Responsible Business Initiative - Novartis Attitude and Context

Novartis supports the fundamental ideological thrust of the Initiative and is committed to global corporate responsibility for the environment and human rights. We see ourselves as a company that has taken important steps in implementing the UN Guiding Principles on Business and Human Rights (UN Guiding Principles) and wants to be a leader in this area. Nevertheless, both the Initiative and the indirect counterproposals drawn up in Parliament must be rejected because they contain numerous design flaws that would expose companies based in Switzerland to unnecessary potential reputational and legal risks and could thus cause lasting damage to Switzerland as a business location.

Together with business associations and the Federal Council, Novartis recommends that the same goals be achieved with the help of the National Action Plan (NAP) and the instruments contained therein (UN Guiding Principles for Business and Human Rights, UN Global Compact Network, OECD Guidelines; UN Sustainable Development Goals). According to the OECD Guidelines, violations of international human rights and environmental standards by Swiss companies can already be reported to SECO’s National Contact Point today, where they can be submitted to informal and voluntary arbitration.

As a company in the healthcare sector, Novartis is particularly aware of its ethical responsibility to patients, society as a whole and the protection of the environment. For this reason, we respect and support the protection of human rights as enshrined in the 1948 Universal Declaration of Human Rights. We are also committed to complying with the core labor standards of the International Labor Organization (ILO). Since 2001, Novartis has also been a signatory to the UN Global Compact, whose 10 Principles call for the protection of the environment and respect for human rights.

Against this background, we adopted our first Human Rights Directive in 2003. In the spirit and continuity of this key commitment and in the light of the 2011 UN Guiding Principles, we have revised and strengthened our Human Rights Policy in recent years and have since committed ourselves to adhering to and implementing the UN Guiding Principles for Business and Human Rights.

The general obligation of each individual employee to respect human rights is defined in the Novartis Code of Conduct. Specific human rights issues are governed by topic- and function-specific standards that are binding. In accordance with the requirements of the UN Guiding Principles, we have been conducting human rights due diligence processes and human rights assessments for several years. This process, as well as the development of our new human rights strategy, is led by a team of human rights experts who have recently been assigned to our Ethics, Risk and Compliance Organization and are thus closely involved in its operational activities.

Due to our long-standing commitment to human rights, we are realistic enough to know that there will be more to be done by all stakeholders to fully implement the UN Guiding Principles. We are of the opinion that the idea of a functioning economy can only succeed if all affected companies in Switzerland make a determined effort to implement the UN Guiding Principles in concrete terms. This is another reason why we trust in the strong commitment of Swiss business in the area of human rights and welcome and support a targeted dialogue between various stakeholders with regard to the implementation of the UN Guiding Principles. The Pharmaceutical Supply Chain Initiative (PSCI), of which Novartis has been a leading member since its inception, is an example of cooperation between many companies pursuing the goal of enforcing human rights in the supply chain (an overview of the activities can be found at: https://pscinitiative.org).