interpharma

Our focus
From the patient at
the centre to the strong
economic-policy framework

The association
Facts and figures for
the past year

ANNUAL REPORT 2022

90 years of Interpharma – we keep researching!

From innovation to basic care

90 years of Interpharma: Unflagging commitment to people in Switzerland

So we'll keep researching

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Interpharma's 90th anniversary is a good opportunity to look back, since research and development have been in the association's DNA since it was first founded. Researchers at our member companies are hard at work every day, committed to developing new medicines medicines to improve the lives of thousands, perhaps even millions, of patients. Some 12 years, around 10'000 investigated substances and many failed experiments later – in the best-case scenario! – the moment comes when a new medicine is authorised. Researching and developing new medicines is a long, costly and risky process. The anniversary section of this year's Annual Report pays tribute to the demanding and complex work done by researchers with a review of medical achievements in recent decades. A further focal area of the anniversary section is the economic development of the pharmaceutical industry in Switzerland. This is impressive and important for building and maintaining prosperity in Switzerland.

Accordingly, during the past year, Interpharma continued to work actively with other stakeholders and the Confederation to shape Switzerland as a business and research hub. Three specific examples illustrate this:

- Last year, as a contribution to the digitalisation of the healthcare system, the association launched the idea of national legislation governing the use of health data. This would govern the extent to which health data collected in Switzerland could be used and the ways in which various stakeholders would obtain access to the data. Parliament has already taken up the idea.

- In response to suggestions by Interpharma in particular, the Confederation commenced negotiations with the USA on an industry-wide agreement on the mutual recognition of inspection results (GMP MRA) during 2022. The Federal Council approved the relevant document in December 2022. This is good news for the production hub and for supply reliability in Switzerland because the agreement means that Switzerland and the USA no longer have to carry out cost-intensive GMP inspections of production facilities in each other's countries.

- Working with the research community in Switzerland, Interpharma successfully campaigned against the popular initiative to ban animal and human testing. This initiative would have made large parts of research in Switzerland impossible. A broad alliance of organisations was able to demonstrate the risks of the initiative to voters.

In addition to these activities, Interpharma continued to focus on its work on behalf of patients. The association has been addressing the issue of delayed access to new medicines in Switzerland for many years and proposed a constructive solution during 2022 in the form of "reimbursed access to innovation". By adopting this model, it would be possible to guarantee all patients immediate and equitable access to innovative medicines right from the day they are authorised. Furthermore, Interpharma campaigned with 20 other interest groups, including organisations representing patients, doctors and hospitals, for a better solution than that proposed by the Federal Council in the draft Health Insurance Ordinance.

By doing so, Interpharma is making a constructive contribution to the search for solutions to the challenges facing the Swiss healthcare system to ensure that the fruits of researchers' labour continue to reach patients in a timely and equitable manner in the future. And with that goal in mind, we will keep researching.

Jörg-Michael Rupp **Dr. René P. Buholzer**

Content

Vision for Switzerland as a pharma hub in 2030

Switzerland is still Europe's leading pharma hub in 2030. It benefits from high-quality medical innovation and is able to fund this innovation in the long run and sustainably. The pharmaceutical industry is a key contributor to the prosperity and quality of life of people in Switzerland.

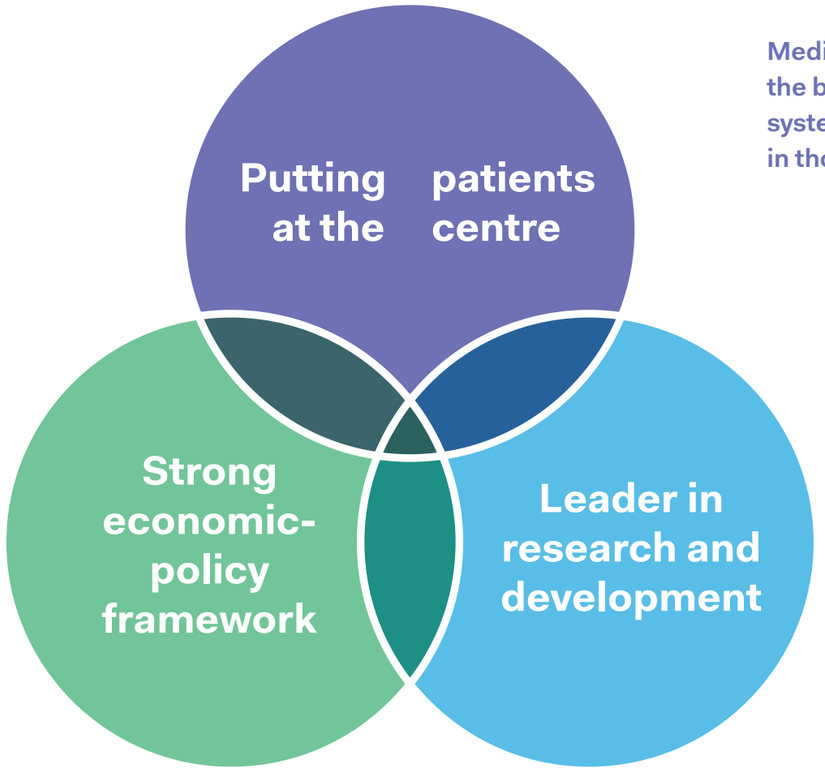
A strong economic policy framework means in 2030:

Switzerland has a highly skilled labour force at all levels.

An attractive investment environment safeguards employment in the pharmaceutical industry and the industry's contribution to national prosperity.

The Swiss economy benefits from the industry's high export volumes.

The pharmaceutical industry is a driving force of the sustainable economy.



Putting patients at the centre means in 2030:

Patients in Switzerland have fast access to innovative medicines.

All patients receive reimbursement for innovative medicines right from the day the medicines are authorized.

Medicine costs are proportionate to the benefits to patients and the healthcare system, and also to the industry's investment in those medicines.

Being leader in research and development means in 2030:

Effective and modern patent protection enables the pharmaceutical industry to invest in research and development of innovative medicines.

Clinical trials in Switzerland give patients early access to lifesaving treatments.

A digital health data ecosystem enhances treatment quality and accelerate medical progress.

90 years of Interpharma: Unflagging commitment to people in Switzerland

Interpharma was founded in Basel in 1933 as the association of Switzerland's research-based pharmaceutical industry. Despite the constant transformation experienced by the pharmaceutical industry in recent years, two things have remained constant:

1. **The industry's unflagging commitment to patients' wellbeing**
2. **The crucial importance of the industry as a driver of the economy and of innovation in our country**

The main section of this year's Annual Report looks back on recent years. **Which medical innovations have been developed and what have they meant for patients?** Using six distinct disease patterns, we trace the research that has taken place in recent years. In addition, we use various economic indicators to show how the pharmaceutical industry became the key driver of research and innovation in the Swiss economy.

Breast cancer – from hope to cure

Breast cancer is a malignant change in the tissue of the breast. Until the 1970s, removal of the breast was frequently the only hope for women who developed the disease. Although surgery – which has since become breast-conserving in most cases – is still important, the range of treatment options has expanded hugely in recent decades. It is now possible to diagnose and treat breast cancer with much greater accuracy. In addition to improved early detection, medical breakthroughs in research and development have halved mortality among breast cancer patients in the past 30 years.

With 6'300 new cases annually in recent years, breast cancer is the most common form of cancer in women in Switzerland. The risk of developing the disease rises significantly from the age of 50. If doctors suspect there is a malignant change in a woman's breast, they prescribe a biopsy. It is now standard practice to characterise the biology of the tumour. The results of this characterisation determine the further course of treatment and provide pointers for the course of the disease and its prognosis.

A key scientific breakthrough occurred in 1960 when it was discovered that certain breast cancer cells carry hormone receptors. The first medicine to target a hormone finally came to market in the 1980s, and in the meantime various types of anti-hormonal treatments have become available to help combat breast cancer. Cure rates have risen by around 30% as a result of the widespread availability of these treatments. In the 1980s, researchers discovered that around a quarter of breast cancer patients displayed a very high density of specific receptors in their cancer cells. They were able to demonstrate that these receptors are responsible for particularly aggressive tumour growth. As a result of this pioneering scientific discovery, it was possible to develop the first-ever targeted cancer medicines, which brought about a huge improvement in quality of life. These medicines significantly slow down disease progression and increase survival. Alongside improved early detection, such milestones in the research and development of new medicines have halved mortality among breast cancer patients in the past 30 years. As a result, not only are effective treatment methods for ever more types of breast cancer being found at ever shorter intervals, it is now also possible to make them available to all patients. Further innovations are likely in the next few years. Even now, 87% of patients are still alive five years after they were diagnosed. This figure is set to increase going forward and it will be possible to save more lives. ph

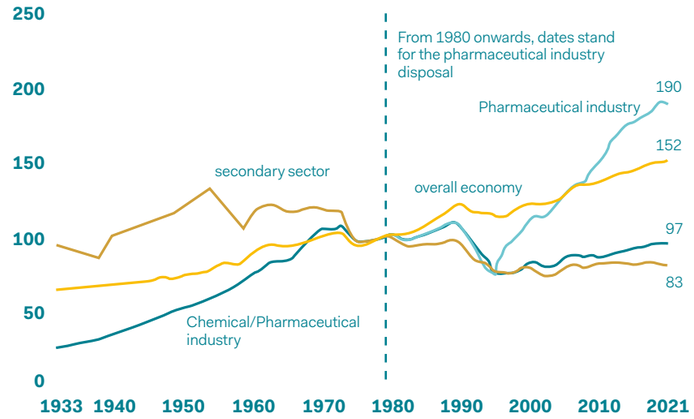
Learn more

The Swiss pharmaceutical industry as a employment driver

In 1933, around 22'000 people worked in the chemical/pharmaceutical sector. In the following decades, the industry experienced a dynamic upswing, interrupted only by brief periods of weakness in the wake of the oil crises. Swiss companies established themselves as global players and employment climbed to new heights. In 1990, almost 90'000 people worked in the chemical/pharmaceutical industry – a record that still stands today. Since 1980 figures for the pharmaceutical industry alone are available: Around 26'000 people worked for pharmaceutical companies in Switzerland in that year. In the 1990s, the chemical/pharmaceutical sector slid into a crisis. Restructuring, mergers and acquisitions led to relocations of production. This was compounded by weak growth in the economy as a whole. Almost every third job in the chemical/pharmaceutical sector was lost during this period.

The pharmaceutical industry is becoming more important as an employer

Indexed employment development (1980 = 100)



Source: BAK Economics, SFSO, Historical Statistics of Switzerland

The year 1996 marked the turning point. The pharmaceutical industry began an upward trend that has continued unbroken to this day. This led to an increase in employment that was hardly slowed down by the global financial crisis and the COVID-19 pandemic. In 2021, employment in the pharmaceutical industry was 2.5 times higher than in 1996, at over 49'000 people. In In 2009 for the first time, more people were employed in the pharmaceutical industry than in the chemical industry. Overall, employment in the pharmaceutical industry has increased by 1.6% per year since 1980 (overall economy: +1.0% p.a., secondary sector: -0.5% p.a.).

