



*Public Affairs Council*  
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The views and opinions expressed in this presentation do not necessarily reflect company's positioning and are based on the speakers' experience



# Agenda

- About Novo Nordisk
- Healthcare system – SUS
- Health Agenda
- Stakeholders
- How we do Public Affairs
- Key takeaways

SUELLEN OLIVEIRA  
Suellen has diabetes type 1  
Brazil





# Novo Nordisk at a glance

Novo Nordisk is a global healthcare company with more than 90 years of innovation and leadership in diabetes care.

This heritage has given us experience and capabilities that also enable us to help people defeat other serious chronic conditions: haemophilia, growth disorders and obesity.



PRODUCTS MARKETED IN  
165 COUNTRIES



DIABETES

AFFILIATES IN COUNTRIES 77



R&D CENTRES  
IN CHINA, DENMARK,  
UK AND US



OBESITY



EMPLOYS APPROXIMATELY  
41,400 PEOPLE

DKK 111.8  
BILLION  
IN TOTAL REVENUE



APPROXIMATELY  
210,000  
SHAREHOLDERS

STRATEGIC  
PRODUCTION SITES

IN BRAZIL, CHINA, DENMARK,  
FRANCE AND US



GROWTH  
DISORDERS



HAEMOPHILIA

SUPPLIER OF NEARLY  
HALF OF THE  
WORLD'S INSULIN

28,000,000  
PEOPLE USE OUR PRODUCTS



PRESENT IN BRAZIL  
FOR OVER  
**25 YEARS**

**R\$ 104  
MILLION**  
INVESTED IN R&D  
IN BRAZIL

**15**  
CLINICAL TRIALS  
SINCE 2011



EMPLOYS AROUND

**1,300**  
PEOPLE



**BIGGEST  
INSULIN  
PRODUCTION  
SITE IN LATIN  
AMERICA**



**MONTES CLAROS SITE**

PRODUCES 15% OF ALL  
INSULIN CONSUMED IN THE  
WORLD



**25%**  
OF THE NATIONAL  
PHARMACEUTICAL  
EXPORTS COME FROM  
MONTES CLAROS

**2,400,000**  
BRAZILIANS USE OUR  
DIABETES PRODUCTS  
EVERY DAY



## Novo Nordisk in Brazil

Since coming to Brazil more than 25 years ago, Novo Nordisk has established a **strong presence** in the treatment of diabetes, haemophilia, growth hormone and obesity.

Along the past year, NN has achieved the **market leadership in diabetes care and growth hormone** in the country.



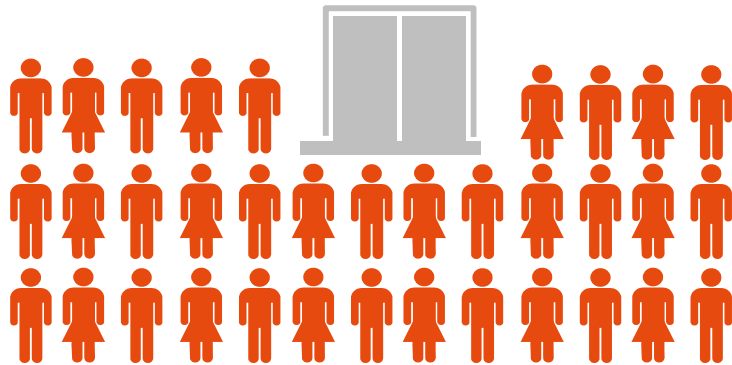




# Healthcare system



**PUBLIC**



**207** Million  
**Access to SUS**

Source: IBGE



**PRIVATE**



**48** Million  
**Health plans**

Source: ANS







# **SUS INSTITUTIONAL FRAMEWORK**



## ADMINISTRATORS

MoH

HEALTH STATE  
SECRETARIES (HSS)

27 STATES

CONASS

HEALTH MUNICIPAL  
SECRETARIES

5,567 MUNICIPALITIES

CONASEMS (NATIONAL)  
COSEMS (STATE)

## DECISION MAKERS

TRIPARTITE  
INTERAGENCY  
COMMISSION (CIT)

MoH

CONASS

CONASEMS

BIPARTITE  
INTERAGENCY  
COMMISSION(CIB)

HEALTH STATE  
SECRETARIES

COSEMS

REGIONAL  
INTERAGENCY  
COMMISSION(CIR)

HEALTH MUNICIPAL  
SECRETARIES

HSS  
REPRESENTATIVE

## PUBLIC CONTROL

NATIONAL COUNCIL OF  
HEALTH (CNS)

