

Medical devices

Longer Term Investments (LTI)

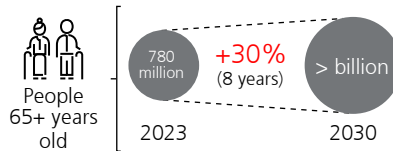
Medical devices can assist in the treatment of many conditions. Some reduce the risk of worsening of a treated condition, perhaps as an alternative to drug therapy; others improve users' quality of life or functioning; and still others can solve problems untreatable with drugs. An aging population and the growth of the over-65 age group will create more opportunities for companies selling medical products and devices.



Projections and opportunities

Aging and population growth

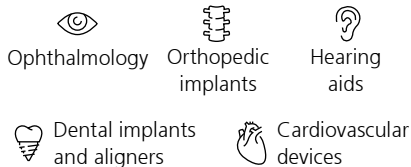
People aged 65 and over account for the majority of medical device use. We expect the number of people over 65 to rise nearly 30% by 2030.



Source: UBS, 2023

Size of key markets

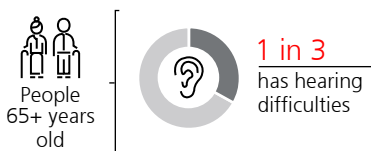
We estimate the total size of five key markets for implantable or wearable devices at around USD 139 billion.



Source: UBS, as of March 2023

Hearing aids

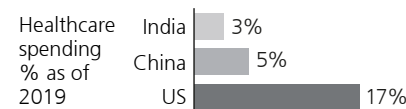
One-third of people over 65 years old have hearing difficulties. We see demographics rather than increased penetration as the main future growth driver.



Source: UBS, 2018

Emerging markets

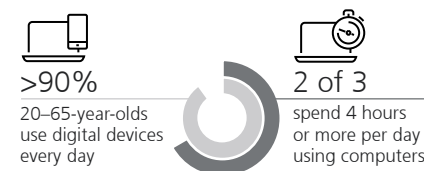
We expect structural policies in many developing countries to ultimately support a rate of growth in healthcare spending above that of GDP.



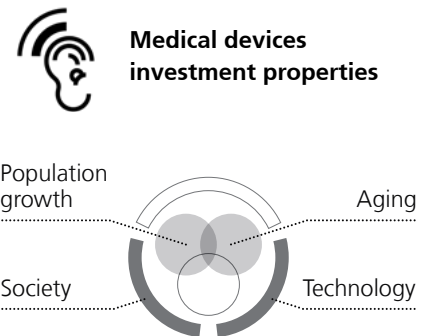
Source: World Bank, UBS, as of June 2021

Corrective lenses

Much of nearsightedness is attributed to the use of computers. More than 90% of 20–65-year-olds use digital devices every day, and nearly two-thirds spend four hours or more per day using computers.



Source: EssilorLuxottica, 2016 data



○ Influencer ⊗ Key drivers

Near-term drivers

- Aging population
- Lifestyle diseases such as obesity and heart disease

Sustainable investing

- SDG 1: No poverty
- SDG 3: Good health and well-being
- SDG 8: Decent work and economic growth
- SDG 10: Reduced inequalities

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