

MEDIA & INVESTOR RELEASE

Novartis accelerates efforts toward ESG targets to increase access to medicines, improve health equity and achieve net-zero carbon emissions

- *Reached nearly 29 million patients to date in 2021 through our flagship programs and strategic innovative brands*
- *Announced a planned 10-year commitment with historically black colleges and universities to address root causes of systemic disparities in health outcomes*
- *Continued our global health leadership with positive phase 2b results for our next generation antimalarial therapy ganaplacide in combination with lumefantrine which support its continued development*
- *Committed to achieving net zero carbon emissions across our value chain by 2040*

Basel, September 30, 2021 — At its eighth annual ESG investor event hosted today, Novartis shared progress against its Environmental, Social and Governance (ESG) targets and updated on its most [material ESG topics](#), including access to medicines, patient health and safety, innovation and ethical standards.

“ESG is central to the Novartis strategy and is critical to delivering on our purpose to reimagine medicine to improve and extend people’s lives. Coupled with our inspired, curious and unbossed culture, we believe ESG efforts on our most material topics will help drive our overall performance as a company and deliver long-term value for our stakeholders,” said Vas Narasimhan, CEO of Novartis. “Looking ahead, we are renewing our focus on our ESG material topics, redoubling our efforts on improving access to medicines and accelerating our journey toward a zero-carbon future.”

Access to medicines remains one of the world’s biggest healthcare challenges, and as confirmed by the recent Novartis materiality assessment, it remains one of the most material ESG topics for the company. The WHO estimates that more than 2 billion people worldwide lack access to basic medicines. Guided by the [Novartis Access Principles](#) and taking local economic realities into account, Novartis applies a broad range of approaches to ensure medicines can be available where they are needed, including tiered pricing, innovative business models and emerging market brand strategies. The Access to Medicines Index has repeatedly recognized our efforts, ranking Novartis 2nd in the 2021 index and highlighting Novartis as the only company with equitable access strategies in low-income countries across its portfolio.

Making innovation accessible and affordable in low-income settings

Over the last 12 months, we have made significant progress against our 2025 Patient Access Targets, which are linked to a sustainability bond (SLB) issued in September 2020. By 2025, we aim to increase patients reached in low- and middle-income countries (LMICs) with strategic innovative therapies by 200% and the Novartis Flagship Programs (malaria, sickle cell disease, Chagas disease and leprosy) by 50%. Strategic innovative therapies are non-generic therapies that have been designated as strategic based on factors such as patient

impact, innovation and commercial viability. In 2021, we have already reached 0.8 million patients with our strategic innovative therapies to date versus our target for 1.6 million patients by 2025. We have also increased the number of patients reached by our flagship programs to 28.0 million to date (vs our 2025 target of 22.6 million), while achieving two significant milestones in our malaria program: we have delivered more than 1 billion antimalarial treatment courses since 1999; and we have positive phase 2b results for our next generation antimalarial therapy ganaplacide in combination with lumefantrine which support its continued development. In addition, the Novartis sub-Saharan Africa strategy is delivering a sustainable business model demonstrating a 29% increase in patients reached (H1 2021 vs H1 2020) coupled with a 22% increase in net sales during the same time period.

Pioneering access solutions for our innovative therapies

For all its new medicines, Novartis aims to systematically integrate access strategies to reach underserved patients. In alignment with our access principles, we aim to expand access to our innovative therapies in areas of high unmet need. Earlier in September, Novartis announced an agreement with NHS England as part of a pioneering population health management approach to enable broad and rapid access to its first-in-class cholesterol-lowering medicine, inclisiran (Leqvio®). Population health brings together existing but disconnected data in order to enable doctors to get the right treatments to the right people quickly and across large populations. Over the next three years, approximately 300,000 patients at high risk of a second cardiovascular event are expected to be treated with inclisiran in the community setting. With around 7.6 million people across the UK living with heart and circulatory diseases, causing more than a quarter (27%) of all deaths each year, the NHS has recognized cardiovascular disease as the single biggest area in which lives can be saved over the next 10 years.

Collaboration to address healthcare disparities in the U.S

In July, Novartis and the Novartis US Foundation [announced a planned 10-year collaboration](#) with Coursera, the National Medical Association, Thurgood Marshall College Fund, Morehouse School of Medicine and 26 additional Historically Black Colleges, Universities and Medical Schools (HBCUs) to design programs that address the root causes of systemic disparities in health outcomes and create greater diversity, equity and inclusion across the research and development ecosystem.

The commitment includes a pledge of USD 20m to help prepare up to 1200 Black and African American students to become the next generation of leaders in health, science, technology and business in collaboration with Thurgood Marshall College Fund, and plans to establish three digitally enabled research centers at Morehouse School of Medicine, including a clinical trial center of excellence to increase diversity among clinical trial investigators and participants. In parallel, Novartis announced a [new commitment to diversity in clinical trials](#) with a new target to embed diversity and inclusion principles in 100% of Phase 3 studies with US participation. In the next phase, we aim to expand our efforts to clinical trials in Canada and the UK.

Accelerating the transition to net-zero carbon emissions

As a leading medicines company, Novartis is acutely aware of the impact that climate change has on human health and changing disease patterns. Novartis aims to be a leader in environmental sustainability and a catalyst for positive change. The company is making steady progress versus its 2025 target to achieve carbon neutrality in its own operations, with a 28% reduction in carbon emissions (Scope 1 and 2) to date from a 2016 baseline. Further strengthening its already ambitious targets for full carbon neutrality by 2030, Novartis is committing to achieve net zero across its value chain by 2040.

Disclaimer

This press release contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements can generally be identified by words such as “can,” “will,” “expect,” “believe,” “committed,”

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About Novartis

Novartis is reimagining medicine to improve and extend people’s lives. As a leading global medicines company, we use innovative science and digital technologies to create transformative treatments in areas of great medical need. In our quest to find new medicines, we consistently rank among the world’s top companies investing in research and development. Novartis products reach nearly 800 million people globally and we are finding innovative ways to expand access to our latest treatments. About 109,000 people of more than 140 nationalities work at Novartis around the world. Find out more at <https://www.novartis.com>.

More information about the Novartis ESG practices is available at <https://www.novartis.com/investors/environmental-social-and-governance>

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