Diabetes – from death sentence to treatable disease

Diabetes is a chronic metabolic disorder. Because the body can no longer produce the metabolic hormone insulin, or can no longer produce it in sufficient quantities, patients suffer from elevated blood glucose levels, which damages their blood vessels and organs. Until 100 years ago, there were no effective treatments for diabetes, and the condition quickly resulted in death. Since insulin was first isolated, drug research has produced a number of improvements that have made a huge difference to patients' quality of life. With appropriate treatment and adherence to treatment regimens, people with diabetes can now enjoy a normal life expectancy. Consequential diseases of diabetes such as amputations, kidney failure and blindness have also been significantly reduced over the last 30 years.

Almost half a million people in Switzerland suffer from diabetes. Medical professionals distinguish between two main forms of diabetes: type 1, which is relatively uncommon, representing approximately 10% of cases, and type 2, which accounts for the remaining 90%. Type 1 diabetes is caused by an autoimmune disease that destroys all insulin-producing cells in the pancreas, whereas type 2 diabetes is a lifestyle disease. Overweight and too little physical activity are the main risk factors for type 2 diabetes, in addition to strong hereditary factors.

Since insulin was first isolated, drug research has produced a number of improvements that have made a huge difference to patients' quality of life. In 1916, scientists sucessfully isolated insulin from the tissue of animal pancreases for the first time. Between the 1930s and 1950s, preparations that allowed delayed insulin deliverycame to market, reducing the number of daily injections for patients. Insulin can now be produced biotechnologically, which is why no animal insulins have been on the market in Switzerland since 2015, and has led to a further reduction of intolerances.

The medical devices used to administer insulin have also been continuously further developed. In the 1980s syringes were superseded by insulin pens, which provide greater flexibility of administration. The first insulin pumps were also developed around this time. Nowadays, the pumps are not only much smaller, but they also deliver a much more accurate dose. Measuring blood glucose levels has also become increasingly easier over time. Furthermore, there are now systems that combine insulin pumps with sensors and an electronic control unit to form a type of “artificial pancreas”. These innovations reduce the fluctuations in blood glucose levels, which makes the daily lives of patients much easier.

Learn more

1922
Diabetes
First use of insulin on patient

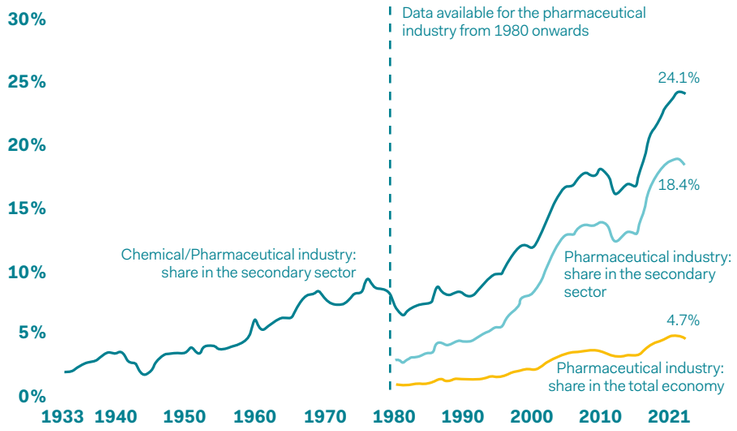
1948
Rheumatoid arthritis
Cortisone first used to treat RA in the USA

1960
Diabetes
Authorisation of metformin to treat type 2 diabetes

1977
Myocardial infarction
First use of a balloon catheter in a heart

The pharmaceutical industry as driver of growth

The Swiss chemical/pharmaceutical industry has greatly increased its value added over the past 90 years. While the nominal value added of the industry was only 260 million Swiss francs in 1933, this value multiplied to over 43 billion Swiss francs by 2021. At 6.3% per year, the real growth in value added during this period was significantly higher than in the economy as a whole (+2.3% p.a.). As a result, the importance of the chemical/pharmaceutical industry for the Swiss economy has increased significantly.



Source: BAK Economics, SFSO, Historical Statistics of Switzerland

Pharmaceutical industry: the most important industrial sector today

Development of value added shares 1933 – 2021

An isolated analysis of the pharmaceutical industry shows an even stronger performance. In 1980, the value added in the pharmaceutical industry was still significantly lower than in the chemical industry. In the following years, however, Switzerland's transformation away from the production of chemical products to a world-leading pharmaceutical location accelerated. This trend continued unabated in the new millennium and today the pharmaceutical value added is more than three times as high as in the chemical industry. In the course of this development, the pharmaceutical industry has become the most important industrial sector in Switzerland. Its share of the total economy has increased almost fivefold in the last 41 years – from 1.0% in 1980 to 4.7% in 2021. The decisive factors for the high growth of the pharmaceutical industry were the constant increase in productivity, the focus on high-growth segments and the consistent development of global markets.

1980

Rheumatoid arthritis
Methotrexate therapy studies in RA

1980

Breast cancer
Use of chemotherapy as standard treatment for breast cancer

Hepatitis – an underestimated disease that goes largely unrecorded

Hepatitis is an inflammatory disease of the liver. Viral hepatitis is a dangerous infectious disease that can damage the liver, cause liver cancer and even lead to death if untreated. Today the hepatitis A and B vaccines developed in the 1980s and 1990s provide highly effective protection against these infectious diseases. Thanks to recent developments in medical research and development, it is now possible to provide treatment that is likely to have a successful outcome even in chronic forms of the disease. Although there is still no vaccine against hepatitis C, modern treatments have increased the chances of cure to over 95%.

An estimated 400 million people worldwide are infected with one of the forms of of the hepatitis virus. More than 1.3 million people die of the disease each year – more than from HIV/AIDS, malaria and tuberculosis. Together, hepatitis viruses are responsible for two out of three deaths from liver cancer worldwide. Hepatitis is always triggered by damaged or destroyed liver cells, generally caused by certain viruses, or more rarely by toxins, alcohol or autoimmune disease. The inflammation varies only in severity and duration.

Several forms of viral hepatitis are known. The most important forms are hepatitis A, B and C, though hepatitis D and E also exist. Hepatitis A is a viral infection that is never chronic, generally cures completely and bestows lifelong immunity. It is transmitted through contaminated drinking water or food or by smear infection. Hepatitis B, the most common liver disease worldwide, is primarily transmitted by unprotected sexual intercourse or through blood, the most common routes of transmission are needles during drug use or poor hygiene during medical procedures.

Thanks to targeted research, enormous therapeutic progress has been made in recent years. Antiviral agents that reduce viral load in the blood and thus prevent severe complications can be used to treat hepatitis B infection. When the hepatitis C virus was first discovered in 1989, initial cure rates were less than 20% and involved substantial side effects. The substantial medical breakthrough in terms of cure rate and side effects finally came in 2015 with the arrival of a novel treatment. Having been the most common cause of liver transplants in Switzerland until recently, hepatitis C can now be cured in 98% of all cases. The treatments that are the result of top-flight biomedical research have now raised a prospect that was long unimaginable – the global eradication of hepatitis C and thus saving millions of lives. ph

1983

Breast cancer
First (anti-)hormone therapy for breast cancer

1984

Hepatitis
First use of a hepatitis B vaccine in Switzerland

HIV
Authorisation of the first HIV medicine in the USA

1987

Myocardial infarction
Acetylsalicylic acid shown to be effective in preventing heart attacks

1988

Learn more

Competitiveness through productivity growth

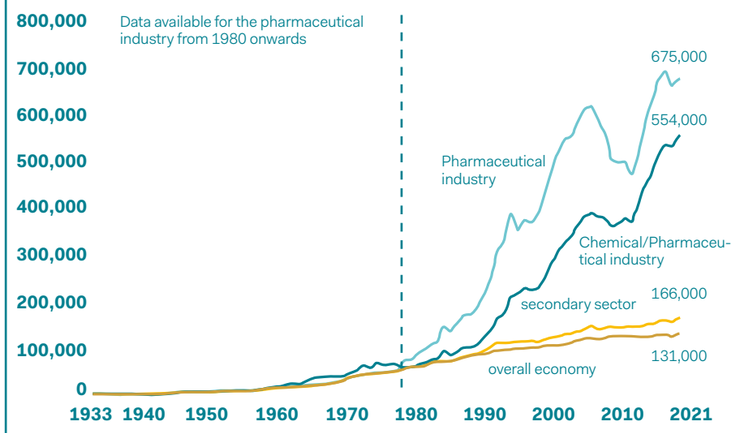
Thanks to its high level of innovation, the chemical/pharmaceutical industry has been able to steadily increase its productivity and thus its competitiveness over the past 90 years.

In 1933, labour productivity was still below the Swiss average. At that time, an employee in the chemical/pharmaceutical sector earned just under 3000 Swiss francs a year (Swiss industry average: 4000 Swiss francs). In the post-war period, productivity development in the sector accelerated thanks to increased investment in research, a growing supply of qualified labour and new management methods. As early as the 1950s, labour productivity exceeded the level of the economy as a whole. The industry built on this productivity progress over the next decades.

This is especially true for the pharmaceutical industry. In 1980, labour productivity in the pharmaceutical industry was already around 78'000 Swiss francs, almost 40% above the Swiss average. By 2021, labour productivity had multiplied to 675'000 francs. This means that today one employee generates five times as much value added as the Swiss industry average. The pharmaceutical industry is by far the most productive sector in Switzerland. The increasing use of capital, the rising research intensity and the steadily increasing qualification of the employees have all contributed to the brilliant increase in productivity.

Productivity is five times as high as in the economy as a whole

Development of nominal labour productivity 1933–2021



Source: BAK Economics, SFSO, Historical Statistics of Switzerland

Hepatitis
First hepatitis A vaccine approved in Europe

1991

HIV
Antiretroviral combination therapy ushers in breakthrough in HIV treatment

1996

MYOCARDIAL INFARCTION

Myocardial infarction
Authorisation of clopidogrel to prevent myocardial infarction

1998

Breast cancer
First anti–HER2 treatment for breast cancer

2000

Myocardial infarction – from stroke of fate to controllable disease

Myocardial infarction, also known as a heart attack, occurs when a blood clot blocks a coronary artery. The rapid progress that has been made in diagnosis and treatment has been a key contributor to the significant drop in mortality rates following myocardial infarction in the past 30 years. A fast response and optimal medication reduce the consequences of myocardial infarction considerably. Following an uncomplicated heart attack, patients are sometimes allowed to get up on the first or second day and are discharged from the hospital after one to two weeks. This is primarily due to the broad range of medicines that are now available following a heart attack.

Myocardial infarction is a cardiovascular disease. This group of diseases is the most common in Switzerland and the most frequent cause of death. Approximately 30,000 people have a heart attack in Switzerland each year. The risk factors are high blood pressure, smoking, sugar and lipid metabolism disorders, physical inactivity, being overweight and an unhealthy diet. Although one third of patients still die before they are admitted to hospital, mortality among patients who are admitted has fallen continuously in recent years.

Doctors still had virtually no effective treatments as recently as the 1970s. Since the early 1980s, patients have been given acetylsalicylic acid and beta blockers following myocardial infarction. In the meantime, acute interventions using balloon catheters and stents have been added to the post-infarction treatment regimen. Although stents represented a major step forward, it was found that blood platelets may accumulate on their surface, causing further clots. From the 1990s, doctors therefore started giving patients who had been fitted with stents various medicines to prevent clots and platelet accumulation, generally as a precautionary measure. Alongside milestones in the treatment of acute myocardial infarction, improved diagnosis of diseases such as high blood pressure or elevated cholesterol and associated drug treatment options have been drivers of progress in combating myocardial infarction. The figures backing this therapeutic progress are impressive. A recently published study shows that mortality rates for all cardiovascular diseases in Switzerland fell dramatically between 2010 and 2019, by more than 30% for women and over 40% for men.

