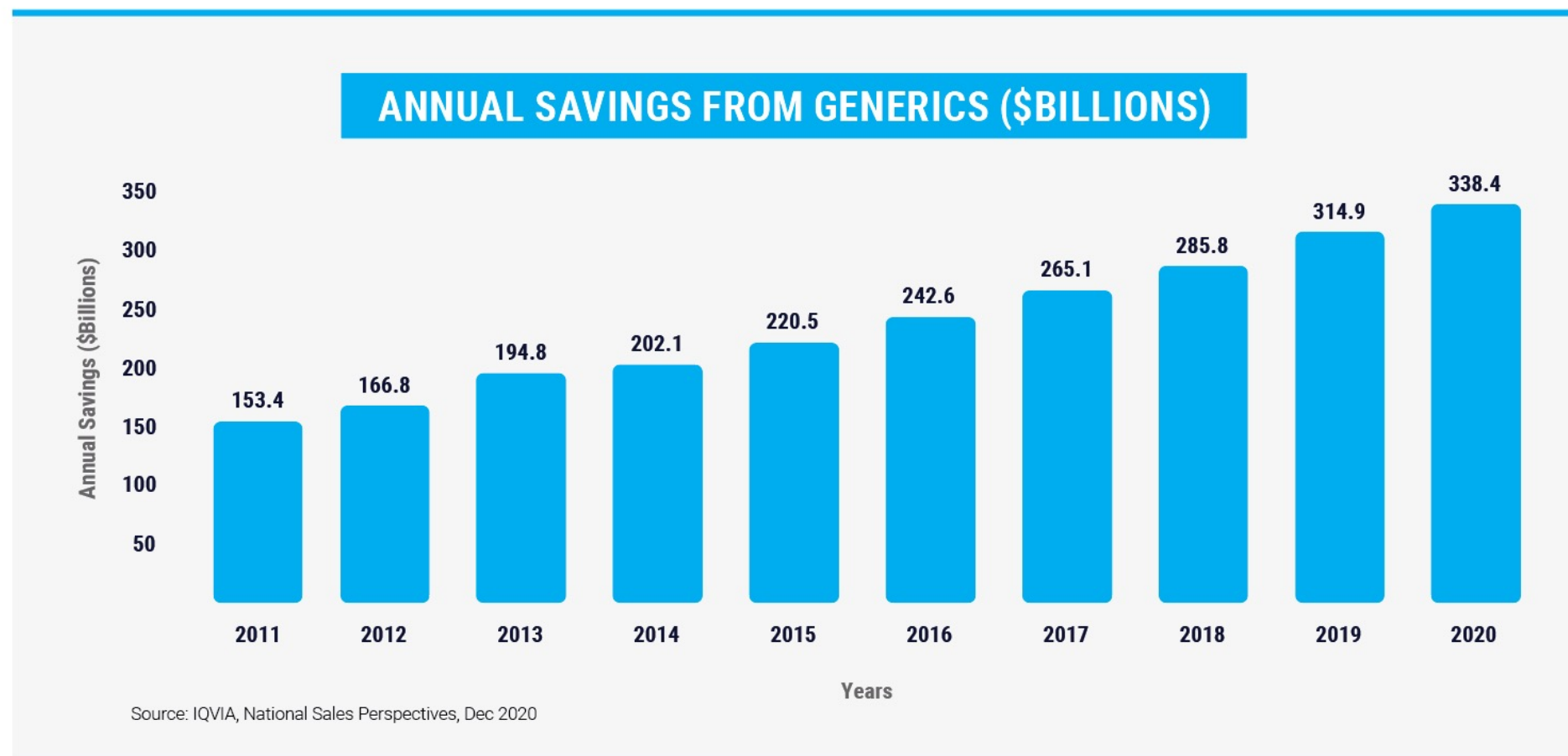




The U.S. Generic & Biosimilar Medicines Savings Report

Savings from Generics and Biosimilars Totaled \$338 Billion in 2020

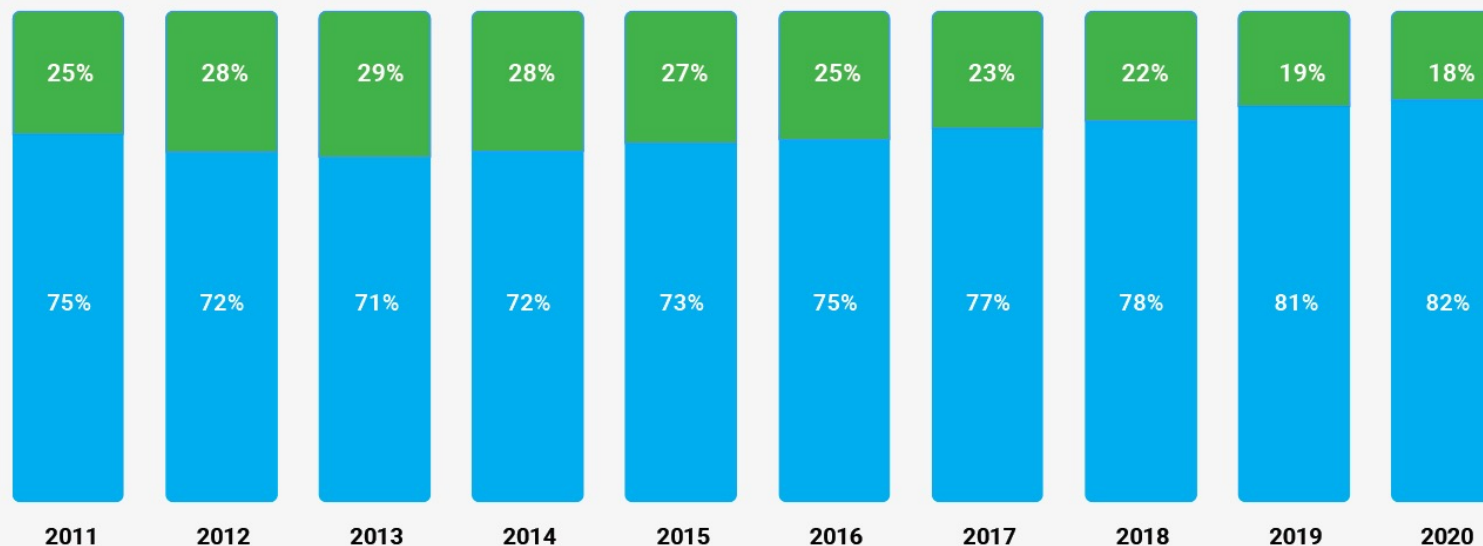
GENERIC AND BIOSIMILAR SAVINGS INCREASED BY \$23.5 BILLION FROM 2019 TO 2020



Generics Account for 18.1% of Total Medicine Spending

GENERICS MAKE UP 90% OF ALL PRESCRIPTIONS

BRAND AND GENERIC SHARE OF TOTAL MEDICINE SPENDING (%)

