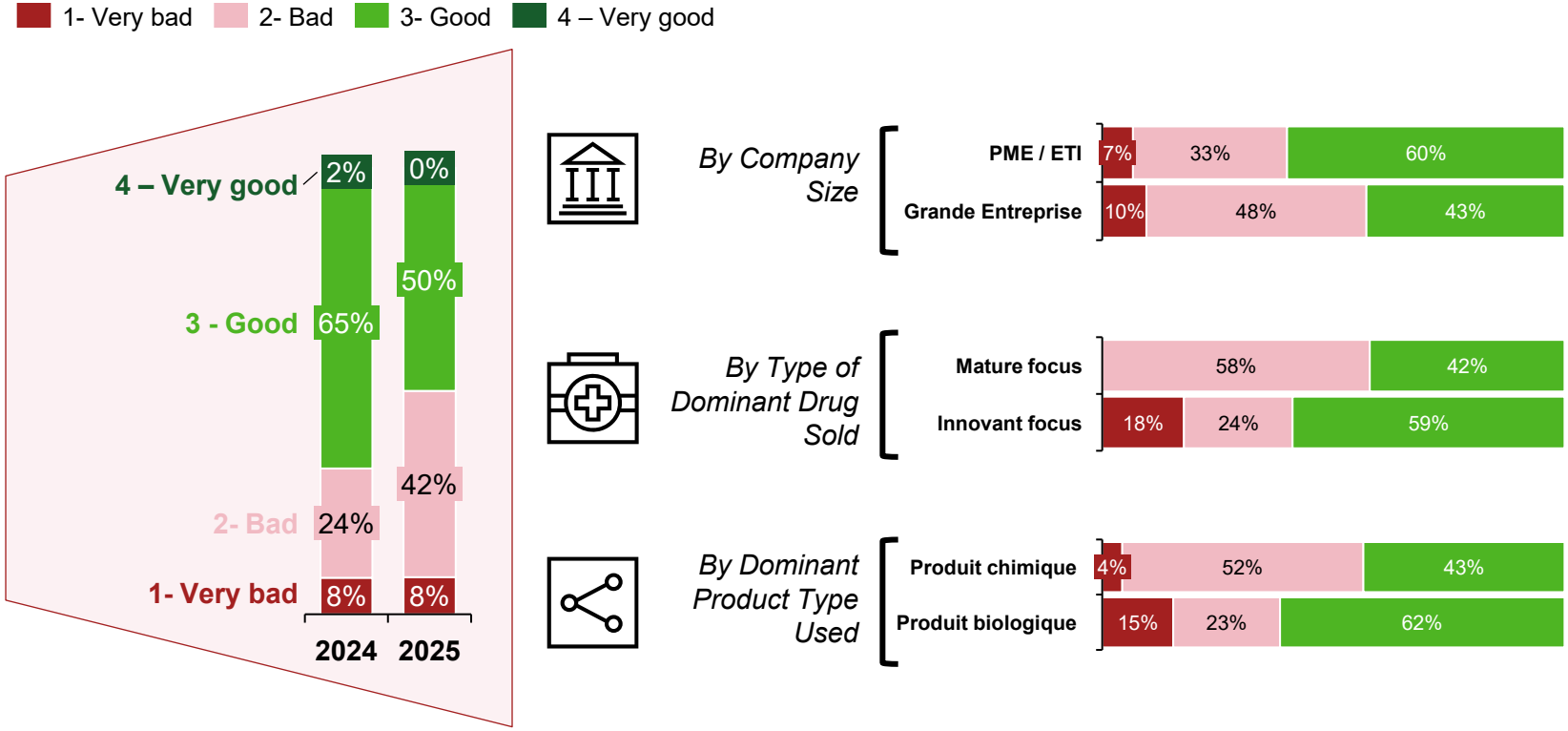
Economic performance

Survey

Economic performance of pharmaceutical companies in France

%, 2025

How would you rate the current economic performance of your company in France on a scale of 1 (very bad) to 4 (very good)?



Comments

- Economic **performance** in 2025 is considered **worse than in 2024** according to survey respondents (**50%** consider it **good** or **very, very good** vs. 67% in 2024)
- Among the respondents, **SMEs / ETIs**, **companies** that **mainly market innovative** or **organic products** have a **better perception** of their **economic performance** in **2025**
- Companies that consider their **economic performance** in **2025 to be poor** or **very poor** can be explained in particular by:
  - High **taxation** that absorbs growth in net income and affects profitability
  - Lower **average prices** than in other European countries

Sources: 2026 survey of Leem members / / 36 respondents representing 53% of French pharmaceutical market, PwC Strategy&

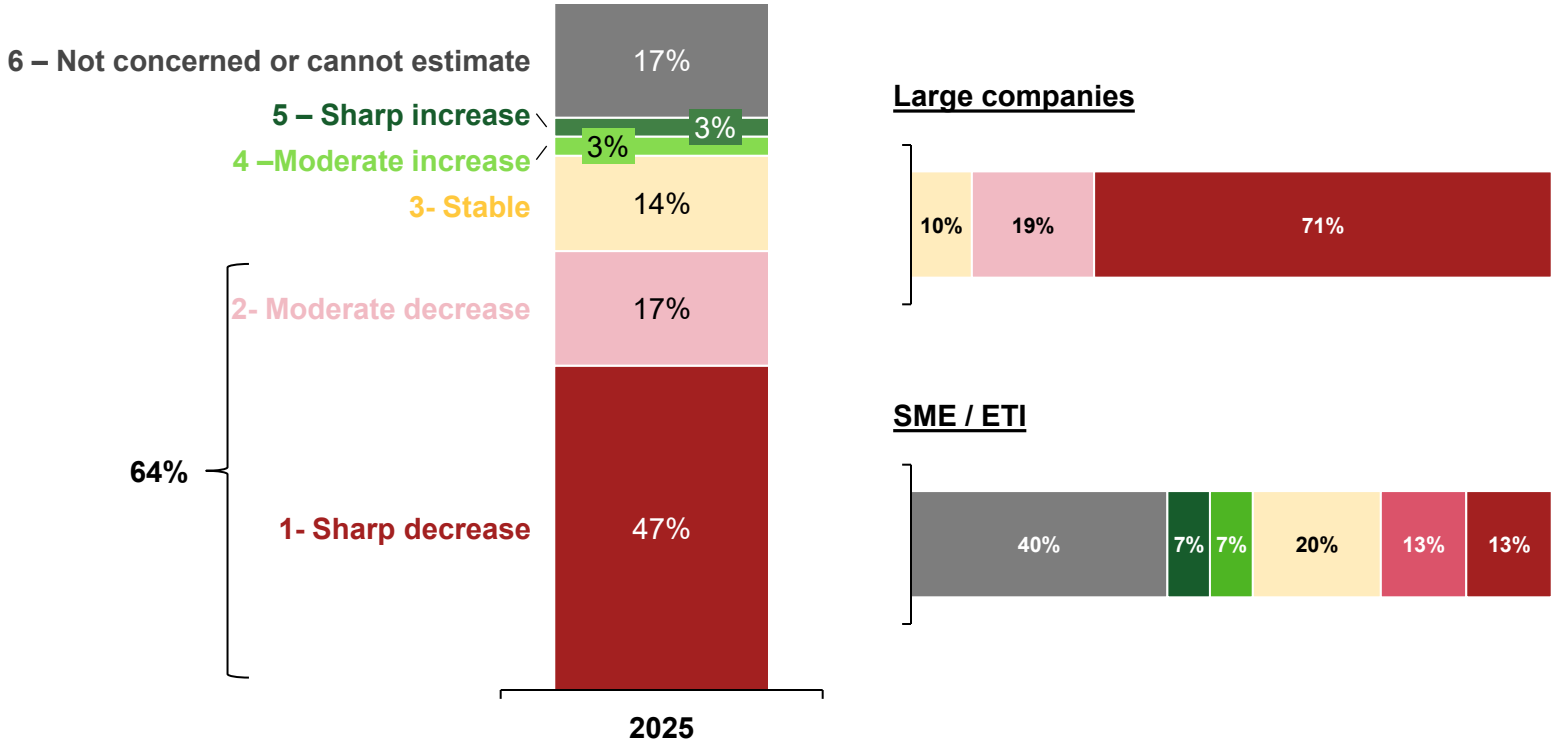
For 64% of the companies surveyed, the MFN policy could impact negatively the launch of new products in France over 3 years

Impact of MFN policies

Survey

Impact of the United States' "Most Favoured Nation" policies
%, 2026

What impact will the MFN clause have on the launch of your new products in France over the next 3 years on a scale of 1 (sharp decline) to 5 (strong increase)?



Comments

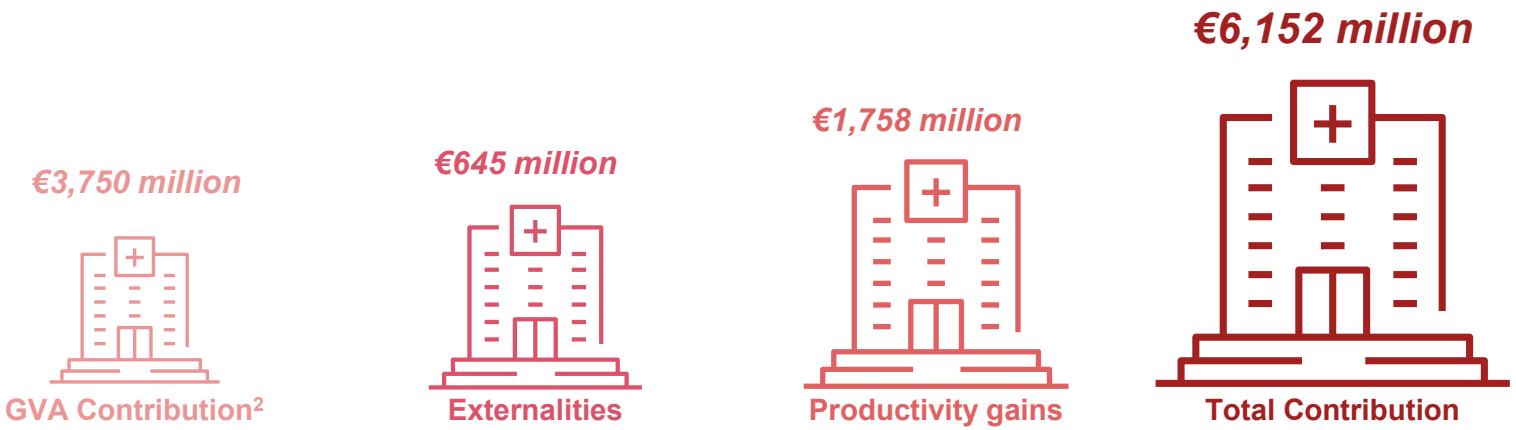
- Large **Companies** anticipate **the greatest negative impact of the MFN clause**
- **90%** of **the large companies** surveyed **expect** a **strong** or **moderate drop in** the **number of launches within 3 years** vs. **26%** for **SMEs / ETIs**
- The main concern mentioned by respondents is that **French prices,** already considered **very low for innovations**, will serve as a **reference at the international level**, particularly for the American market
- The planned reaction is to **delay, limit** or even **cancel the marketing of a product in France**, by prioritizing other more profitable markets

Sources: 2026 survey of Leem members / / 36 respondents representing 53% of French pharmaceutical market, PwC Strategy&

As per EFPIA study, Clinical trials contributed an estimated amount of €6.2 billion to the French economy in 2025

Total contribution of clinical trials to the economy in France

Comparison of the impact of clinical trials in France
€ million, 2025



- **The total impact of clinical trials in Europe**[3] is **€35.7 billion** with **6 countries representing ~80% of this contribution:** Germany, France, Belgium, Italy, Spain, Poland
- Clinical **trials contribute €6.2 billion to the French economy** in **2025, including productivity gains** and **R&D externalities** in the **total contribution to GVA**
- **In France,** they generate **high productivity gains**, representing**~29% of the total impact on the economy**

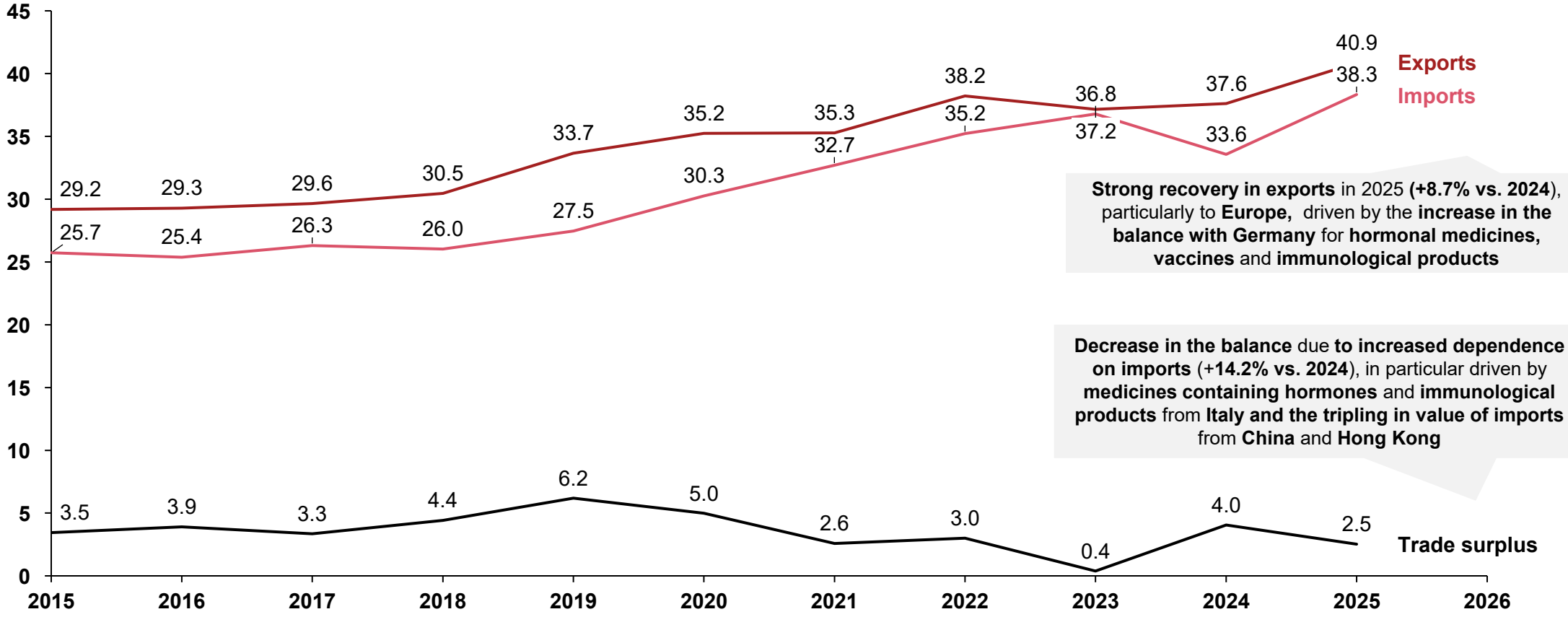
Legend	Methodology
R&D externalities	*Estimated by applying an **externality rate of 20%** (40% social return gap and 20% private return, from the Frontier Economics meta-analysis (2023), to **R&D** expenditures, weighted by the assumption that **55% of R&D is related to clinical trials***
Productivity gains	*Estimated via **sick days avoided**, by the **faster adoption of innovative treatments** from industrial clinical trials; these days avoided are converted into **VABs**, taking into account the **adoption of innovations in research hospitals** and the **share of industry-sponsored trials***
Total GVA contribution (direct / indirect / induced)	*Calculated using a **revenue-based approach**, estimating direct GVA from pharmaceutical **R&D labour costs**, then applying **input-output multipliers** to capture **indirect and induced effects**; the whole is restricted to the share of R&D activities related to clinical trials (55%)*

