



## Corporate citizenship at Novartis

### Creating value through responsible business

Our most important contribution to society is to discover and develop innovative healthcare products, targeting unmet medical needs. By doing this, we help alleviate suffering, improve quality of life and save lives. During 2009, vaccines and medicines from Novartis were used to protect and treat more than 930 million people. One Novartis patient out of 12 received treatment through an access program.

Our commitment to corporate citizenship rests on four pillars: patients, people and communities, the environment, and ethical business conduct.

### Meeting patient needs globally

Patients around the world benefit from Novartis access-to-medicine initiatives – from research on neglected diseases and drug donations to assistance programs that help cancer patients receive the most innovative treatments. In cooperation with the World Health Organization, United Nations' agencies, foundations and nongovernmental organizations, we are working to improve access to healthcare.

- Our access-to-medicine programs reached 79.5 million patients in 2009. These programs were valued at USD 1.5 billion, 3% of our annual net sales.
- The Novartis Institutes for Developing World Medical Research are discovering vaccines and drugs for diseases that are devastating to developing countries. Novartis received the Medicines for Malaria Venture Project of the Year award for 2009, recognizing one of our drug candidates for its great promise as a next generation treatment for malaria.
- Since 2001, Novartis has delivered more than 320 million treatments of its antimalarial, Coartem (artemether-lumefantrine), without profit to malaria-endemic countries.
- We have also provided free treatment for leprosy patients worldwide leading to the cure of about 5 million patients since 2000.
- In the US alone, in 2009, our patient assistance programs provided products worth USD 232 million to more than 100,000 patients in need.
- We are developing innovative business models to expand access to health education and affordable products for over 40 million low-income people in rural India.

### Our people and communities are key to our success

Novartis impacts the lives of approximately 100 000 associates, their families and the communities in which they live.

- In an effort to safeguard low-wage earners, Novartis was the first international company in 2005 to ensure living wages for all associates. A living wage is a voluntary minimum pay standard covering people's basic living needs.

- 
- An external Diversity & Inclusion (D&I) Advisory Council – comprising experts from academia, business and the media – guides us on our D&I journey. In 2010, *DiversityInc* ranked Novartis No. 7 in its “Top 10 Companies for Global Diversity.”
  - Novartis supports communities through a range of initiatives, including our annual Community Partnership Day. In 2010, 20 000 associates supported local communities, social institutions and nonprofit organizations.
  - We contribute to disaster relief efforts. In 2010, Novartis provided USD 1.7 million-worth of medicines to victims of the Haiti earthquake. In addition, Novartis matched donations by associates for a total of USD 1.8 million.

### Environmental stewardship makes good business sense

In 2005, Novartis made a voluntary commitment to reduce on-site emissions of greenhouse gases (GHG) to the level prescribed in the Kyoto protocol. This amounts to a reduction of about 30% of our greenhouse gas (GHG) emissions in 2005.

- We are the first healthcare company to have embarked on two external carbon-offset projects designed to fulfill requirements of the UN Clean Development Mechanism: a forest in Argentina and a jatropha plantation in Mali.
- The 69 projects submitted in 2009 to the Novartis Energy Excellence Awards are expected to save USD 24.5 million and reduce greenhouse gas (GHG) emissions by 131 kilotons, representing 9% of group total GHG emissions.
- Group-wide solar electricity capacity was tripled in 2009 by the biggest single solar installation at Novartis to date, a 1-megawatt solar panel system in California.

### Ethical business conduct is engrained in our activities

Ethical considerations inform every dimension of our business, throughout our research, development, manufacturing, marketing and distribution processes.

- We acknowledge the importance of animal welfare and have established a global Animal Welfare Organization with 40 officers to ensure high standards are maintained through all Novartis-sponsored studies.
- We design and conduct all our clinical studies in accordance with ethical principles embodied in the Declaration of Helsinki, Good Clinical Practice (GCP) guidelines as well as national and international regulatory requirements.
- We are committed to maintaining high ethical standards in promoting our products. Divisional marketing codes apply globally, supplementing national and international legislation as well as industry codes.
- Novartis associates completed 155 246 e-training courses on business ethics in 2009.
- We empower associates to report misconduct through the Business Practices Office (BPO), including anonymous hotlines in 70 countries and 51 languages.
- Ethical conduct is expected of our 200 000 suppliers. Minimum requirements for working conditions, health and safety, and environmental protection are outlined in the Third Party Code of Conduct.

For more information: [www.corporatecitizenship.novartis.com](http://www.corporatecitizenship.novartis.com)