NATIONAL  
CONFERENCE OF  
HEALTH

STATE COUNCIL OF  
HEALTH (CES)

27 COUNCILS

STATE CONFERENCE  
OF HEALTH

MUNICIPAL COUNCIL  
OF HEALTH (CMS)

5,567 COUNCILS

MUNICIPAL  
CONFERENCE OF  
HEALTH



Source: Prof Aquilas Mendes



## Health Expenditure, public (% of GDP) in countries with universal health systems



Countries	2009	2010	2011	2012	2013
Brazil	3,9	3,7	3,8	3,9	3,9
Cuba	11,2	9,7	9,5	8,1	8,2
France	9,0	9,0	8,9	9,0	9,0
Germany	9,0	8,8	8,4	8,6	8,7
UK	8,1	8,0	7,7	7,8	7,6
Sweden	8,1	7,7	7,6	7,8	7,9

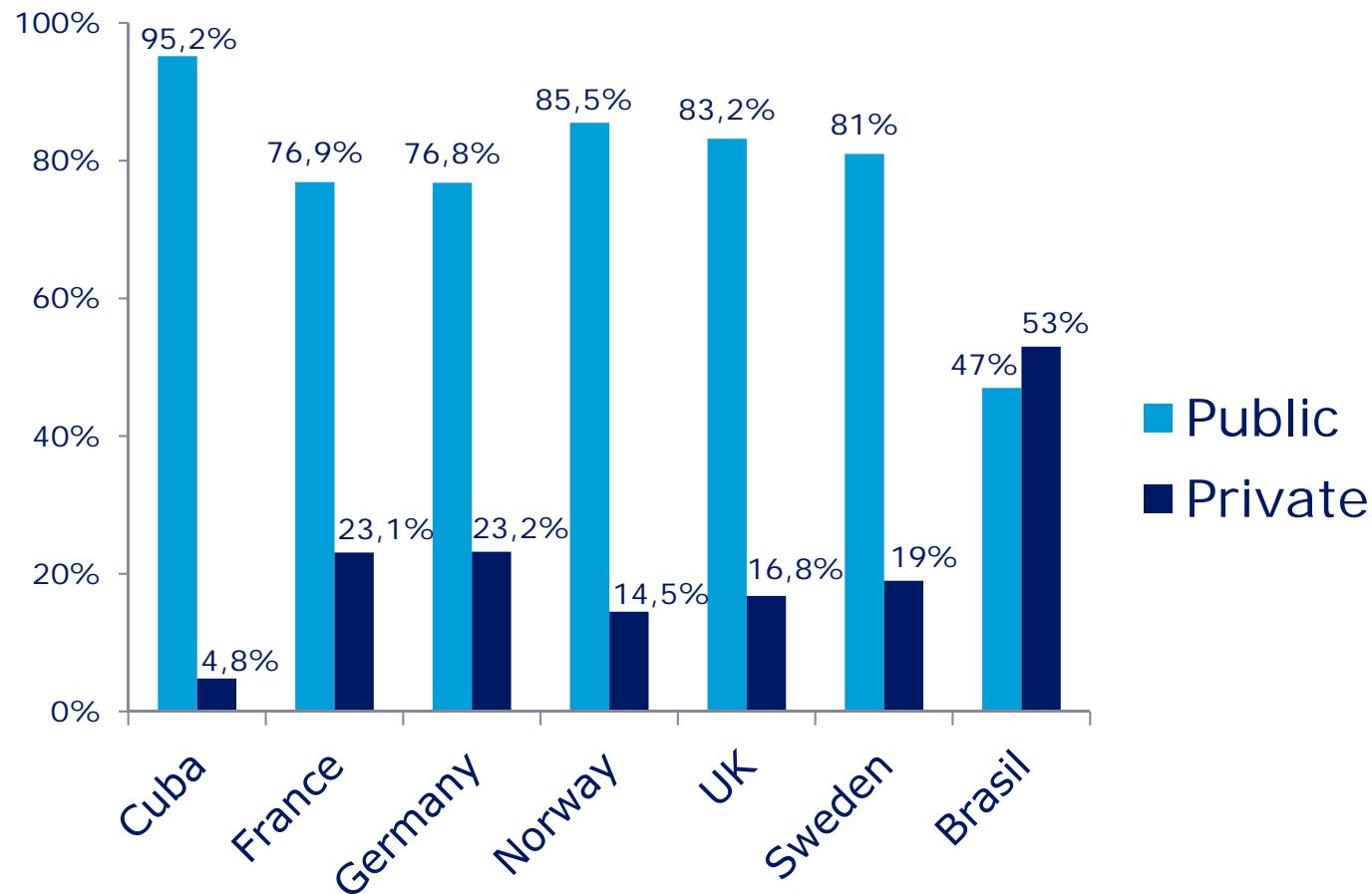
Source: World Bank, 2015. Available at <http://data.worldbank.org/indicator/SH.XPD.PUBL.ZS>. For Brazil, (Brasil, 2015)

Despite advances, Brazil is far distant from countries with universal healthcare system with public expenses, which average is 8% as of GDP.





