Changing Diabetes®

Diabetes is changing the world – How can we change diabetes?
Diabetes is changing the world

The diabetes pandemic

387 MILLION
PEOPLE HAVE DIABETES TODAY¹

BY 2035 THIS FIGURE COULD RISE TO
592 MILLION²

177 MILLION PEOPLE  387 MILLION PEOPLE  592 MILLION PEOPLE
2000¹  2013  2035

1 in 12
PEOPLE HAVE DIABETES³

1 in 2
PEOPLE WITH DIABETES DO NOT KNOW THEY HAVE IT¹
The ‘Rule of Halves’

The one rule we have to break

- **Changing Diabetes®** is our response to the global diabetes challenge as illustrated by the ‘Rule of Halves’.4

- With our partners, we are acting at every stage of the diabetes care pathway to boost awareness and detection, improve access to care, provide individualised treatments and address psychosocial barriers.

- Our ultimate goal is to improve the lives of people with diabetes.

Actual rates of diagnosis, treatment, targets and outcomes vary in different countries.
Film: The one rule we have to break

of whom about 50% achieve desired outcomes

to help more people live a better life with diabetes.
The strategic fit: Sustainability and business
We believe that a healthy economy, environment and society are fundamental to long-term business success
The Triple Bottom Line is how we do business

“The company seeks to conduct its business in a financially, socially and environmentally responsible way.”

Articles of Association, objectives
We have an ambition to be a sustainable business

• Our ambition is to strengthen our leadership in diabetes.

• We aspire to change possibilities in haemophilia and other serious chronic conditions.

• Our key contribution is to discover and develop innovative biological medicines and make them accessible to patients throughout the world.
# We have a values-based management approach

1. We create value by having a patient centred business approach.
2. We set ambitious goals and strive for excellence.
3. We are accountable for our financial, environmental and social performance.
4. We provide innovation to the benefit of our stakeholders.
5. We build and maintain good relations with our key stakeholders.
6. We treat everyone with respect.
7. We focus on personal performance and development.
8. We have a healthy and engaging working environment.
9. We optimise the way we work and strive for simplicity.
10. We never compromise on quality and business ethics.
And therefore we pursue a holistic strategy that goes beyond business as usual

**Patient value proposition**

- Disease Awareness
- Patient Advocacy
- Community
- Access to Health
- Access to Education
- Innovative Products

**The business of health requires a patient centred approach**

"... it is my aspiration that health will finally be seen not as a blessing to be wished for; but as a human right to be fought for."

- Kofi Annan, former secretary general of the United Nations
Changing Diabetes® is our promise to improve health and quality of life

Improve health outcomes for people with diabetes
- DAWN2
- Changing Diabetes® barometer
- Healthcare professionals and patient training
- Action on Diabetes

Expand access to affordable care worldwide
- Changing Diabetes® 40by20 Patient Ambition
- LDC pricing policy
- Changing Diabetes® at the Base of the Pyramid
- Changing Diabetes® in Children

Prevent diabetes in future generations
- Changing Diabetes® in Pregnancy
- Changing Future Health

Drive awareness and public policy
- World Diabetes Day
- Changing Diabetes® Leadership Forums
- Changing Diabetes® Village
- Team Novo Nordisk
With our Global **Access** to Care Strategy we want to:

- Break the Rule of Halves
- Reach more people with quality treatments
- Enable more people to live better lives
A continued commitment to improving access to diabetes care

<table>
<thead>
<tr>
<th>2000</th>
<th>2009</th>
<th>2011</th>
<th>2013</th>
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| Introduction of an access to health strategy | **World Partner Project**  
A PPP to improve diabetes care in developing countries | **FAIR Programme**  
Exploring diabetes care for minority populations | Next Generation Health focus  
**Base of the Pyramid** |
| Establishment of the [WORLD DIABETES FOUNDATION](#) | | | Updated strategy |
| Introduction of a LDC Pricing Policy       | | | |

On going advocacy and awareness initiatives at the global, regional and country level
Consulting with stakeholders to update our access to diabetes care strategy

We followed a consultation process with key internal and external stakeholders to identify priorities and perceptions taking these into account in defining our strategy.

Review of existing strategy

Internal consultations across the organisation

External consultations with key stakeholders
Two primary asks from stakeholders

Integration into business
Novo Nordisk’s access to health strategy should be integrated into its core business strategy including product development and emerging market strategies.

Access as a global issue
Novo Nordisk’s access to health strategy should regard access as a global issue that needs to be addressed in all countries and not only the least developed countries.
Access to healthcare is particularly an issue in low- and middle-income countries
The burden of non-communicable diseases

Non-communicable diseases (NCDs) kill more than 36 million people each year.

