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FOR IMMEDIATE RELEASE

**IN RACE TO DEVELOP COVID-19 MEDICINES, INVESTORS URGE PHARMA COS TO PUT
PEOPLE AHEAD OF PROFITS**

Amid press reports of “pandemic profiteering”, shareholders call for financial prudence and a commitment to the public good.

NEW YORK, NY – TUESDAY, AUGUST 11, 2020 - In [letters](#) sent to 17 pharmaceutical companies, investors are strongly urging financial prudence and a commitment to strategies that will ensure widespread access to treatments and vaccines for COVID-19, including affordable pricing and the sharing of technology to scale-up manufacturing.

The letters were endorsed by 59 investors representing US\$2.5 trillion in assets under management, many of whom are members of the Interfaith Center on Corporate Responsibility and who have held long-standing engagements with most of the companies on a variety of issues related to corporate responsibility and the access and affordability of medicine.

Companies receiving the letters include: AbbVie, Amgen, AstraZeneca, Biogen, Bristol Myers Squibb, Gilead, GlaxoSmithKline, Eli Lilly, Johnson & Johnson, Merck, Moderna, Pfizer, Novartis, Regeneron, Roche, Sanofi, and Vertex.

The investors stress that many of these companies have received public funding to accelerate medical breakthroughs to respond to the pandemic and are, therefore, obligated to deliver solutions that will help the majority of citizens. Since the beginning of the pandemic, the U.S. Congress has appropriated almost \$10 billion towards Operation Warp Speed for COVID-19, including investments of roughly \$2 billion each, in pharma companies such as Pfizer, Sanofi and GlaxoSmithKline to develop medicines to counter COVID-19.

According to the letter:

“In addition to the U.S. taxpayers’ investment, there is substantial global public investment making the public the largest investor in these health technologies through programs like the Biomedical Advanced Research and Development Authority (BARDA) and the Coalition for Epidemic Preparedness Innovations (CEPI).”

“It goes without saying that this unprecedented global crisis has made it imperative that pharma companies advance the treatment and prevention of COVID-19; however, in doing so, there is also an attendant expectation that they will behave responsibly,” said Cathy Rowan of Trinity Health. ***“These companies must show restraint in terms of pricing, tax avoidance, stock option awards, etc., and demonstrate a willingness to share their intellectual property to ensure the necessary scale-up, manufacturing and mass distribution at prices low enough to ensure equitable access. Anything less would be a glaring betrayal of public trust.”***

The investors point to pharma’s long-standing image problem and an erosion of public trust given persistent, escalating drug prices that are making routine medicines unaffordable, coupled with outsized executive compensation packages that surpass standards for most industries.

The letter also raises the need to respond to the disproportionate risks faced by communities of color who are three times more likely to die from COVID-19-related illness:

“In the U.S., Black, Latinx and Indigenous communities are the racial and ethnic groups most impacted by COVID-19. Increased exposure to the virus due to front-line jobs that keep them from working at home, reliance on public transportation and living in apartments or multigenerational homes partly explain the increase in exposure and case rates. With public resources already seriously constrained to respond to this global health crisis and its economic fallout, it is essential that pharmaceutical companies in receipt of public funds exercise the utmost financial prudence to protect these already economically underserved communities.”

“Pharma companies face significant reputational and legal risks if they are even remotely seen to be profiteering from this deadly pandemic,” said Lauren Compere of Boston Common Asset Management. ***“But those companies that have accepted taxpayer dollars for R&D will come under heightened scrutiny. The recommendations we make are meant to help these companies get ahead of these risks and, in the process, restore the trust of the public and other stakeholders.”***

The investors also signaled their support for greater transparency through The TRACK Bill, recently proposed by Congress, which would require companies to disclose the financial and non-financial federal support they have received in a public database, which the investors say would enable responsible companies to get ahead of regulatory risk. The letter also recommends that pharma companies report on their commitments to adopt fair tax practices and responsible lobbying in alignment with the goals of increased access and affordability of medicines.

“This is a watershed moment for the industry,” continued Compere. ***“How they choose to act is literally a matter of life and death for millions of people. We remain optimistic that these companies will do the right thing and put people before profits.”***

About the Interfaith Center on Corporate Responsibility (ICCR)

Celebrating its 49th year, ICCR is the pioneer coalition of shareholder advocates who view the management of their investments as a catalyst for social change. Its 300 member organizations comprise faith communities, socially responsible asset managers, unions, pensions, NGOs and other socially responsible investors with combined assets of over \$500 billion. ICCR members engage hundreds of corporations annually in an effort to foster greater corporate accountability. Visit our website www.iccr.org and follow us on [Twitter](#), [LinkedIn](#) and [Facebook](#).