### PMPRB Guidelines

- The price of a “breakthrough” product is measured against the publicly available prices of the same product in 7 comparator countries.
- Price of product cannot rise to become the highest among the comparator countries, under Guidelines’ Highest International Price Comparison test.

### 2009

- The PMPRB designates Soliris® (eculizumab) as a breakthrough, innovative product.
- Alexion prices Soliris in accordance with the PMPRB’s guidelines.

### 2010–2011

- The PMPRB does not find the price of Soliris excessive in 2010 and 2011.

### 2012–2014

- Alexion notes that currency rate fluctuations were making it appear as if the price of Soliris in Canada was the highest among the 7 comparator countries and attempts to resolve this issue with Board Staff.

### 2015

- The PMPRB alleges the price of Soliris in Canada was excessive from 2012 to 2014.
- Alexion has never increased the list price of Soliris in Canada. The only thing that changed is the foreign exchange rate between the Canadian dollar and the currencies of the comparator countries, something Alexion does not control.

### 2016

- **PMPRB Introduces New Allegations**
  - Seeks to retroactively apply a newly invented “Lowest International Price Comparison test,” under which the price must always be the lowest of the comparator countries. This new test singles out Alexion.

### 2017

- PMPRB Panel issues decision, which seeks to apply a new pricing comparison test that is not supported by applicable law, regulations, PMPRB guidance or previous decisions of the Board.
  - Alexion strongly disagrees and seeks immediate judicial review in the Federal Court.
- If decision is upheld, we believe it will have serious implications for future innovations and investments in the development and availability of therapies for Canadian patients with devastating rare and ultra-rare diseases.

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**Alexion’s Commitment**
- Develop and deliver life-transforming therapies for patients with devastating and rare diseases that have no effective treatment options.
- Fund in-home and private clinic infusion costs associated with Soliris.
- Long-standing history of providing eligible patients with access to free drug while they await coverage decisions.

**DID YOU KNOW?**
- Alexion invested $1.1B USD directly into Canada with one of the largest biotech acquisitions in Canadian history.
- Alexion has returned approximately 20% of its revenues into the R&D of future therapies.
- Orphan drugs represent a very small fraction of the overall healthcare budget in Canada.

**Adjusted for inflation, the price of Soliris has fallen 10% since 2009 in Canada.**