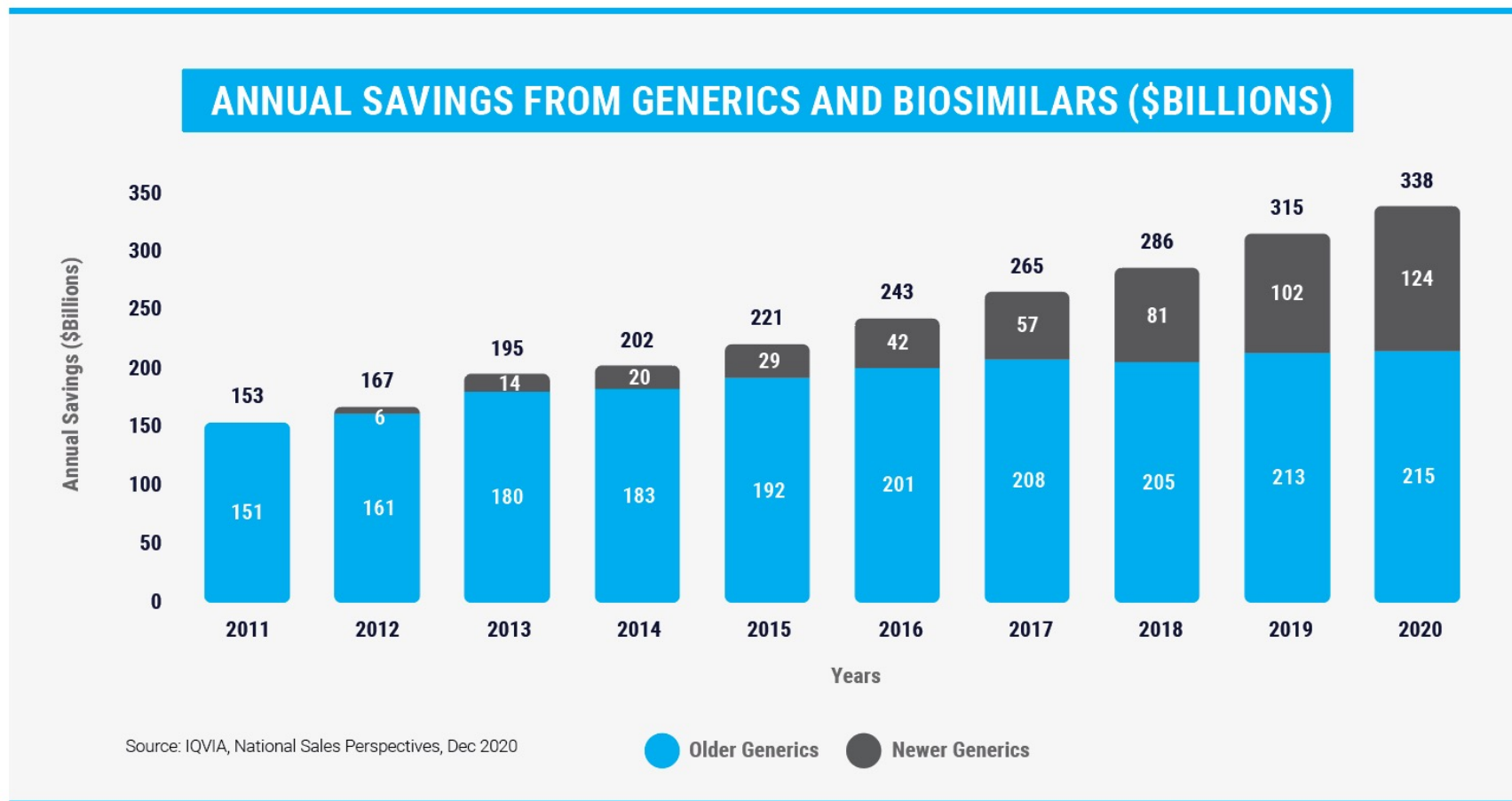


Source: IQVIA, National Sales Perspectives, Dec 2020

● Brands ● Generics

New Generic Entrants Generated \$124 Billion in Savings in 2020

ANNUAL GROWTH RATE OF SAVINGS FROM NEW GENERICS EXCEEDS 20%



The Top 10 Medicines of 2020 Saved \$99.1 Billion in 2020

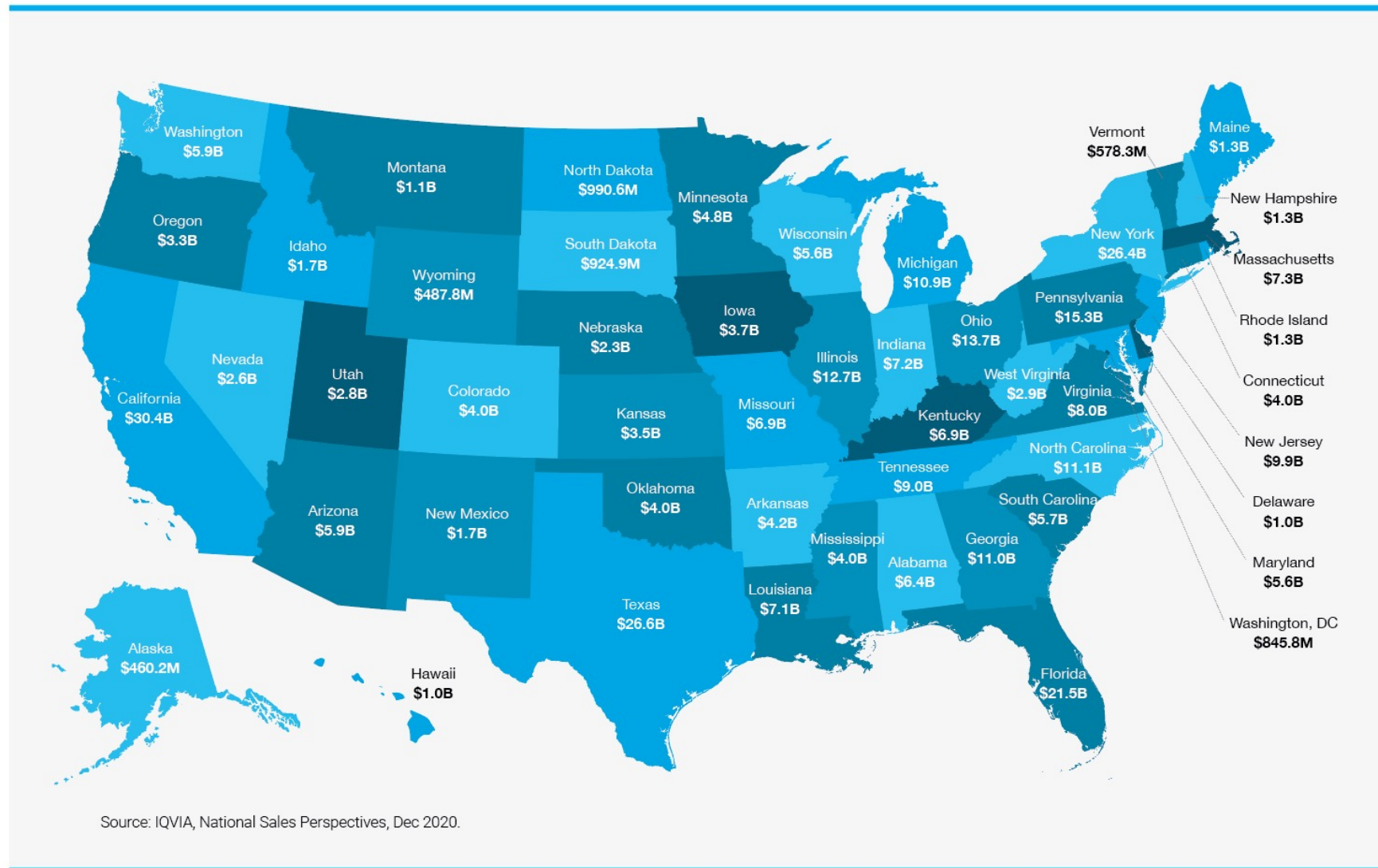
THE TOP 10 PRODUCTS REPRESENT 29% OF THE OVERALL SAVINGS IN THE PAST 10 YEARS

TOP 10 MEDICINES WITH GREATEST SAVINGS IN 2020

Products	Generic Entry Year	Brand Pre-Expiry Price (per unit)	Price of Generic Equivalent 2020 (per unit)	2020 Savings (\$Bn)	Percent Savings	2020 Dispensed Rxs (Mn)
Lipitor	2011	\$3.29	\$0.08	\$19.2	98%	5982
Zofran	2006	\$21.67	\$0.16	\$13.9	99%	745
Prilosec	2002	\$3.31	\$0.06	\$12.0	98%	4116
Crestor	2016	\$5.78	\$0.08	\$10.7	99%	1899
Abilify	2015	\$21.68	\$0.40	\$8.9	99%	423
Neurontin	2004	\$1.02	\$0.07	\$7.5	93%	7864
Norvasc	2007	\$1.54	\$0.02	\$7.4	99%	4799
Singulair	2012	\$3.74	\$0.09	\$6.6	98%	1821
Cymbalta	2012	\$4.61	\$0.21	\$6.5	96%	1462
Protonix	2005	\$3.63	\$0.03	\$6.2	98%	2290