More than 60% of deaths worldwide\(^1\)

Nearly 80% of NCD deaths – 29 million – occur in low- and middle-income countries\(^1\)

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Initiated: 2009

Ambition: Improve delivery of care to 10,000 children with type 1 diabetes in resource-poor settings.
The challenge / background

- **497,100 children** under the age of 15 years with type 1 diabetes in the world
- **High mortality rates**, with a life expectancy of less than one year after diagnosis in some countries / Average survival time for a child with type 1 diabetes in Africa is approx 11 months
- Most developing countries do not have any specialised care (paediatric endocrinology)
- Very limited data available on **prevalence rates**
Programme design & partners

A **public-private** partnership initiative with:

- Ministries of Health
- Civil society
- World Diabetes Foundation
- Roche
- ISPAD
Our performance
Status as of December 2014

13,000 children with type 1 diabetes are receiving free insulin and care

5,400 healthcare professionals have been trained

108 clinics established

Patient education materials & basic training manual for HCPs developed

9 countries: Bangladesh, Cameroon, Democratic Republic of the Congo, Ethiopia, Guinea, India, Kenya, Tanzania and Uganda
Initiated: 2009

Aim: increase awareness and access to gestational diabetes screening and management for pregnant women in low- and middle-income countries.

Focus: Country projects, advocacy
The challenge & opportunity of GDM

- GDM poses an **increased risk** of developing type 2 diabetes for both mother and child.
- 1/5 pregnancies (≈ 6 million) experience **elevated blood sugar***. Of these, 90% are due to GDM.
- **18 million** births were affected by GDM in 2013 globally.
- **21 million** live births had some form elevated blood sugar in pregnancy in 2013**
- The prevalence of GDM reflects the **background prevalence** of type 2 diabetes in the population

Sources: IDF, WHO

* Hyperglycaemia in pregnancy is the medical term for abnormally high blood sugar level. When detected in pregnant women it mostly results in some form of diabetes (either gestational or type 2). Source: WHO: http://apps.who.int/iris/bitstream/10665/85975/1/WHO_NMH_MND_13.2_eng.pdf

** This made it the most common medical condition associated with pregnancy.
Gestational diabetes – why is it relevant?

A window of opportunity to:

- Improve **maternal** and child **health**.
- Identify **women** at **very high risk** of future diabetes -&gt; prevent or delay diabetes and complications.
- Identify **children at high risk** of diabetes -&gt; prevent **intergenerational** transfer of risk.
Our performance

Status as of October 2014

23,300 women screened for GDM – 2,400 diagnosed, treated and educated

3,500 healthcare professionals trained

3 countries: Colombia, India and Nicaragua

Partnership with FIGO* to develop protocols on GDM care

GeDiForCE® – a health economic model developed to assess cost-effectiveness of GDM screening
Reaching the Base of the Pyramid
The Base of the Pyramid project aims to improve access to diabetes care for **the working poor at the base of the pyramid**

1.1 BN working poor earning $1,500 to $3,000/year
Partnership-based business models to create **shared value**

Focus on developing **scalable, sustainable** and **profitable** solutions that increase access to diabetes care for the working poor and provide value to the business of Novo Nordisk
Differential pricing for Least Developed Countries (LDCs) since 2002

20% of Western World prices

In 2013, Novo Nordisk offered **a maximum price of USD 24 cents** per patient per day* in all 49 LDCs.

In 35 out of the 49 LDCs, insulin was sold at **USD 16 cents** per patient per day **on average****.

In 2013 Novo Nordisk reached an estimated number of **364,452** patients***

* DKK 32,374/KU at WPP level and exchange rate 1USD=5,5DKK
** DKK 20,72/KU at WPP level and exchange rate 1USD=5,5DKK
*** Assuming 40 units/day

**Other LMIC**

low tender prices through large volumes

**5.2 mill.** patients have been treated with our insulin for less than **USD 24 cents/ day in 2013.**
2013 reach of the LDC pricing policy

LDC Pricing Policy reached 35 of the 48 LDCs in 2013
World Diabetes Foundation (WDF)

- Founded in **2002** by a grant from Novo Nordisk A/S of **USD 329 mill.**
- Aim is to support diabetes related projects in **developing countries**
- **398** projects funded to date in **110** countries
- Focus areas are:
  - Access to care
  - Diabetes foot care
  - Diabetes eye care
  - Pregnancy & diabetes
  - Prevention
  - Diabetes & tuberculosis
  - Type 1 diabetes
  - Advocacy