# Public and Private Funds in some Universal Health Systems Financing, 2010

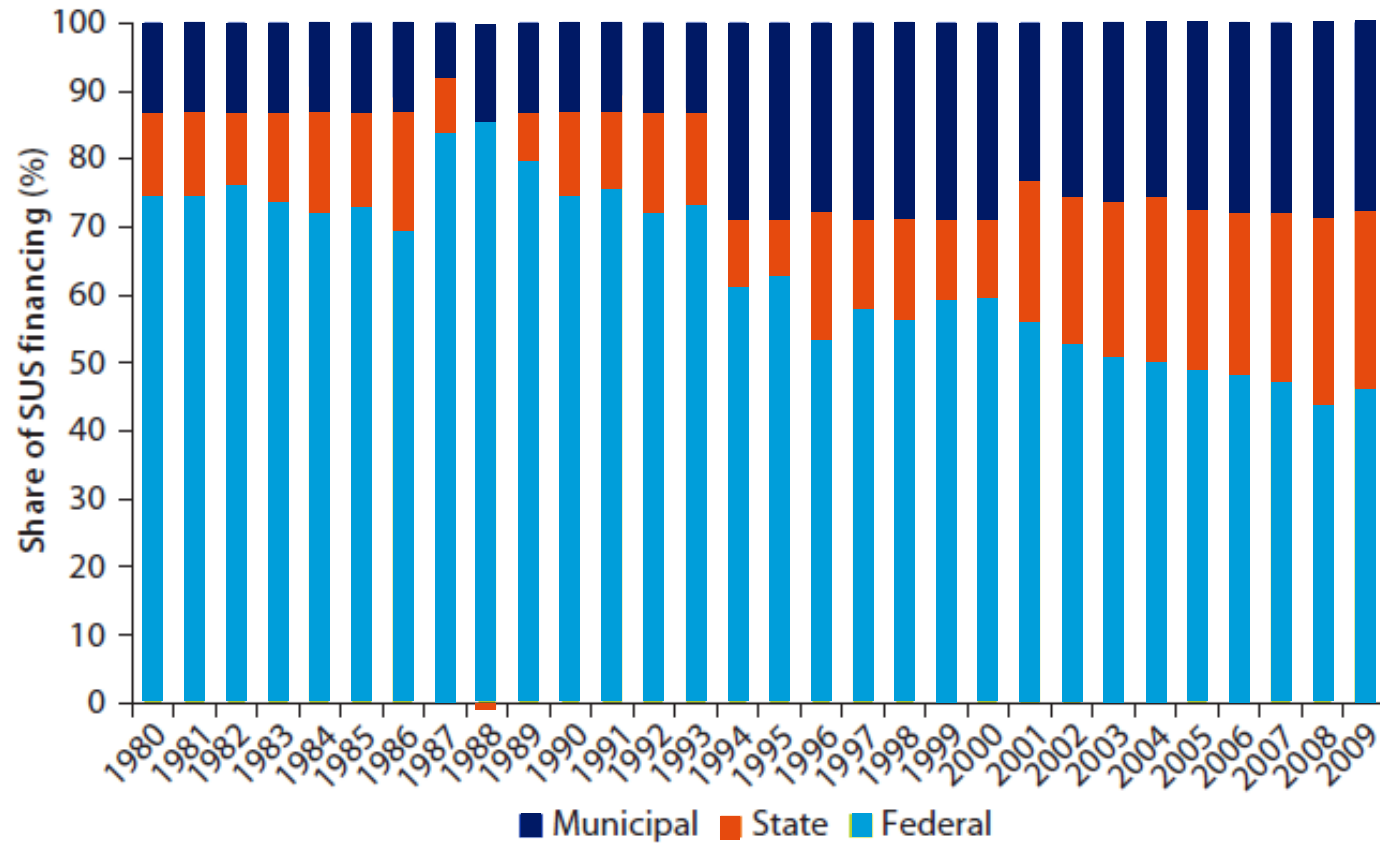


Source: WHO (2013)





## Share of SUS financing in Brazil, by level of Government: 1980-2009



Sources: Based on Ministry of Health, SIOPS data; Medici 1991; Ministry of Finance, STN 2010.

