

Innovative Medicines Canada

Launch Sequencing Follow-up Survey Study

November 18, 2026

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EY Parthenon

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Disclaimer

Ernst & Young LLP ("EY") was engaged by Innovative Medicines Canada ("IMC") to administer a follow-up survey to its member firms across Canada to collect insights on how broader geopolitical and macroeconomic factors are influencing launch-sequencing decisions. In preparing this document ("Report"), EY relied upon unaudited data and information from IMC, third party sources, and publicly available data (collectively, the "Supporting Information"). EY has assumed the Supporting Information to be accurate, complete and appropriate for the purposes of the Report. EY did not audit or independently verify the accuracy or completeness of the Supporting Information. Accordingly, EY expresses no opinion or other forms of assurance in respect of the Supporting Information and accepts no responsibility for errors, omissions, losses or damages arising from any person or entity relying on this Report. EY reserves the right to revise any analyses, observations or comments referred to in this Report should additional Supporting Information become available subsequent to the release of this Report, but has no obligation to update the Report for subsequent events or circumstances.

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About the Study

In May 2025, the U.S. Administration issued an Executive Order related to a Most Favored Nation (MFN) pricing approach for pharmaceuticals and has since engaged in bilateral negotiations to ensure "foreign nations can no longer use price controls to freeride on American innovation". Under MFN, the US may benchmark certain medicine prices to significantly lower prices in countries such as Canada, increasing international scrutiny of pharmaceutical pricing policies.

Adoption of a US MFN pricing approach is contributing to a broader reorganization of the global pharmaceutical landscape, with potential impacts across markets, including Canada.

Building on the insights gathered through the previous survey, IMC engaged Ernst & Young LLP (EY) to administer this follow-up survey to evaluate whether recent developments and ongoing uncertainty related to MFN pricing and the broader global pharmaceutical environment are influencing product launch sequencing decisions in the life sciences and pharmaceutical sectors.

40 member firms resurveyed in August and September 2026

Participant profile

Headquartered Countries

- Canada

Therapeutic Areas

- Neurology/ mental health
- Oncology
- Immunology
- Internal medicine
- Rare diseases

Sources: IMC Member Survey, EY analysis

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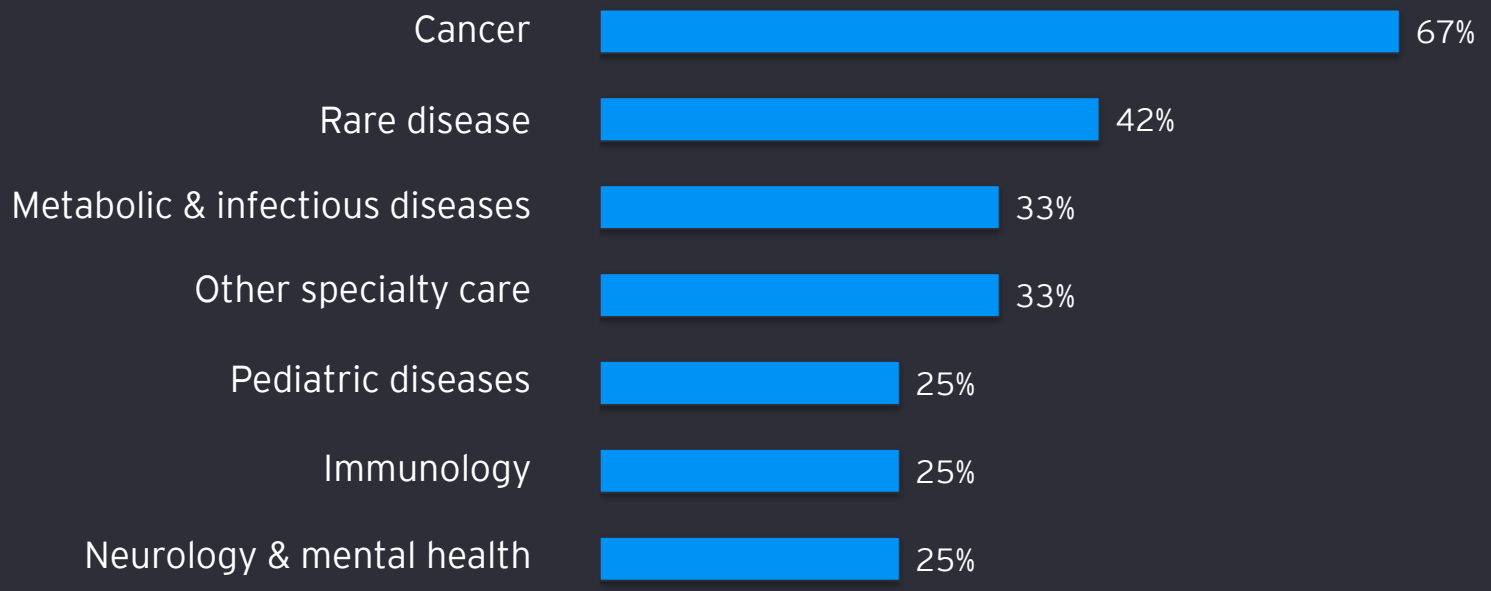
Executive Summary

23
total products not launched

28
total products delayed

Products not launched due to MFN:



- IMC member firms continue to face a challenging environment from MFN-related policy, with 23 products not launched and 28 products delayed.
- Products not launched span several therapeutic areas, with cancer most commonly cited, followed by rare disease, metabolic & infectious disease, and other specialty care.

