

# Novartis contributed PHP 8 billion to Philippine economy in 2019

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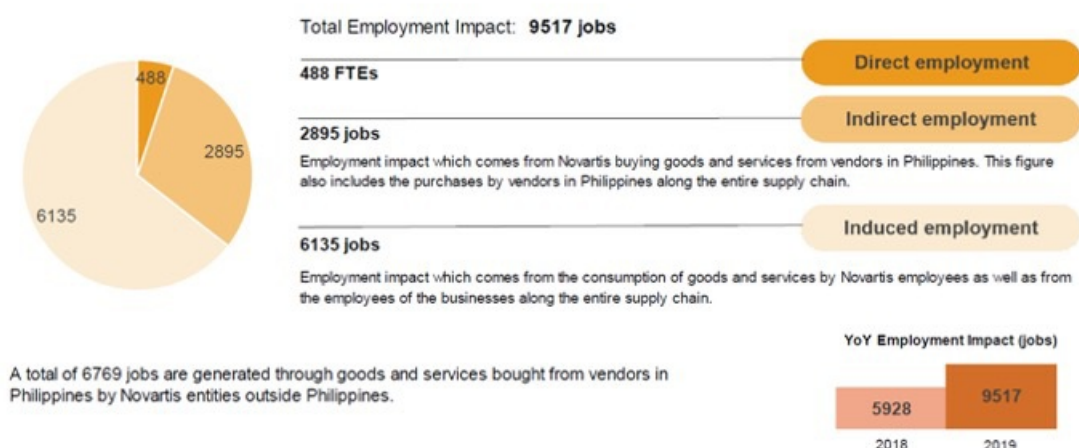
*Committed to reimagining medicine and discovering breakthrough treatments to improve and extend the lives of Filipinos, and increase their access to quality healthcare.*

Novartis is once again privileged to be a major partner of the Filipino people in improving healthcare and contributing to the Philippine economy in 2019. Our commitment to the Philippine economy and social development is reflected in our financial, environmental & social (FES) impact valuation. The FES is our approach to measuring the social and environmental impact our business activities have on society, in addition to our economic value.

## Economic Impact

Our assessment considers 'economic sustainability' and 'innovation' as the two crucial components of financial impact. These two components are measured to quantify our relevance to national economic wealth. In 2019, Novartis contribution to the Gross Domestic Product was PHP 8 billion. Novartis also has substantial employment impact, wherein our business operations created a total of 9,517 local jobs, including the employment of 488 Filipino associates. On the average, this translates to almost 20 jobs created for every directly hired employee.

Novartis is dedicated to providing continued employment to Filipinos, as well as regional leadership exposure to local talents. Through the Next Generation Scientist program, Novartis has helped to upskill local scientists to support the research and development ecosystem in the country. We have also introduced omni-channel medical engagement to keep our associates and healthcare professionals safe during the COVID-19 pandemic.



As a research-driven healthcare company, Novartis is consistently ranked among the world's biggest investors in research and development. The company's R&D intensity (the proportion of R&D spending to direct GDP contribution) in the Philippines in 2019 was 4%, exceeding the European Union target of 3%.

Novartis has established Centers of Excellence for clinical trials in hospitals and research institutes, and have

active recruiting trials in cardiovascular medicine, immunology and dermatology, respiratory, neurology, nephrology, ophthalmology and oncology. Our strong commitment to R&D is seen in our investment of over PHP 104 million in clinical trials. Additionally, we have collaborated with Asian Eye Institute to generate local health economics and outcomes research.

## Social Impact

Novartis continuously strives to contribute to the Filipino society, focusing on the social impact its business operations creates. In year 2019, Novartis was able to bring in close to PHP 5.2 billion in social impact through its products & human capital measured through GDP contribution of healthier people & living wage, training & safety respectively. Of this amount, PHP 4.6 billion was attributed to Novartis' products, and PHP 615 million to human capital.

*Novartis helped achieve 16,277 quality-adjusted life years (QALYs) for 1 million patients across 52 brands, shaping a healthier and more resilient Filipino population.*

### Social Impact of our Products

Social impact of products based on 1 m patients reached across 52 brands.

	Pharma	Oncology	Sandoz	Total
Social Impact	PHP 852 m	PHP 16 m	PHP 3718 m	PHP 4587 m
QALYs	4,660	66	11,552	16,277
Patients	322,599	2,459	642,770	967,829
Brands	23	12	17	52

In Philippines, full IM portfolio reaches 1.1 m patients across 46 brands. Sandoz portfolio reaches a further 1.8 m patients across hundreds of products.

Novartis continues to be a strong partner to the Filipino healthcare system, through strategic and meaningful collaborations with key stakeholders in the field. We have strengthened local health systems through establishing Heart Failure Clinics, Service Delivery Network, Universal Health Care Forums and Hospital CEO Forums. Our Collaboration to Preserve Sight initiative will help address blindness and vision impairment among Filipinos through patient education and vision screening.