Note: SUS = Sistema Único de Saúde.





# Health Agenda – some context

## Focus on administrative efficiency and resources management

- Agenda focused on an aggressive price negotiation with the industry
- The savings in medicines purchase, together with administrative reform and revision of IT contracts led to the reduction of more than R\$ 3 billion. The savings allowed the increase of funds transfer to states and municipalities.

## MoH “philosophy”

- Appointment of several heads of Secretaries and Coordination with limited knowledge and experience in the health sector, but with strong political connections with PP (Ministry`s party).
- Strengthening of ties with state and municipal governments, mainly from Parana State.

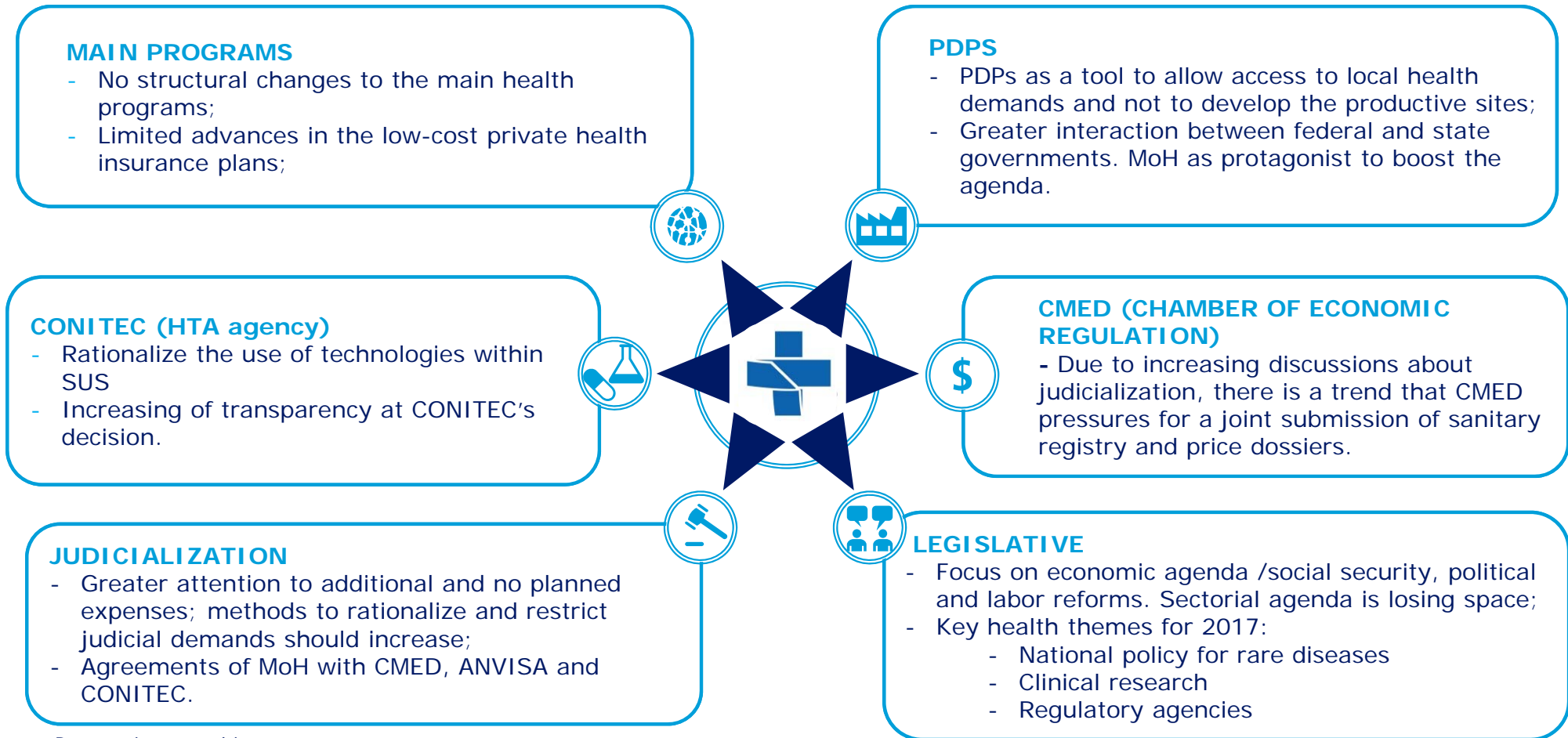


Source: Prospectiva consulting





# Health agenda – movements and trends







# Stakeholders continue to expand

## Traditional



Patients



Payers



Employees



HCPs



Shareholders



Media



Trade  
entities



Embassy



Policy  
makers

## Expanded stakeholders



Regulators



Communities



NGOs



Patient  
organizations





# How NN does it



## **Advocate**

- Advocates for public policy that protects the patient with a focus on diabetes, obesity, hemophilia and growth disorders