Note: Other specialty care includes respiratory, gastroenterology, and haematology, metabolic & infectious diseases includes diabetes metabolic and infectious disease. Sources: IMC Member Survey, EY analysis

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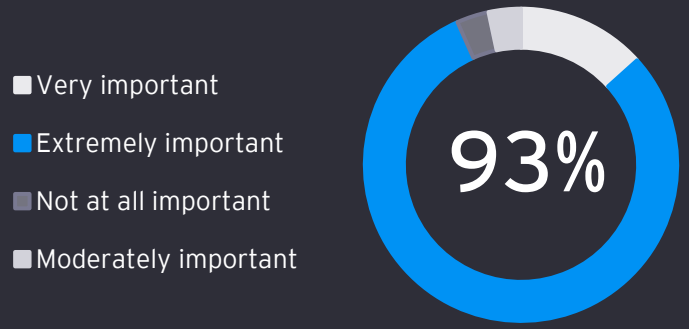
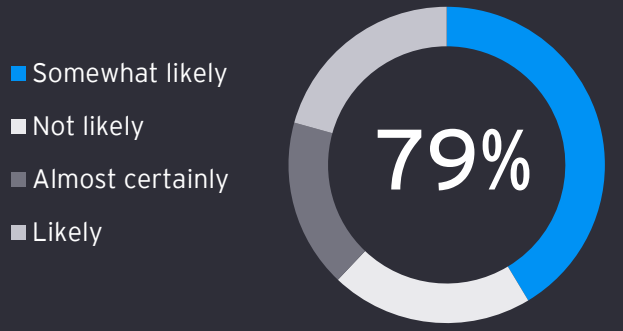
Executive Summary



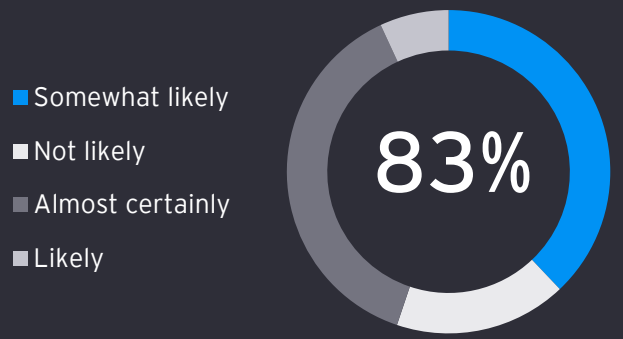
of IMC members reported that MFN Policy has created "some uncertainty or significant uncertainty affecting business confidence"



of IMC members said a Taskforce or UK style negotiation would be extremely or very important



of IMC members reported that employment adjustments were likely, somewhat likely, or almost certain as a result of MFN considerations



of IMC members consider reductions in research and development investment in Canada to be somewhat likely, likely, or almost certain as a result of MFN-related considerations

Areas most affected by uncertainties:



Sources: IMC Member Survey, EY analysis

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Methodology

On behalf of IMC, EY administered an anonymous online follow-up survey of 40 IMC member firms across Canada in August and September 2026. The survey was designed to gather insights on the geopolitical and macroeconomic factors influencing product launch-sequencing decisions in the life sciences and pharmaceutical sectors.

Respondents represent a cross-section of organizations within Canada's innovative life sciences ecosystem, spanning early-stage companies through to more established firms. Collectively, these organizations support the discovery, development, and delivery of advanced health solutions through ongoing research and development activities.

The respondents represented 30 of 40 member firms (75% response rate), including 1 partial response. This sample included members in the following therapeutic areas:

- Neurology/mental health
- Oncology
- Immunology
- Internal medicine
- Rare diseases

Sources: IMC Member Survey, EY analysis

Section 1

Member Sentiment

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2. Which areas of your business have been most affected by MFN-related uncertainties or impacts? (Select all that apply)