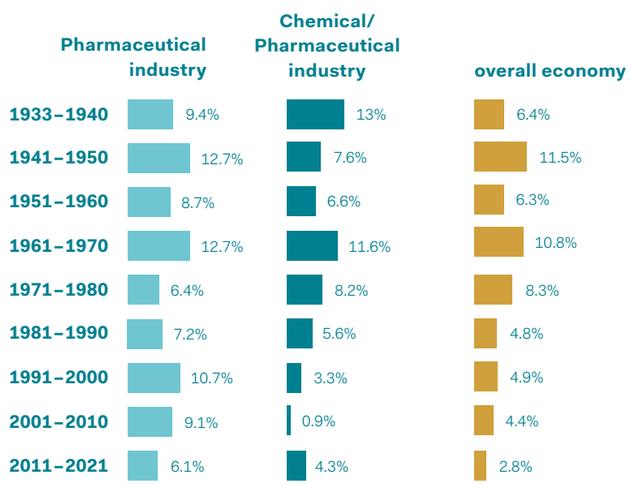
In addition to improved drug treatments, the development of stents and the general improvement in techniques (in surgery, for example) mean that a heart attack is no longer necessarily a death sentence. Researchers are continuing to work on innovations to both prevent and treat myocardial infarction and other cardiovascular diseases. ph

The pharmaceutical industry as the most important export sector

The success story of the pharmaceutical industry can best be understood by looking at the development of exports. The export volume of pharmaceuticals has increased from 30 million to 110 billion Swiss francs between 1933 and 2021. Pharmaceutical exports have thus increased by a factor of 3500.

Pharmaceutical exports grow strongly even in times of crisis

Average growth of exports per year



Source: BAK Economics, SFSO, Historical Statistics of Switzerland

In comparison, the remaining goods exports "only" increased by a factor of 150. It is remarkable that, apart from the 1970s, pharmaceutical exports have grown more strongly than the rest of exports in every decade. This shows one of the great strengths of the pharmaceutical industry - its low dependence on cyclical fluctuations. While dyes and colourants were the most important exports of the chemical/pharmaceutical industry for a long time, the importance of pharmaceuticals, plastics, agrochemicals and vitamins increased steadily from the 1950s onwards. In 1993, the volume of pharmaceutical exports exceeded that of chemical exports for the first time. Since then, the pharmaceutical industry has continuously expanded this lead. The rising average age in the industrialised countries and the growing prosperity in the emerging countries led to a strong increase in demand for pharmaceuticals worldwide.

Overall, the importance of the pharmaceutical industry for Swiss foreign trade has increased massively over the last 90 years. Its share of total goods exports rose from less than 4% in 1933 to 42% in 2021, making the pharmaceutical industry by far the most important export sector.

Learn more

Rheumatoid arthritis
Pivotal study on the role of JAK inhibitors in RA treatment

2012

Hepatitis
Interferon-free hepatitis C treatment

2015

HIV – back to a largely normal life thanks to medication

HIV is the abbreviation of the retrovirus known as human immunodeficiency virus. First identified in the 1980s, AIDS and the HIV infection as the underlying cause are estimated to have claimed the lives of over 39 million people to date. Although still considered incurable, with advances in research and the development of new medications HIV infection is no longer a death sentence. At present physicians can draw on more than 30 medicines containing 25 active substances from six different classes to treat HIV. Thanks to these medicines, patients are able to lead a largely normal life.

HIV

Around 17'000 people are currently estimated to be living with HIV infection in Switzerland. The number of new infections has been falling steadily since 2002. 318 cases were reported to the Federal Office of Public Health in 2021. The virus is transmitted by unprotected sexual intercourse and needle sharing among drug users. Pregnant women who have HIV can transmit the virus to their unborn child, and infection can also occur during breastfeeding.

HIV was first clinically observed in 1981 in the USA. Since 1984, an antibody test has been available to determine whether an individual is carrying the virus. The first HIV medicine was authorised in the USA in 1987. This milestone in the treatment of HIV infection was the first product to increase patients' life expectancy by combating viral replication in the body. In the mid-1990s, trials finally demonstrated that combined treatment with two active substances is more effective than monotherapy. Treatment with different medicines at the same time – known as combination therapy – prevents HIV from replicating in the body. This relieves the strain on the immune system so that it can partially recover. As a result, patients' health improves to the extent that they are able to lead a virtually normal life.

Using drug therapy to treat HIV reduces viral load and maintains immune system function. If viral load can no longer be detected in an HIV-positive person, treatment has been so successful that the patient is no longer infectious. Whereas testing positive for HIV was a certain death sentence prior to 1996, it is now possible in most cases to treat HIV infection as a chronic disease. In addition, specific medicines are now available for post-exposure prophylaxis that stops HIV taking hold, and the exposed person remains HIV-negative. Even though there is still no treatment that fully cures HIV infection, the virus is a good example of how treatments develop and constantly improve as a result of scientific research. ph

Learn more

2016

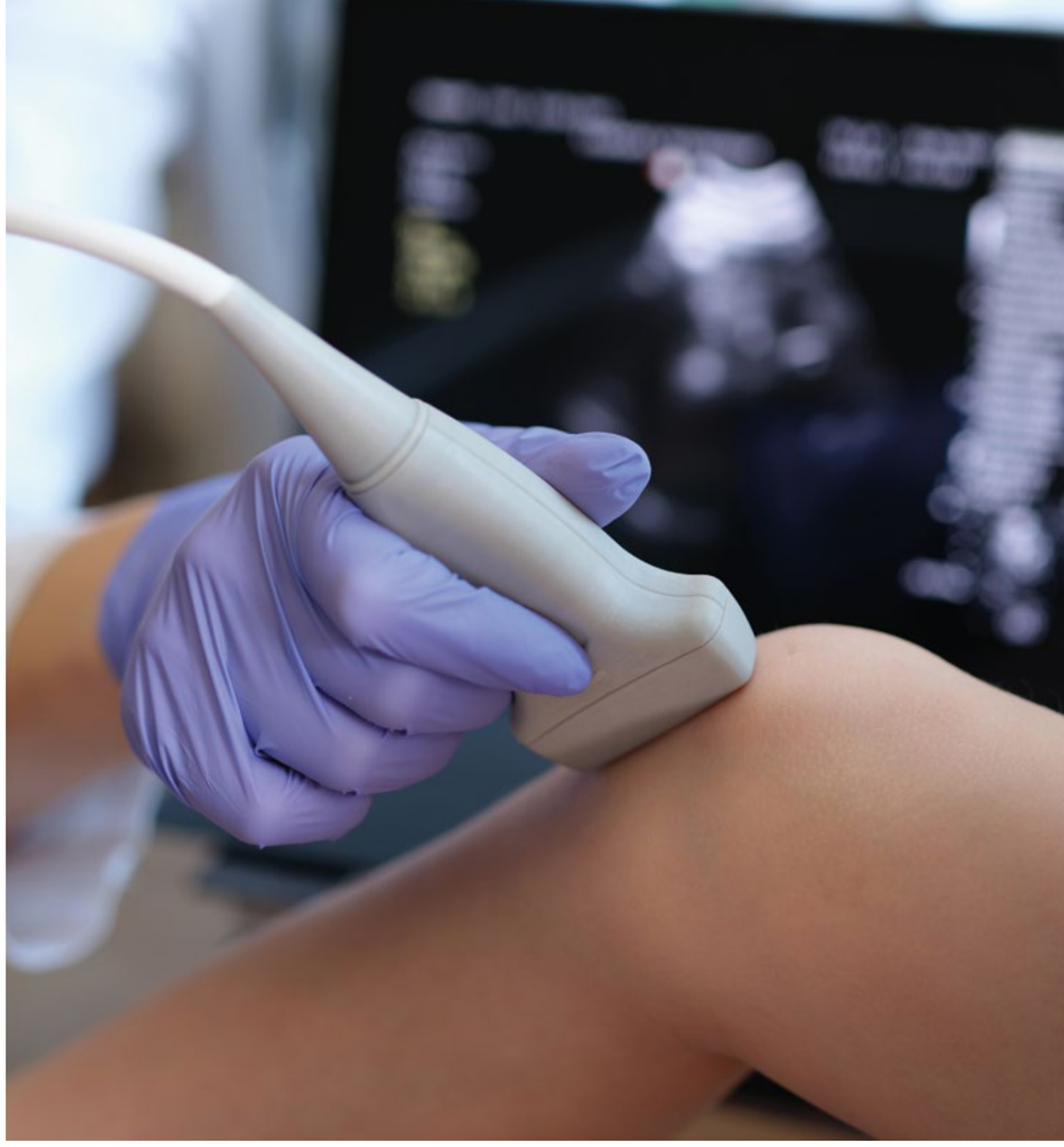
HIV
Authorisation of pre-exposure prophylaxis (PrEP) to prevent HIV infection by the EMA

2020

Diabetes
Glutides in tablet form for the treatment of type 2 diabetes

Rheumatoid arthritis – nearly symptom-free thanks to modern treatments

Rheumatoid arthritis is the most common inflammatory disease of the joints. The chronic inflammation associated with the disease severely restricts joint function and can completely destroy joints in the long term. The disease massively impairs patients' quality of life and abilities. The medical breakthroughs achieved by sustained research and development, particularly in the second half of the 20th century, have yielded a wide range of medicines that are now making huge improvements to patients' quality of life. Early diagnosis and the rapid adoption of suitable treatments are key to successful rheumatoid arthritis treatment. Today, the disease can be controlled so effectively in ever more patients that they are able to live a virtually symptom-free life.



Rheumatoid arthritis affects around 85'000 people in Switzerland alone. It can develop in people of all ages, but occurs most commonly between the ages of 30 and 50. Women are three times more likely to be affected than men.

In the early 20th century, progress in radiology made it possible to diagnose rheumatoid arthritis with greater precision and differentiate it from related diseases such as arthrosis. Further diagnostic advances followed in the 1960s and 1970s, making it possible to classify the different rheumatic diseases in greater detail. The intensity of the symptoms and characteristics of the disease vary from individual to individual. Consequently, the range of strategies and measures to treat it is correspondingly broad. A key role in medication-based treatment of rheumatoid arthritis is played by disease modifying anti-rheumatic drugs (DMARDs). These are synthetic drugs oder medicines that reduce immune responses, slowing or even completely stopping inflammation.

When cortisone was first used to treat rheumatoid arthritis in 1948, it not only changed rheumatology, but also the whole of medicine and thus the lives of countless patients. Cortisone prevents the spread of inflammatory cells in tissues in tissue, and stopps them triggering inflammatory responses. Low-dose cortisone is still used in the treatment of rheumatoid arthritis today. Nowadays, additional agents are available in the form of biologics that intervene in the inflammatory process, for example by neutralizing proteins that transmit inflammatory signals. Targeted synthetic DMARDs represent the most recent class of medicines. These have the advantage of fast and effective controllability. For example, genetic tests on joint tissue can quickly help predict the medicines to which a patient is likely to respond. ph

Learn more

The year along our focus goals

The pharmaceutical industry contributes greatly to the quality of life and prosperity of the Swiss population. At the same time, Switzerland traditionally offers innovative pharmaceutical companies attractive framework conditions. However, Switzerland is increasingly losing ground in the international competition. In order to master these challenges, a joint strategy is required from all stakeholders. In the strategy report "Pharmaceutical Location Switzerland 2030", Interpharma outlined a path for Switzerland to remain Europe's leading pharmaceutical location in 2030 along the three focal points "Putting patients at the centre", "Leader in research and development" and "Strong economic policy framework conditions".