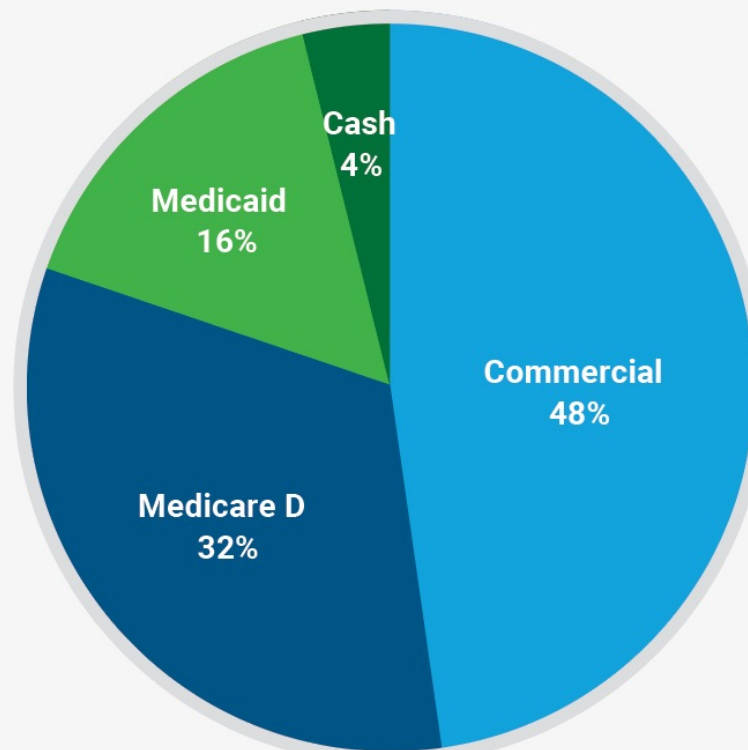
Source: IQVIA, National Sales Perspectives, Dec 2020

Savings by State, 2020



A Majority of Prescriptions, and Thus Generic Savings, Are Attributed to Commercially Insured Patients

2020 GENERIC SAVINGS BY PAYMENT TYPE

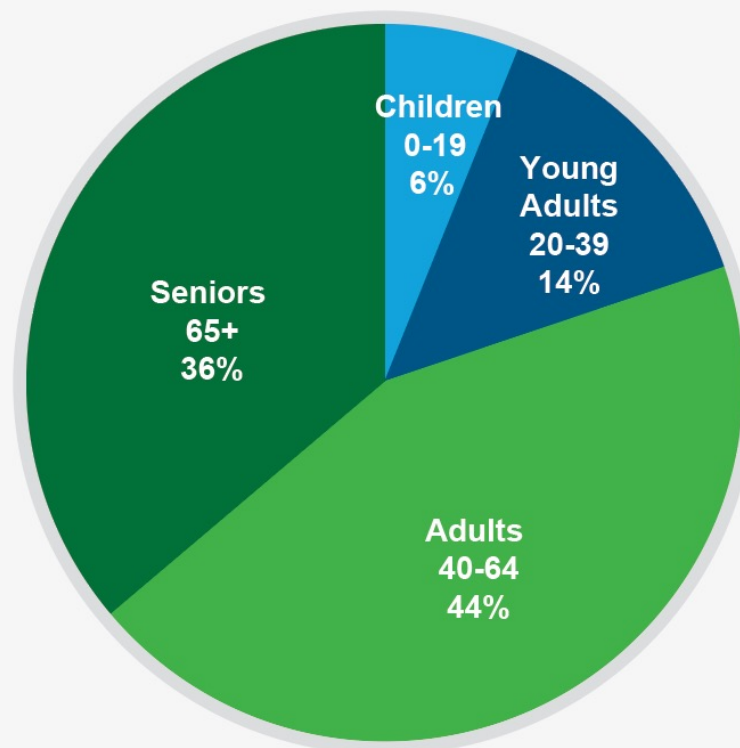


Source: IQVIA, National Sales Perspectives; PayerTrak, Dec 2020; CMS National Expenditures, March 2021.

Generic Medicines Used by Seniors Account for 36% of Savings

2020 GENERIC SAVINGS

BY PATIENT AGE

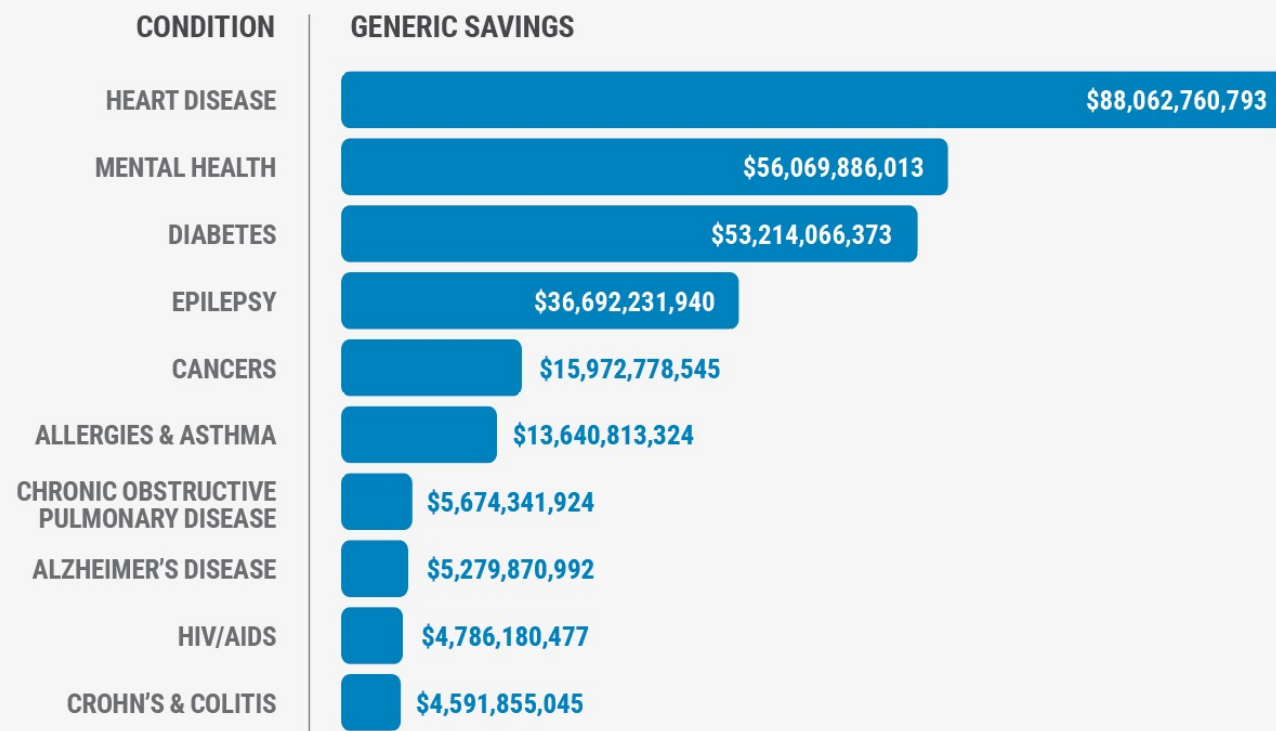


Source: IQVIA, National Sales Perspectives, Dec 2020.