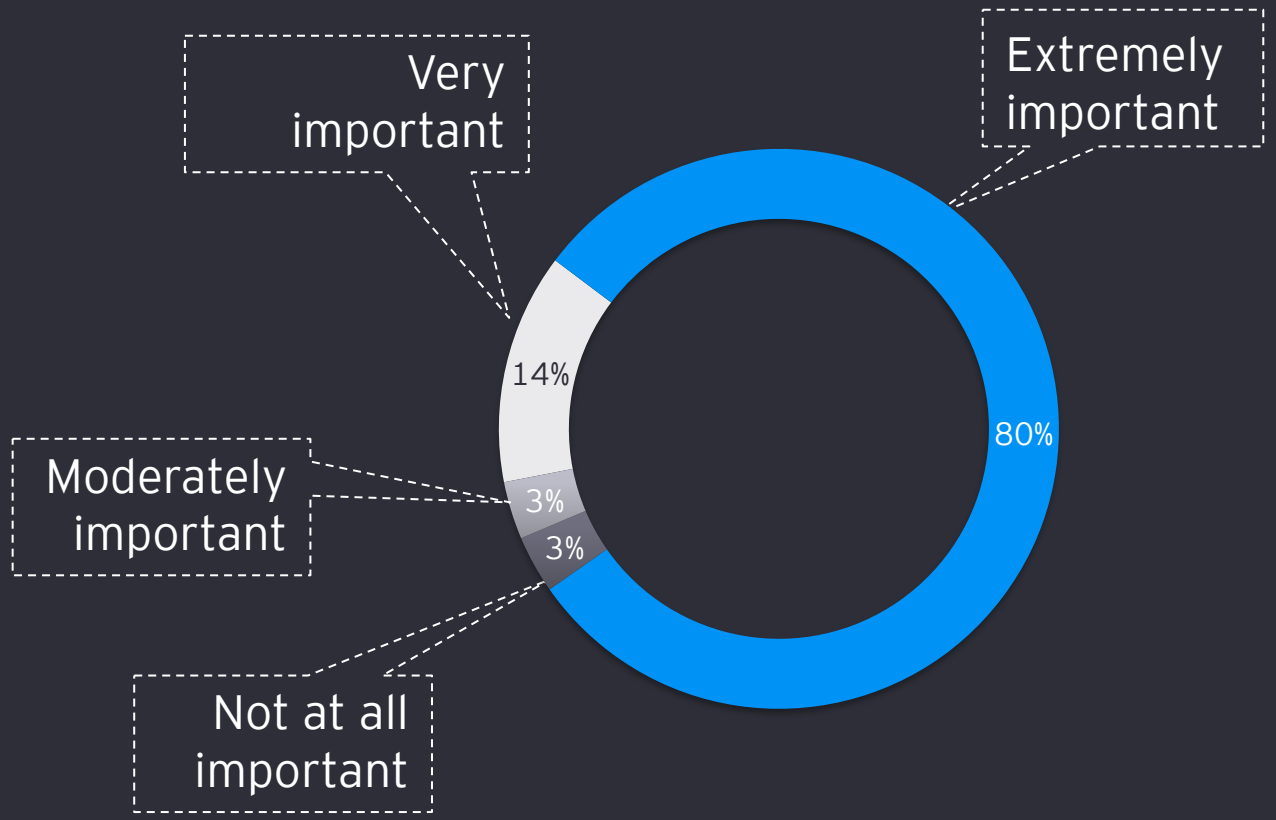


- Other* responses include:
  - Patient access and stakeholder management
  - Private payer and patient support programs
  - Commercial pipeline and sponsor engagement
  - Pricing and market access strategy
  - Investment planning and market viability

Note: Other* responses have been summarized.

Sources: IMC Member Survey, EY analysis

3a. How important is it that Canada pursue a policy response (e.g., taskforce; U.K. style negotiation) to mitigate MFN-related risks?



3b. Please provide any examples of possible policy responses:

- Negotiate international agreements to mitigate MFN-related risks
- Reform pricing, HTA, and reimbursement frameworks to better recognize the value of innovation
- Increase public funding and budget certainty for innovative medicines and product launches
- Modernize regulatory, HTA, and reimbursement pathways to improve speed and predictability
- Implement targeted measures to attract pharmaceutical investment, clinical research, and product launches

Note: 3b is a summary of responses.

Sources: IMC Member Survey, EY analysis

Section 2

Product Launch & Market Access

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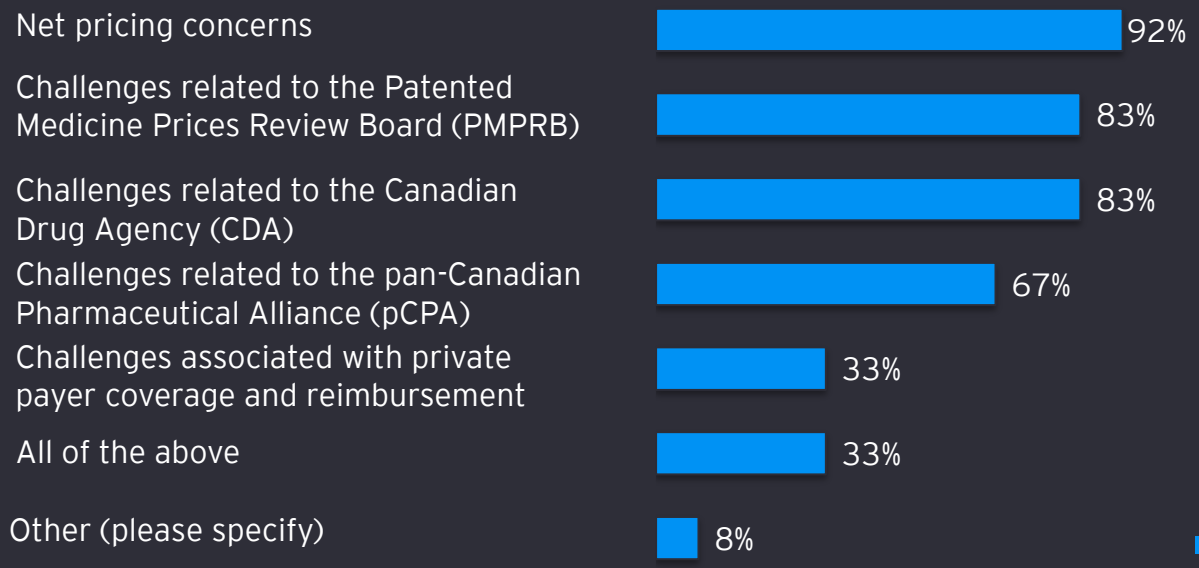
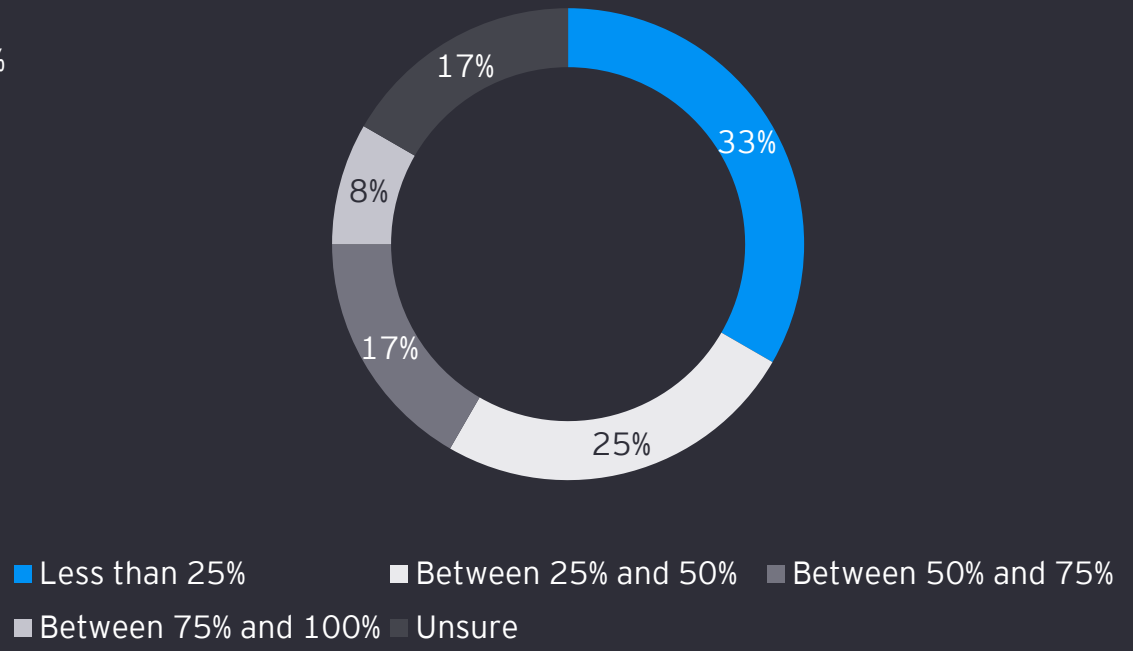
5b. Which Canadian barriers most contributed to MFN-related decisions not to launch these products in Canada? (Select all that apply)