Putting patients at the centre

Ensuring the health of the Swiss population will remain our overriding goal. The aim is to give patients rapid and equitable access to innovations on a broad front.

Biopharmaceutical research and development have made groundbreaking progress in recent years by delivering novel treatments. Diseases that used to be fatal or were associated with severe lifelong limitations can now be treated effectively or even cured. The rapid rate of progress in oncology, gene therapy and personalised healthcare raise hopes of further scientific breakthroughs in the near future.

As promising as the prospects for patients are, the novel treatments bring new challenges for all stakeholders and particularly for social insurance agencies. Modern-day treatments are used in a variety of indications or in combination with other medicinal products; some work after a single administration, while others are specific to a particular patient group. The existing medicines reimbursement system, which has proved reliable up to now, is reaching its limits with the new forms of treatment and possible applications. It is taking ever longer for basic medical insurance to reimburse the price of innovative treatments following marketing authorisation by Swissmedic.

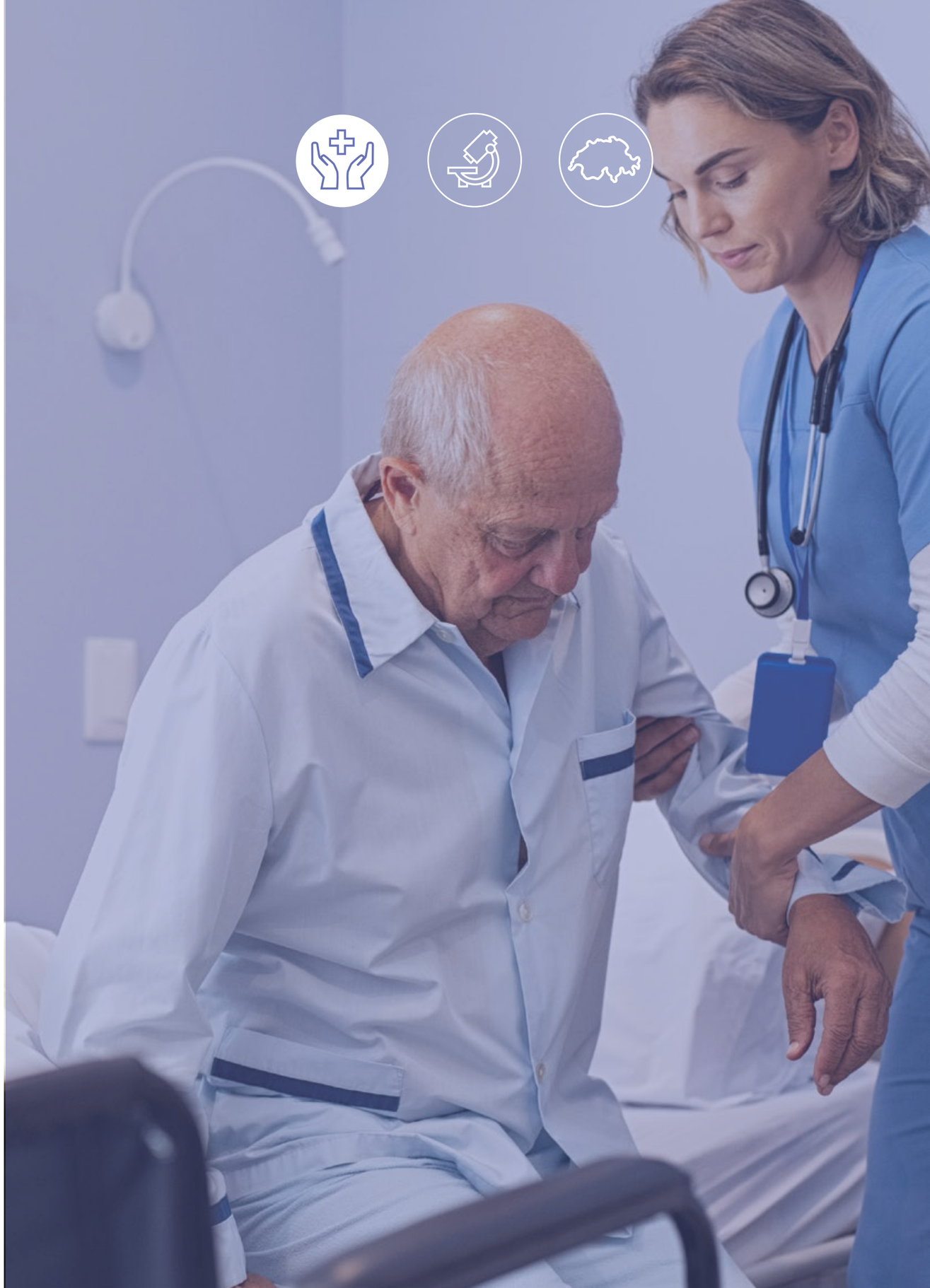
Interpharma is committed to accelerating equitable access to new and innovative treatment options. Our overriding goal is to guarantee patients access to vital medicines starting from the day they are authorised in Switzerland. The reimbursed access to innovation (RAI) proposed by Interpharma takes account of this goal. At the same time, we regard the proposed revisions of the Health Insurance Ordinance (HIO) and Health Insurance Benefits Ordinance (HIBO), which the Federal Council has released for consultation, as an acute threat to the rapid and equitable availability of new, innovative medicines, as well as to supply reliability.

The association supports the Confederation's efforts to contain cost trends in healthcare. However, we reject parallel imports of medicines and the circumvention of Swissmedic and its ordinance to apply the principle of low costs. Instead, we advocate the proposed price models provided patient access to innovations is improved at the same time.

Interpharma regards the neutral and innovative therapeutic products regulatory authority Swissmedic as a strong partner in supporting patient safety and safeguarding the competitiveness of the Swiss pharma hub. We support Swissmedic in its efforts to position itself as a first-wave agency and to develop structures and processes that standardise and simplify international cooperation on review processes.

Revision of HIO and HIBO

The Federal Council opened the consultation process on the amendment of the Health Insurance Ordinance (HIO) and Health Insurance Benefits Ordinance (HIBO) on 3 June 2022. One of the Federal Council's aims in revising the ordinances is to accelerate the process of adding medicines to the list of pharmaceutical specialties (LS) and contain costs. However, the assumed savings



Executive Committee (ExComm)

Many challenges of the Swiss market, such as ensuring rapid approval and reimbursement of innovative medicinal products, dealing with the pressure to save money in the healthcare system, the digitalisation of the healthcare system and changing economic policy conditions affect all member companies equally. The managing directors therefore meet in the Executive Committee to jointly develop strategies for representing the industry vis-à-vis political decision-makers. Due to a career change of Katharina Gasser, the ExComm had to appoint a new chair. Since September 2022, Katrien de Vos, Managing Director of AstraZeneca Switzerland, has been the Chair of ExComm.

In the past year, the ExComm worked intensively on positions for the cost containment package 1b as well as the cost containment package 2. Another focus was the work on the KVV/KLV revision. Here, thanks to intensive preparatory work, Interpharma was able to present an initial position just 30 days after the opening of the consultation process, which could then be widely shared with other stakeholders. In the area of market authorisation, ExComm focused on Swissmedic's first-wave agency strategy and communication with the authority.

Chair:
Katrien De Vos
Country President
AstraZeneca Schweiz

potential has not been quantified, nor has a regulatory impact analysis been conducted. The planned amendments entrench and intensify existing urgent problems associated with adding novel, innovative medicines to the LS. That means that patients will continue to wait a long time until new treatment options become eligible for normal reimbursement. Switzerland would be left behind when it comes to access to highly innovative treatments.

In particular, people with rare diseases as well as children would lose access to urgently needed medicines because clinically controlled studies would be made a new prerequisite for reimbursement in individual cases. Since clinically controlled studies are usually not available in such one-off situations, it would generally be impossible to demonstrate the additional benefits of 35% required by the amendments. This would mean that most off-label treatments would no longer be reimbursed and affected patients would lose access to the treatment they need – a huge decline in quality borne by the most vulnerable. Furthermore, the amendments to the ordinance will undermine existing legislation, as a legal opinion commissioned by Interpharma demonstrates. This is politically unacceptable. Finally, the concept of patent protection is to be deleted from the ordinance. This would subvert intellectual property protection and violate Switzerland's international obligations. This weakening of the rule of law could damage both the trustworthiness and attractiveness of Switzerland as a pharma and research hub.

Interpharma firmly rejects the planned amendments to both ordinances and refers the entire draft back to the Federal Council for revision. The reimbursed access to innovation (RAI) model proposed by Interpharma in May provides an effective and workable way of addressing the existing problems.

21 organisations comprising patient and consumer organisations, medical and hospital associations and the pharmaceutical industry issued a joint statement against the proposed revision of to one-off cost approvals (Art. 71a–d HIO). At the same time, the signatory organisations are willing to work with the government to develop a new solution for one-off cost approvals.

Reimbursed access to innovation (RAI) for patients in Switzerland

The reimbursed access to innovation (RAI) model developed by Interpharma is intended to optimise the regular medicines reimbursement process in Switzerland while giving patients immediate access to new and innovative medicinal products. The core element of the model is, that at the same time as Swissmedic approval is granted, the FOPH sets a price for new medicines which fulfil a high medical need and adds them to LS. The FOPH will then have one year (instead of the current 60 days) to set a final price. The manufacturer will then reimburse the difference between the provisional and final price. That way everyone wins: patients obtain immediate, equitable and straightforward access to new medicines; the FOPH has 305 additional days for negotiations; and pharmaceutical companies can bring their innovations to people faster. At the same time, the repayment mechanism suggested in the model ensures that efficacy, usefulness and cost-effectiveness criteria are met at all times. With the laborious process of obtaining one-off cost approvals becoming redundant, the administrative burden on physicians, hospitals and health insurers is significantly reduced, while delaying the international price comparison guarantees further cost savings.

Cost containment packages 1 and 2

Parliament approved cost containment package 1b in September 2022. In doing so, it opted not to introduce a reference price system. The key measure in the package is the introduction of cost

monitoring. Service providers and their tariff partners have to jointly monitor cost trends and make provision for corrective measures to address inexplicable trends in the future. Conversely, parliament rejected parallel importing that circumvent Swissmedic. However, simplifications will be introduced for the marking of the information for medicinal products that have been parallel imports. The universal right of substitution for generics was extended to biosimilars. However, if a doctor explicitly prescribes an original preparation, it cannot be automatically substituted for a biosimilar.