Notes: 1) In this study, "clinical trials" refer exclusively to industry-sponsored interventional trials (Phases I-IV), whether single-country or multi-country, and taking place in at least one EEA country; 2) Gross value added equivalent to GDP, after excluding taxes on products (including imports) and addition of subsidies on products (including those on imports); 3) Scope: EU27 + Norway, Iceland, Liechtenstein
Sources: Sources: EFPIA Frontier study "The economic impact of industry clinical trials across Europe" (2026), IQVIA 2024, PwC Strategy&

In 2025, France's trade surplus deteriorated due to increased dependence on imports despite a ~9% increase in exports

Pharmaceutical trade balance

Evolution of imports, exports and the trade balance of the pharmaceutical sector in France
Billion euros, 2015-2025



Strong recovery in exports in 2025 **(+8.7% vs. 2024**), particularly to **Europe,** driven by the **increase in the balance with Germany** for **hormonal medicines, vaccines** and **immunological products**

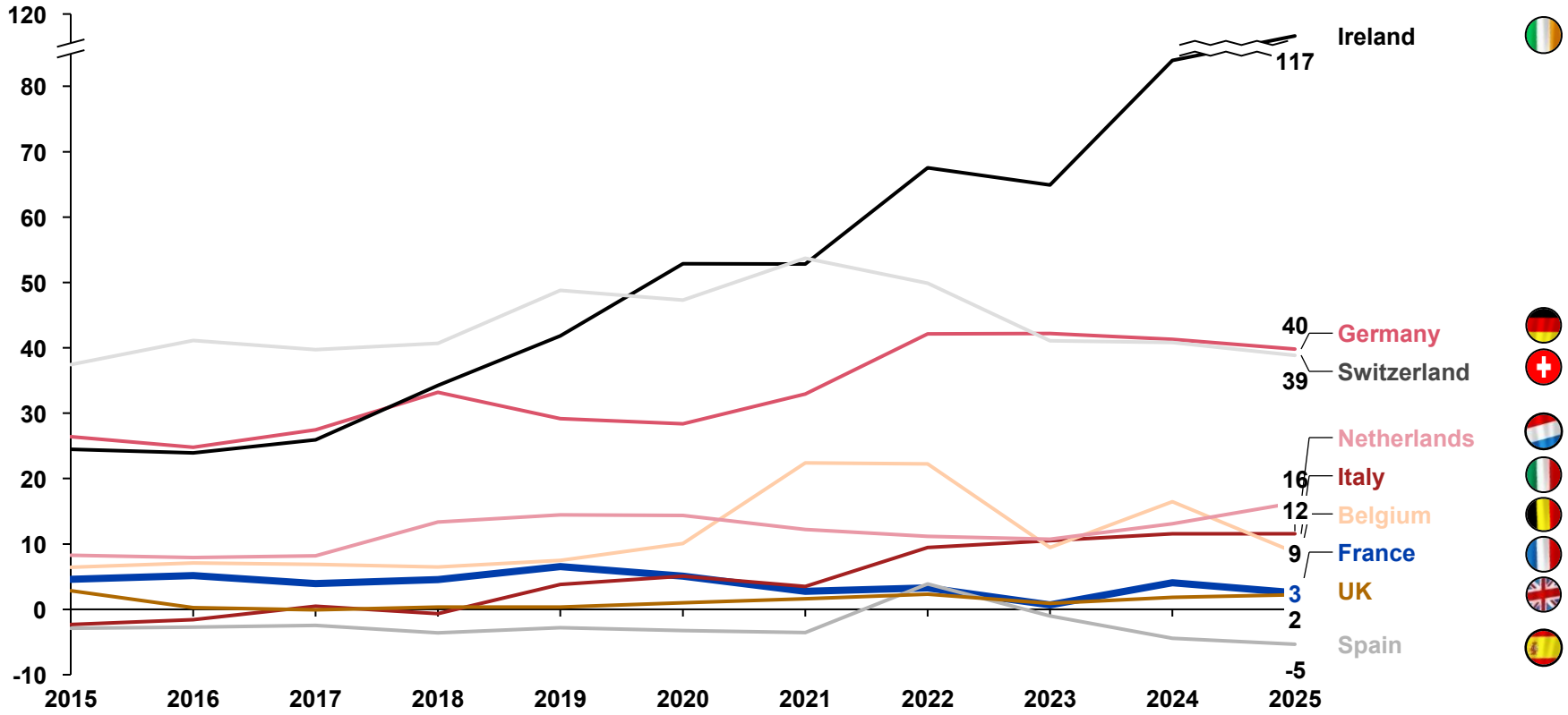
Decrease in the balance due **to increased dependence on imports** (**+14.2% vs. 2024**), in particular driven by **medicines containing hormones** and **immunological products** from **Italy and the tripling in value of imports** from **China** and **Hong Kong**

Sources: DSECE, Annual Review DSECE, PwC Strategy&

France ranks 12th in trade surplus in Europe and remains behind some of its European peers

Pharmaceutical trade balance

Evolution of the pharmaceutical sector's trade balance in France and its European neighbours[1]
Billion euros, 2015-2025



Comments

- With €117bn, **Ireland** maintains the **largest trade surplus in Europe, followed by Germany** and **Switzerland**
- **The recent increase** in **Ireland (+21% in 2025 vs. 2024**) is explained in particular by a **strong increase in exports**, especially to the United States, driven by **GLP-1 medicines** and **exports of hormonal components to the United States** (x4)[2]
- **Germany (1st extra-EU exporter) and Switzerland export strongly outside the EU** and in particular to the **United States** at **free prices**, **boosting exports in value terms**

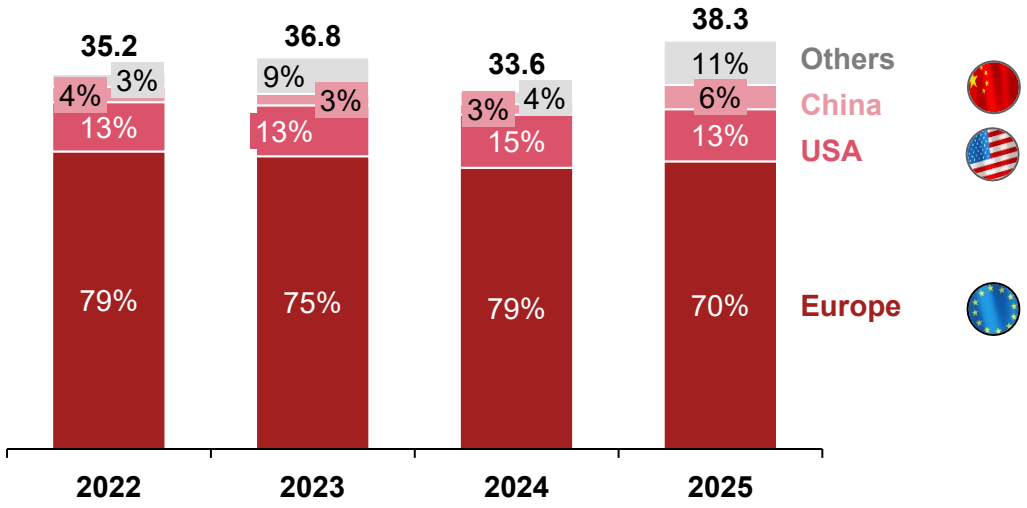
Note: 1) The graph does not represent the exhaustiveness of European countries
Sources: Challenges, Eurostat, IPHA Report 2026[2], PwC Strategy&

France doubled its imports from China in 2025 and increased its share of its exports to Europe (+9 pp between 2024 and 2025)

Imports and exports of pharmaceutical products

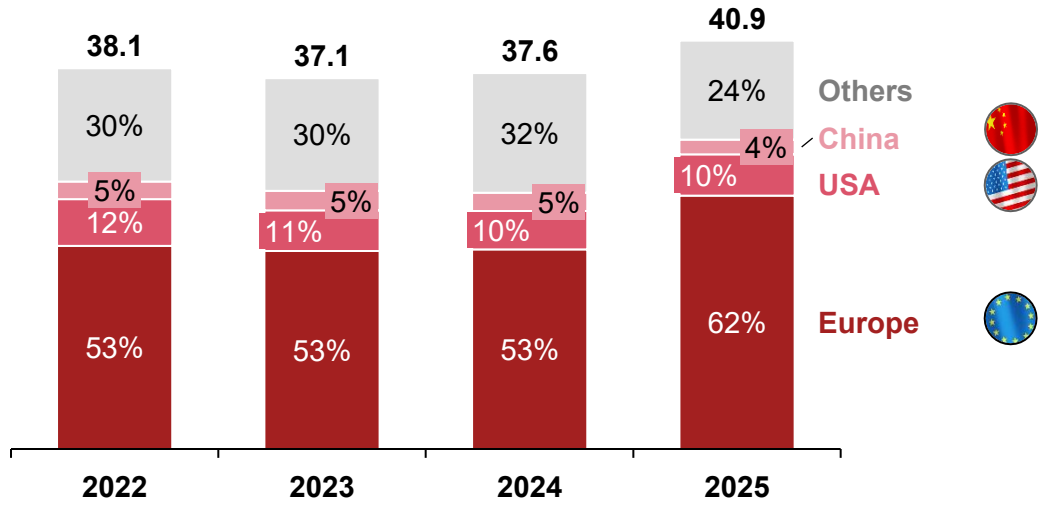
Evolution of the distribution of imports of pharmaceutical products into France

€ billion, %, 2022-2025



Evolution of the distribution of France's exports of pharmaceutical products

€ billion, %, 2022-2025



- In **2025, France imports ~70% of its medicines from Europe; Italy will become the leading import country** in 2025 (**15%** of the total) – strong dynamism of the sector in the country, recently driven by the increase in American demand(1)
- Germany comes in **2nd place** (**13%**) followed by the **United States** (**13%**)
- **Resumption of supplies** from **China** in **2025 (6% vs. 3-4% since 2022), after a 32% decline in value** between **2022-2024**

- **Exports to Europe** remain in the majority and **increase in 2025** (+10 pp): **Germany** remains the **1st intra-EU partner,** followed by **Belgium,** the **United Kingdom** and **Italy**
- Exports to the **United States stabilize in 2025 (+7% vs. 2024**) after a 13% decline between **2022-2025 in absolute terms**
- **Trade** to **China** declines by **18%** between **2024-2025** after a period of **stability** between **2022-2024**

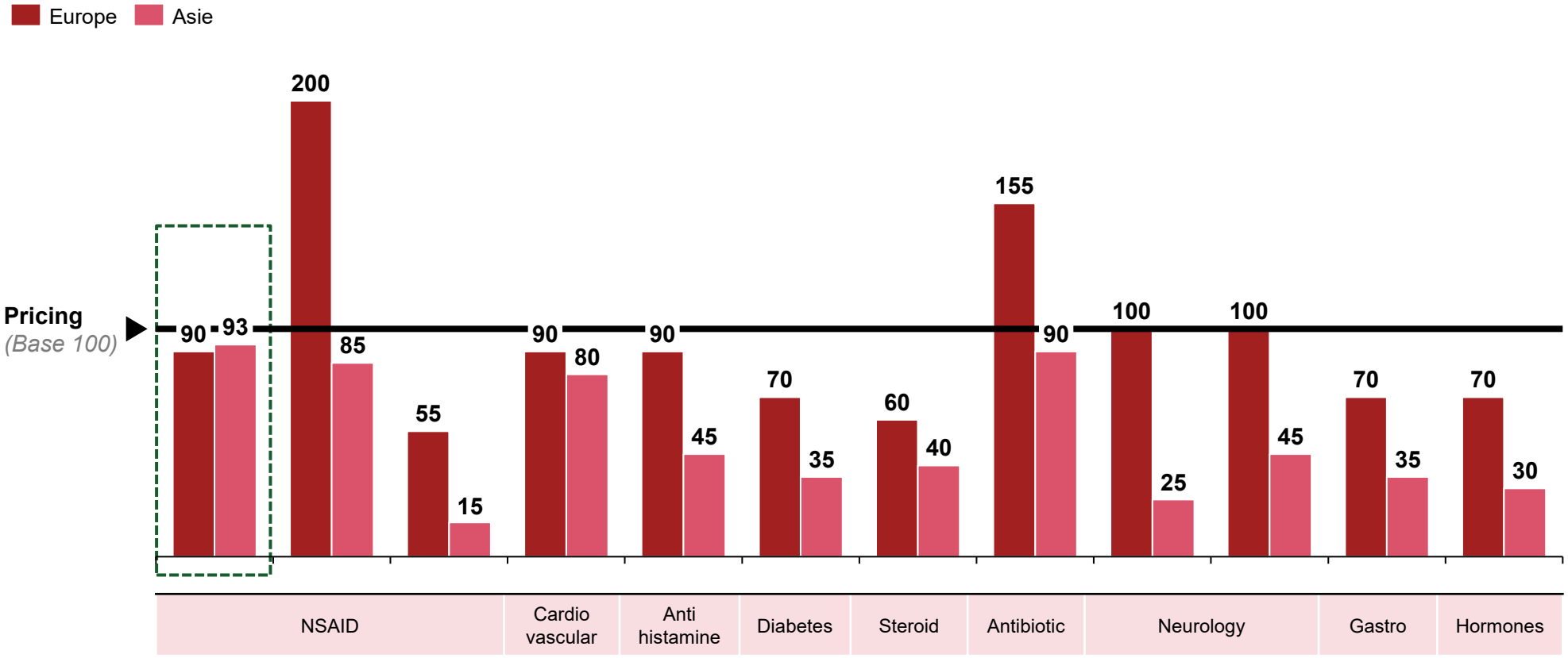
Notes: Europe includes the countries of the European Union as well as the United Kingdom and Switzerland; The EU-US agreement of 27 July 2025 (15% cap, exemptions for pharmaceutical generics) has been weakened by the invalidation by the US Supreme Court, on 20 February 2026, of the legal basis for "reciprocal" customs duties (IEEPA). A temporary tariff of 10% was limited to 150 days and submitted to a vote of Congress for extension. The European Parliament has suspended ratification. The tariff framework applicable to European pharmaceutical exports to the United States remains uncertain to date

Sources: Customs, Istat 2025 Study(1), PwC Strategy&

Among the therapeutic areas studied by SICOS, Europe is less competitive in terms of its API production costs compared to Asia