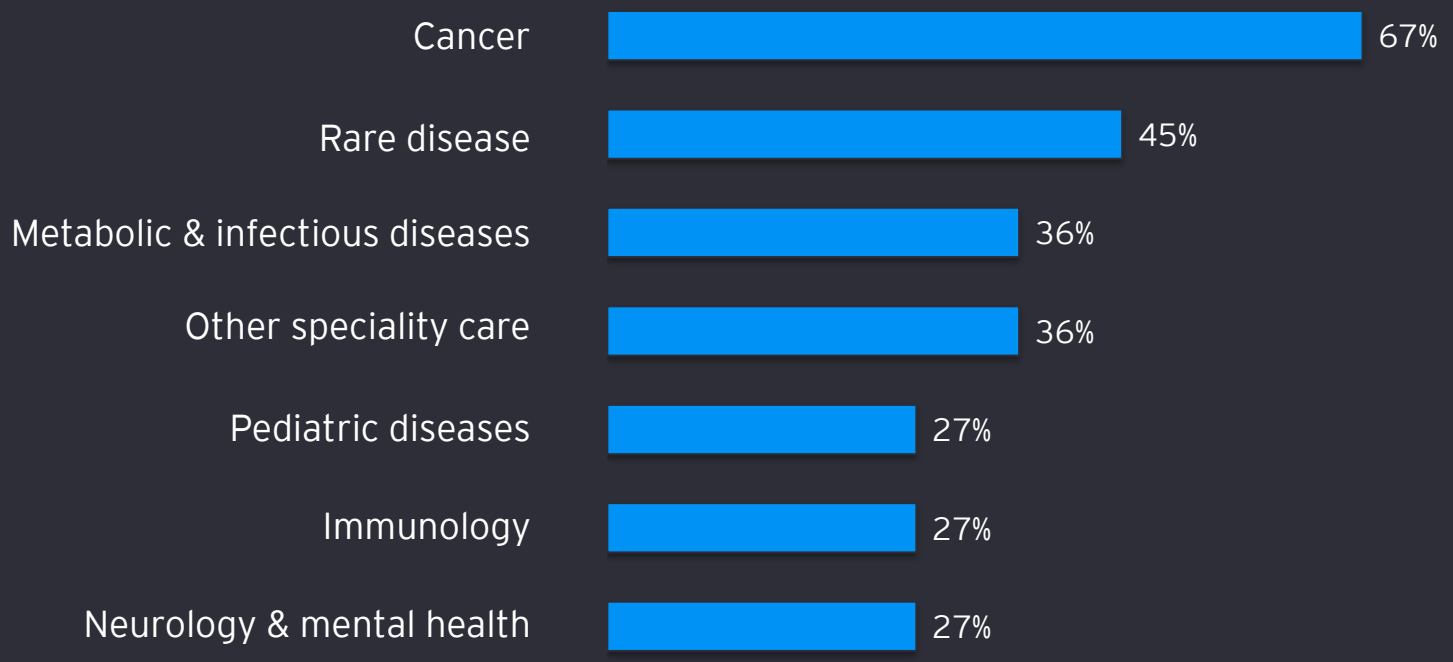
*Other Canadian barriers include considerations related to continuity of access for clinical trial participants if a molecule is not launched in Canada.

5c. Approximately what percentage of your company's potential product launches do these non-launches represent?



Sources: IMC Member Survey, EY analysis

6. Which therapeutic categories were impacted? (Select all that apply)

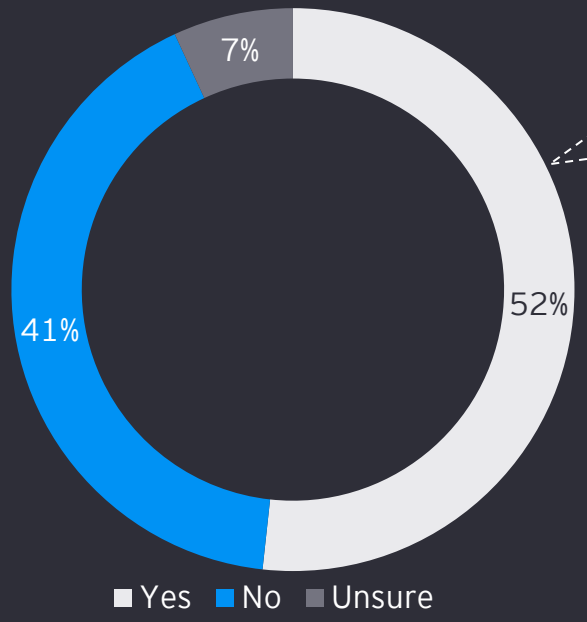


Note: Other specialty care includes respiratory, gastroenterology, and haematology, metabolic & infectious diseases includes diabetes metabolic and infectious disease.

