

Novo nordisk csr content analysis

Business



CAR Content Analysis on Novo Nordisk's Novo Nordisk is a global company based in Denmark operates in the pharmaceutical and healthcare industry. In pursuit of corporate sustainability, Novo Nordisk operates in accordance with the Triple Bottom Line principle which balances financial, social and environmental considerations. In 2013, 78.32% of Novo Nordisk's total revenue was generated from diabetes care products, thus sustainability initiatives relevant to this core activity are important to the company. Three major initiatives are discussed below.

1. CLEAN 1.1 Importance

In order to achieve the targeted 10% reduction in carbon emissions by 2014 in a cost-neutral way, Novo Nordisk signed a partnership agreement with Danish energy supplier DONG Energy in 2007. The agreement enables Novo Nordisk to convert energy savings from its Danish production facilities into the purchase of renewable energy certificates from DONG Energy wind farm.

2.2 Assessment The performance of this initiative can be assessed by calculating the financial savings for the purchase of renewable energy certificates and comparing the reduction in

ICC emissions from Danish production sites before and after the partnership.

2.3 Recommendation However, due to the lack of regional data of those two indicators in 2012 and 2013 annual reports, it is difficult to determine the effectiveness of this initiative accurately based on aggregate data.

Furthermore, as is addressed previously, the total carbon emissions are on the rise due to increased production and implementation of new equipment.

3.3.

1 Importance The growth and expansion of Novo Norris's entail a stable and competent base of employees.

In order to attract employees and reduce staff turnover, Novo Norris's implemented the Occupational Health & Safety (OH&S) Management System including global standards on relevant OH&S aspects, which is fully implemented throughout the company by 2013. Measures are taken not only to improve the physical working conditions but also to reduce the occupational injuries.

3. 2 Assessment The implementation OH&S Management System can be assessed quantitatively based on employee turnover, annual training costs per employee, frequency of occupational accidents.

According to the following data, the implementation of OH&S Management System is successful in terms of improving employees' loyalty, decreasing training expenses via enhanced stability of personnel and reducing occupational accidents.

Employee turnover	9.1%	8.1%
Annual training costs per employee (DESK)	9,951	9,352 (6.02%)
Frequency of occupational accidents (number/million working hours)	3.6	3.5 (2.78%)

3. 3 Recommendation Overall, the reporting on this initiative is in line with GRID standards and similar to that of its major industrial competitors including Sansei and Eli Lilly.