

THE NOVARTIS IMPACT ON THE UK ECONOMY

Figures from 2019



Creating economic activity

Significant economic value is generated by Novartis, both directly and through the “ripple” effects it creates, including:



£1.7 billion GDP contribution

£641 million
implied tax contribution

£0.7 billion
dividend to UK shareholders



£986 million
spent with over 3,000 suppliers

Impacting lives

Treatments offered by Novartis have an impact on patients' lives, potentially allowing them in turn to be more productive workers and consumers:



£9 billion

contribution to GDP due to the social impact of Novartis and Sandoz medicines



Economic evaluation based on a **basket of 61 medicines**

Enhancing value for the NHS

Sandoz is a Novartis division devoted to the production and supply of generic and biosimilar medicines:



£2.7 billion

saved through competitive impact of Sandoz medicines on generics supply and prices for the NHS

Sandoz is a major supplier in the UK



approximately
433,000
patients a month treated with Sandoz generics



112 million
packs distributed to UK patients across almost 300 medicines

Investing in the future

Novartis invests in and nurtures innovative start-ups, catalysing developments which boost economic output:



£64 million

Novartis Venture Fund investment in UK companies since 2009 including Heptares Therapeutics, Silence Therapeutics, KuDos Pharma Ltd, Binx Health and Bicycle Therapeutics



Partners in two Health Data Research Hubs, BREATHE and Discover-NOW; benefitting life sciences across the UK

Incubating innovation

Novartis generates innovative value spillovers as it fulfils its purpose of reimagining medicine to improve and extend people's lives:



Number 1 in the UK for clinical trials

Novartis has been the #1 commercial sponsor of UK clinical trials over the past 10 years - with 622 trials conducted



Novartis pipeline
ranked number 1 for value creation
in 2018



£160 million
spent in research and development in the UK

Creating a collaborative ecosystem

Novartis collaborates with the NHS, academic and research institutions and harnesses big data in a knowledge sharing environment:



288 collaborations

with UK academic institutions producing 869 scientific studies in 17 therapy areas (2014-2019)

Joint collaborations in big data analytics and AI

including with Oxford Big Data Institute, Microsoft AI Innovation Lab, Benevolent AI and UK BioBank



More than 12x industry average
of Joint Working Partnerships with the NHS

Advancing environment and social goals

Novartis is committed to transparently measuring and decreasing its environmental footprint with ambitious science-based targets for:



Full carbon neutrality

across value chain by 2030 aligned to the NHS Net Zero targets



Extended renewable electricity and electric vehicle use; aligned to RE100 and EV100

Neutral use of plastic and water by 2030

Generating a skilled workforce

Novartis makes a significant employment impact and nurtures human capital through its collaborative spirit:

22,060

jobs supported across the economy



£15.2m

spent with approximately 67 UK universities and institutions generating £43.4m in GDP



42%

of UK leadership positions held by women

UK Top Employer

awarded by the Top Employers Institute for our progressive 'people-first' HR policies²

The Europe Economics report "The Economic, Social and Innovation Value Novartis Brings to the UK" was commissioned from Europe Economics by Novartis UK, demonstrating the economic impacts Novartis has upon the UK. All figures from 2019.

[1] Europe Economics considered the wide range of Novartis activities, and assessed how these add value to the UK and the magnitude of this value using the following approaches:

Identifying forms of value from published literature. Quantifying Novartis value by linking facts and figures with economic theory, including a quantification approach which entailed linking information and statistics about Novartis activities to the economic theory. Europe Economics gathered this information through a series of interviews with Novartis personnel across the various areas of activity, and through reviewing company reports and corporate documents.

Quantifying value by developing models. This approach to quantification entailed developing numerical models to apply estimates of value from the literature to Novartis data.

[1] Europe Economics. The Economic, Social and Innovation Value Novartis Brings to the UK. 2020.

[2] Top Employers Institute. <https://www.top-employers.com/en/global-top-employers/> Accessed: March 2021





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