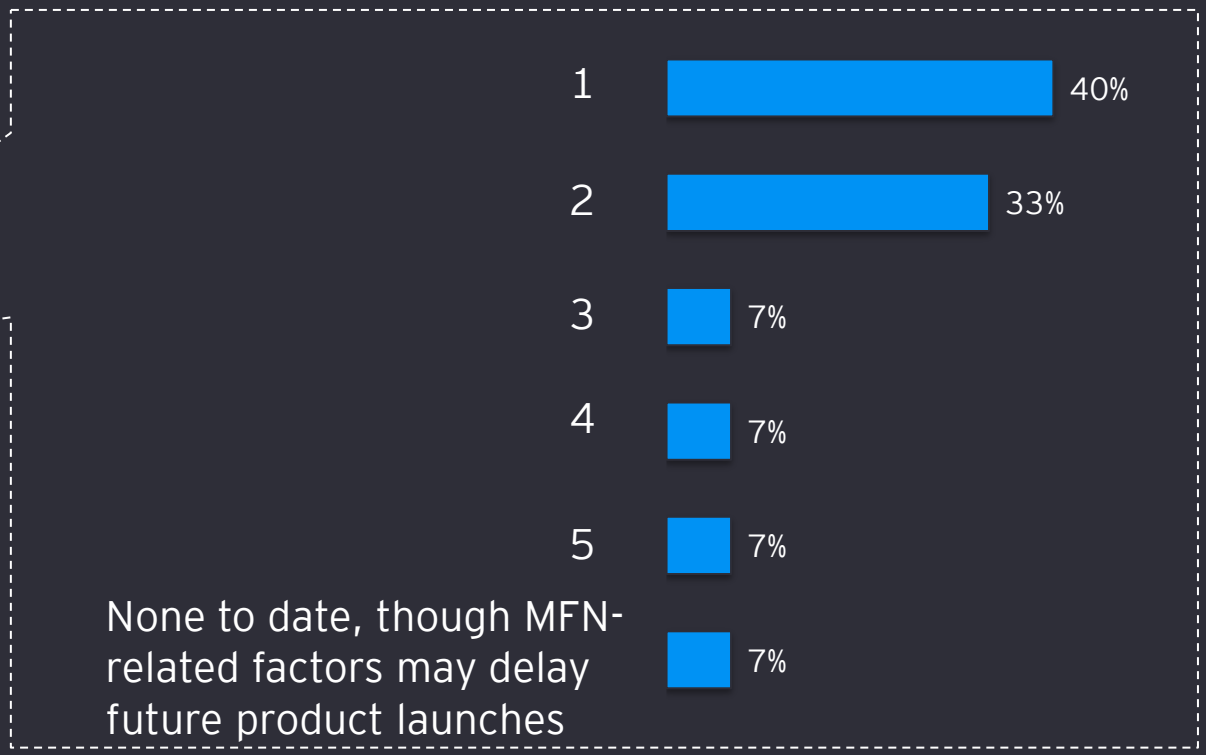
- Among the therapeutic areas affected, cancer was reported to be affected the most, with 67% of members reporting impact. Rare diseases followed with 45% of members reporting impact.

Sources: IMC Member Survey, EY analysis

7. Since the signing of the U.S. MFN Executive Order, has your company delayed the launch of one or more products in Canada, with the intention of launching those products in the future, due in whole or in part to MFN-related considerations?



8a. How many of your company's Canadian product launches have been delayed in part due to MFN-related factors?



Sources: IMC Member Survey, EY analysis

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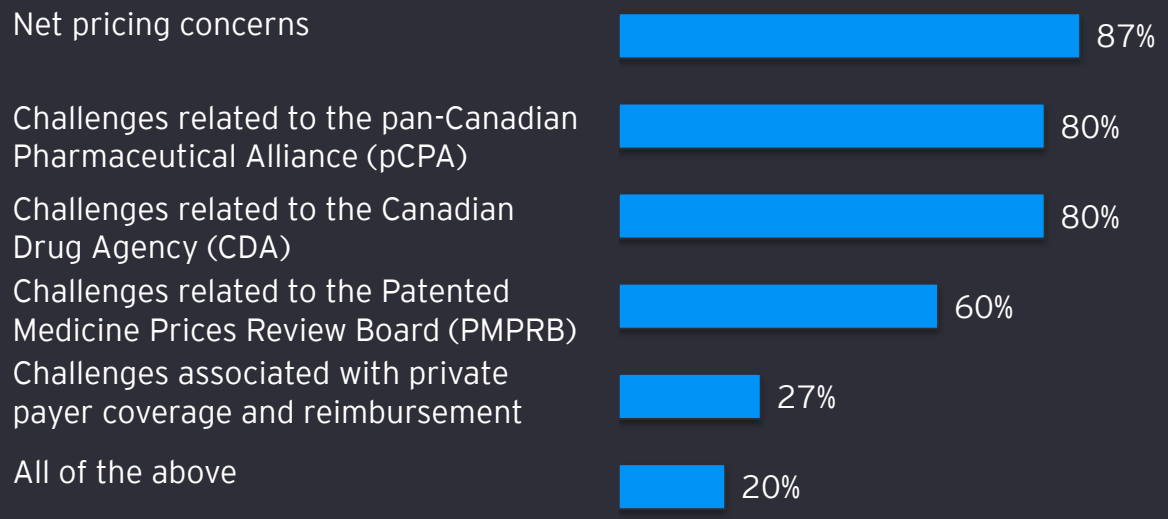
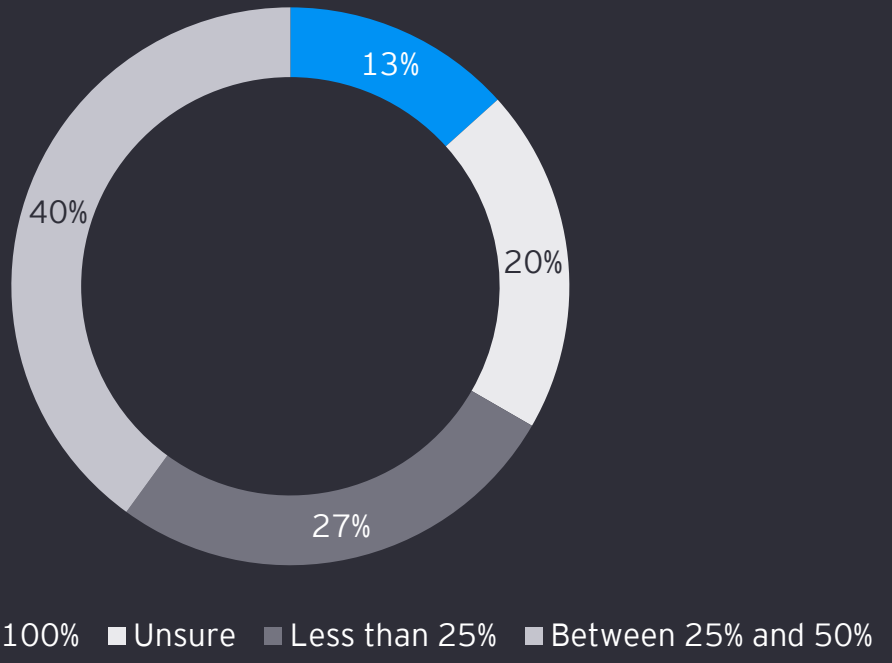
8b. Which Canadian barriers most contributed to MFN-related decisions to delay the launch of these products in Canada? (Select all that apply)