The Federal Council published its dispatch on cost containment package 2 in September 2022. The key elements, in addition to integrated care, are the introduction of a legal basis for confidential price models and a more differentiated efficacy, usefulness and cost-effectiveness review. The dispatch stipulates that the low-cost principle will only be pursued at the ordinance level. The National Council Social Security and Health Committee (SSHC-N) held hearings on the draft on 20 October, during which Interpharma had an opportunity to present its views. The confidentiality of pricing models is the subject of much debate in Parliament and in the media and is being strongly challenged. The National Council Political Institutions Committee (PIC-N) produced its own accompanying report in which it expressed explicit opposition to price model confidentiality. Following its hearing, the SSHC-N submitted a series of applications to the administration. Consultation on the draft will be suspended until the applications have been processed. The two popular initiatives by the Social Democratic Party and the Centre are also still pending in parliament. The National Council added quality and cost targets to the counter-proposal to the cost-cutting initiative and extended the processing deadline by a year. The National Council has already dealt with the Social Democratic Party's premiums initiative. Both initiatives now have to be deliberated by the Council of States.

Interpharma is committed to a high-quality healthcare system that puts patients centre-stage. The pharmaceutical industry supports the proposed price models provided patient access to innovations is improved at the same time. The semi-confidential nature of the price models is important to ensure that they work and is part of international practice. The Federal Council launched cost containment package 2 with the intention of containing cost trends in healthcare.

Market Access Working Group (MAWG)

The main focus of the MAWG was on accelerating patient access and determining and prioritising the benefits of therapies. In consultation with the Executive Committee and the Board, we worked intensively on solutions for a benefit-based reimbursement of therapies. These proposals include approaches to processes on the one hand, and new pricing models on the other, which place the benefit of a therapy in the foreground and at the same time take into account any uncertainties on the part of authorities and payers, e.g. with regard to budget impact and evidence.

Furthermore, the working group dealt intensively with the consultation drafts for the revision of the KVV and KLV, where we were able to make a central contribution to a clear and meaningful statement of the association. The MAWG formed topic-specific expert groups for this purpose and worked very proactively, also thanks to a high level of personal commitment on the part of the member companies.

In this context, continuity in the cooperation with external partners is just as central as the willingness on all sides to engage in an open dialogue based on partnership in order to enable the goal of patient access to innovative therapies from the day of Swissmedic approval.

Chair:
Tanja Ulle
Director External Affairs & Market Access
Johnson & Johnson

Interpharma supports this intention. However, some of the proposed measures come at the cost of healthcare quality and delivery, and the major problems around patient access to medicines remain unaddressed. Parliament must therefore improve the draft.

Swissmedic – a strong partner

It is essential that Swissmedic continues to be internationally perceived as a neutral and innovative regulatory authority therapeutic products. to ensure that new medicines are authorised quickly and with high priority in Switzerland, in the interests of patient safety and to safeguard the Swiss pharma hub's competitiveness. For this reason, we endorse and support Swissmedic's efforts to position itself as a first wave agency and are in regular dialogue. The regulatory round table meetings that take place several times a year provide a forum for discussing ways of optimising the medicines authorisation process and regulatory and digital trends. Last year, the industry set the discussion on real-world evidence rolling. Since then Swissmedic has published a position paper on the use of these data. This important guidance document also provides the basis for ongoing dialogue with the authority and is perceived as very helpful.

A further digitalisation-related topic was addressed in the form of electronic patient information (ePI). Although Swissmedic is open to the use of mobile technologies, these will not replace printed product information. While the industry takes a positive view of the establishment of ePI and the use of mobile technologies such as QR codes, it would nevertheless welcome the full replacement of paper documents in the long term. Outside the regulatory round tables, we are also in regular dialogue with Swissmedic on pharmacovigilance issues. This dialogue is seen as very valuable. Issues relating to digitalisation and process simplification are also discussed.

Interpharma supports Swissmedic in efforts to develop structures and pro-

Health Care Systems Working Group (HCSWG)

The federal cost containment programme continued to occupy the HCSWG in 2022. Some significant successes were achieved in the cost containment package 1b: For example, the parallel import of medicinal products bypassing Swissmedic was rejected by parliament. At the same time, the doctor's freedom to prescribe an original preparation if necessary was preserved. In autumn, the Federal Council already published the dispatch on the second cost containment package. After a hearing by the Committee for Social Security and Health of the National Council (SGK-N), it issued various mandates to the administration, so that the consultations will continue to occupy the HCSWG intensively in the coming year.

Over the summer months, the HCSWG worked in close coordination with the MAWG on the consultation on the KVV/ KLV revision and intensively sought contact with stakeholders in the cantons but also in patient organisations. The fact that the KVV / KLV revision would lead to a significant deterioration in patient access in Switzerland was convincing: together with 20 organisations, a position on the planned amendment of Art. 71a–d KVV was published. This was a strong signal to politicians, which was reflected in a hearing on the revision of the ordinance in January 2023

Chair:
Martin Höhener
Head of Health & Value Switzerland
Pfizer AG

Good Distribution Practice – Quality Working Group (GDPWG)

The GDP working group promotes professional exchange between industry and Swissmedic and jointly develops new strategies for the practice-oriented implementation of Switzerland-specific requirements for the safe distribution and quality management of medicinal products.

As more and more advanced therapy medicinal products (ATMPs) are entering the Swiss market, the working group discussed with the Swissmedic ATMP Division, which was newly established in 2022, the dynamically changing laws with regard to ATMP classification and the resulting adjustments to the required operating licences for ATMPs.

In addition, the working group submitted several proposals for amendments to existing Swissmedic guidelines, for consideration in the next revision, whereby the need for a more practical and efficient use of digital solutions in quality assurance, such as photo documentation during market release, was intensively discussed.

Chair:
Michaela Wellmann
Senior QA Manager
Amgen Schweiz AG

cesses that standardise and simplify international cooperation on review processes. The processes that take place in the international context are gaining importance and we regularly discuss ways of optimising them further with Swissmedic. The ACCESS and Orbis work-sharing programmes also make a substantial contribution to shortening authorisation times and reducing the submission gap. This year, and for the first time, the annual benchmarking process by the industry and Swissmedic showed that authorisation times were shorter in Switzerland than in Europe. Apart from increased use of ACCESS and Orbis processes, this is also the result of the ongoing dialogue between the industry and Swissmedic on process optimisation. ph

Regulatory Affairs Working Group (RAWG)

Over the course of 2022, we have made further progress in optimising authorisation processes and authority interactions in the Interpharma Regulatory Working Group (RAWG) and in close collaboration with Swissmedic. Our common goal of positioning Swissmedic as leading medicines agency remains in focus. In regular exchanges with Swissmedic, the concept of "temporary indication extensions" was advanced to implementation in 2023 in order to bring a wide range of innovations to patients earlier. In addition, the new dynamics of international cooperation between the health authorities was a central element; ACCESS in particular shows potential here to go beyond purely regulatory worksharing. At the suggestion of our working group, a joint, accelerated ACCESS review process was initiated among all ACCESS authorities via Swissmedic and is well on its way. In addition, topics such as digitalisation and real-world evidence/data have been advanced as larger and longer-term issues with Swissmedic.

Chair:
Dr. Lukas Brand
Head of Drug Regulatory Affairs
Novartis

Leader in research and development

Switzerland and its research-based pharmaceutical companies are a success story. The attractive environment that the country offers and the innovativeness of its pharmaceutical industry have been improving its prosperity and quality of life for decades.

Developing a new medicine is a test of endurance for researchers. Bringing just one medicine to market involves investigating 10'000 substances. Of these, only around ten undergo further clinical analysis until – finally – one molecule is ready for development into an effective medicine. Getting this far takes an average of 12 years of research and development. The ultimate goal of all research work is to improve human health. Apart from an effective, modern system of protecting intellectual property, the research hub needs innovative research and the best possible framework conditions to thrive.

Intellectual property (IP)

Interpharma is committed to effective IP protection that safeguards the research and development of innovative medical devices and treatment methods. In the fight against the COVID-19 pandemic, this legal certainty enabled companies to rapidly share their knowledge with researchers and use it to develop novel forms of treatment. The vaccines, diagnostics and therapeutic agents that are now available are based on technologies that have been refined over the course of because they are protected by IP rights. IP rights are thus an incentive to continue researching successfully and undertake risky investments.

When production capacity for vaccines, therapeutic agents and diagnostics is expanded, IP rights provide the basis for transferring knowledge between developers and manufacturers. Interpharma is committed to maintaining IP protection that conforms to international standards. It is our view that the WTO's decision to make it easier for countries to revoke certain provisions of the interna-

Intellectual Property Expert Group (IPEG)

Under the intellectual property framework, the pharmaceutical industry has researched, developed and mass produced Covid vaccines, therapeutics and diagnostics at an unprecedented scale and pace. Today, supply of all product categories exceeds global demand. The relaxation of patent protection for COVID-19 vaccines agreed by the WTO in June 2022 misses the real challenges in the supply of COVID-19 vaccines and must not be extended to COVID-19 therapeutics and diagnostics. The current problems in some countries in building up vaccine protection in the population and ensuring an adequate supply of therapeutics are not due to patent protection. Rather, patent protection is the prerequisite for innovation, so that new vaccines and therapeutics will be available quickly in the event of future pandemics. We at Interpharma are committed to this.

Chair:
Dr. Andreas Poredda
Chief Patent Officer
La Roche

Clinical Research Working Group (CRWG)

In 2022, the CRWG increasingly addressed the framework conditions for clinical trials in Switzerland. Where do we have favourable conditions for Switzerland, and where not? Which of these conditions are important and how can we influence them favourably? In the CRWG, we covered this question in detail in one of our meetings and will continue to pursue it. The local "Guidance for Decentralised Clinical Trials" published in 2021 was discussed intensively with Swissmedic and Swissethics at a meeting. As a result, a revised version will probably be published in early 2023. At the FOPH, we were able to contribute the industry's view on the electronic consent of study participants in an input presentation. The current legislation for electronic signatures is hardly practicable for clinical trials, leaving only handwritten signatures as an option. As a result of the meeting, Swissethics will now endeavour to find the most pragmatic solution possible for electronic patient signatures. The revision of the Ordinance on Clinical Trials (KlinV) is scheduled for 2023. After work on this was suspended for a long time due to Sars-CoV-2, we are now expecting the consultation on the ordinance in early Q2/2023. Furthermore, we will continue to monitor developments in the area of digitalisation and try to promote this in the sense of maintaining the attractiveness of the research location.

Chair:
Dr. Simon Rotzler
Head of Clinical Operations / Country Head of Site Management
Bayer AG

tional TRIPS Agreement relating to compulsory licensing sends out the wrong message to innovative companies. Interpharma rejects the extension of the TRIPS decision to COVID-19 therapeutic agents and diagnostics even more resolutely.

Instead we see voluntary licensing as a valuable tool in the fight not only against current and future pandemics, but also against neglected tropical diseases and global antibiotic resistance. Many cooperations are built on decades of private-sector investment made possible by effective protection of intellectual property. Simplifying compulsory licensing would undermine the use of this widely accepted tool.

Research involving humans and animals

Constant investment in new medicines research is required to ensure that new treatment options for difficult-to-treat or even untreatable diseases are available in the future. Here, clinical research is the foundation of an innovative healthcare system where top-flight research produces effective diagnostic, treatment and prevention options. Good framework conditions for clinical research are therefore crucial for Switzerland. Interpharma is committed to advocating for attractive framework conditions for clinical research in Switzerland and maintains a dialogue with the authorities and other stakeholders. The aim is to enable Switzerland to operate competitively in the multinational environment with patient-centred clinical trials and to offer the most efficient approval processes for clinical trials.