## **Mitigate**

- Ensures Government policies promote a positive business environment or do not threaten profitability

## **Engage**

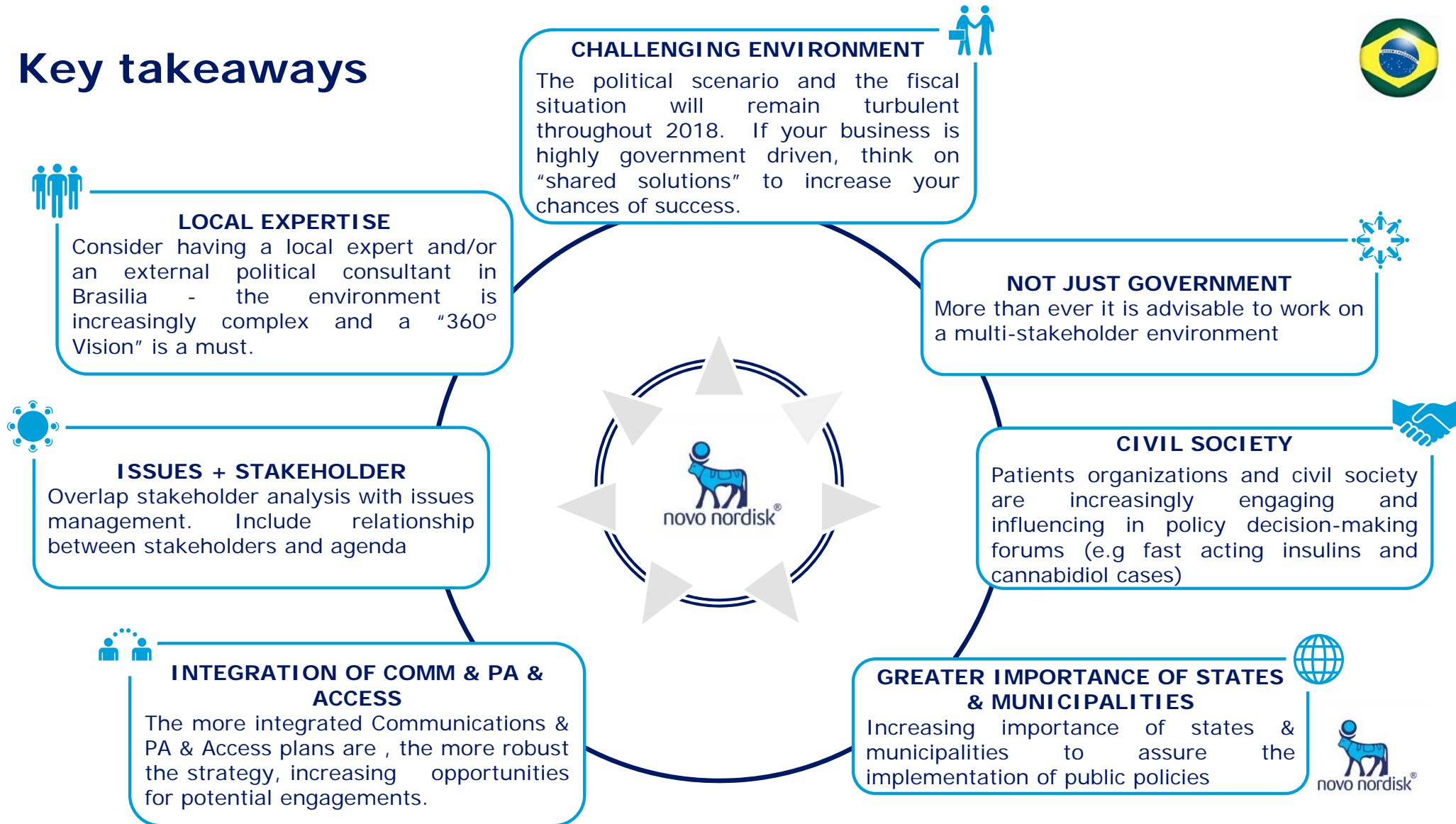
- Collaborates with internal and external stakeholders to maximize credibility, accountability, and value to the company

## **Integrate**

- Ensure that PA is part of business decisions



# Key takeaways







**“Brazil is not for beginners”**

- Tom Jobim