Comparing API Production Costs

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



Comments

- **Of the entire panel of molecules in the different therapeutic areas studied** by SICOS, **Europe has higher production costs than Asia,** except for one molecule in the panel which can be explained by **higher fixed and labour costs**
- **Europe's long-term economic viability is not secure** with an **aggressive strategy by Asia** on all molecules

Sources : Etude SICOS Advancy « Strenghten the API production industry in France and Europe » (2024), PwC Strategy&

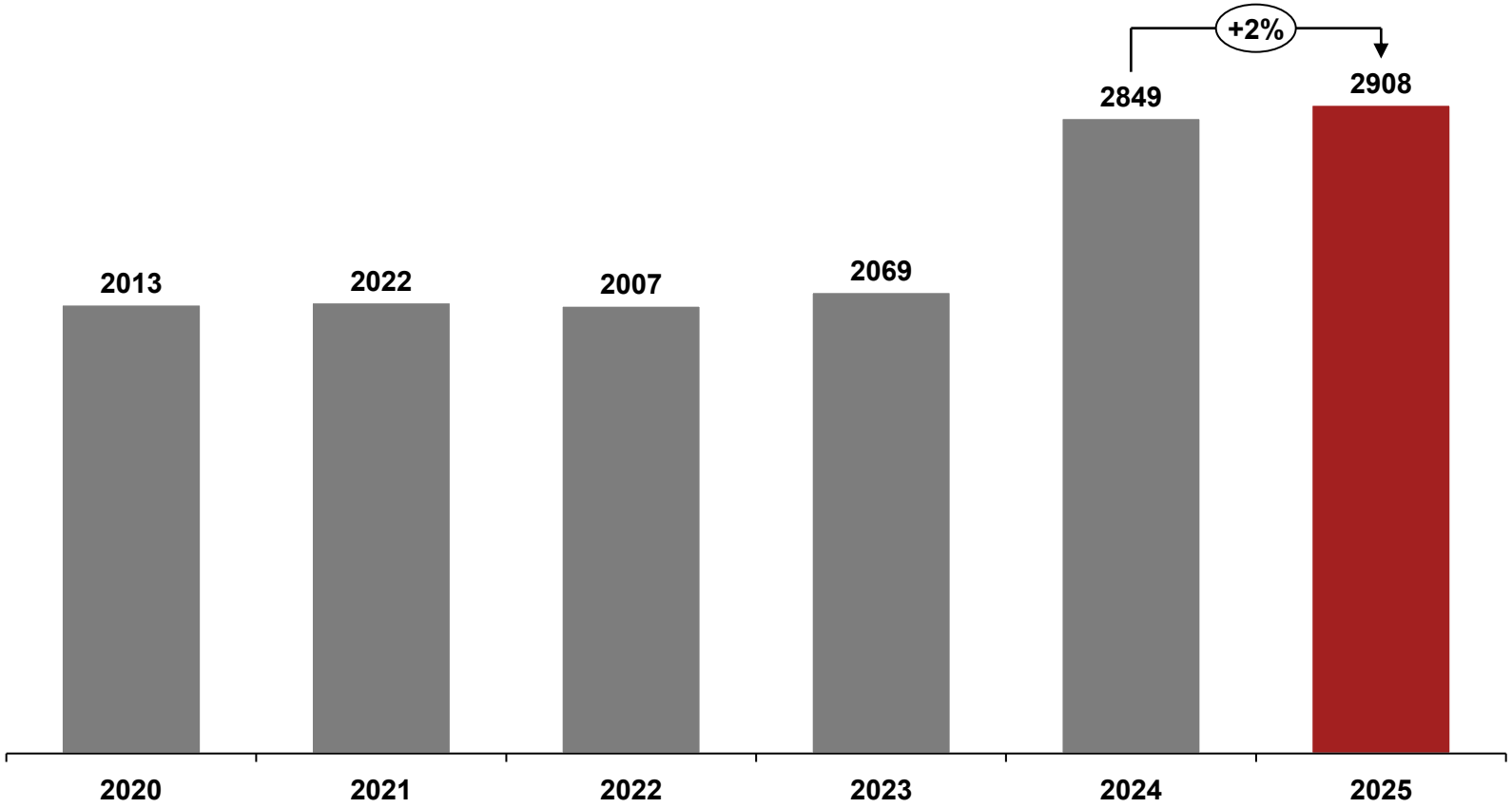
Our annual survey reveals that investment in production facilities in France remained stable in 2025 compared to 2024

Production investments

Survey

Production investments in France

Million €, 2025, France



Comments

- **Investments in production remained stable in 2025** (€2,908 million) after an increase between 2023-2024 which was explained in particular by large investments by certain laboratories (Sanofi, Novo Nordisk)
- Nearly **80%** of these **investments** finance the **increase in production capacity** (extension, new production, relocation)

Sources: 2026 survey of Leem members / 32 respondents representing 45% of the French pharmaceutical market - Extrapolated to the entire French pharmaceutical industry based on the results of the survey, PwC Strategy&

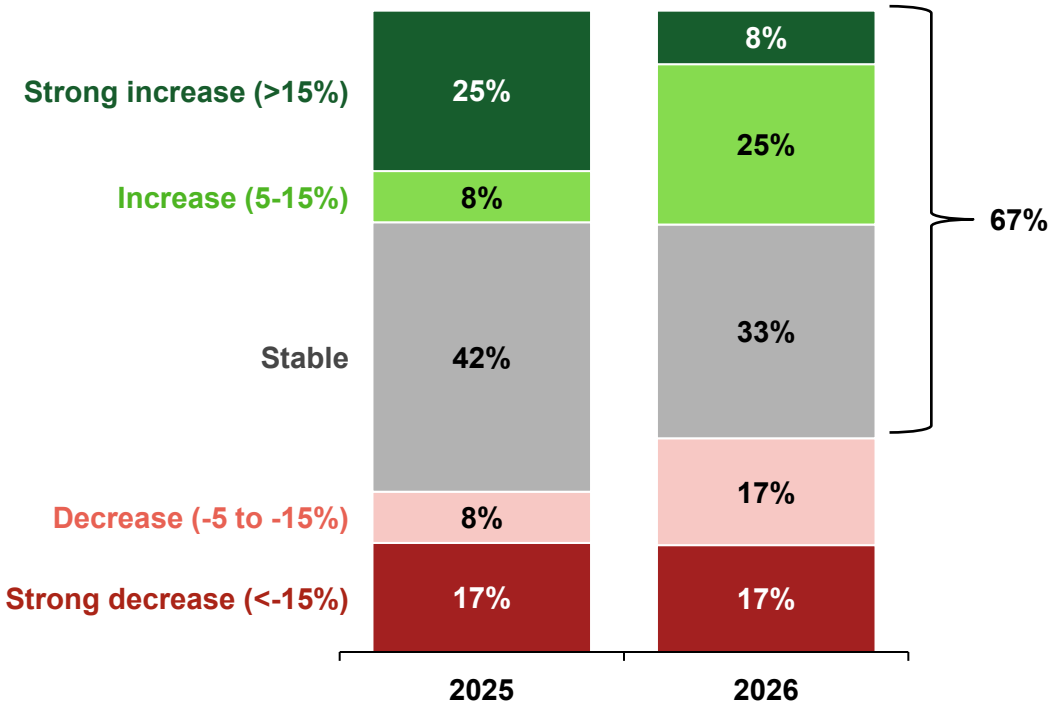
67% of the companies surveyed say they want to continue investing in France over the next 3 years, compared to 75% last year

Production investments

Survey

Prediction of production investments in France over the next 3 years
%, 2026

What is the trend of your company's investment in production in France over the next 3 years?



Comments

- **The majority of the responding companies seem willing to invest in production in France** over the **next 3 years,** but their **share is decreasing** (**67% in 2026 vs. 75% in 2025**)
- This concerns both large companies and SME respondents
- However, there has been an **increase** in the share of those who **expect** a **decrease** or **a sharp decrease** (**34% vs. 25% in 2025**)
- The latter cite an **uncertain geopolitical context** and a **restrictive regulatory environment** to explain this **downward trend**

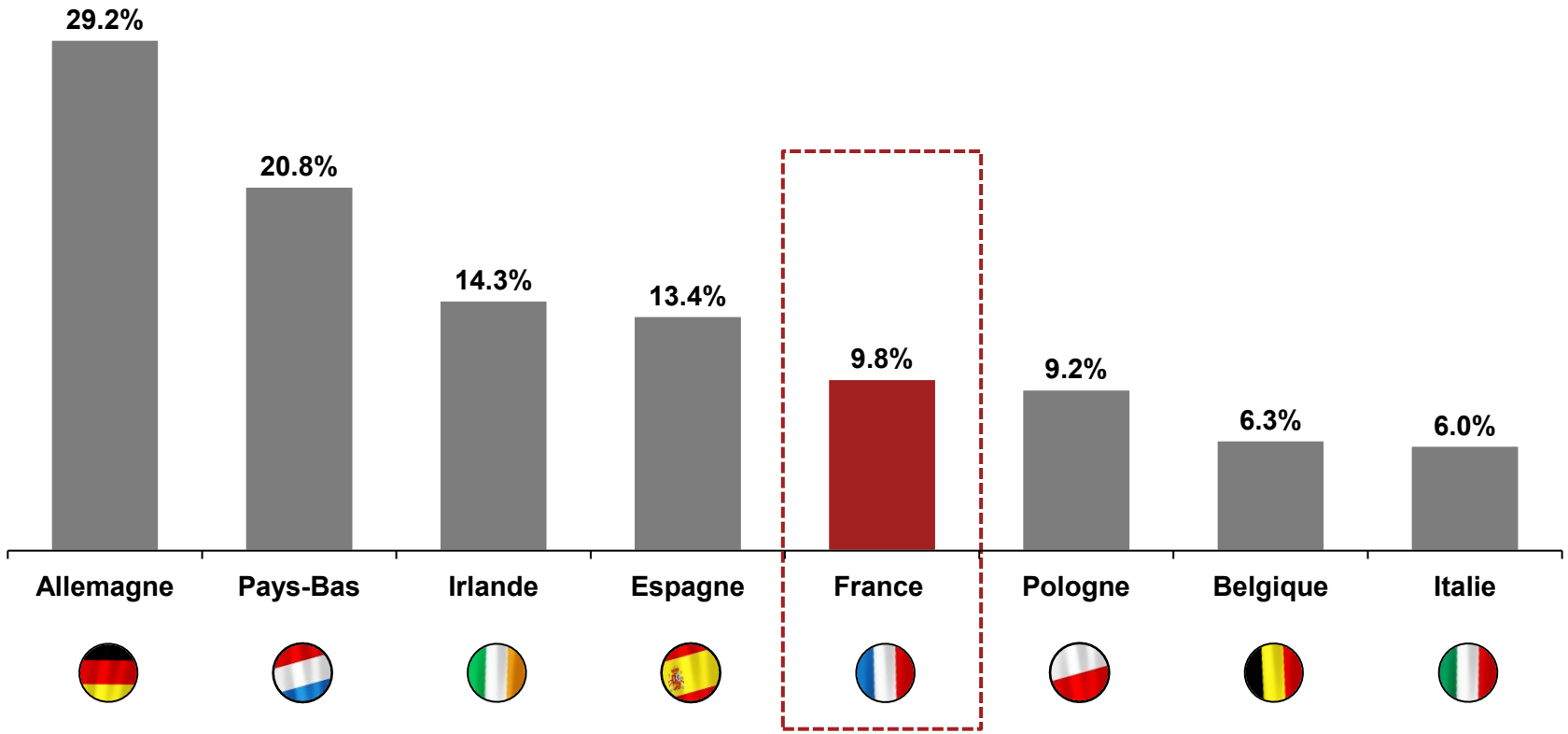
Sources: 2026 survey of Leem members / 12 respondents representing 22% of French pharmaceutical market, PwC Strategy&

Of the 448 new indications (MAs) approved in Europe since 2021, 10% have a fabrication site in France

Geographical origin of the fabrication sites of the new drugs in Europe

Share of new marketing authorisations approved in Europe for which at least one fabrication site is registered in the country

%, Marketing authorisation 2021-2025



Comments

- **Germany remains the country with the most fabrication sites with new marketing authorisations placed on the market in Europe** of all types (synthetic, biologic, generics, biosimilars)
- In **2025, Spain** has at least one fabrication site for **23% of new 2021-2025 biosimilar marketing authorisations**
- **France** is **better represented** in **biosimilars** and **originator chemicals**, with 11% and **14% of new marketing authorisations having at least one fabrication site in the country respectively**

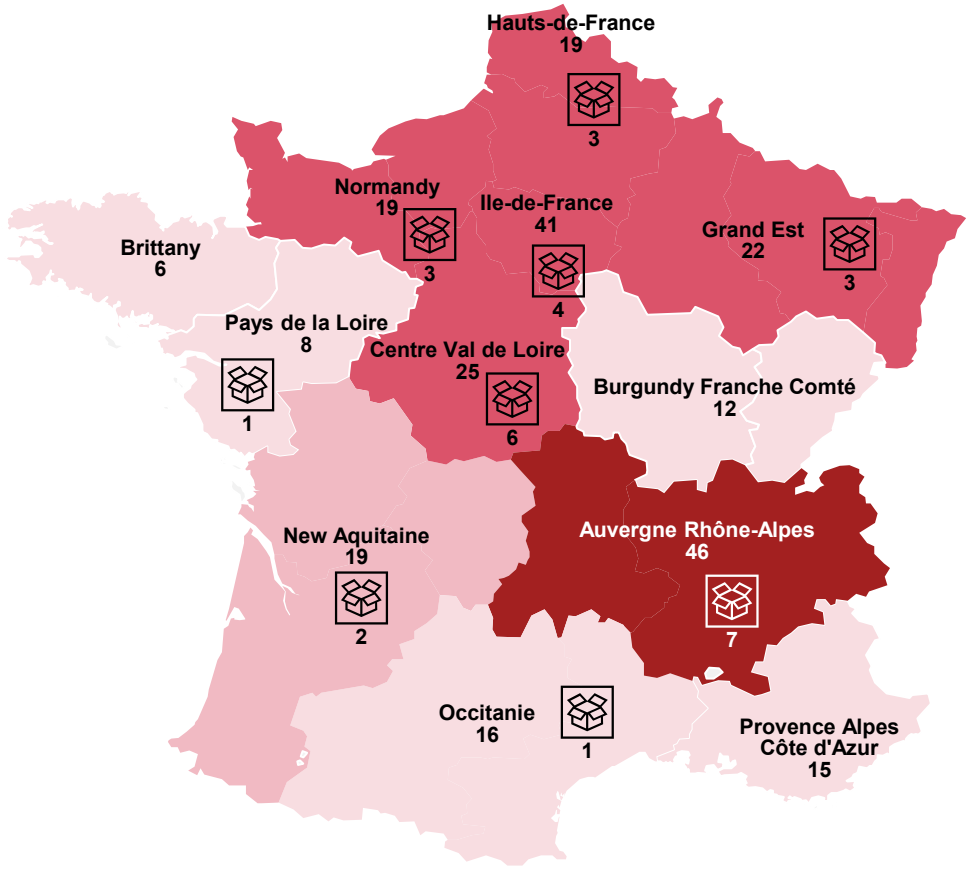
Sources : Leem, PwC Strategy&

France has 253 sites with production activity and 30 sites dedicated to packaging activity[1]