Savings by Primary Patient Condition

GENERICS SAVED AMERICANS WITH COMMON CONDITIONS BILLIONS

TOP 10 GENERIC SAVINGS BY CONDITION IN 2020

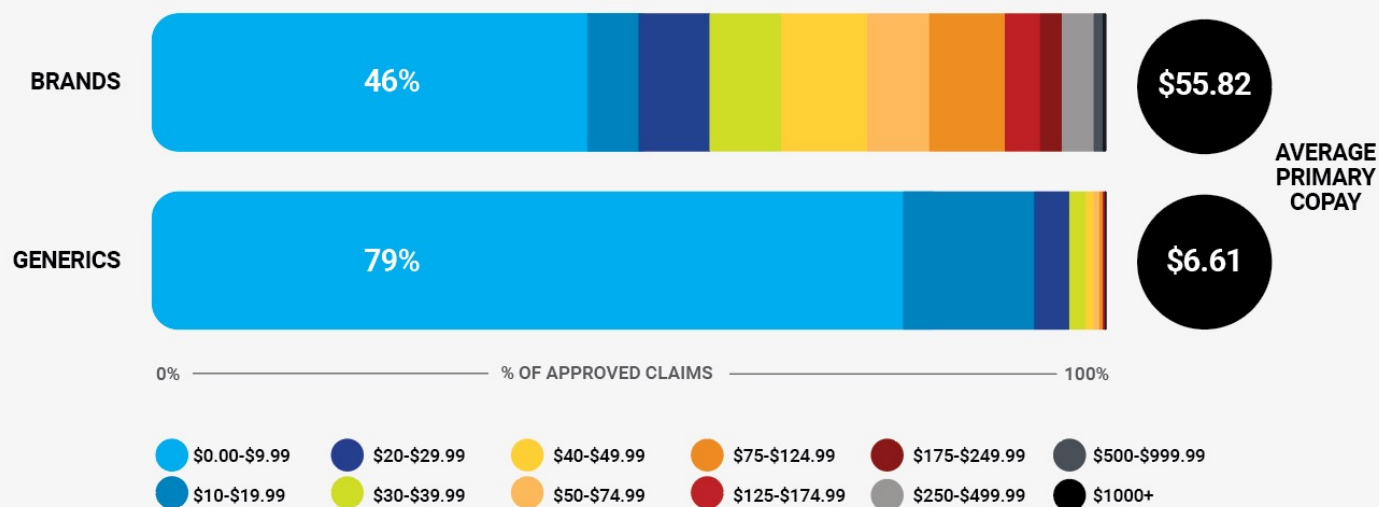


Source: IQVIA, National Sales Perspectives, Dec 2020.

Generic Copays Are About 8.5 Times More Affordable Than Brands

93% OF GENERIC COPAYS ARE BELOW \$20, COMPARED TO ONLY 51% OF BRANDS

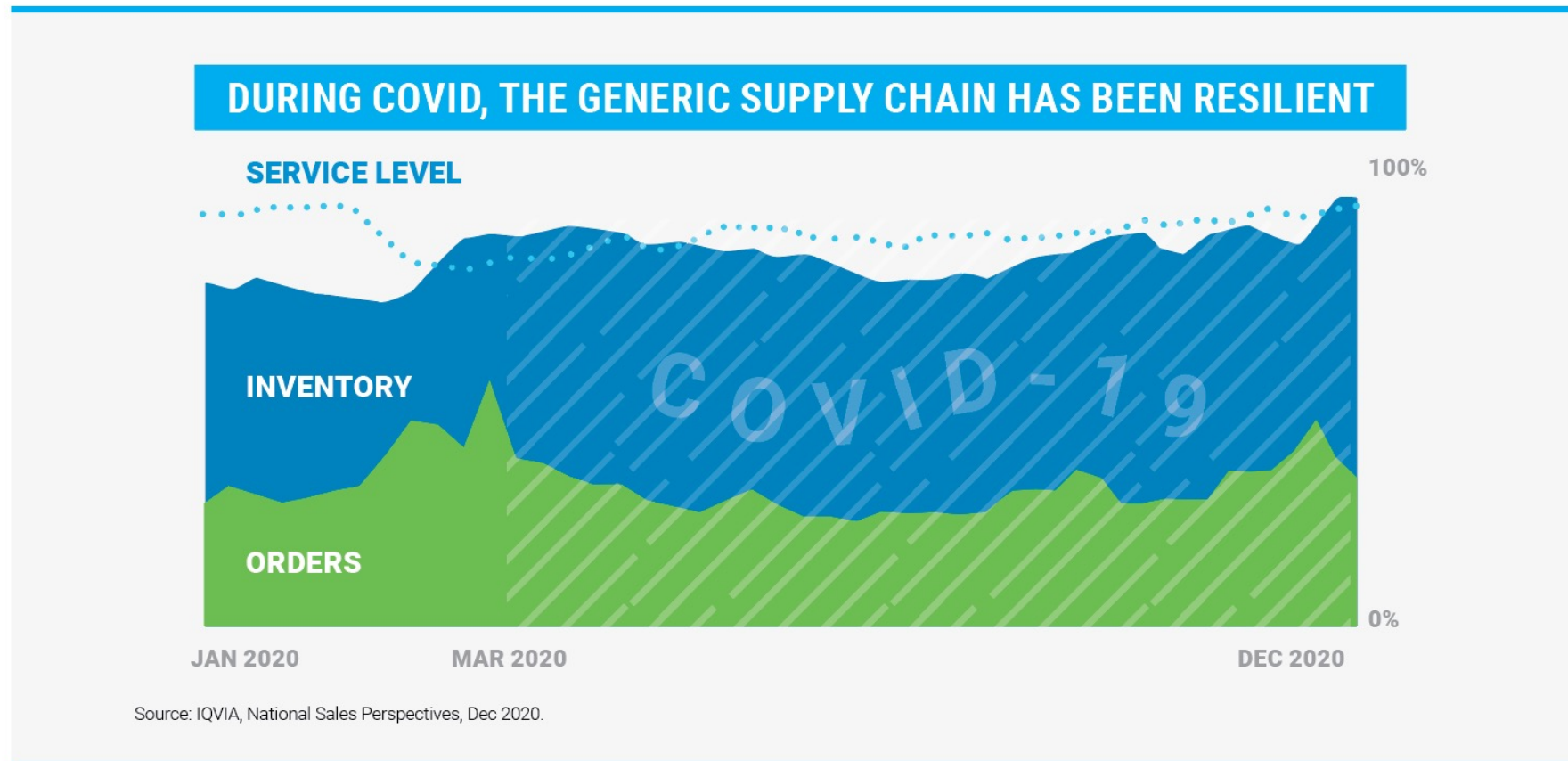
PRIMARY COPAY DISTRIBUTION FOR BRAND VS. GENERIC CLAIMS



Note: Includes commercial, Medicare Part D and Medicaid channels; Limited to standard market baskets.
Source: IQVIA LAAD dataset; US Market Access Strategy Consulting analysis.