In addition to clinical research, animal testing is an essential part of the development of vaccines and medicines, as Swiss voters have acknowledged. On 13 February 2022, 79% of voters demonstrated their support for Switzerland as a research hub by resoundingly rejecting the popular initiative to ban animal and human testing in a referendum. Despite this expression of commitment to medical research, it is still important to keep improving animal welfare. Interpharma and its members are constantly working to develop new research methods, to minimise the number of animals used in experiments and to constantly improve the methods they use so that animals are exposed to as little stress as possible. The 3Rs principles of replace, reduce and refine are the undisputed basis for animal experiments in Switzerland today.

Data ecosystem

Health data ecosystems are a fundamental feature of an efficient and sustainable healthcare system and essential for a competitive research and pharma hub. Various countries have recognised the strategic importance of health data ecosystems, including the EU, which aims to set up its first domain-specific data space, the European Health Data Space, by 2025. Switzerland now requires a comprehensive strategy, political will and leadership, as well as stakeholder involvement.

In 2022, Interpharma further strengthened its expertise and public profile in healthcare system digitalisation based on the action areas in its health data ecosystem roadmap. There is now momentum towards a health data ecosystem for Switzerland in politics and administration. The Federal Council's "Improving data management in healthcare" report defines principles, action areas and initial measures to improve data management in the healthcare sector. Interpharma is a member of the expert group set up in the wake of the report and is contributing to this and the subordinate working groups. The association remains active in the "Digital transformation in healthcare" alliance and in continuing Salon Santé, which addressed changing patient needs in 2022 and discussed the question of which criteria and data can and should be collected to assess health status and services.

The ongoing cooperation with Personalized Health Basel (University of Basel) is part of the acceptance and participation action area. Interpharma and the University each held a workshop in 2022 on the subjects of "Leveraging Health Data" and "Digital Biomarkers". The Interpharma workshop in August was attended by just under 60 experts from industry, academia, hospitals, insurance providers and technology companies.

One of the highlights of the year occurred in the regulation and incentives action area. Interpharma released a legal opinion highlighting obstacles to the secondary use of data for research purposes during a media round table event. The opinion attracted a strong media response and professional interest. During 2023, Interpharma will build on this with the goal of highlighting the value of secondary use of health data to a "learning healthcare system" and making it comprehensible.

LEADER IN RESEARCH AND DEVELOPMENT

Animal Welfare Working Group (AWWG)

Many patients are dependent on effective therapies that not only significantly improve their quality of life, but often save their lives. Animal experiments are still indispensable for this. It is therefore important that responsible treatment of laboratory animals has top priority in pharmaceutical companies and that the 10-point Animal Welfare Charter of the Interpharma member companies, which has been in place since 2010, is put into practice. The Animal Welfare Working Group remains relentlessly at it, within the framework of the cooperation with the 3RCC, our joint audits of breeders and research facilities, but also in regular dialogue with the Swiss Animal Protection STS. The AWWG successfully conducted the latter for the first time in a colloquium with interested representatives from industry, academia and politics in Bern. This discourse with partners of different opinions is important, because animal experiments are still indispensable for the benefit of the research location and patients.

Chair:
Dr. Joachim Coenen
Chief Animal Welfare Officer
Merck KGaA

A strong economic policy framework

Once again, the year was dominated by stagnating relations between Switzerland and the EU. It is clear that, in addition to stabilising and developing relations, Switzerland needs a reform agenda to strengthen its attractiveness as a location. The Swiss production hub and the country's supply reliability have been reinforced by the MRA with the USA on GMP. The association has also worked on supply reliability in areas outside the agreement.

At the start of 2022, Interpharma reviewed and slightly adapted its Pharma Hub Switzerland 2030 strategy against the backdrop of the COVID pandemic and the associated long-term effects on the healthcare system. The review showed clearly that the correct priorities have been adopted to achieve the vision. Ensuring that Switzerland remains Europe's leading pharma hub requires committed leadership on framework conditions such as an attractive investment environment and the pharmaceutical industry's active and constructive contribution in areas such as the health data ecosystem or flexible reimbursement models. Publication of the strategy, which takes up the theme of the #wekeepresearching campaign, coincided with the first "research-based pharmaceutical industry day", at which Professor Sir John Bell discussed what Switzerland could learn from the United Kingdom's Life Sciences Vision.

Master plan

In June, Interpharma welcomed the publication of the "Federal measures for the promotion of biomedical research and technology 2022–2026" master plan. The association supports the continuation of this plan. However, to ensure Switzerland can survive in the competitive international arena, the country needs an overarching strategy to strengthen its research and innovation hub. In our view, the published master plan does not completely fulfil this requirement. Interpharma will therefore continue to campaign for a vision and clear ambitions for Switzerland as a fit-for-the-future research and innovation hub.

Schmid postulate

Postulate 20.3752 "Strengthening the Swiss pharma and biotechnology hub", submitted by Martin Schmid in 2020, is awaiting its report, which is being drafted by SECO and is now expected in early 2023. One thing is clear: given its small home market, the only way Switzerland can position itself internationally is through continuous excellence in its framework conditions. Interpharma has developed the basis for outstanding excellence in the international competition between locations in its Pharma Hub Switzerland 2030 strategy and brought it into the dialogue.

Relations with the European Union

Once again, the issue of relations between Switzerland and the EU remained unresolved throughout the year, even though the exploratory talks produced some positive results. The continuing uncertainties are leading to a slow and sector-specific erosion of existing agreements. Interpharma remains committed to resolution, since, as Switzerland's economic powerhouse, the pharmaceutical industry is reliant on orderly relations with the EU. Free movement, research cooperation and the agreement on dismantling technical barriers to trade have to continue. Interpharma also pushed for a reform agenda in Switzerland to cushion the negative impact on competitiveness of the uncertainty surrounding participation in the EU single market. To work towards an understanding of the concerns of the internationally operating pharmaceutical industry on the part of

the EU and to raise awareness of Switzerland's role for the European pharmaceutical and production hub, Interpharma organised a workshop at the Swiss mission in Brussels in September. In addition to making contact, the workshop aimed to give a holistic perspective of the status of relations, review the risk assessment and explore new options for action.

Access to export and import markets

Looking beyond Europe, Interpharma supported the MRA on Good Manufacturing Practice (GMP) with the USA and welcomes the Federal Council's approval of the agreement, which clears the way for implementation in 2023. The agreement means that Switzerland and the USA – two countries with high safety and quality standards – no longer have to carry out cost-intensive GMP inspections of production facilities in each other's countries. The agreement does not affect the authorisation of medicinal products for Switzerland, which will remain the responsibility of Swissmedic. The agreement reinforces supply reliability in Switzerland by helping to increase the resilience of global supply chains. In addition, the agreement puts Switzerland on an equal footing with the EU and the United Kingdom in terms of GMP, since both already have comparable agreements with the USA.

Innovation Hub Committee (IHC)

2022, the Innovation Hub Committee (IHC), newly chaired by Leila Schwery-Bou-Diab (J&J) and Ans Heirman (MSD) as of September, deepened its work on the health data ecosystem and focused on Switzerland-EU relations, the research ban initiative, clinical research and the CH-US MRA for the benefit of a resilient and competitive research and production location. For the twelfth time in a row, Switzerland was able to prove itself at the top of the Global Innovation Index. The members of Interpharma, with their 39,600 employees at 54 locations in Switzerland, are making their contribution to this result and are actively promoting Switzerland's innovative strength. In addition to the strategic work within the committee, the IHC attached importance to the exchange with guests from industry, administration and research. In its work for Switzerland as a pharmaceutical location, the IHC has set its priorities in 2023 on digitisation in favour of better legal framework conditions for a health data ecosystem and the institutionalisation of openness and networking of Switzerland with Europe and the world.

Chair:
Leila Schwery-Bou-Diab
VP Manufacturing
& Technical Operations
Janssen,
Johnson & Johnson

Communications Working Group (CommWG)

The Communications Working Group, composed of the communications and public affairs officers of Interpharma's member companies, has set itself the goal of orchestrating the One Voice Approach. Together with the Secretariat's communications team, the working group ensures consistent dialogue – by Interpharma and company representatives – with relevant target groups, such as the media, decision-makers, the wider public. The 2022 business year started with a success based on this One Voice strategy: the rejection of the research ban initiative ("Ban on animal testing"): four out of five Swiss people rejected the initiative. The CommWG has learned positive lessons from campaigning, not least with regard to social media, which are gaining in importance. In the core area of patient access – a focus topic throughout the year – outreach to decision-makers was also coordinated with other working groups and member companies in order to speak with one voice. In the past year, the CommWG also further developed the analysis system of public topic and reputation dynamics on the pharmaceutical industry in central Swiss leading media and intensified the social media planning exchange. Last but not least, the "Closed User Group", the members' extranet, was re-launched in the second half of the year – another ideal prerequisite to once again strengthen a common one-voice approach in the communication of all members.

Chair:
Philipp Kämpf
Director Communications
& Public Affairs,
Switzerland & Austria
Johnson & Johnson

Interpharma – the association

Interpharma was founded in 1933 and is the association of the research-based pharmaceutical industry in Switzerland. Its member companies together account for more than 90% of the market share for patented medicines in Switzerland and invest 8.9 billion Swiss francs annually in research and development in Switzerland. Interpharma is a driving force for an efficient and high-quality healthcare system that offers patients rapid access to innovative therapies and the best possible care. At home and abroad, we are committed to ensuring that patients receive first-class healthcare, that innovations are rewarded and that our industry can make a significant contribution to prosperity, growth and competitiveness in Switzerland.

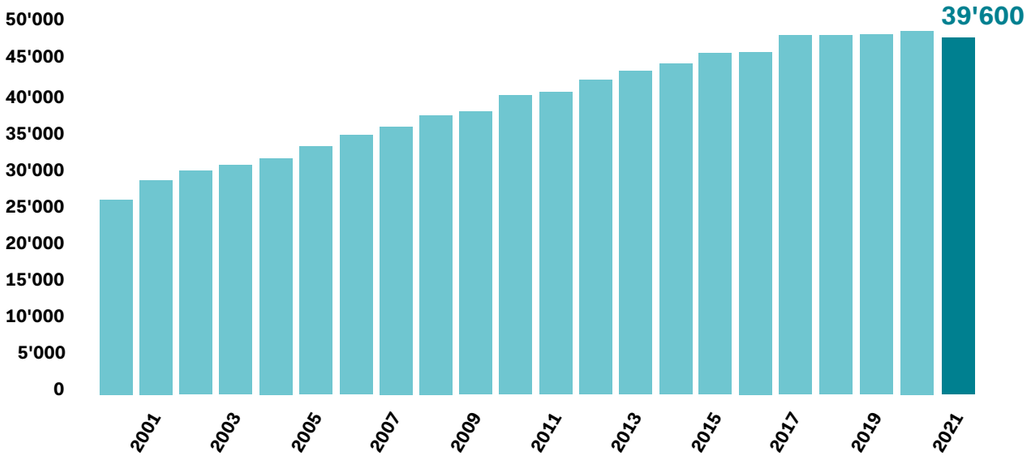
Facts and figures

Switzerland and its research-based pharmaceutical companies are a success story. The attractive environment that the country offers and the innovativeness of its pharmaceutical industry have been improving its prosperity and quality of life for decades. The COVID pandemic particularly highlighted the strengths and significance of Switzerland as a pharma research and production hub. The pharmaceutical industry was the biggest driving force of the Swiss economy in the past decade. Between 2010 and 2020, the sector achieved real-terms added value growth of 10.7% a year, making it the source of more than one third of Switzerland's economic growth. Despite the coronavirus pandemic, pharmaceutical companies also increased their economic output in real terms during 2021. Gross value creation in 2021 was CHF 36.8 billion.

