

Press release

Asset managers, pension funds and insurers call for international co-operation within the pharmaceutical industry to combat coronavirus

Zeist, 16 April 2020 - A large group of Dutch and international investors are calling on the pharmaceutical industry to internationally co-operate with the combat against the coronavirus. Led by the asset manager Achmea Investment Management, they have drawn up an *Investor Statement*. In the next few days, letters will be sent to pharmaceutical companies asking them to join forces and to do their utmost to minimise the spread of the virus and its consequences.

In addition to Achmea Investment Management, the group includes among others: Actiam, a.s.r., Gothaer, LocalTapiola, Nomura, Nordea, ONVZ, PGGM, Robeco and SPH, the general practitioners' pension fund. In total, more than 40 investors have joined the initiative (asset managers, pension funds and insurers). Overall, the group represents total assets of €1.900 billion. Other interested parties may still join.

Financial considerations will now take second place

The asset managers and pension funds note that the pharmaceutical industry has launched several initiatives to curb the coronavirus. Unfortunately, at the same time, they have seen some examples of priority being given to short-term financial and competitive considerations, and this hinders the optimal action against the virus. This group of engaged shareholders believes that right now financial considerations should take second place in the global challenge of getting the coronavirus under control as quickly as possible.

The Investor Statement calls on all pharmaceutical companies to abide by the following principles during this crisis:

1. Ensure that your employees are safe and healthy, and look after their well-being;
2. A core responsibility of the pharmaceutical sector is to develop and provide affordable worldwide access to health products, including diagnostics, medicines and vaccines. The negative societal and financial impact of the COVID-19 crisis is unprecedented and needs to be resolved soon. Enforcing patents, excessive price setting, not disclosing relevant findings or securing extended market exclusivity through, for example, orphan drug designation should not run counter to this responsibility.
3. Proactively and innovatively reach out, collaborate and share relevant data in a timely manner with governments, the health sector, academia and your peers;
4. Focus on international cooperation to ensure supply chains are up and running, so that in all countries medical professionals will have access to health products, personal protection and all the relevant equipment they need and that supplies are distributed in a fair manner across and within countries. Especially in these times when international transport and production processes are disrupted.
5. Ensure that in the long term your research and development processes sufficiently address infectious diseases. To prevent pandemics like COVID-19 from happening again, it is crucial that large research-based pharmaceutical companies re-engage and re-invest in R&D programmes for infectious diseases;
6. As many of your clients and suppliers are hit hard financially, be understanding and take measures to assure that bills sent by your suppliers are still being paid, employment is protected and your relationship with them is maintained.

Using influence to beat the crisis

Bianca Tetteroo, vice-chair of Achmea's Executive Board, is pleased with Achmea Investment Management's initiative. "As an engaged shareholder, we are always in dialogue with the companies we invest in and we now want to use our influence to combat this crisis that is affecting us all. We are doing this not only as an investor in pharmaceutical companies but also as an insurance company and healthcare insurer (Zilveren Kruis) and through Pensioenfond's Achmea. Through the Investor Statement and follow-up talks, we are calling for international co-operation among pharmaceutical companies. It is great to see that, at this time, a large number of parties has already joined this initiative."

Pension funds such as SPH, the general practitioners' pension fund, also fully support this initiative. "Christine Lindeboom, general practitioner and member of the board of SPH: "As doctors, we are urgently calling on the pharmaceutical industry to make society their principal consideration at this time in particular. The highest priorities at this moment must be the development of a vaccine and the availability of medication directly and indirectly related to the coronavirus, and these must be put ahead of the interests of individual companies."

Shareholders' meetings and engagement

The group of asset managers and pension funds is also calling for maximum transparency and will closely monitor the pharmaceutical companies they invest in over the coming months. Their appeal is addressed to over 15 large pharmaceutical companies around the world, such as Roche, Gilead and Johnson & Johnson. Additional attention will be paid to this during shareholders' meetings and as part of normal engagement processes.

Appendix: letter 'Investor Statement' to pharmaceutical companies.

For information:

Achmea | Achmea Investment Management
Marco Simmers
Corporate press officer
+31 (0)6 - 53 43 87 18