Generic Supply Chain Proves Resilient

AFTER AN INITIAL SPIKE IN DEMAND FOR MEDICINES, INVENTORY AND AVAILABILITY OF PRODUCT RETURNED TO HISTORICAL LEVELS



Biosimilar Access Drives Savings

31
Approvals

Projected Savings
Through 2025
\$133 Billion

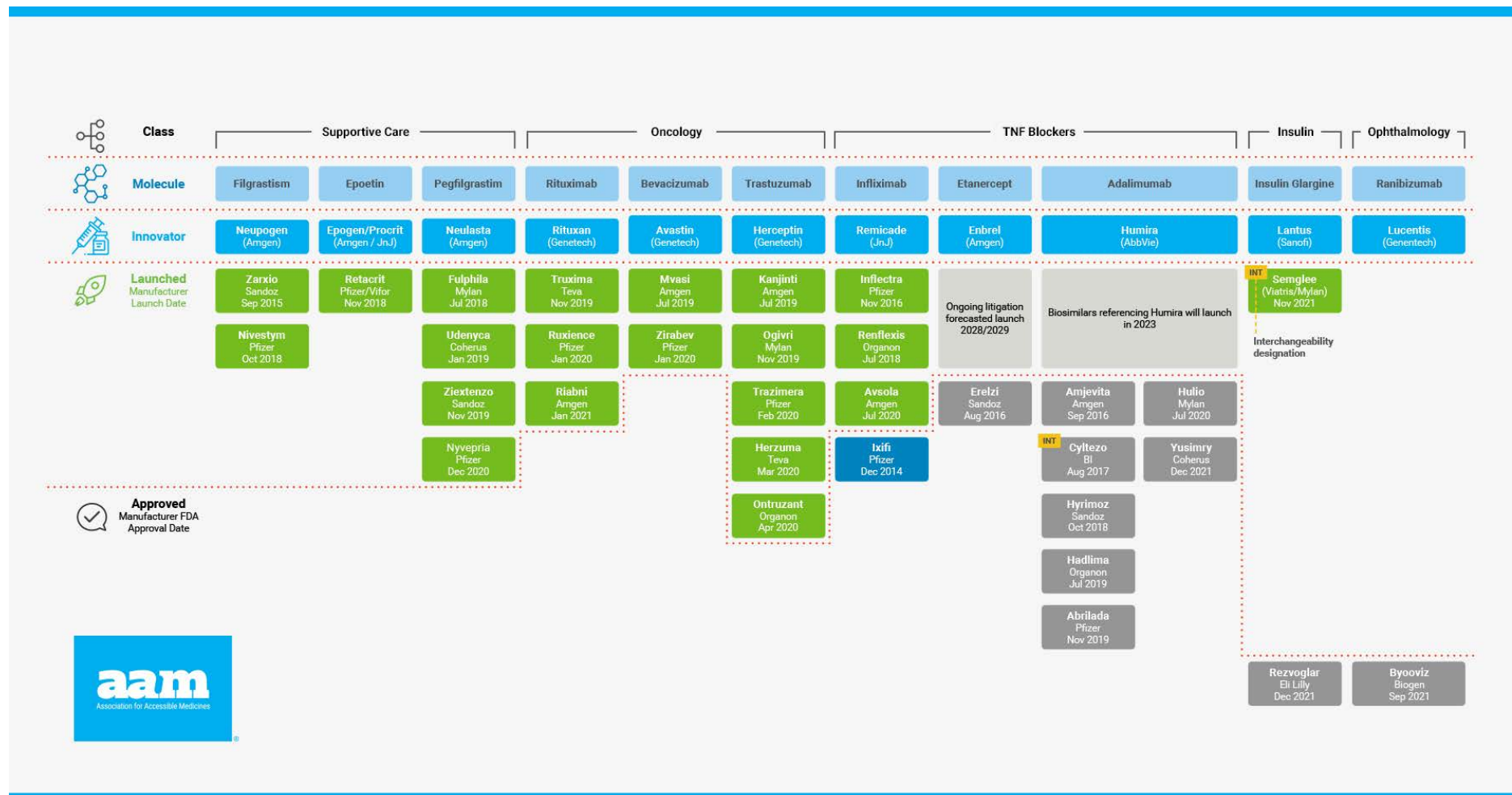
20
Launched

Biosimilars have been used in more than **121 million days** of patient therapy and have resulted in almost **10 million incremental days** of therapy.

As of October, 2021.
Source: U.S. FDA.