Territorial footprint of production sites in France

Geographical distribution of production sites in France
#, 2025, France

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



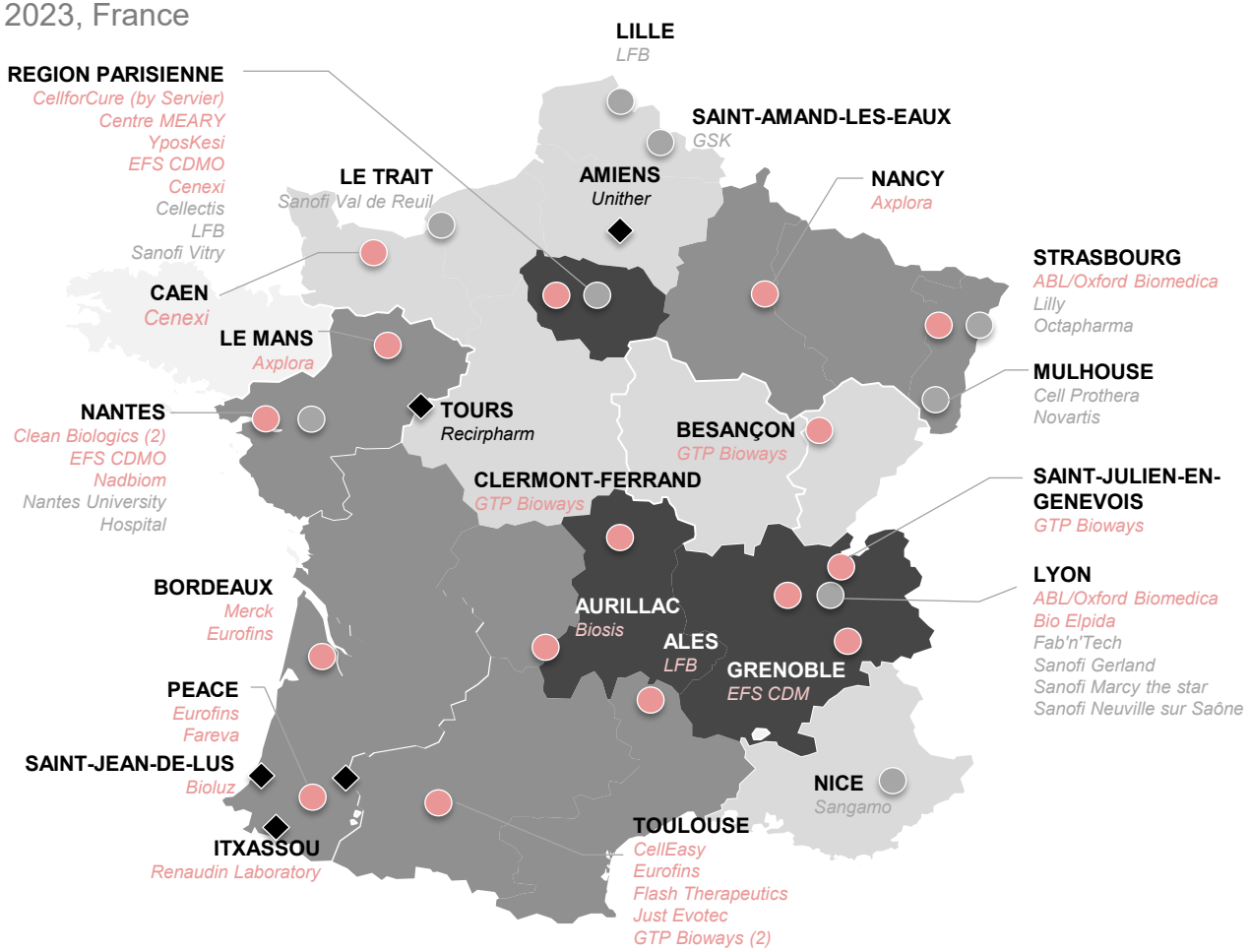
Note: Excluding DROM COM which includes 5 sites
Sources: Eudra GMP, Leem, PwC Strategy &

France has 52 bioproduction sites with a higher concentration in the Paris region and Auvergne-Rhône-Alpes

Mapping of bioproduction sites in France

Geographical distribution of bioproduction sites in France, by type

#, 2023, France



NUMBER OF SITES OF BIOMANUFACTURING (GMP)

TOTAL	**52** Sites	**35** Companies
CDMO	**31** Sites	**19** Companies
OWN	**16** Sites	**11** Companies

Legend

0 site | 1-4 site(s) | 5-8 sites | 9+ sites

CDMO | Own site | Fill & Finish

Comprehensive view of bioproduction sites in France with CDMO, Fill & Finish[1] (filling, finishing, packaging of organic products)

Note: 1) 5 Fill & Finish sites

Sources: AIS study, France Biotech, France Biolead " Biopharmaceuticals and biomanufacturing " (2023), PwC Strategy&

Emissions from medicines produced and consumed in France stand at 16.6 $MtCO_2e$ in 2023 with production representing ~70% of it

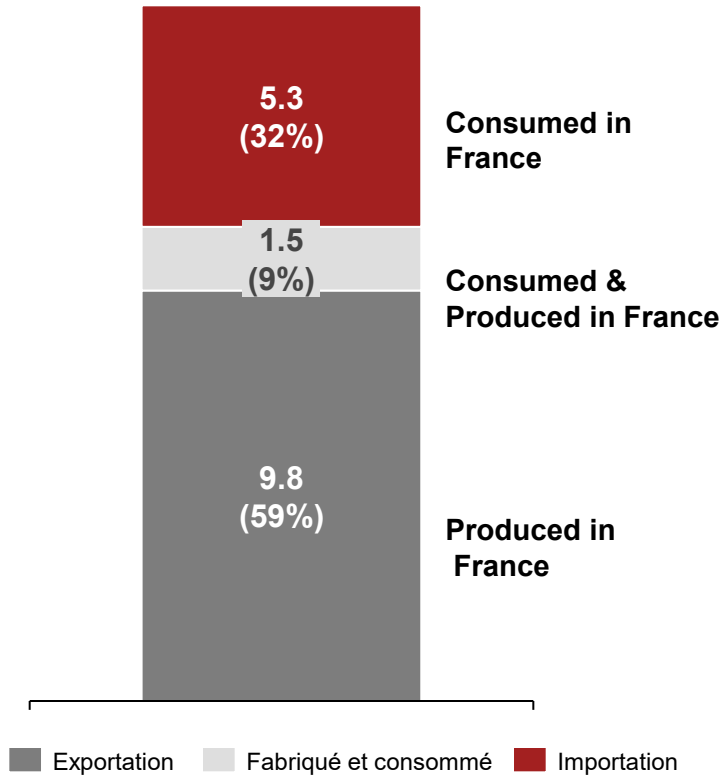
Carbon emissions from medicines produced and consumed in France

16.6 **$MtCO_2e$**

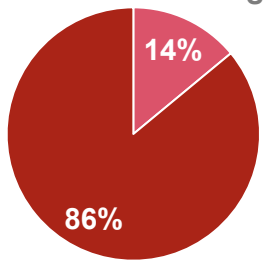
Related to the production and consumption of medicines in France in 2023

Carbon footprint of medicines in France assessed by scope[1]

$MtCO_2e$, 2023



6.8 **$MtCO_2e$** related to medicines **consumed in France**



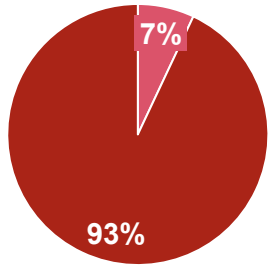
SCOPE 1 & 2

52% Direct emissions
48% Indirect emissions (energy)

SCOPE 3

70% Purchase of goods and services
7% Use of products sold
7% Upstream transport

11.3 **$MtCO_2e$** related to medicines **produced in France**



SCOPE 1 & 2

85% Direct emissions
15% Indirect emissions (energy)

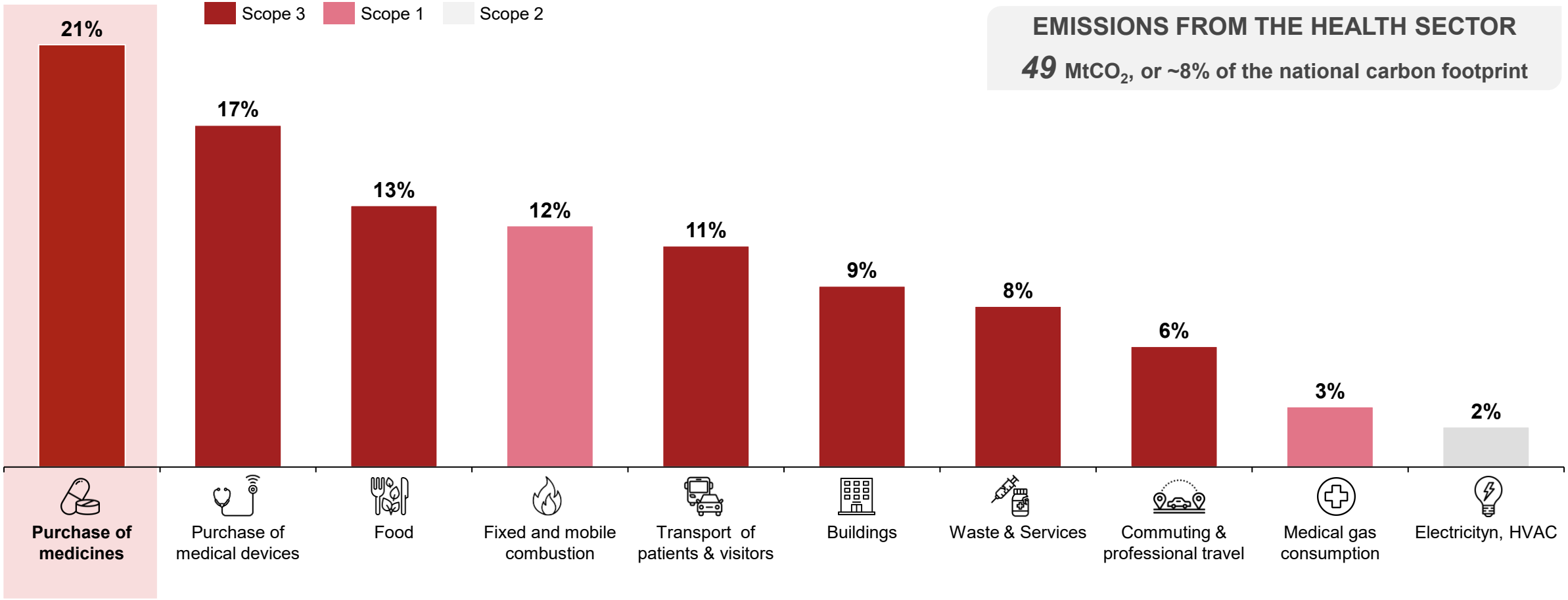
SCOPE 3

51% Purchases of goods and services
31% Use of products sold
5% Upstream transport

Notes: 1) Calculation based on GERS import/export ratios to measure both the share produced and consumed in France; 2) Reminder: same scopes evaluated between the *Quantis* 2025 Study and *EY 2022* to update the results
Sources: Quantis and Leem 2025 Study, PwC Strategy&

The production of medicines is the largest part of greenhouse gas (GHG) emissions from the health sector in France

Distribution of GHG emissions from the French health sector, 2019 ($MtCO_2e$)



EMISSIONS FROM THE HEALTH SECTOR

49 **$MtCO_2$, or ~8% of the national carbon footprint**

Sources: Roadmap for the pharmaceutical, medical device & IVD sectors (2026); Calculations The Shift Project Report 2023 & 2025 – the figures relating to medicines have been made reliable by a modelling of physical flows in 2025, leading to a 42% reduction in the estimate based on the former ADEME emission factor; the estimate has also been corrected for medical devices following an overestimation of turnover from 10.2 to 6.6 $MtCO_2e$, i.e. a decrease of 35%

Companies in the sector have committed to reducing their Scope 1 & 2 emissions by 50% and Scope 3 by 25% by 2030

2030 decarbonisation targets, aligned with the Paris [1] agreements

SCOPE 1 & 2

–50%

Direct & indirect (energy-related) emissions

*SBTI recommends **-37.7%**[1]*

SCOPE 3

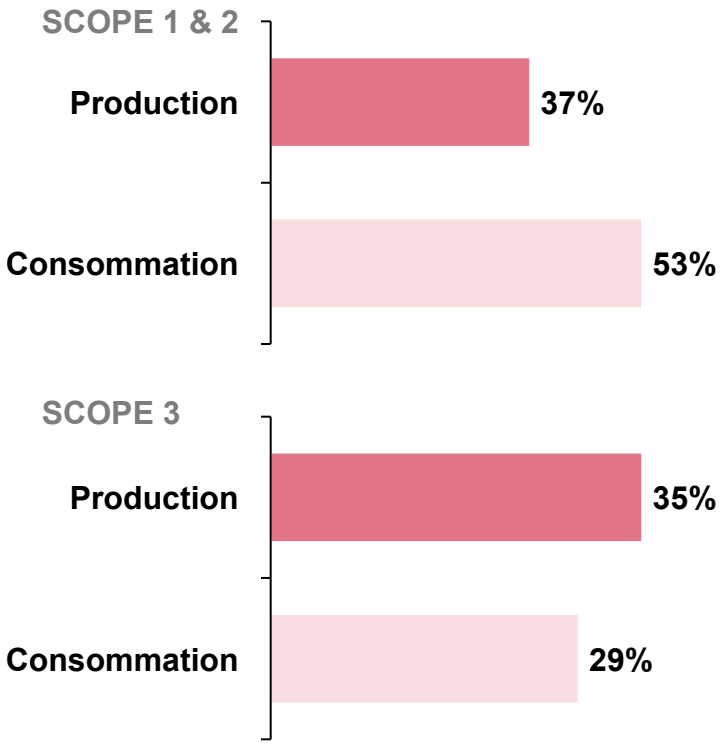
–25%

Indirect emissions (valuechain)

*SBTI recommends **-23%**[1]*

Reduction of the footprint achievable according to a conservative prospective scenario, with the implementation of identified levers

% reduction on total footprint, 2030



Main decarbonisation levers identified[2]

% reduction on total footprint, 2030

SCOPE 1 & 2	Production	Cons.
Energy efficiency	-10%	-10%
Sobriety on site	-9%	-9%
Carbon-free energy	-10%	-31%
SCOPE 3		
Substitution of inhalers	-20%	-4%
Eco-design	-5%	-13%
Supplier Engagement	-9%	-10%