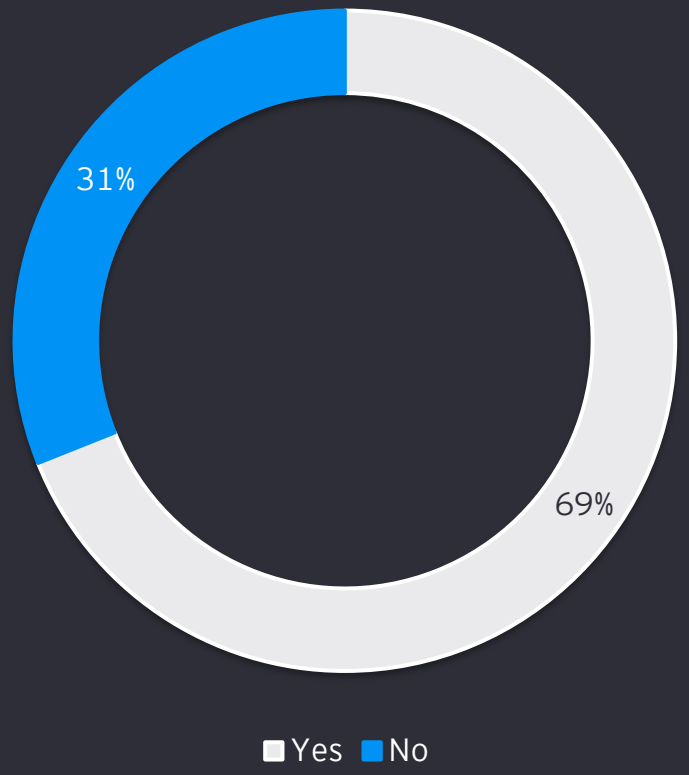


8c. Approximately what percentage of your company's potential product launches do these launch delays represent?



Sources: IMC Member Survey, EY analysis

9a. Has your company experienced delays in decision making at the global or Canadian affiliate level that were influenced by trade-related factors (e.g., tariff changes, supply chain disruptions, regulatory challenges)?



9b. Please provide details on the source of delays:

- Uncertainty around MFN implementation and Canadian pricing decisions
- Delays in global launch sequencing and investment decisions
- Pricing and reimbursement challenges affecting launch viability
- Increased scrutiny of pricing and health economic assessments
- Trade, tariff, and regulatory uncertainty impacting planning

Note: 9b is a summary of responses.

Sources: IMC Member Survey, EY analysis

Section 3

Canadian Jobs

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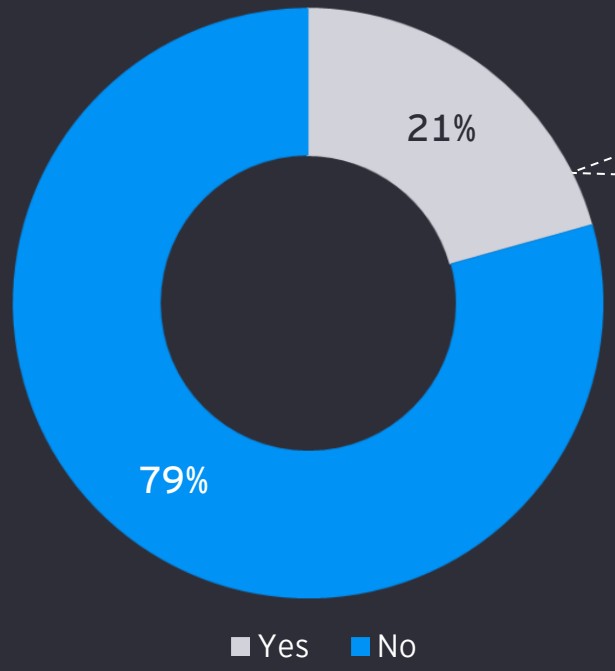
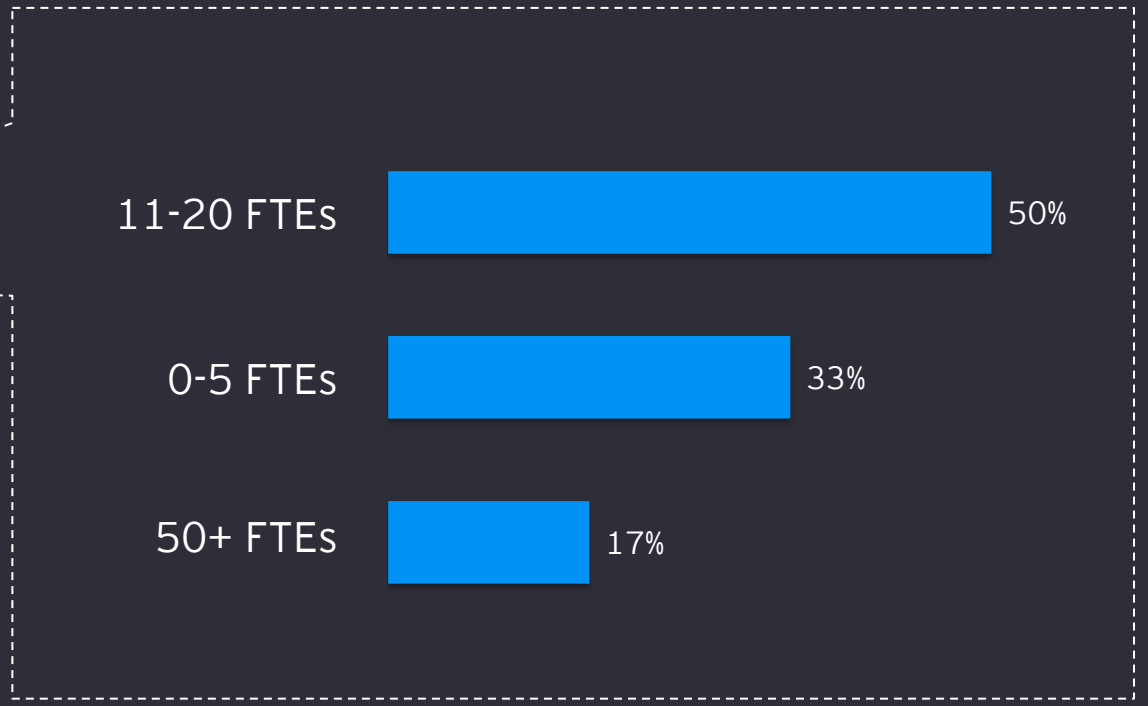
19. Since the signing of the U.S. MFN Executive Order, has your company made any reductions to its Canadian employee base (FTEs) where MFN-related considerations were a contributing factor?