U.S. Biosimilars Market Landscape

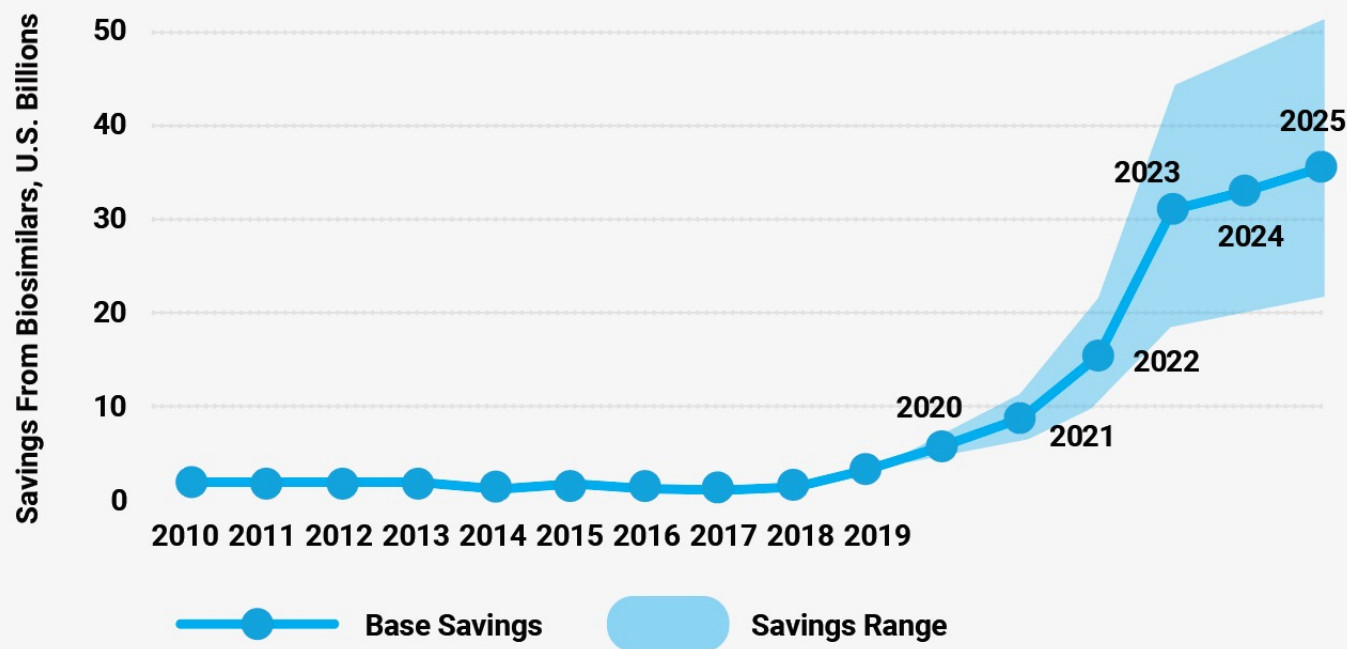
AS OF DECEMBER 20, 2021



Biosimilars Are Projected to Provide \$133 Billion in Savings by 2025

SAVINGS WILL DEPEND ON APPROPRIATE POLICIES TO SUPPORT ADOPTION

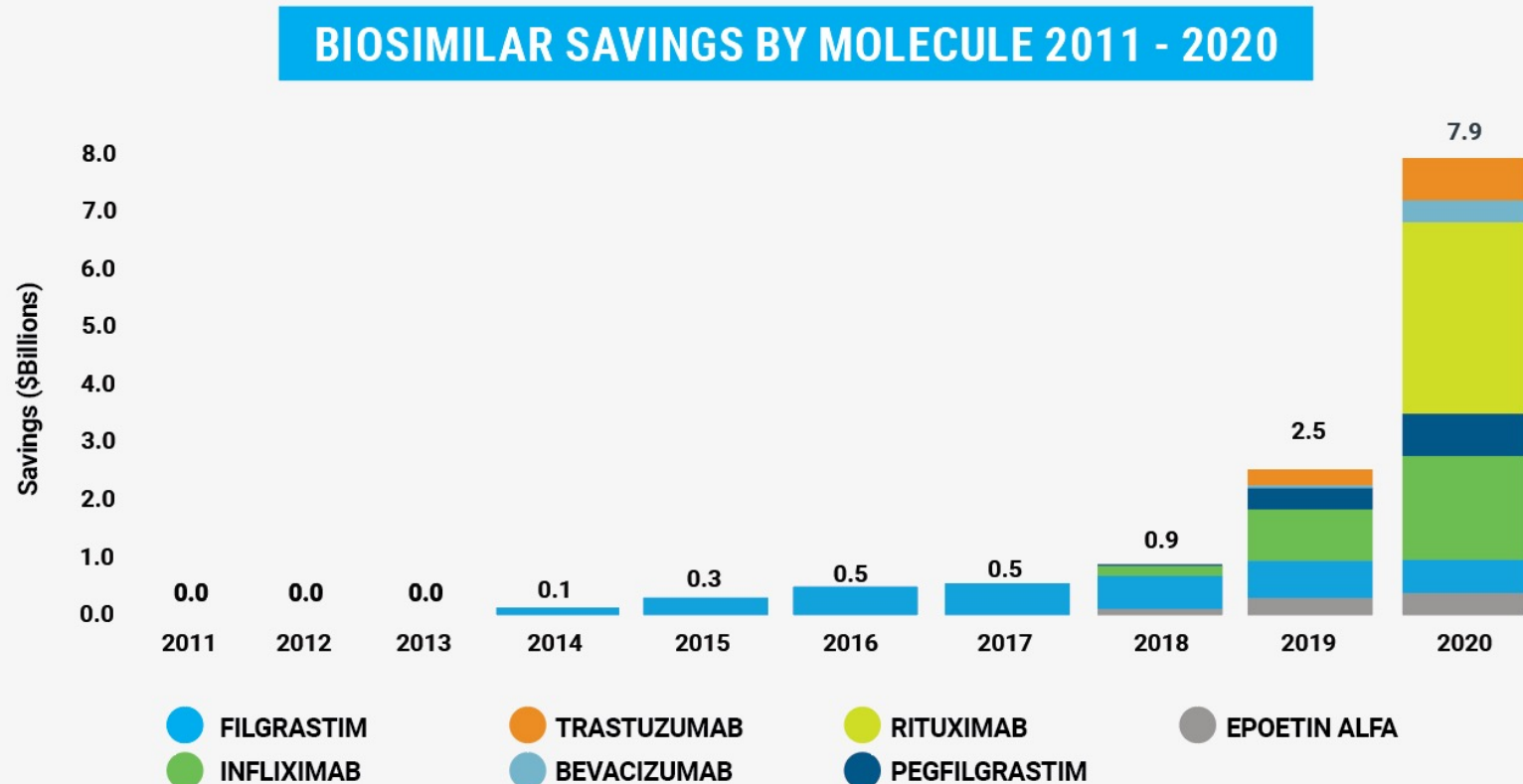
FIVE-YEAR SAVINGS SCENARIOS – \$85 BILLION - \$183 BILLION



Source: IQVIA, National Sales Perspectives, Dec 2020.

Biosimilar Savings Totaled \$7.9 Billion in 2020

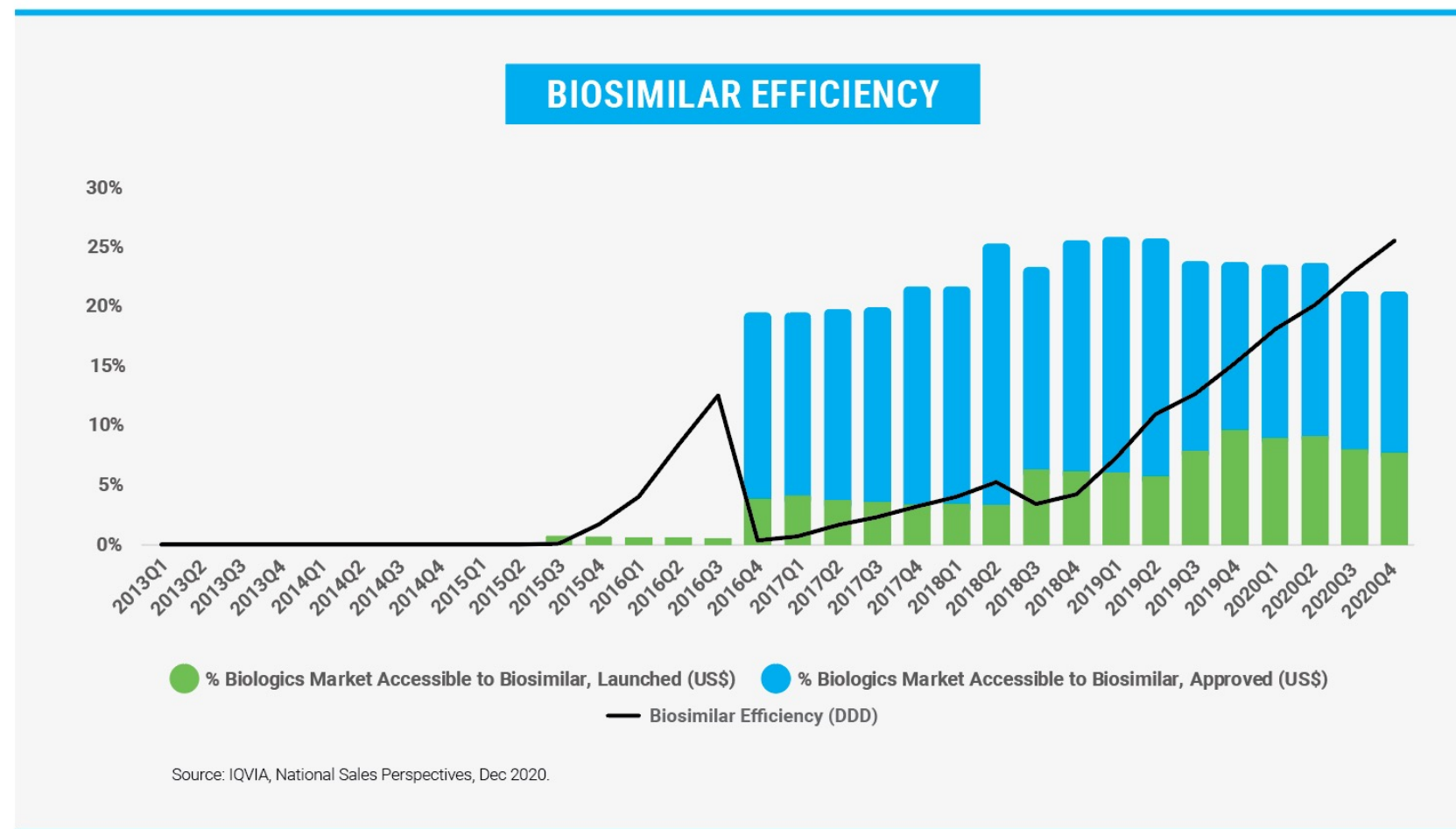
SAVINGS FROM BIOSIMILAR USE MORE THAN TRIPLED FROM 2019