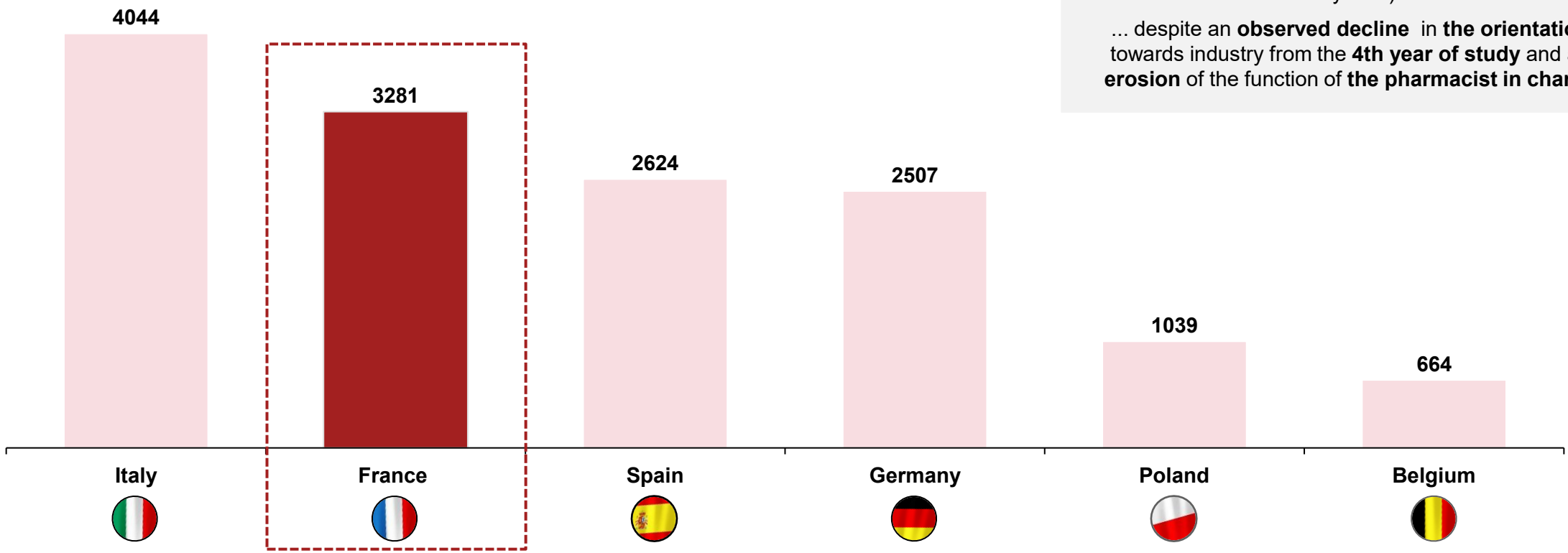
The approach used to develop the reduction scenario makes it possible to take into account the evolution of emissions between now and 2030, the levers to be put in place by companies as well as exogenous factors

Note: ; 1) Reference year 2021; 2) The list does not present all the levers of the study but only those with the greatest potential to reduce the footprint
Sources: Quantis and Leem 2025 study, PwC Strategy&

France has the second-most number of pharmacist graduates behind Italy

Overview of pharmaceutical graduates

European comparison of pharmaceutical graduates
#, 2023



Good attractiveness of France for **clinical** and **industrial** profiles (variety of outlets, easy access for European pharmacists, 1st rate scientific and clinical ecosystem)...

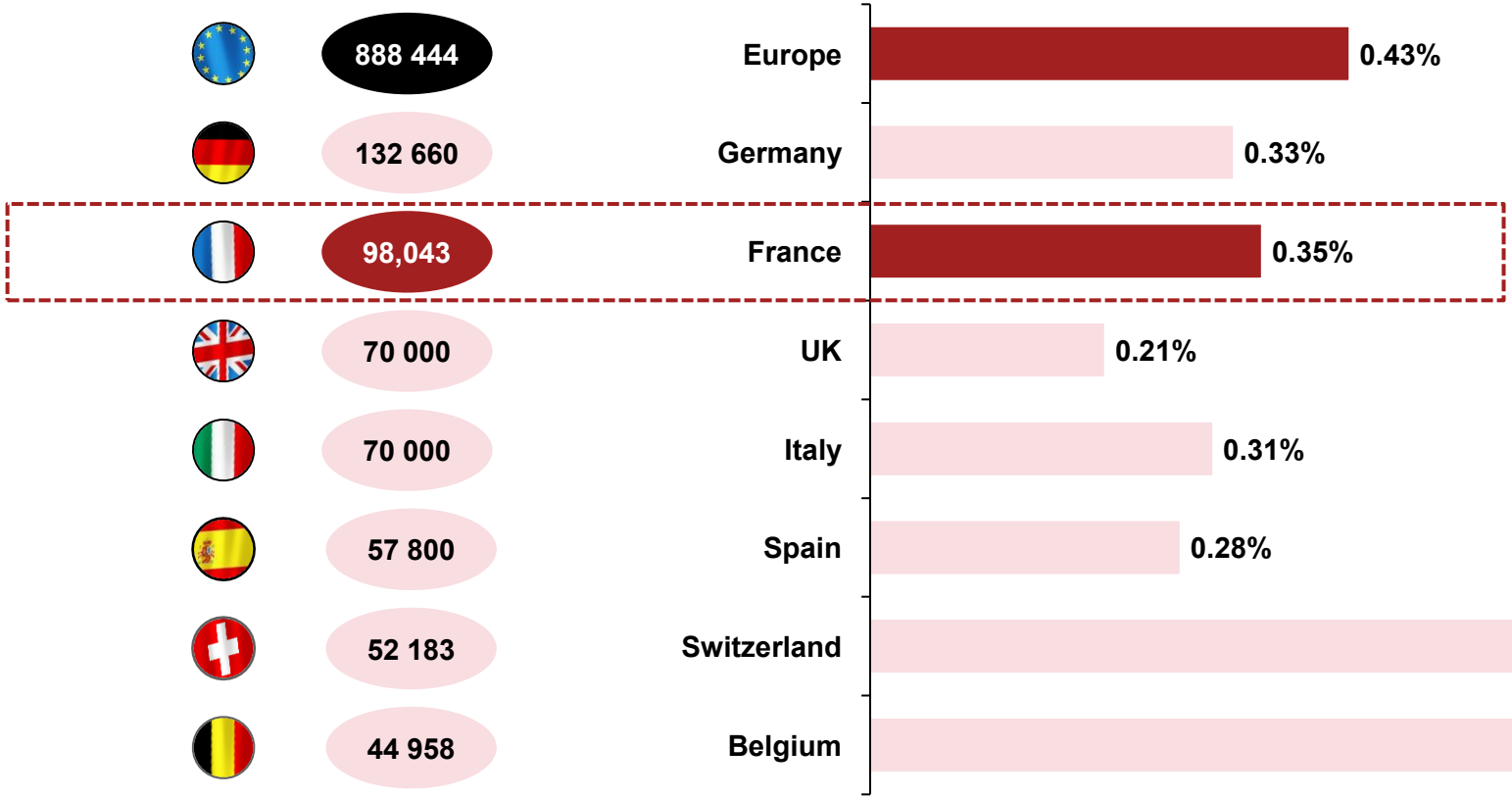
... despite an **observed decline** in **the orientation** towards industry from the **4th year of study** and an **erosion** of the function of **the pharmacist in charge**

Sources: Eurostat, French government website, Egora article, PwC Stategy&

France is the second largest employment zone in Europe after Germany for the pharmaceutical industry

Employment rate of the pharmaceutical industry in Europe

Number of people employed by the pharmaceutical industry
#, 2023



Employment rate of the pharmaceutical industry
%, 2023

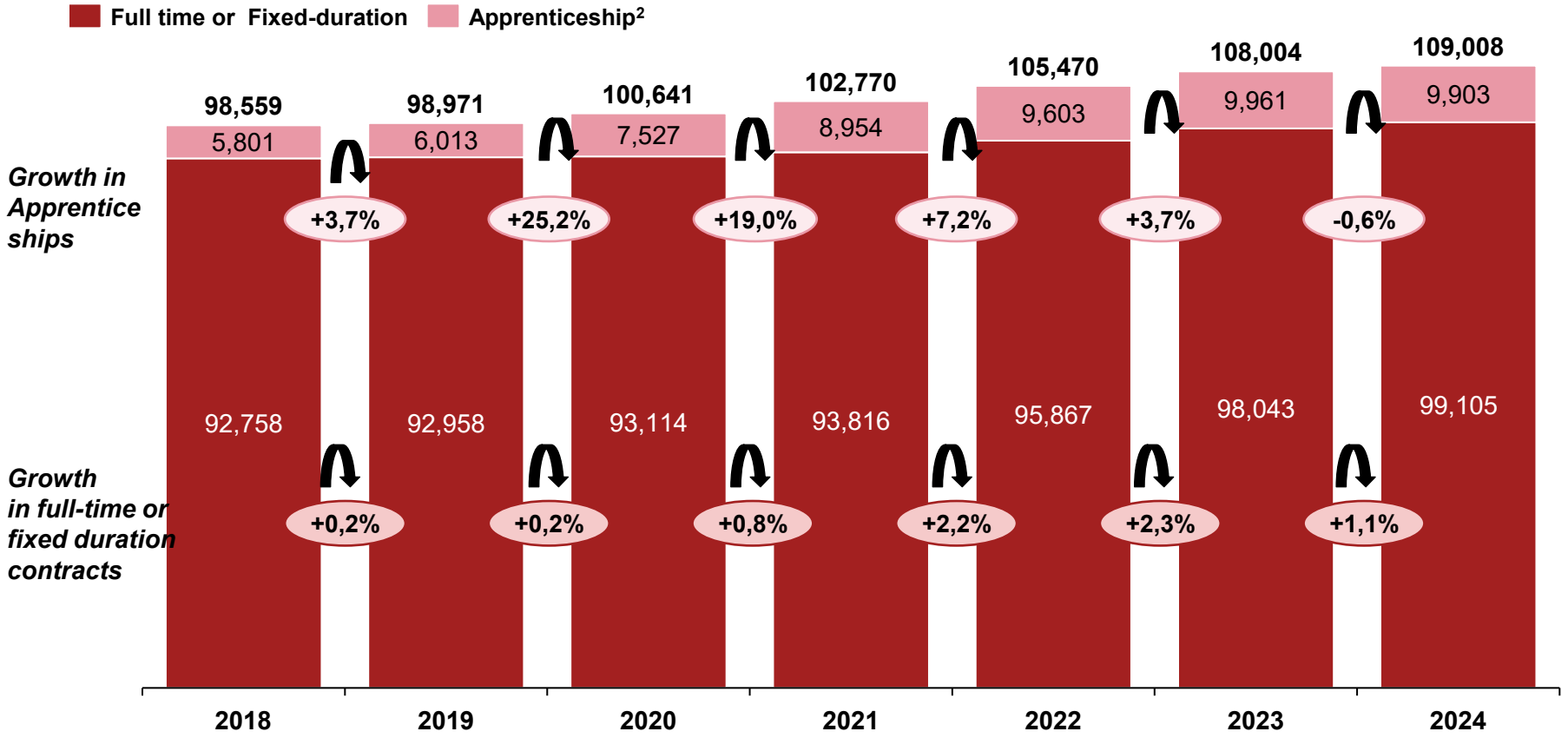
- **High share** of **pharmaceutical jobs** in **Switzerland** and **Belgium** compared to the **European average**
- Switzerland is **the 2nd largest exporter** of **pharmaceutical products after Germany** (1) and the **biopharmaceutical sector** accounts for **25% of Belgian exports** and **more than 50% of the trade surplus**(2)

1) Europe is defined here as the European Union, the United Kingdom and Switzerland
Sources : EFPIA(1), Essenscia, Pharma.be(2) Eurostat, ONS, OFS, PwC Strategy&

Despite a slight slowdown in growth in 2024, the employment dynamics of industry were positive between 2018 and 2024

Employment dynamics of pharmaceutical laboratories

Evolution of employment in the pharmaceutical industry in France
#, 2014-2024



Comments

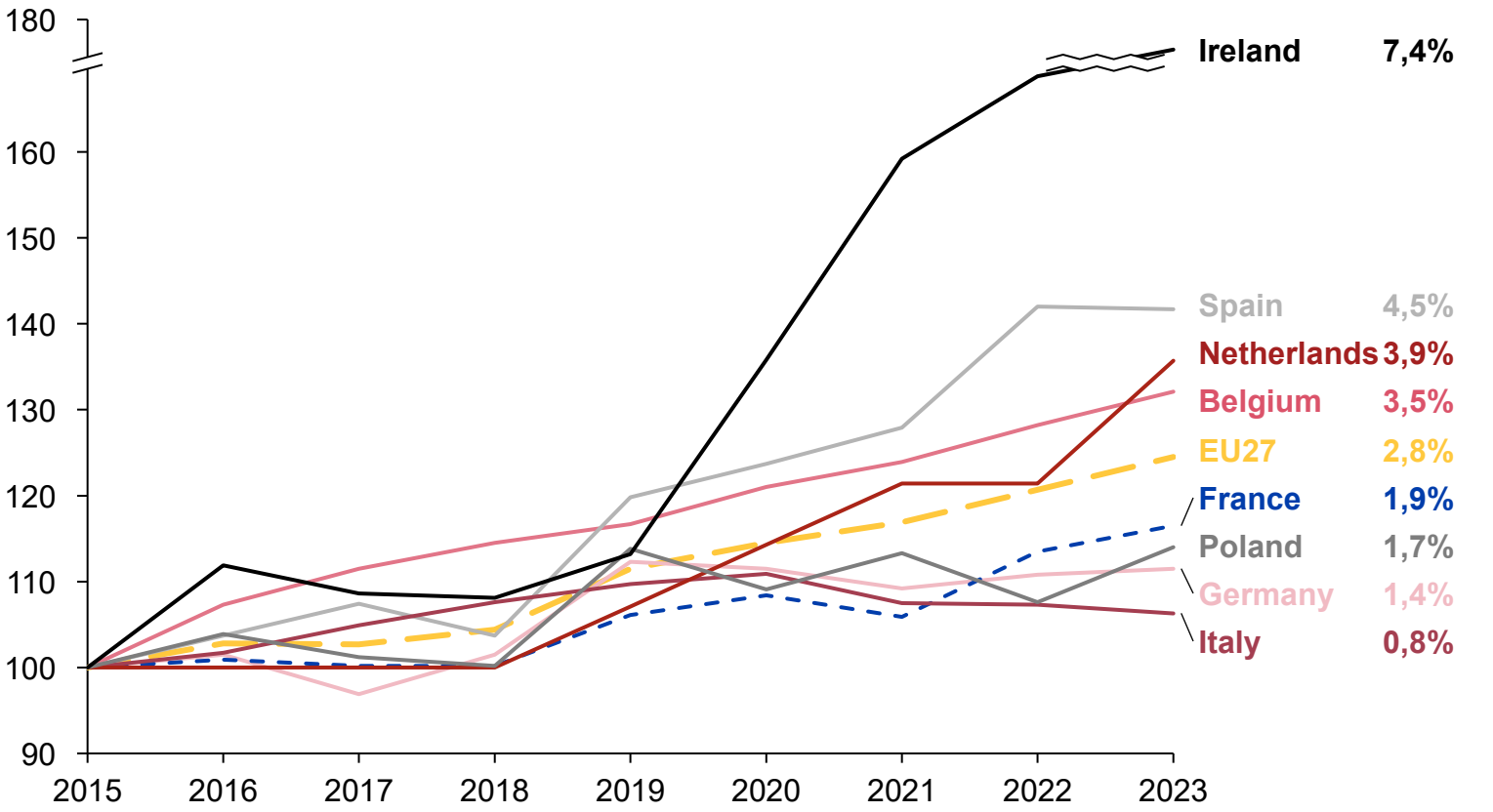
- Employment **dynamics in the pharmaceutical industry** have increased **moderately since 2018** (**+10.6% between 2018-2024**), mainly driven by the strong dynamic of work-study programmes
- The growth in permanent and fixed-term jobs is more moderate in 2024 compared to 2023, and there is a slight decline in work-study contracts.
- The **number of apprenticehips seems to be stabilising** in **2024** after several years of growth (**+70% between 2018-2023),** driven in particular by the reform of vocational training and the proactive policies of large companies[1]
- **The average age of employees on permanent contracts / permanent** contracts will rise to **44.9 in 2024 vs. 44.6 in 2023**