Number of employees in the pharmaceutical industry

in persons

In 2021, the pharmaceutical industry in Switzerland employed around 39'600 people. Since 2000, the number of people employed in the pharmaceutical industry has risen by around 21'000 overall. The total employment effect amounts to around 249'500 people. With the increase in employment over the past two decades, the relevance of pharmaceutical companies for the labour market has also increased. Today, the pharmaceutical sector provides around one in 15 industrial jobs.

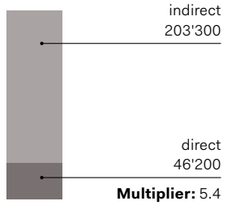


Source: Federal Statistical Office

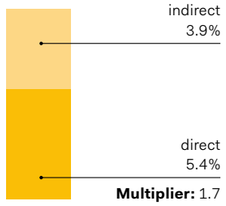
Employees, gross value added and share of total exports of the pharmaceutical industry

The pharmaceutical industry generated 5.4% of Swiss gross value added in 2021. If indirect effects are taken into account, the value added share is around 9%. With exports worth CHF 109 billion and a share of around 42% of total goods exports in 2021, the pharmaceutical industry is Switzerland's most important export sector. With an export share of almost 50%, the European Union remains the most important trading partner of the Swiss pharmaceutical industry.

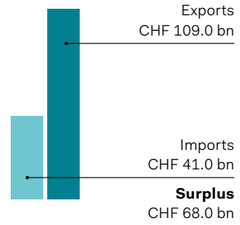
249'500
employees
(2021)



8.9% of GDP
gross value added
(CHF 61.4 bn, 2020)

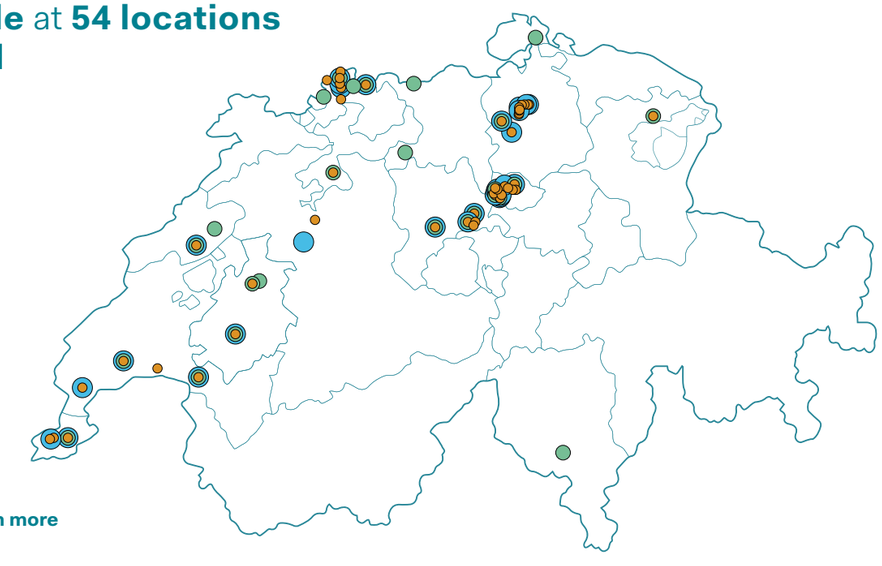


42%
share of total exports
(2021)



Source: *BAK Economics (2021), The Importance of the Pharmaceutical Industry for Switzerland; Federal Statistical Office (2022); Federal Customs Administration (2022)*

Interpharma members employed
39'600 people at **54 locations**
in Switzerland



Learn more

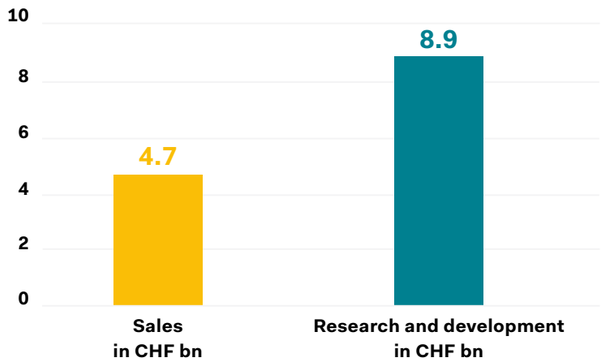
Hours and workplace productivity

The pharmaceutical industry is by far the most productive sector in Switzerland. Per job, it generates five times as much added value as the Swiss industry average. In an international comparison, the Swiss pharmaceutical industry is also in the top group in terms of productivity. The strong increase in productivity in the Swiss pharmaceutical industry in recent years was triggered by increased capital input, a rising intensity of research and innovation, as well as the steadily increasing qualification of employees. High productivity is a key success factor for the industry's high growth in value added.

Interpharma companies in Switzerland: Turnover and research

in CHF billion

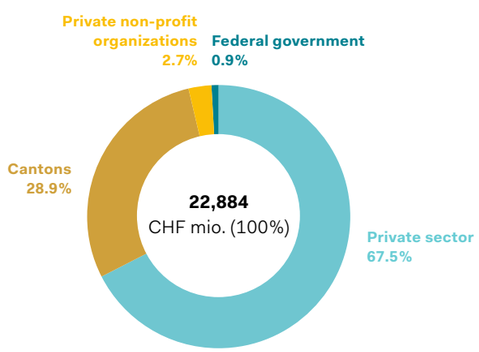
In 2021, the member companies of Interpharma achieved a turnover of CHF 4.7 billion throughout Switzerland and at the same time invested CHF 8.9 billion in research and development in Switzerland. For every franc generated in sales in Switzerland, almost two francs are reinvested in Switzerland as a research location.



Source: *Interpharma (2021)*

Total spending on research and development

Total research spending in Switzerland amounted to CHF 22.9 billion in 2019, with the private sector financing around 67% of this investment. With a share of around 33% of private research expenditure, the pharmaceutical industry is the most important investor.

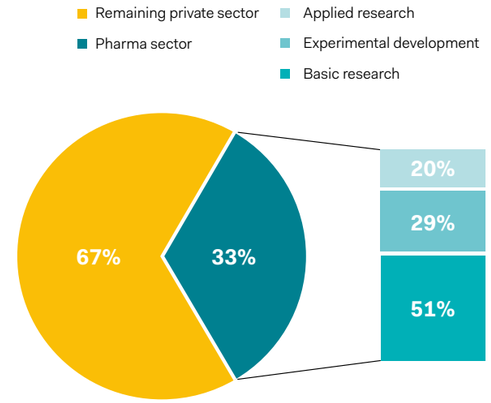


Source: *Federal Statistical Office (2021), Research and Development (R&D) in Switzerland, 2019*

Division of research tasks of the pharmaceutical industry according to research field

The pharmaceutical industry invests over 50% of its research expenditure in basic research. This means that it plays a significant role in financing basic research in Switzerland. 20% of the pharmaceutical industry's research funds flow into applied research, and almost a third into experimental development.

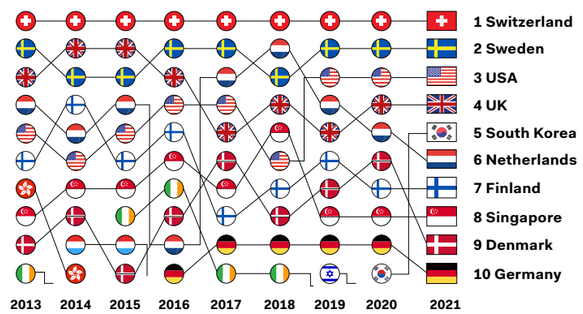
to our data centre



Source: *Federal Statistical Office (2021), Research and Development (R&D) in Switzerland, 2019*

Global Innovation Index

Thanks in part to the world-class research of the Swiss pharmaceutical industry, Switzerland has been the most innovative country in the world for years, according to the Global Innovation Index. As a resource-poor country, Switzerland is dependent on innovation-friendly framework conditions. Only in this way can Switzerland continue to hold its own in international competition in the future.



Source: *WIPO et al. (2020), Global Innovation Index 2021*

Interpharma 2022
in numbers

649
mentions in print and online media

4
Press conferences

21
Press releases

307
pages IPH publications

9
new publications

8996
LinkedIn Followers

463
Tweets on Twitter

FACTS AND FIGURES

23
Members

221
Experts in our working groups

8
Meetings with the ”IG Biomedizinische Forschung” & Parliamentary events

37
Working Group Meetings
of it:

5
Board Meetings

4
ExComm Meetings

3
IHC Meetings

2458
Twitter-Followers

About us

Interpharma, the association of Switzerland's research-based pharmaceutical industry, was founded in Basel in 1933.

Our members

23 research-based pharmaceutical companies

Interpharma currently has 23 member companies (as at 31 December 2022), which, with their different treatment focuses and therapeutic areas, make a substantial contribution to medical progress in general and to improving the quality of life of individual patients.

NOVARTIS · Roche · Johnson & Johnson

abbvie · AMGEN · AstraZeneca · BAYER

Biogen · Boehringer Ingelheim · Bristol Myers Squibb · CSL Vifor

GILEAD · GSK · Lilly · Lundbeck

moderna · MERCK · MSD INVENTING FOR LIFE · novo nordisk

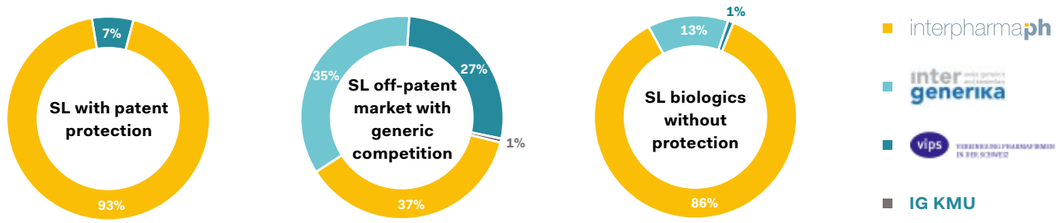
Pfizer · sanofi · Takeda · UCB Inspired by patients. Driven by science.

Association of Switzerland's researchbased pharmaceutical industry

A strong voice for the pharmaceutical industry

Interpharma's broad support throughout Switzerland underpins its position in championing the international competitiveness of Switzerland as a research and pharma hub. Interpharma works closely with all the stakeholders in the Swiss healthcare system and international organisations, specifically those that represent the interests of the research-based pharmaceutical industry in Switzerland and abroad. As a member of EFPIA and IFPMA, we represent the interests of our companies at the international level.

