

Novo Nordisk UN Global Compact Communication on Progress – 2009

See also <http://annualreport2009.novonordisk.com/governance-and-reporting/un-global-compact.aspx>

Novo Nordisk is a signatory to the United Nations Global Compact, a platform for encouraging and promoting good corporate principles and learning experiences in the areas of human rights, labour, environment and anti-corruption. We signed up to the United Nations Global Compact in 2002, and reaffirmed this commitment in 2004 as a signatory to the Global Compact, including the tenth principle, which was adopted in June 2004.

The article (Communication on progress) provides an overview of activities during 2009 in support of the Global Compact's objectives. The GRI indicators have been linked to the ten principles.

Novo Nordisk and Global Compact

Novo Nordisk signed up to the United Nations Global Compact in 2002. In 2004 Novo Nordisk reaffirmed its commitment as a signatory to the Global Compact, including the tenth principle, which was adopted in June 2004.

Novo Nordisk strives to implement the Global Compact principles into its business and within its sphere of influence. Novo Nordisk actively support the proliferation of the Global Compact by providing case studies and giving presentations related to Global Compact activities, both at international events and through the Nordic network.

In January 2009, Novo Nordisk co-hosted a discussion on the future development of the Global Compact at the World Economic Forum in Davos and is an active partner in this effort.

Novo Nordisk has since 2007 been a part of the UN Global Compact initiative – '[Caring for Climate: The Business Leadership Platform](#)'. This initiative is well in line with Novo Nordisk's climate strategy. Read more about [climate action](#) here.

For Novo Nordisk, the Global Compact is a forum for learning and a way of engaging in dialogue with stakeholders. The Global Compact is also an opportunity to be accountable and transparent about efforts to integrate sustainability into the business.

Novo Nordisk works actively with the '[Global Compact Network Nordic Countries](#)' for the Compact to gain further ground in the Nordic countries and to share better practices for implementation among Nordic companies.

Examples of activities in support of the Global Compact principles include Novo Nordisk's support of the UN Resolution on Diabetes, participation in the [Global Business Initiative for Human Rights](#), the [Global Compact Human Rights Working Group](#), and the Respect Europe initiative 'Road to Copenhagen 2009'.

The Global Compact's 10 principles for responsible business are incorporated into the company's governance framework, the Novo Nordisk Way of Management and serve as the strategic frame for comprehensive programmes such as the Changing Diabetes programmes to improve access to health, the Business Ethics Programme and the Responsible Sourcing Programme.

Principles

Human rights - Principle 1-2

Principle	Reference to GRI G3 performance indicators
1 - Businesses should support and respect the protection of internationally proclaimed human rights within their sphere of influence.	HR1, HR2, HR3, HR4, HR5, HR6, HR7, HR8, HR9, EC5, LA4, LA6, LA7, LA8, LA9, LA13, LA14, SO5, PR1, PR2, PR8
2 - Businesses should make sure they are not complicit in human rights abuses.	HR1, HR2, HR3, HR4, HR5, HR6, HR7, HR8, HR9, SO5

Taking responsibility is part of Novo Nordisk's commitment to the Triple Bottom Line. The company's approach is described in its framework for corporate governance and fundamental business principles, the Novo Nordisk Way of Management. It explicitly refers to the company's support for the United Nations Universal Declaration of Human Rights.

Novo Nordisk has worked with human rights since 1998, when the first human rights review was undertaken. The current focus areas are the rights to health, equal opportunities and diversity.

In 2009 Novo Nordisk continued to actively participate in the international debate on how to define corporate responsibility for human rights being led by the Special Representative to the Secretary General of the UN on business and human rights.

Novo Nordisk has published its position on human rights on its website. The position states that Novo Nordisk will:

- Promote the protection of international human rights within our sphere of influence
- Reach out to promote the right to health
- Actively promote equal opportunities and diversity
- Make a valuable difference by our example and presence
- Contribute to the development of international standards on human rights for business.
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Examples of corporate programmes that actively promote human rights are:

- [Access to health](#)
- [Responsible sourcing](#)
- [Diversity](#).

Labour – Principle 3-6

Principle	Reference to GRI G3 performance indicators
3 - Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	LA4, LA5, HR1, HR2, HR3, HR5, SO5
4 - Businesses should uphold the elimination of all forms of forced and compulsory labour.	HR1, HR2, HR3, HR7, SO5
5 - Businesses should uphold the effective abolition of child labour.	HR1, HR2, HR3, HR6, SO5
6 - Businesses should eliminate discrimination in respect of employment and occupation.	LA2, LA13, LA14, HR1, HR2, HR3, HR4, EC7, SO5

It is a minimum requirement for companies and affiliates in Novo Nordisk to ensure that the freedom of association and the right to collective bargaining are upheld, that the company does not engage in forced and compulsory labour or child labour, and that the company works to ensure diversity and non-discrimination in respect of employment and occupation.

Novo Nordisk has activities all over the world and also has operations in countries where employees do not have a free choice of union. In those cases it is ensured that the national legislation is followed.

Examples of comprehensive corporate programmes that actively promote labour standards are:

- [Responsible sourcing](#)
- [Diversity](#).