Notes: 1) 2000 employees or more; 2) Refers to apprenticeship contracts and professionalization contracts
Sources: INSEE, Employment situation report 2025 (Leem), PwC Strategy&

The employment dynamic in France is growing (+1.9% per year on average) but lower than the European average between 2015 and 2023

Employment trends in the pharmaceutical industry in Europe

Employment growth in the pharmaceutical industry
Base 100 (2015 base year), 2015-2023



Comments

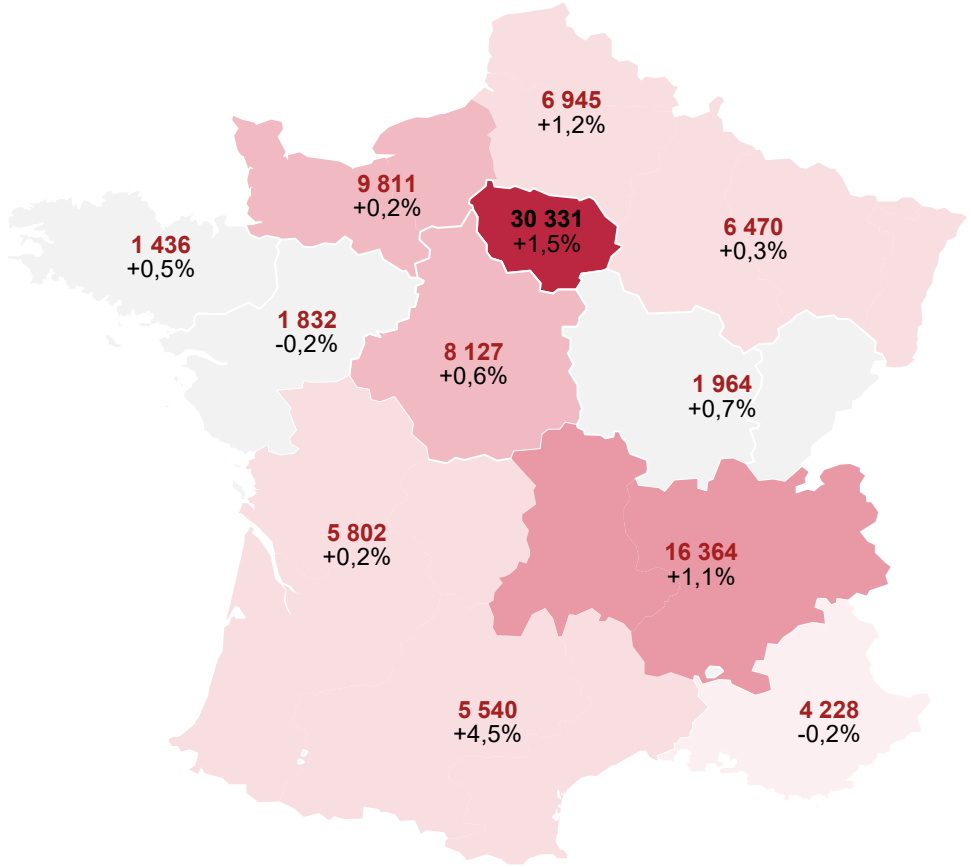
- The **dynamics of employment** in the **pharmaceutical industry** in Europe have been **growing since 2015 (+2.8% per year on average**)
- **France is growing** but at an **average annual rate below** the **EU-27 average** (**+1.9% between 2015-2023**)
- **3 groups of countries** stand out:
  - **Countries with strong growth**: the Netherlands, Belgium and even more so **Ireland** (**+7.4%**) and **Spain** (**+4.5%**)
  - **Countries with moderate growth**: Poland, whose **dynamics** are **uneven,** and **France,** which has relatively **low positive growth**
  - **Countries with stable or declining growth**: **Germany** (**+1.4%**), one of the largest employers in the EU, and **Italy** (**+0.8%**), which has recorded a **decline since 2021**

Note: Use of a base 100 because the NACE C21 perimeter (Eurostat) underestimates total pharmaceutical employment because it is limited to pharmaceutical manufacturing (excludes outsourced R&D, distribution and commercial functions)
Sources: Eurostat (Annual national accounts)

The pharmaceutical industry has a strong territorial footprint with 70% of jobs outside the Île-de-France region

Regional employment dynamics in the pharmaceutical industry

Regional distribution of permanent and fixed-term employees at employees' place of residence in France
#, 2024 vs 2023



Legend

Concentration of the number of jobs in the pharmaceutical industry (red: high)

Comments

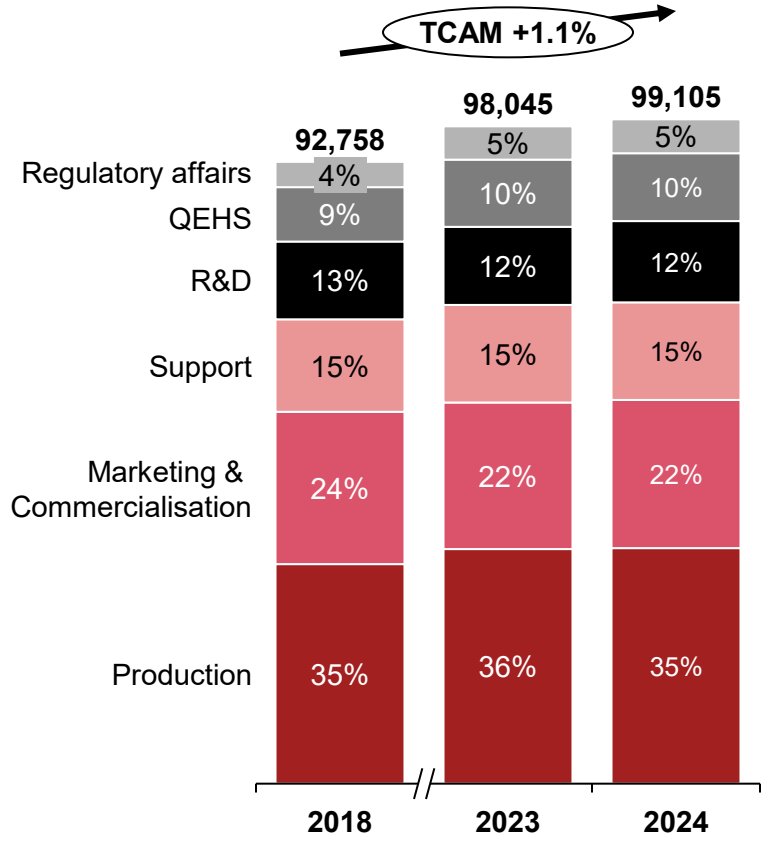
- **Auvergne Rhône-Alpes (17%), Normandy (10%)** and **Centre Val de Loire (8%)** are the 3 major centres with **the highest concentration of employees** in the pharmaceutical sector, behind **Île-de-France (31%)**
- These are the main locations of **headquarters, R&D** and **large industrial sites**

Sources: Employment situation report 2025 (Leem), PwC Strategy&

The pharmaceutical industry is reinforcing its numbers in digital and biomanufacturing professions

Distribution of the workforce by area

Evolution of the number of fixed-term and permanent employees by business family
#, 2018-2024



	CAGR 2018-24	CAGR 2023-24
Regulatory affairs	+4,9%	+2,1%
QEHS	+3,8%	+0,9%
R&D	+0,7%	+4,2%
Support	+0,9%	-0,1%
Marketing & Commercialisation	-0,5%	+1,3%
Production	+1,2%	+0,4%

Professions in demand (2024)

- Regulatory Affairs
- Quality Assurance
- Digital-related professions
- IT Management
- Public and institutional affairs
- Finance / Accounting
- Data engineer / IA
- Cybersecurity Engineer
- Marketing
- Technician / Maintenance Manager

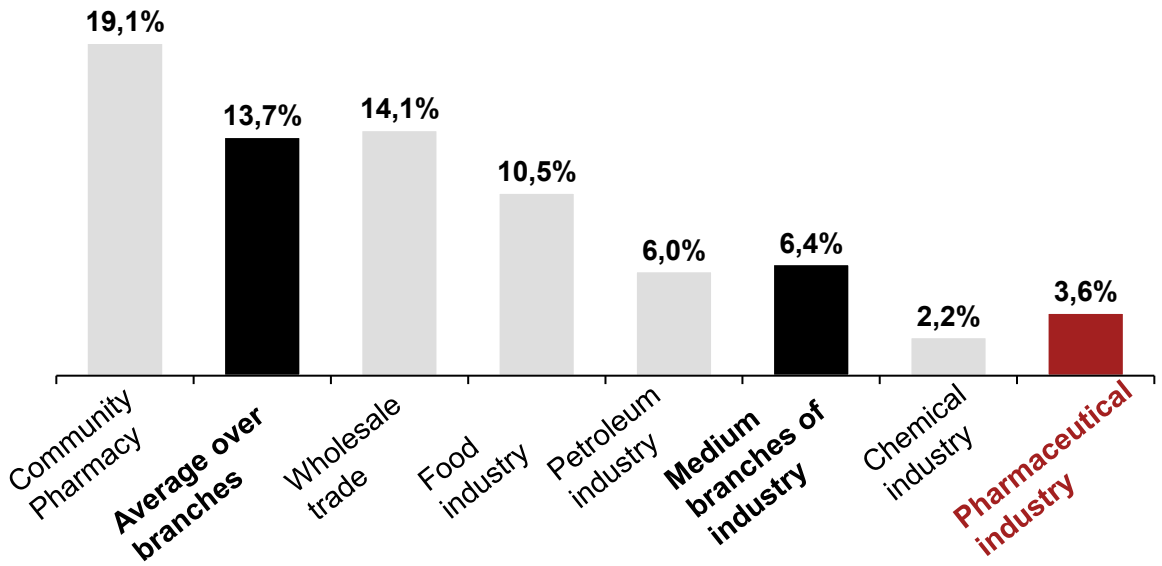
- Between **2023-24**, **R&D** (**+4.2%**) and **Medical & Regulatory Information** (**+2.1%**) are the **most dynamic families,** due to a reinforced regulatory context and increasing complexity of health products
- To face the economic and societal challenges, the industry must continue to **develop talent in new areas of emergence**:
  - **AI, Cybersecurity, Data Engineer**
  - **Bioinformatician**
  - **Bio-production technician**

1) CAGR: Average Annual Growth Rate
Sources: Employment Scoreboard 2025 (Leem), PwC Strategy

The gender pay gap remains among the lowest (3.6%) in the pharmaceutical industry compared to other sectors in France

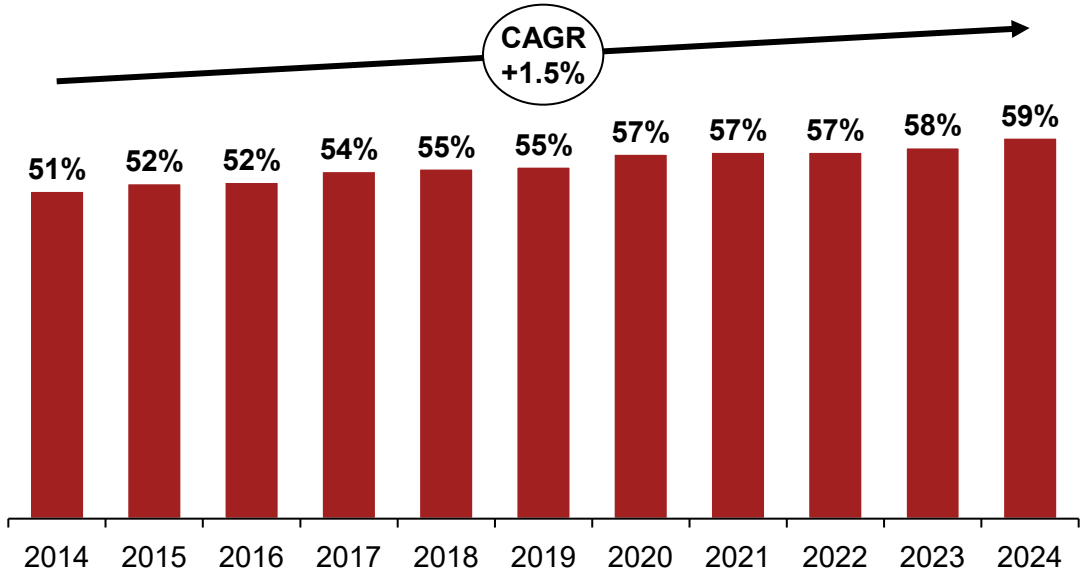
Gender pay gap and share of female employees

Sectoral comparison of the gender pay gap
%, 2024



- In terms of equal pay, the **pharmaceutical sector** has a **smaller gap compared to the other branches** (**3.6% vs. 13.7%)**
- This small gap with regard to the French economy can be explained by the implementation of proactive policies for several years, and this gap has been closing rapidly since 2014, in all companies (large groups as well as VSEs/SMEs)

Share of female staff in skilled positions of responsibility
Classification 07 to 11, 2014-2024



- 57% of employees in the sector are women, and **the rate of feminisation** of **jobs at classification levels 07 to 11 is increasing every year** and will reach **59.3%** in **2024**
- Women are **more present** in **the medical information**, **QEHS, support** and **R&D professions** and remain **less numerous than men in the production** professions, a sector that is nevertheless becoming more feminized

Sources: Employment situation report 2025 (Leem), PwC Strategy&

The pharmaceutical industry signs the first branch agreements in 2025 in favour of senior employees and care-giving employees in the sector

Content of branch agreements

Branch agreement on the employment of seniors

~39%

of seniors between 60-64 years old are employed in France compared to 51% on average in Europe, despite the ageing of the population

Framework Agreement Measures

- **Internal measures** to **anticipate** the **career development of employees**
- Facilitation of the **recruitment of senior employees**, including those who are far from employment, in particular through a frameworkfor valuing experience at the age of 57
- **Adjustment of working conditions** and the possibility of using one's conventional retirement allowance to finance a total or partial reduction in one's activity as retirement approaches, which may give rise to the right to a matching contribution from the company