Interpharma represents almost the entire innovative market and half of the off-patent market with generic competition in Switzerland



Base
Market eligible for health insurance including hospital at ex factory prices, year 2021

Source: *Calculations by Interpharma based on IQVIA sell-in*

Member status
January 2022, nine companies are assigned to more than one association

Our vision

We are a driving force behind an efficient and high-quality healthcare system, providing patients fast access to innovative therapies and the best possible care. In Switzerland and abroad, we promote an environment that delivers best in class healthcare to patients, rewards innovation and allows our industry to significantly contribute to Switzerland's prosperity, growth and competitiveness.

Our mission

We are an advocacy organization promoting innovation-friendly regulatory conditions, in Switzerland and abroad, that foster pharmaceutical research and development.

We are an interlocutor co-operating with all stakeholders in the health care system in a solution-oriented manner, ensuring quality and broad, sustainable access for patients to innovation.

We are an enabler ensuring the promotion of a social, economic and political environment which strengthens Switzerland as a pharmaceutical hub.

What members can expect

A partner who is strongly engaged for pharma interests

- We promote an innovation-friendly regulatory environment for pharmaceutical research and development.
- We are a partner for dialogue in societal, economic and political discourse.
- We are engaged for high quality within the healthcare system and for broad, sustainable access for patients to innovation.

A platform to exchange valuable information with peers

- Interpharma serves as a platform to bring peers from all member firms together.
- Share insights and discuss relevant topics (such as market access and regulatory) with experts in our working groups and taskforces.
- Benefit from each other by sharing experiences and best practices.
- Opportunity to learn from external experts about a specific topic.

A large network to use

- Always be up-to-date in health and economic policy.
- Events and dialogue platforms in the parliamentary and stakeholder environment.

Parliamentary events

IG Biomedizinische Forschung

Salon Santé

Regional events

Speakers Hub

Board members

As of the 2022 Annual General Meeting

Jörg-Michael	**Rupp**	**Roche** *(President)*
Katharina	**Gasser**	**Biogen Switzerland AG** *(Vice President)*
Anita	**Ouwerkerk**	**Novartis** *(Vice President)*
Urs	**Vögeli**	**Johnson & Johnson** *(Vice President)*
Henrik	**Asmussen**	**Amgen**
Sabine	**Bruckner**	**Pfizer**
René P.	**Buholzer**	**Interpharma** *(Delegate of the Board)*
Katrien	**De Vos**	**AstraZeneca**
Christophe	**Griolet**	**Gilead Sciences**
Remo	**Gujer**	**Bristol-Myers Squibb**
Ans	**Heirman**	**MSD**
Colleen	**Kamrad**	**GSK**
Matthias	**Leuenberger**	**Novartis**
Andrea Michael	**Meyer**	**Sanofi**
Pierre	**Morneau**	**Takeda**
Leila	**Schwery-Bou-Diab**	**Johnson & Johnson**
Nathalie	**Stieger**	**Roche**
Mads	**Stoustrup**	**Novo Nordisk**

Executive management

As at December 2022

René Buholzer
CEO and
Delegate of the Board

Heiner Sandmeier
Deputy managing director

Tanja Colin
Head of Approval & Technology

Samuel Lanz
Head of Communications

Susanne Müller
Head of Services

Yves Weidmann
Head of Governmental Affairs

Markus Ziegler
Head of Market & IPR

Interpharma working groups

More than 200 experts contribute their knowledge

All member companies can delegate experts to Interpharma's working groups and contribute their expertise. To ensure the agility of the organisation, task forces can be set up at any time under the leadership of an experienced committee member.

The Working Groups and Task Forces implement their priorities as set by the Board and carry out their work plan under the guidance of three Strategic Committees:

The **Executive Committee** deals with patient access, marketing authorisation and health policy issues. It is chaired by Katrien De Vos (AstraZeneca) and Silvia Schweickart (Novartis).

Following working groups report to the **Executive Committee:**

- **Market Access Working Group**
  Chair: Tanja Ulle (J&J)
  Vice Chair: Jan Depta (Novartis)
- **Regulatory Affairs Working Group**
  Chair: Lukas Brand (Novartis)
  Vice Chair: Annette Fichtel Dasen (Abbvie)
- **Good Distribution Practice – Quality Working Group**
  Chair: Michaela Wellmann (Amgen)
  Vice Chair: Christoph Fleischli (Bayer)
- **Health Care Systems Working Group**
  Chair: Martin Höhener (Pfizer)
  Vice Chair: Luc Bastian (Sanofi)

The **Innovation Hub Committee** deals with all issues relating to Switzerland as a location for research and innovation, as well as for pharmaceuticals and production. In particular, it deals with research policy and general economic policy. It is chaired by Leila Schwery-Bou-Diab (J&J) and Ans Heirman (MSD).

The following working groups report to the **Innovation Hub Committee:**

- **Clinical Research Working Group**
  Chair: Simon Rotzler (Bayer)
  Vice Chair: Martin Winiger (BMS)
- **Animal Welfare Working Group**
  Chair: Joachim Coenen (Merck)
  Vice Chair: Birgit Ledermann (Novartis)

The **Intellectual Property Expert Group** headed by Andreas Poredda (Roche) deals with issues associated with the protection of intellectual property.

In addition, the **Communication Working Group assists** the association office with communication-related matters. It is headed by Philipp Kampf (J&J) and Bettina Vogel-Moore (Takeda).

In addition to these permanent working groups, there are also temporary Task Forces that deal with current issues and needs as required.

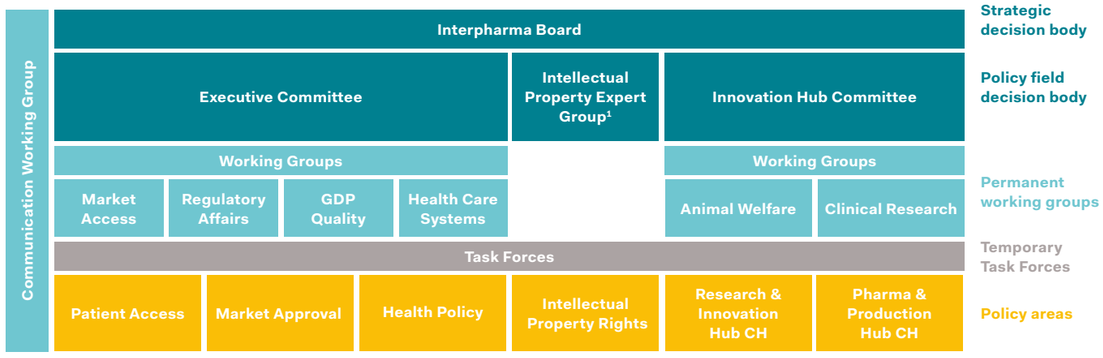
The following task forces were actively involved in projects in 2022:

- **Task Force on Vaccines**
  Sponsor: Sabine Bruckner (Pfizer)
- **Task Force santeneXt**
  Sponsor: René Buholzer (Interpharma)
- **Task Force Reimbursement of Transplant Products**
  Sponsor: Christophe Griolet (Gilead)
- **Task Force Health Data Ecosystems**
  Sponsor: Mads Stoustrup (NovoNordisk)
- **Task Force CH-EU**
  Sponsor: Nathalie Stieger (Roche)

Our governance

to broadly engage and involve members

The Board is the formal decision-making body which, in addition to the strategic orientation and the budget of the association, decides on international and pharmaceutical policy topics as well as location issues. It is chaired by Jörg-Michael Rupp (Roche) as President and is supported by the Vice Presidents Nicholas Franco (Johnson & Johnson), Katharina Gasser (Biogen) and Mark Never (Novartis).



¹ *Together with scienceindustries*

Interpharma Board

Partnerships

An active partner in the health and research environment through cooperations

The broad exchange on current health and research policy topics and the promotion of public discussion on relevant issues is an important concern of Interpharma. Interpharma therefore cooperates with various players from the health and research environment, contributes expertise and supports organisations and platforms in the planning and implementation of events, the preparation of basic principles and other activities.

Interpharma Office

Our partnerships based on a Multistakeholder-approach

Our partners within the life sciences industry

IG biomedizinische Forschung und Innovation

Our partners within the healthcare sector – Health Care Insurers

Our partners within the healthcare sector – Service Providers

Our partners within economic associations

Publications in 2022

Interpharma's publications are available in several languages and can be downloaded from **www.interpharma.ch** printed versions can be ordered from **info@interpharma.ch**.

Health Panorama 2022 (D) (E) (F)

"Health Panorama – The most important facts and figures on Switzerland's healthcare system" contains statistics on the Swiss healthcare system, the pharmaceuticals market and pharma hub Switzerland. It also investigates the spending structure of Swiss households, trends in healthcare costs in Switzerland and research and development investment by Switzerland's pharmaceutical industry.

To publications

Animal Welfare Report 2022 (D) (E) (F)

This year's annual report is the 12th to be published by the Swiss research-based pharmaceutical industry on the animal protection charter it adopted in 2010. The report contains numerous examples of how Interpharma member companies have further improved conditions in animal testing and enhanced protection for laboratory animals in line with the charter over the past reporting year.

To publications

Health Monitor 2022 (D) (F)

The health monitor is intended to provide a reliable information system on Swiss voters' views on healthcare in Switzerland. It is essentially based on an annual survey of at least 1'200 representative voters. The majority of questions do not change from year to year to ensure comparability over time. The gfs.bern research institute has been conducting the health monitor survey on Interpharma's behalf since 1996. It is published at regular intervals.

To publications

Pharma Hub Switzerland 2022 (D) (E) (F)

To publications

The pharmaceutical industry was the biggest driving force of the Swiss economy in the past decade and the source of more than one third of Switzerland's economic growth. To show stakeholders the effect that the pharmaceutical industry has in various regions of Switzerland, Interpharma publishes "Pharma Hub Switzerland – Zurich, Zug, Lucerne, Schaffhausen", "Pharma Hub Switzerland – Basel Region" and" "Pharma Hub Switzerland – Espace Mittelland – Bassin Lémanique" every two years. The booklets provide facts and figures on the life sciences industry in the region in question and a summary of the key locational factors compared with international pharma clusters.

Europe Survey 2022 (D)

To publications

Swiss voters remain convinced of the benefits of the Bilateral Agreements. This is demonstrated by the annual representative study conducted by gfs on behalf of Interpharma. Voters are willing to allow the Federal Council to make compromises in the talks that have recently begun provided there is a referendum on them. The Federal Council now needs to act quickly to allay the public's concerns about market access for Switzerland's exporting industry.

Salon Santé – The fluid patient – redefining holistic healthcare needs (D) (E)

A fit-for-the-future healthcare system requires holistic and dynamic evaluation models as the basis of value-based healthcare models that meet the requirements of people and society. But what parameters need to be recorded? Which criteria have to be qualitatively assessed? And what cannot or should not be measured? These and other questions surrounding the "fluid patient" and a holistic values matrix were the focus of this year's Salon Santé.

Biotech Learning Centre

Students and teachers will find information and examples from the field of modern biological and medical research. The text content is designed to be used for lectures or as background information for teachers.

www.biotechlerncenter.interpharma.ch

Datacenter: Interactive data tool divided into different topics

On the Interpharma website, illustrations and figures relating to the Swiss healthcare system and the pharmaceutical landscape are available for download in the data centre. The data centre is organised along our strategic focal points "patients at the centre", "Leader in research and development" and "Strong economic policy framework". In addition, the topics "Healthcare" and "Medicines market" are highlighted.

www.datacenter.interpharma.ch

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