20. Please estimate the scale of the employee base reductions:

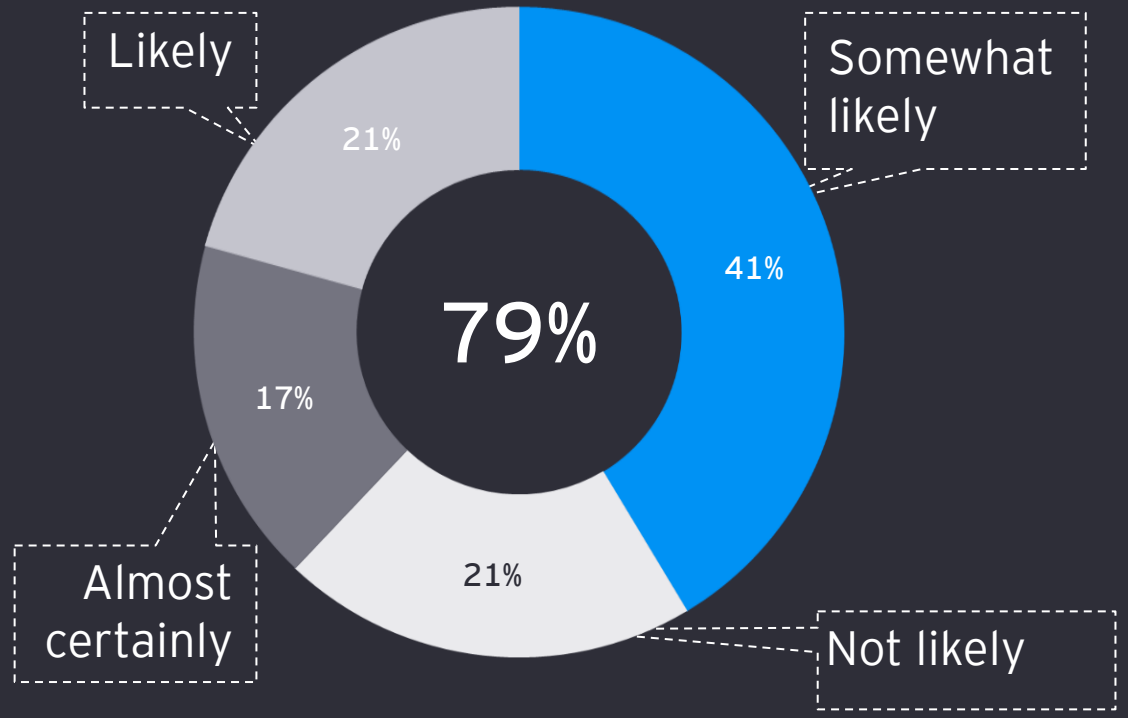


Sources: IMC Member Survey, EY analysis

Section 4

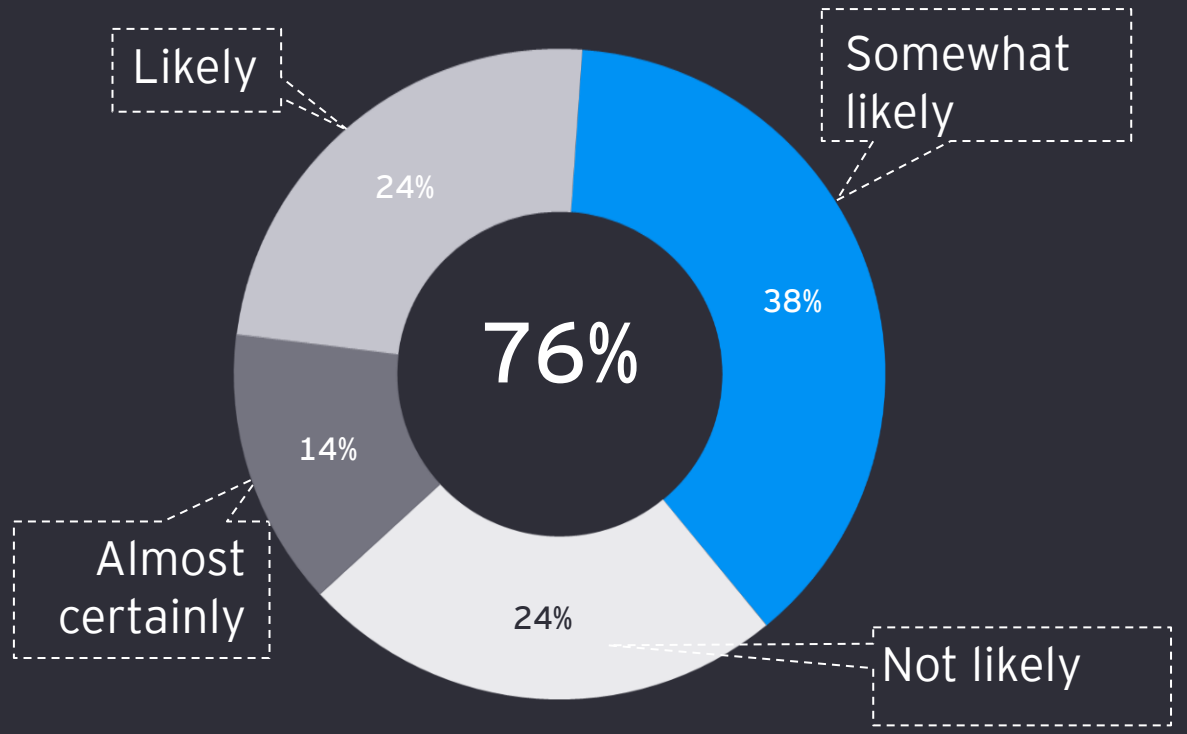
Canadian Jobs, Clinical Trials, and R&D

21. Going forward, how likely is it that your company will make reductions to its Canadian employee base as a result of MFN-related considerations?



Note: 79% of respondents indicated that a reduction to their Canadian employee base as a result of MFN-related considerations was likely, somewhat likely, or almost certain.

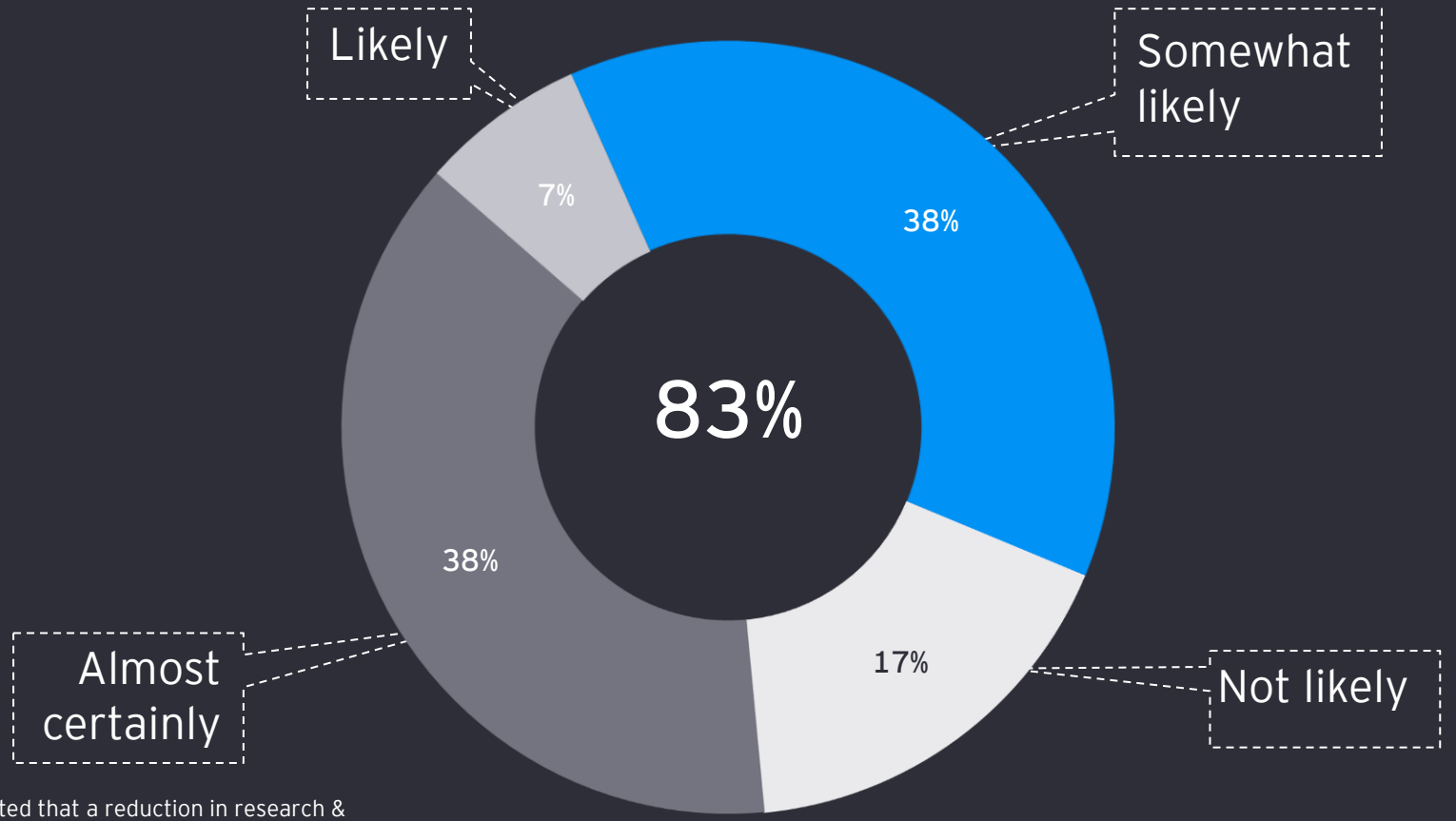
22. Going forward, how likely is it that your company will pause or cancel any Canadian clinical trials as a result of MFN-related considerations?



Note: 76% of respondents indicated that a pause or cancellation of Canadian clinical trials as a result of MFN-related considerations was likely, somewhat likely, or almost certain.

Sources: IMC Member Survey, EY analysis

23. Going forward, how likely is it that your company will see a reduction in research & development in Canada as a result of MFN-related considerations?



Note: 83% of respondents indicated that a reduction in research & development in Canada as a result of MFN-related considerations was likely, somewhat likely, or almost certain.

Sources: IMC Member Survey, EY analysis

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