Branch agreement on care-giving[1] employees

~20%

of non-professional caregivers are working in France (25% expected by 2030), a direct consequence of the ageing of the population

- Formalization **of a general policy in favor of employee caregivers** by raising awareness among all stakeholders
- Implementation of at least one of **the aid schemes** by companies made compulsory (paid conventional caregiver leave, donation of days with matching contributions, etc.)
- Appointment of **caregiver referents** to strengthen support and inform them about existing schemes

1) sslairé aidant: Refers to an employee with family member who needs signicant care at home
Sources : Leem

Access to progress

Economic Dynamism

Reputation: Political & Social Value

The level of confidence in medicines remains stable at a high level among the public and health professionals

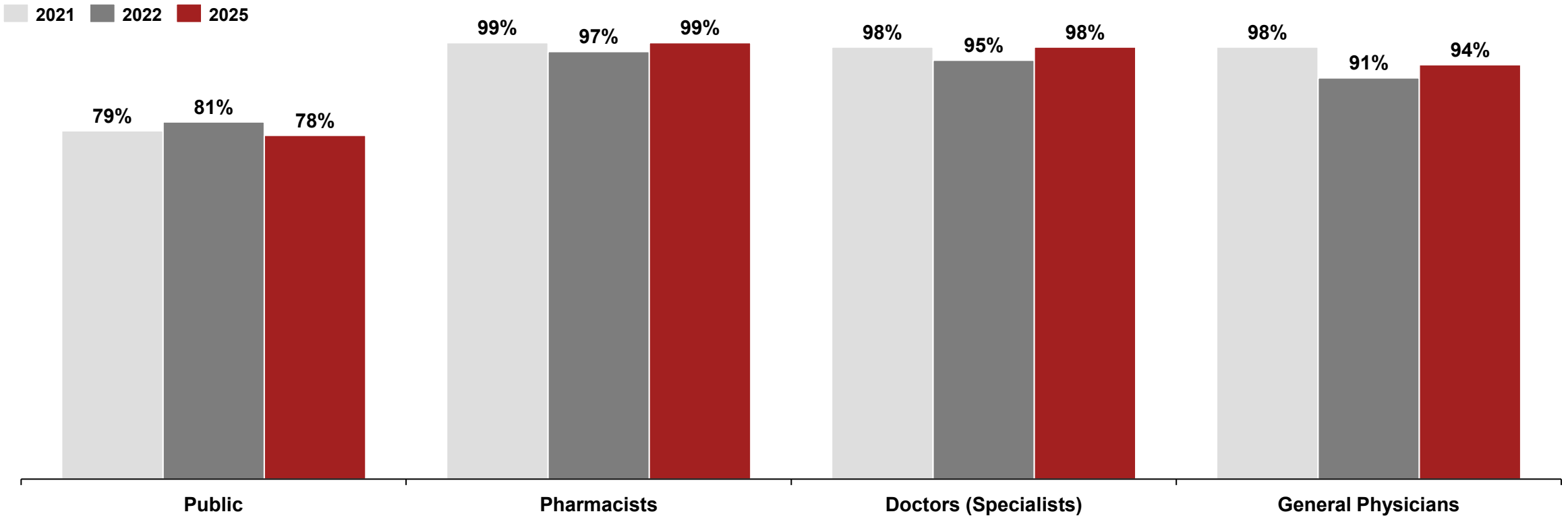
Reputation of medicines in France

Survey

Comparison of the evolution of the level of trust of the general public and health professionals in medicines in France

In general, do you trust drugs completely, somewhat trust, rather not trust or not at all trust?

% of people who said they trust the medicines



Sources: Observatoire sociétal du médicament ODOXA – Leem

The contribution of the sector is recognized by all with some criticisms despite an increase among the health professionals[1]

Reputation of the pharmaceutical sector

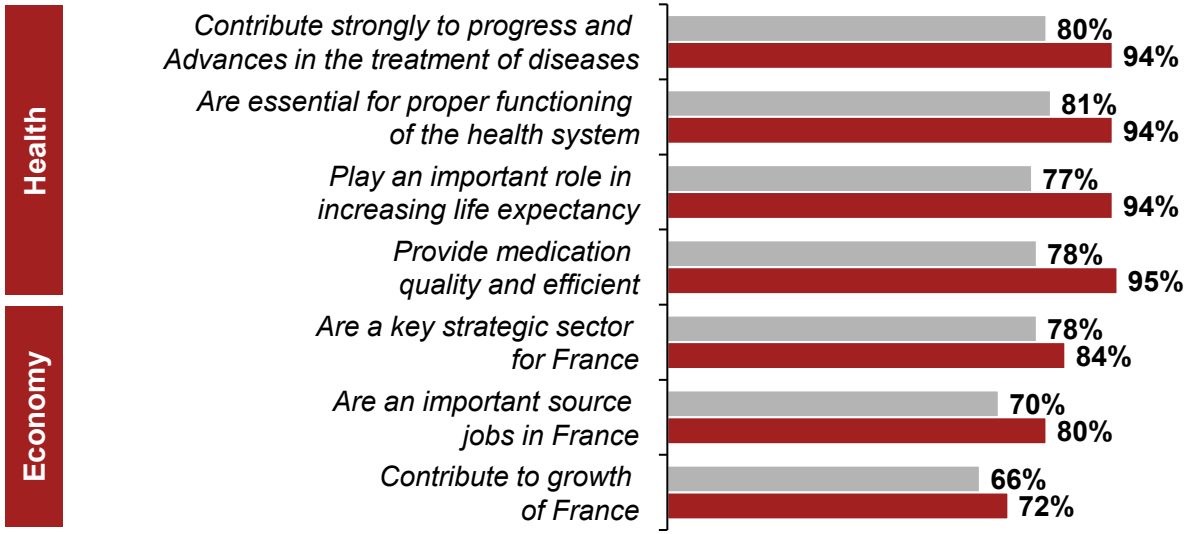
Survey

A recognition of the usefulness of pharmaceutical companies ...

2025 General public Health professionals

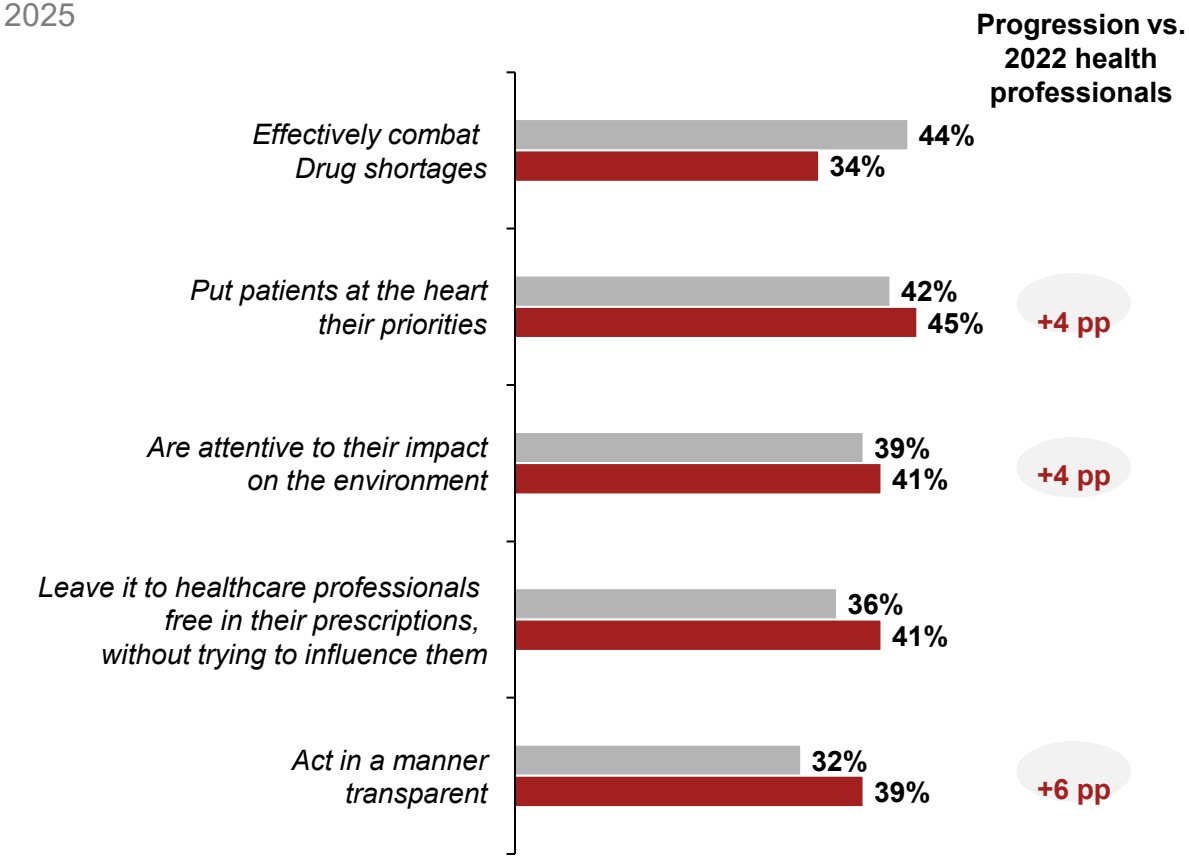
Vital role of companies of the drug

	For the health of the French population	For the economy and health sovereignty
Vital role of companies of the drug	88%	78%



… Even if some criticism remains on the way in which they fulfill their mission

2025



Note: Health professionals: general practitioners, specialists and pharmacists
Sources: Observatoire sociétal du médicament ODOXA – Leem

Pharmaceutical companies retain a high level of trust among health professionals and general public with return to 2019 levels for the latter

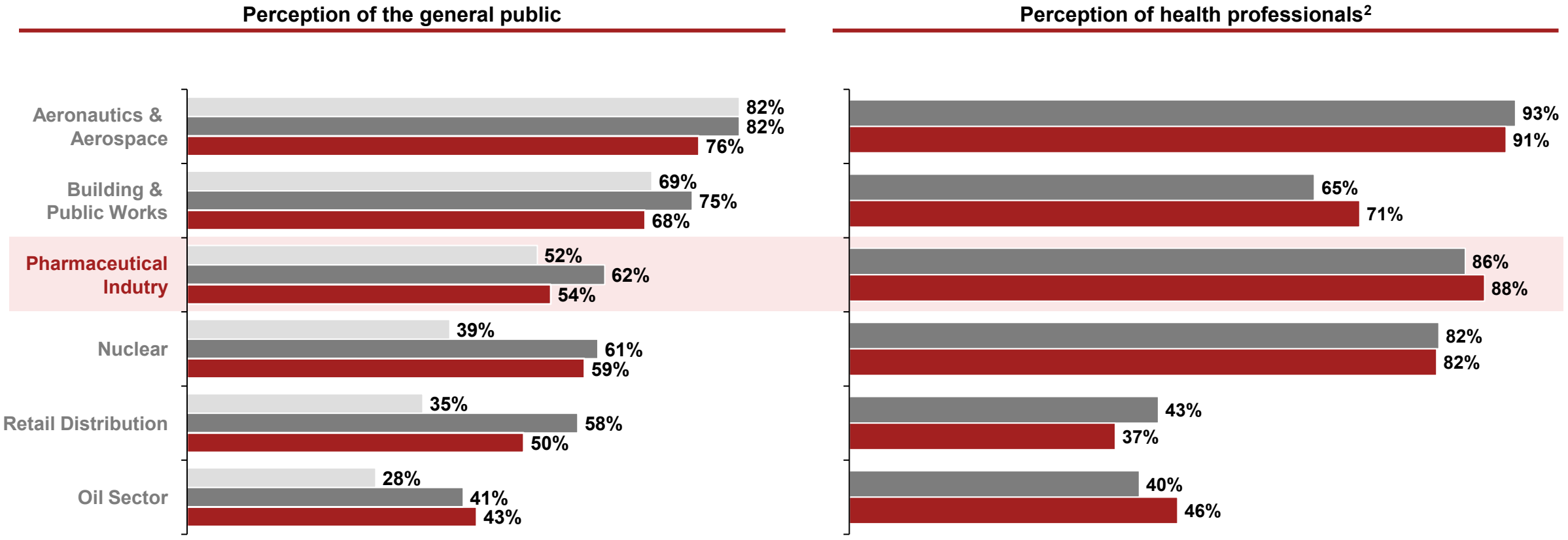
Reputation of the pharmaceutical sector

Comparison of the evolution of the level of trust of the general public and health professionalsin different industrial sectors in France

Would you say that you trust companies in the sector?

%, 2019 2022 2025

Survey



Note: 1) % of favorable responses; 2) 2019 data not available for healthcare professionals
Sources Observatoire sociétal du médicament ODOXA – Leem

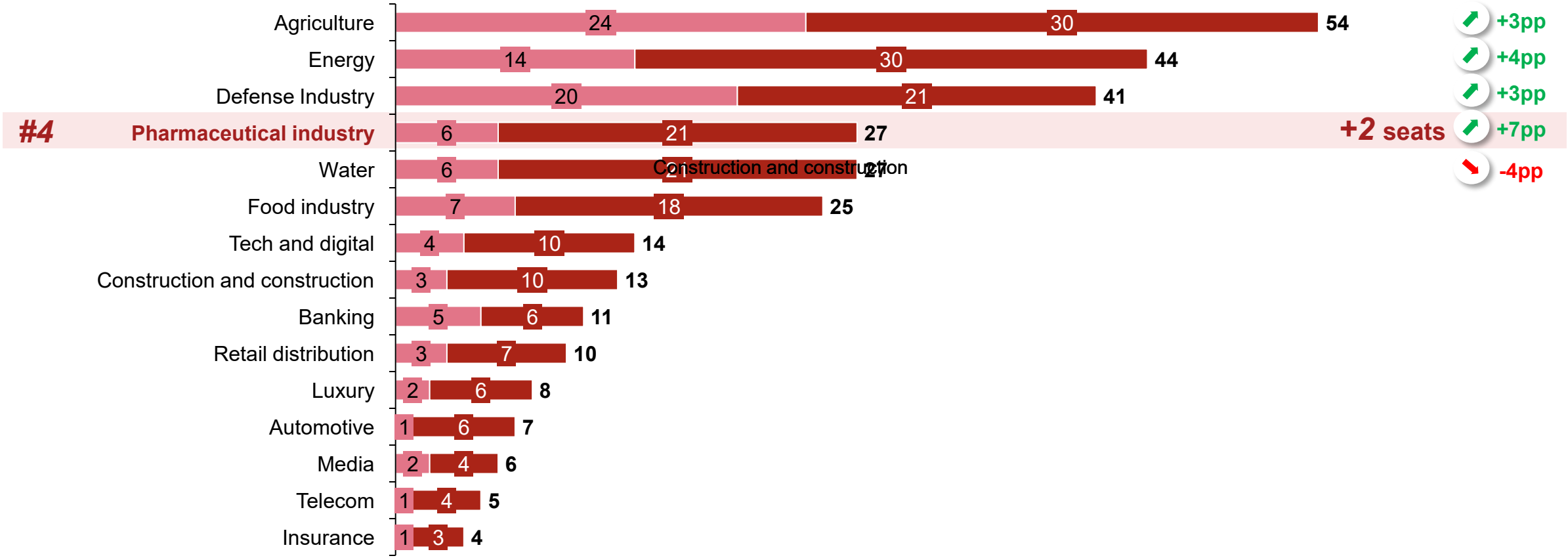
The pharmaceutical industry is perceived as the 4th most strategic sector to guarantee the country's sovereignty (+2 places vs. 2025)

Reputation of the pharmaceutical sector

Survey

In your opinion, what are the most strategic sectors to guarantee France's sovereignty?