Source: IQVIA, National Sales Perspectives, Dec 2020

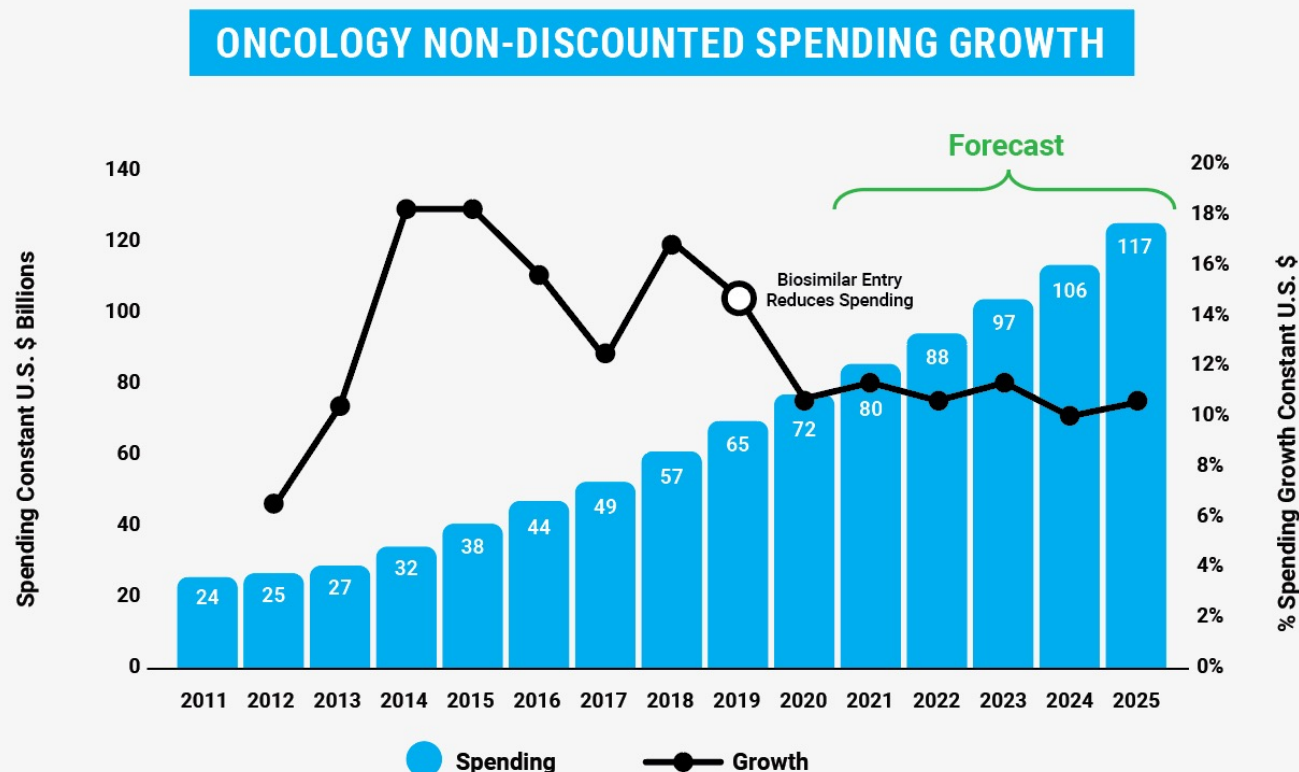
Although Improving, Biosimilar Adoption Continues to Underperform

BIOSIMILAR VOLUME SHARE IN ACCESSIBLE MARKETS REMAINS LESS THAN 30%



Biosimilar and Generic Medicines Are Bending the Cost Curve

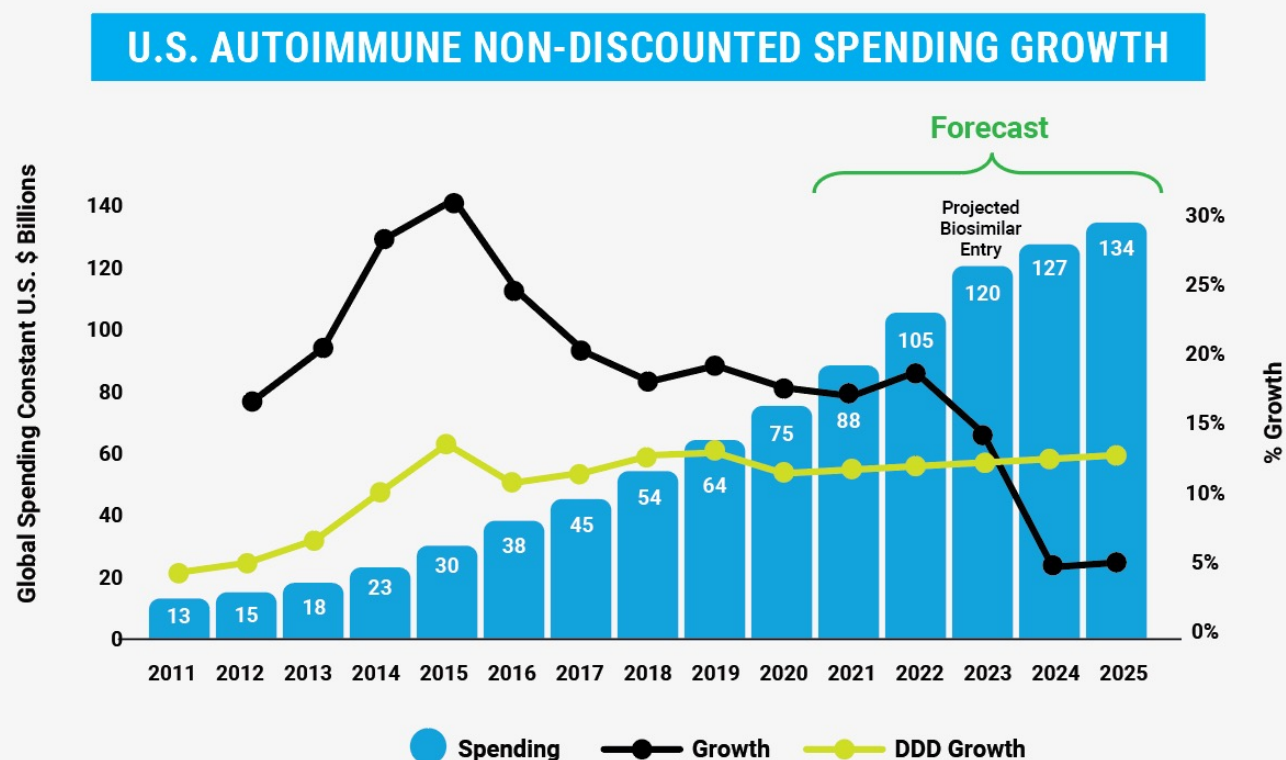
BIOSIMILARS AND GENERICS REDUCED ONCOLOGY COST GROWTH BY ROUGHLY 50%



Source: IQVIA Institute for Human Data Science, May 2021. "The Use of Medicines in the U.S.: Spending and Usage Trends and Outlook to 2025."