We have supported the nationwide COVID-19 response with a focus on protecting frontline health workers, patients and associates, and expanding testing and treatment capacity of healthcare system. Through the Progressive Alliance Towards Healthy Workplaces (PATHw), we led a change for healthier workplaces and behaviors. Additionally, Novartis Foundation and the Department of Health has co-developed the Leprosy Alert Response Network and Surveillance System (LEARNS) to help reduce delays in leprosy diagnosis and treatment.

Novartis has received Special Recognition for Commitment to Leadership by Aon Best Employers program, Special citation from the Department of Health and Office of the President for contribution to nationwide COVID-19 response, the Outstanding Healthy Lifestyle Advocacy Award by Department of Health, and the Agora Award for Outstanding Achievement in Advocacy Marketing by Philippine Marketing Association.

It is our commitment to continue reimagining medicine and discovering breakthrough treatments to improve and extend the lives of Filipinos, and contribute to the resilience of the Philippine economy amidst challenging times.

# Novartis: Reimagining Medicine for Healthy & Resilient Filipinos

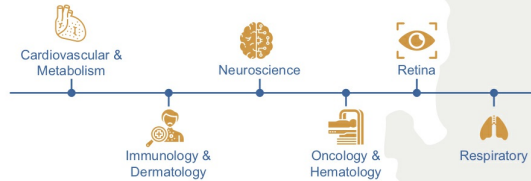
## OUR PURPOSE

We reimagine medicine to improve and extend the lives of Filipinos. We discover breakthrough treatments and find new ways to deliver them to Filipinos.



### Delivering Transformative Innovation

- Addressing the evolving needs of Filipino patients through the following therapeutic areas:



- Through various access programs, Novartis helps 10,000 underprivileged Filipino patients receive effective treatments, including 2100 oncology and hematology patients with advanced breast cancer, thalassemia and other cancers
- Introduced emerging market brands for Heart Failure and Psoriasis
- With PhilHealth and accredited hospitals, provides Kidney Transplant Package to qualified PhilHealth members
- Serving as the generic pharmaceuticals division of Novartis, **SANDOZ** offers affordable, high-quality generic medicines and biosimilars to Filipino patients
- In partnership with the World Health Organization, Novartis provides the Department of Health with anti-malaria medicine (Coartem) at cost to support the National Malaria Control Program
- To help address mobility limitations posed by the community quarantine, we partnered with GBSL and MedGrocer to provide home delivery of patients' medicines



### Unleashing the Power of our People

- Providing employment to Filipinos, and **regional leadership exposure** to local talents
- Developing local scientists through the **Next Generation Scientist program**
- Introduced Omni-channel medical engagement to keep healthcare professionals safe during the pandemic



### Our Collaborations

Strengthening local health systems through the establishment of Heart Failure Clinics, Service Delivery Network, Universal Health Care Forums and Hospital CEO Forums

Collaboration to Preserve Sight, a public-private sector coalition to help address blindness and vision impairment among Filipinos through patient education and vision screening

Supported nationwide COVID-19 response with a focus on protecting frontline health workers, patients and associates, and expanding testing and treatment capacity of healthcare system

Co-created the Progressive Alliance Towards Healthy Workplaces (PATHw), a Pan-Asia coalition of respected Human Resources and business leaders who are committed to leading a change for healthier workplaces and behaviors

With the Department of Health and Novartis Foundation, we co-developed the Leprosy Alert Response Network and Surveillance System (LEARNS), the country's first mobile phone-based referral system for leprosy, to help reduce delays in diagnosis and treatment

## OUR IMPACT



### Research & Development

- Established **Centers of Excellence** for Clinical Trials in various hospitals and research institutes
- Invested over **PHP 104 million** in clinical trials in 2019
- R&D intensity in 2019 was 4%, exceeding the European Union target of 3%
- Active recruiting trials in cardiovascular medicine, immunology and dermatology, respiratory, neurology, nephrology, ophthalmology and oncology
- Collaborated with **Asian Eye Institute** to generate local health economics and outcomes research
- Published the Migraine Burden of Disease study in the Journal of Headache and Pain



### Economic and Social



#### GDP

Contributed more GDP to the economy in 2019

**PHP 8 billion**



#### Employment

Created more jobs for Filipinos in 2019

Created **9,517** local jobs

Employed **488** Filipino associates



#### Social

Contributed **PHP 5.2 billion** through products and human capital in 2019

Novartis' products: **PHP 4.6 billion**

Human capital: **PHP 615 million**



Achieved **16,277** quality-adjusted life years (QALYs) for **1 million** patients across **52** brands



### Awards & Recognition



- Special Recognition for Commitment to Leadership, Aon Best Employers program
- Special citation from the Department of Health and Office of the President for contribution to nationwide COVID-19 response
- Outstanding Healthy Lifestyle Advocacy Award, Department of Health
- Agora Award for Outstanding Achievement in Advocacy Marketing, Philippine Marketing Association

Reference: WifoR Institute, "The Social Impact of Novartis Innovative Medicines and Sandoz Products in Philippines in 2019". Data on file.



NOVARTIS | Reimagining Medicine

[www.novartis.com.ph](http://www.novartis.com.ph)

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List of links present in page

- <https://www.novartis.com/ph-en/ph-en/news/media-releases/novartis-contributed-php-8-billion-philippine-economy-2019>