%, All French people[1]



Note: 1) Sample of 1,000 people, representative of residents of metropolitan France aged 18 and over
Sources: Elabe survey for Leem "The French and the pharmaceutical industry" (2026)

Pharmaceutical companies bring broad societal value through their activities

Suvey

Key figures – 2025 contribution

HEALTH

71% of companies have increased the **number of beneficiaries of their prevention actions** between 2023-24

100% of companies use **tools dedicated to improving collective information on the availability of MITMs**

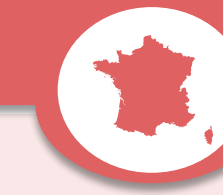
ENVIRONMENT

80% of companies with production sites in France have implemented an **action plan to improve water efficiency**

60% of companies have implemented **circular economy or eco-design plans**

88% of companies have defined **emission reduction trajectories** on the 3 scopes

TERRITORY



98% of companies have a **professional equality index** between **women** and **men > 85/100**

82% of companies are deploying **health education and care pathway optimization projects** with patient associations

83% Companies have set up or are in the process of setting up the schemes referred to in **the caregiver branch agreement**

90% of companies have **one or more disability referents**

Note: 45 companies committed to PACTE 2030, the number of respondents increases by +2.27% compared to 2023
Sources: Leem IMPACT Report (2025), PwC Strategy&

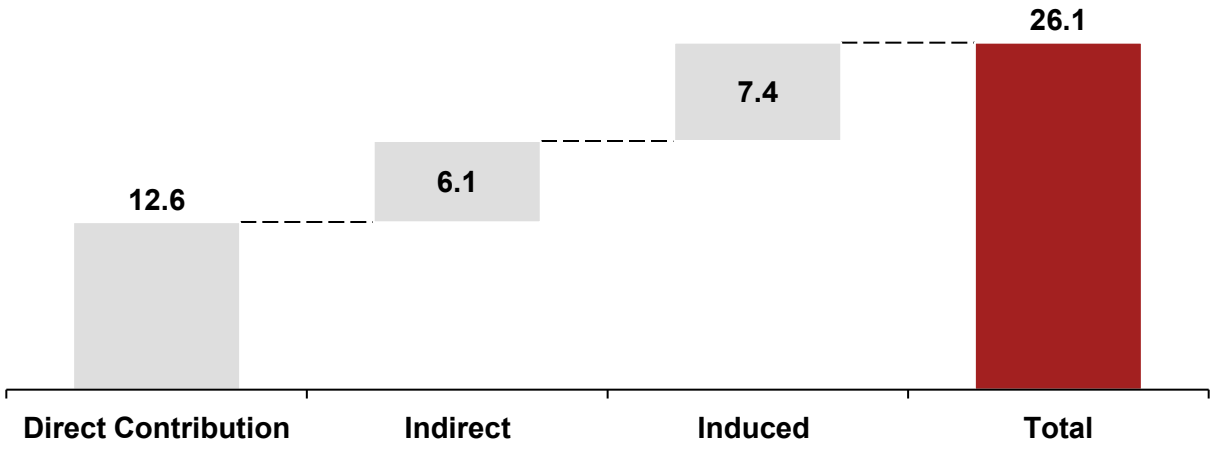
Analysis already present in the 2025 edition

For every euro spent by the pharmaceutical industry, ~€2.1 is generated for the French economy in 2022

Contribution of the pharmaceutical industry to the economy in France

Contribution of the pharmaceutical industry[1] to the economy in France (details of components)

€ billion, 2022



- **The total contribution of the pharmaceutical sector in Europe[2]** is **€448 billion** with **the Top 5 representing 66% of this contribution** (Switzerland, Germany, Ireland, United Kingdom, Italy)
- **The pharmaceutical industry contributes €26.1 billion to the French economy** in 2022
  - For **every €1 spent** by **the pharmaceutical industry**, **~€2.1** is **generated for the economy**
  - **For every 1 job created** in the **pharmaceutical industry**, **a total of 4 jobs** are **created for the economy**

Methodology

The contribution of the pharmaceutical industry[1] to the economy in France is defined as gross value added equivalent to GDP, after excluding taxes on products *(including imports)* ***and adding subsidies on products*** *(including those on imports).* ***It was calculated by taking into account 3 types of impact:***

- ***The direct contribution results from the pharmaceutical producers' own operations in France****: it includes persons directly employed and the expenses of companies in the industry (e.g. salaries, purchases, rentals, marketing, IT)*
- ***The indirect contribution is generated in the industry's supply chain through the supply of inputs****. It measures the increase in production and employment created by the demand for goods and services from suppliers throughout the supply chain.*
- ***The induced contribution is generated by employees' expenses from their income****. It includes both pharmaceutical employees and those who operate within the supply chain. It measures the output and employment generated by employee demand and spending.*

Notes: 1) The pharmaceutical sector has been defined here according to NACE code 21.100 and NACE code 21.200; 2) Europe is defined here as EU27, Switzerland and the United Kingdom

Sources : Etude EFPIA PwC « Economic Footprint of the pharmaceutical industry in Europe » (2024), PwC Strategy&

95% of respondents say they have put in place procedures that incorporate the ethical rules defined in the sector's DDP[1]

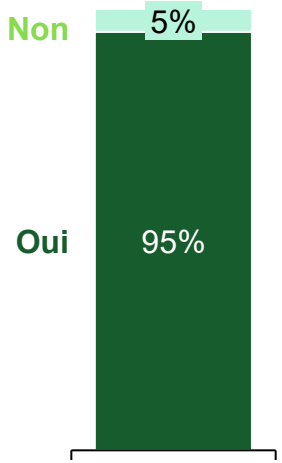
Ethics & Professional Conduct

Survey

- **Pharmaceutical companies have implemented the DDPs**, in accordance with the principles established by the EFPIA and the Ethics and Professional Conduct Committee of Pharmaceutical Companies (CODEEM), in **addition to national regulations**
- They **govern the interactions of companies** with health professionals, associations of health professionals, patient associations, and since January 1, 2026 patients
- These ethical provisions aim **to strengthen transparency, trust and ethics** in the interactions between companies and health stakeholders

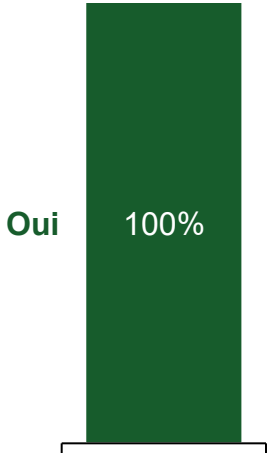
95% of the companies surveyed say they have put in place procedures that incorporate the ethical provisions of the Leem

Does your company have procedures that incorporate the professional ethics provisions of the Leem applicable until 31/12/2025?
%, 2025



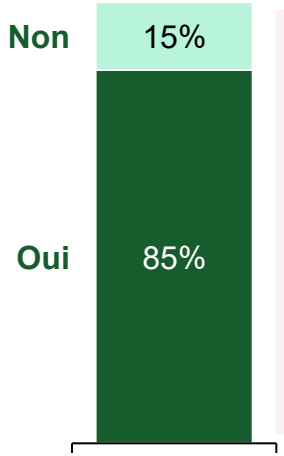
100% of the companies surveyed say they have procedures in place to control their application

Does your company have procedures in place to verify compliance with the Leem's professional ethics provisions applicable until 31/12/2025?
%, 2025



85% of the companies surveyed say that information has been provided within the company to make employees aware of the introduction of the new DDPs

Has any information been provided within your company to make your employees aware of the introduction of the new Professional Ethics Provisions applicable from 01/01/2026?
%, 2025



76%

Of these companies say they **have changed their internal processes with a view to applying this change in DDP**

Note: 1) Professional ethics provisions
Sources: 2026 survey of Leem members / 39 respondents representing 51% of French pharmaceutical market, PwC Strategy&

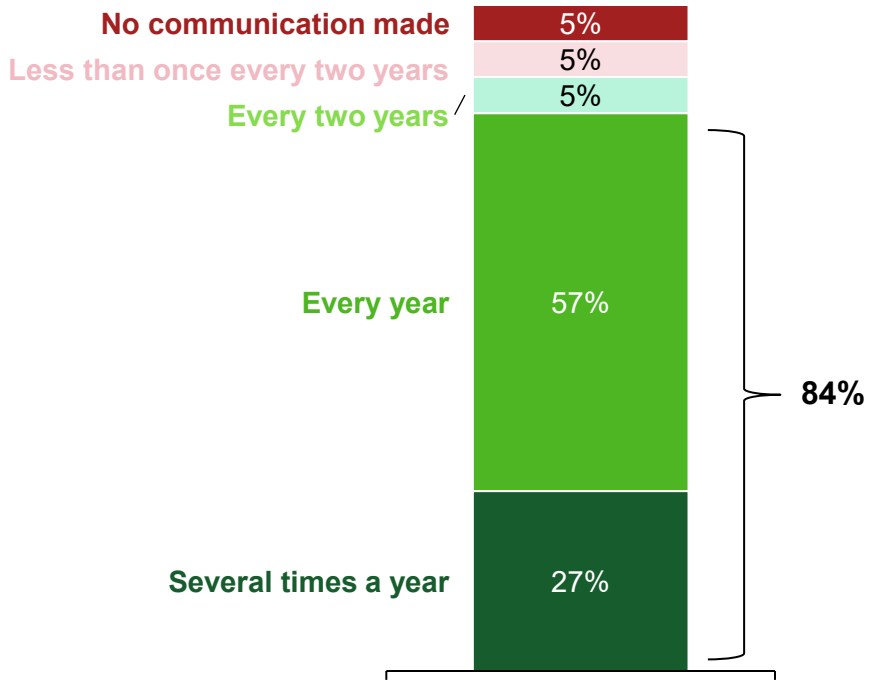
84% of the responding pharmaceutical companies say they communicate frequently internally about their anti-corruption system

Governance and anti-corruption mechanisms

Survey

How often does the governance body (ref. to the meaning of the Sapin II Law) communicate internally on the anti-corruption system (written and/or oral)?

%, 2025



87%

*Responding companies have set up **anti-corruption governance allowing coordination between the parent company and its subsidiaries***

79%

*Of the responding companies report representation **of the compliance teams on the company's management bodies***

97%

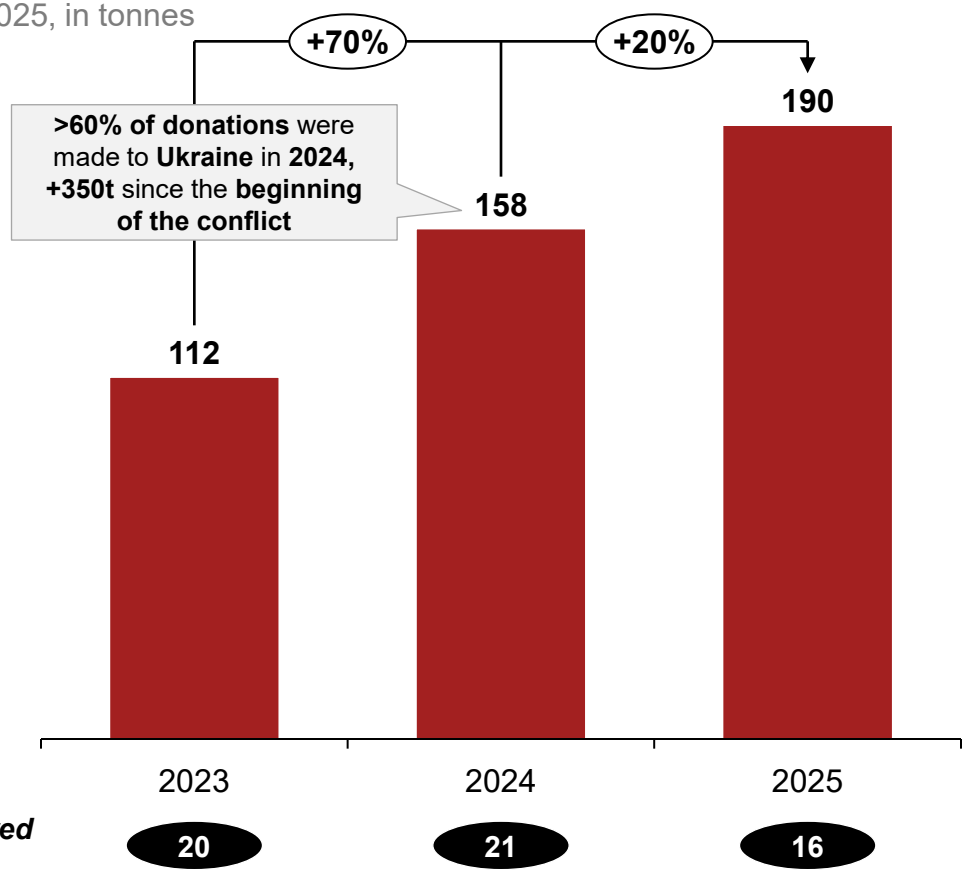
*Responding companies that are not subject to the Sapin II law have set up **internal tools for preventing and detecting corruption***

Sources: 2026 survey of Leem members / 37 respondents representing 51% of French pharmaceutical market, PwC Strategy&

In 2 years, the NGO Tulipe[1] has increased the volumes of donations of health products in emergency areas by +70% to 190 tons in 2025

Donations of medicines in emergency areas abroad

Volumes of health products shipped abroad in emergency areas
2023-2025, in tonnes



Key figures

- Tulipe has become a **leading humanitarian logistics player** with a strategy of focusing on **long-term conflict zones,** with a **historic presence in Lebanon**
- Donation **volumes in emergency areas increased by 70% between 2023-2025** to reach **190 tons** shipped to **16 countries** in **2025**
- The NGO Tulipe now has **65 members** (pharmaceutical companies)
- Tulipe has **strengthened its capacity to respond** to emergencies and crises with **+20%** of **donations** recorded **in 2025 vs. 2024**

Note: 1) Tulipe is a French NGO created in 1982 by the National Union of the Pharmaceutical Industry (SNIP, now Leem), which coordinates the donation of medicines and health products for the benefit of humanitarian NGOs during health emergencies; it operates mainly in areas of health collapse, areas of acute crisis and areas of prolonged crisis
Sources: TULIPE Annual Reports, TULIPE Press Releases

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Thank you

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Disclaimer: Due to time constraints, this report does not cover all the topics that may need to be considered. Our conclusions were established based on the information and data collected as of May 2026. However, we cannot guarantee that we had access to all the relevant documentation relating to the pharmaceutical sector. This presentation is intended for general informational purposes only and should not be considered a substitute for professional advice.