Biosimilars Are Projected to Reduce Growth of Autoimmune Spending

SPENDING GROWTH PROJECTED TO DROP BY TWO-THIRDS BY 2024

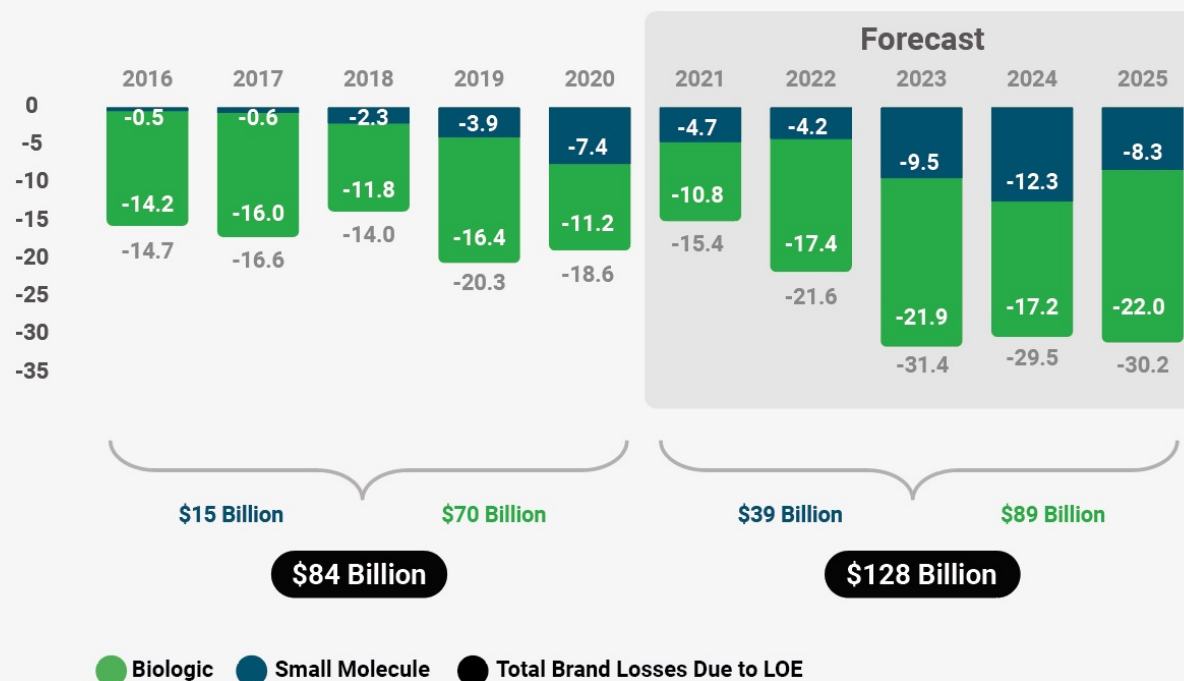


Source: IQVIA Institute for Human Data Science, May 2021. "The Use of Medicines in the U.S.: Spending and Usage Trends and Outlook to 2025."

Further Savings Are Possible Through Timely Market Entry and Adoption

NEW SAVINGS OPPORTUNITIES WILL GROW BY 50% THROUGH 2025

IMPACT OF BRAND LOSSES OF EXCLUSIVITY 2016-2025 U.S. (BILLIONS)

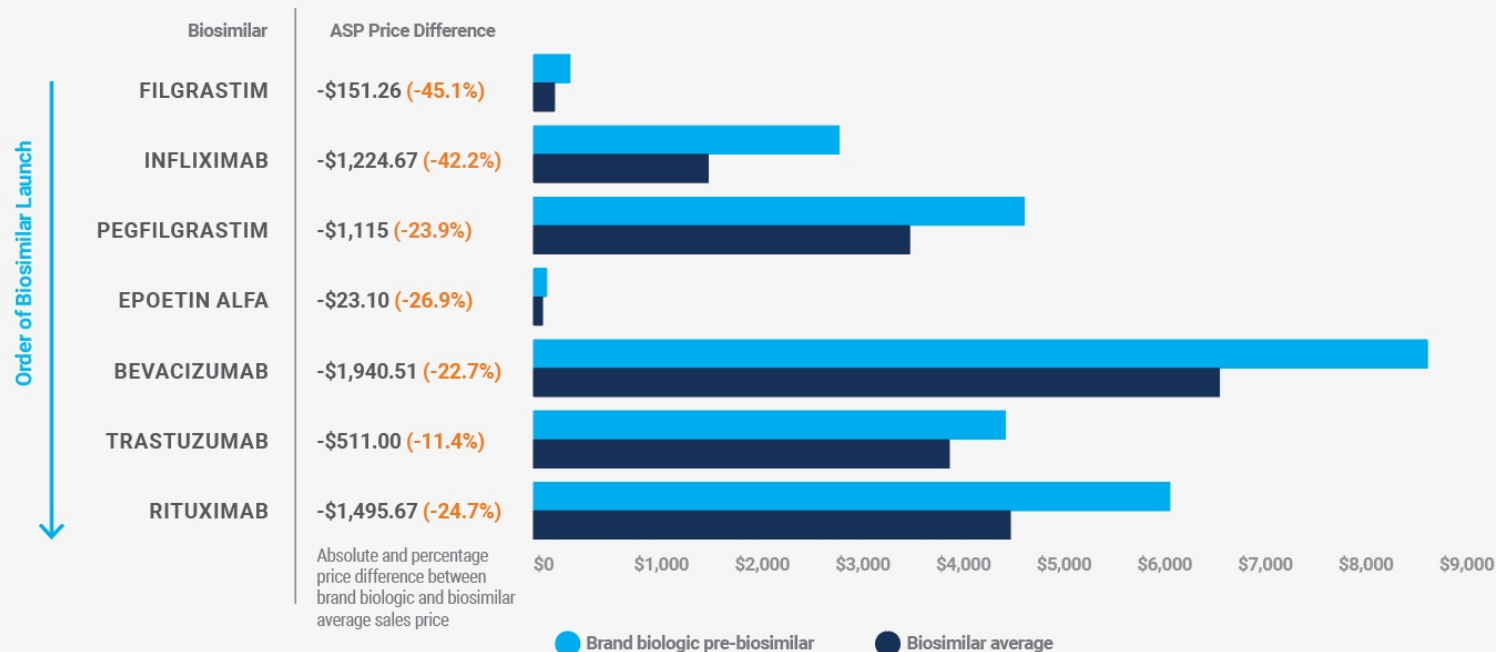


Source: IQVIA Institute. (May 27, 2021). "The Use of Medicines in the U.S. Spending and Usage Trends and Outlook to 2025". <https://www.iqvia.com/insights/the-iqvia-institute/reports/the-use-of-medicines-in-the-us>.

Biosimilars Are Less Expensive Than Their Reference Brand Biologic

BIOSIMILAR COMPETITION HAS BEEN STABLE AND PROVIDES CONSISTENT SAVINGS

ORIGINATOR AND MEAN BIOSIMILAR AVERAGE SALES PRICE, JULY 2020

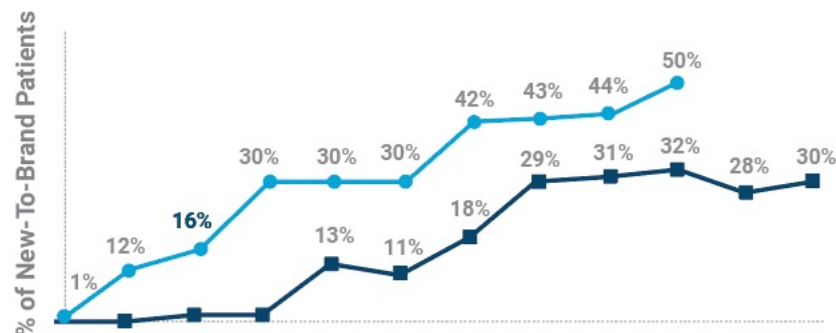


Source: IQVIA Institute (October 2020) "Biosimilars in the United States 2020-2024; Competition Savings and Sustainability."

Aligning Payment & Coverage Drives Biosimilars Adoption

ONCOLOGY CARE MODEL (OCM) PARTICIPANTS MORE LIKELY TO UTILIZE BIOSIMILARS

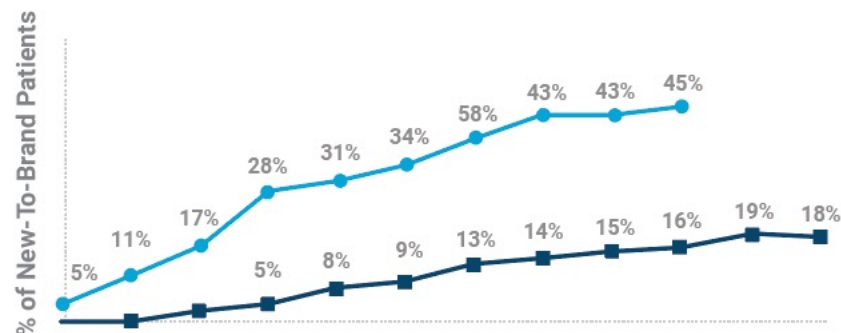
OCM PARTICIPANTS



—●— 2019 Launches Avg (n=3)

—■— Pre 2019 Launches Avg (n=3)

OTHER



Source: IQVIA Analysis Highlights Role of Reimbursement Policy.