Environment – Principle 7-9

Principle	Reference to GRI G3 performance indicators
7 - Businesses should support a precautionary approach to environmental challenges.	EC2, EN18, EN26, EN30, SO5
8 - Businesses should undertake initiatives to promote greater environmental responsibility.	EN1, EN2, EN3, EN4, EN5, EN6, EN7, EN8, EN9, EN10, EN11, EN11, EN12, EN13, EN14, EN15, EN16, EN17, EN18, EN19, EN20, EN21, EN22, EN23, EN24, EN25, EN26, EN27, EN28, EN29, EN30, SO05, PR3, PR4
9 - Businesses should encourage the development and diffusion of environmentally friendly technologies.	EN2, EN5, EN6, EN7, EN10, EN18, EN26, EN27, EN30, SO5

Ensuring environmental sustainability is one of the global challenges addressed by the [UN Millennium Development Goals](#). The unequal access to resources means that in some parts of the world economic growth is hindered by the lack of e.g. clean drinking water, whereas in other parts of the world the abundance of and access to energy is accelerating the depletion of fossil fuels.

Governments and intergovernmental organisations such as the United Nation (UN) recognise the urgency of this issue and seek to promote the integration of the principles of sustainable development into national and regional policy programmes. Legislation and policy instruments such as taxation and regulation aim to curb or even reverse the loss of environmental resources, but not even these initiatives fully factor in the environmental costs and the potentially negative impacts on human lives in the long term. The business community has a key role to play if we are to achieve more sustainable growth.

Novo Nordisk subscribes to the International Chamber of Commerce’s Business Charter for Sustainable Development. Our approach is described in the framework for corporate governance and fundamental business principles, the Novo Nordisk Way of Management.

Novo Nordisk joined WWF’s Climate Savers programme by signing an agreement to reduce Novo Nordisk emissions of CO2. Under this agreement the company has committed to an ambitious target of a 10% reduction in its CO2 emissions in absolute figures by 2014 compared to 2004, which was reached for the first time in 2009.

In 2009, Novo Nordisk was an active member of [The Copenhagen Climate Council](#), which is an independent global initiative gathering business leaders from Europe, the Americas, Asia and Oceania and leading politicians, authorities and scientists. The Copenhagen Climate Council worked to promote a broad global dialogue and build momentum for achieving an ambitious, global and binding treaty at the UN Climate Summit in Copenhagen in December, 2009.

In 2009, the main activities of the council were the World Business Summit on Climate Change in May and a business event at the Kronborg castle during the COP-15. Held in May 2009, the outcome of the World Business Summit was a list of six items that the

business community believes to be necessary ingredients of a new, effective climate agreement.

Being a pharmaceutical company means that a majority of activities related to the production of pharmaceutical products have a high level of safety, always ensuring that Novo Nordisk have identified any potential risks to the users of Novo Nordisk's products before they are taken into use. An example of how Novo Nordisk's work with the precautionary principle can be found in Novo Nordisk's position on [gene technology](#).

Examples of comprehensive corporate programmes that actively promote environmental responsibility are:

- [Climate strategy](#)
- [Environmental management](#)
- [Limiting our footprint](#)

Anti-corruption – Principle 10

Principle	Reference to GRI G3 performance indicators
10 - Businesses should work against all forms of corruption, including extortion and bribery	SO2, SO3, SO4, SO5, SO6

Integrity and ethical business conduct has always been a business principle for Novo Nordisk and one that is included in the Novo Nordisk Way of Management and its systematic follow-up methodology.

Bribery and corruption are key local concerns today, detrimental to the wealth, stability and economic growth of societies as well as to the environment and Novo Nordisk believes that these problems must be tackled by all levels of society. Novo Nordisk's role as a private company is to act responsibly in all aspects of how Novo Nordisk conducts business as well as actively supporting relevant initiatives to combat corruption.

Novo Nordisk's Business Ethics programme includes compliance with legislation and offers guidance on individual judgements. The Business Ethics Policy sets direction and states that bribery and corruption is unacceptable. It is backed by three procedures for ethical business conduct, product promotion and contracting with agents and other third parties.

In addition, all staff involved in sales, marketing, regulatory affairs or public affairs, must complete training that provides guidance, including examples of what constitutes unacceptable behaviour. Business ethics training has been required of all managers since 2008 and all general managers and sales directors have been trained via face-to-face workshops.

Novo Nordisk has established a Business Ethics Compliance office to support and monitor the company's business ethics policy and procedures, and manages training covering anticorruption, conflicts of interest, promotion of pharmaceutical products, and interaction with healthcare professionals, suppliers and intermediaries.

Our Business Ethics policy and procedures also set standards for our public affairs activities and engagement with stakeholders such as public officials, healthcare professionals and patient organisations.

During 2009, we reached settlement agreements with the US Securities and Exchange Commission, the US Department of Justice and the Danish Public Prosecutor for Serious Economic Crime regarding the company's sales to Iraq during 2000 to 2003 under the United Nations Oil-for-Food programme.

Examples of comprehensive corporate programmes that actively promote anti-corruption are:

- [Business ethics](#)
- [Public affairs](#)