

## Novo Nordisk

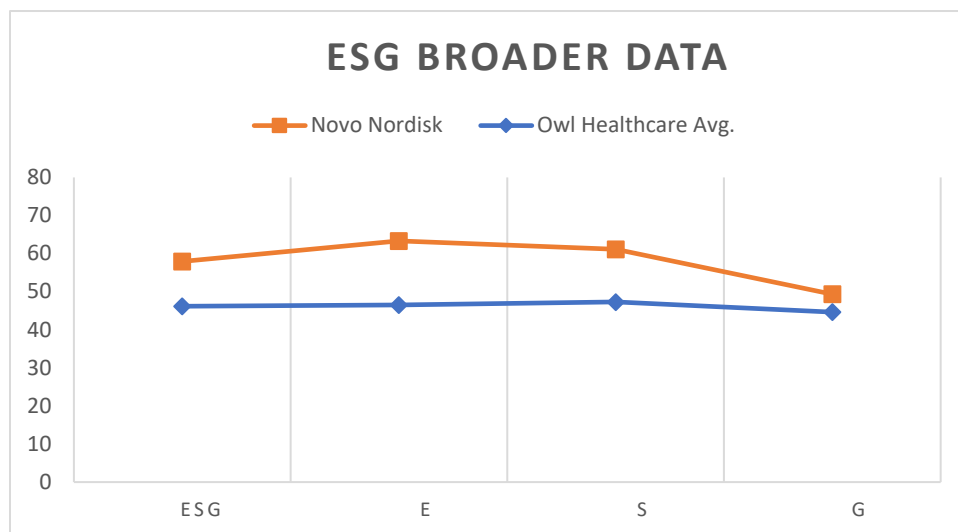
A leading pharmaceutical that focuses primarily on diabetes, Novo Nordisk has consistently been recognized for its commitment to social responsibility issues. This is partly due to the fact that the Novo Nordisk Foundation controls 28% of the company’s stock and 75% of the votes. The Foundation gives \$300 million per year to support better health and a sustainable society.

The most meaningful issue for any health care company is its ability to provide reasonably priced care and services to all who need it. Novo scores fairly well on the Access to Medicines index which rates 20 large pharmaceutical companies for their work in 106 low- and middle-income countries. Novo was ranked 6<sup>th</sup> in 2018, but were rated second best for their donations of drugs to those who couldn’t afford to pay. The study noted their excellent program to identify and treat children in Africa for diabetes and recommended they expand it to more countries. Novo Nordisk, along with other insulin manufacturers, are being sued over significant increases in the list prices for this drug. The company states that the price it receives for insulin actually fell last year after taking into account discounts given to Medicare and pharmacy benefit managers (PBMs).

The company has consistently been recognized as a top employer. It was rated the 95<sup>th</sup> best company to work for by *Fortune* and 91<sup>st</sup> on the Best Workplaces for Women list. *Science* magazine rated them the second best employer in 2016 and 5<sup>th</sup> best in 2017 based on innovation, long term vision and a concern for social responsibility.

The company’s rating on Corporate Governance are somewhat low due to the fact that the Novo Nordisk Foundation controls voting power through its ownership of A shares that have ten times the voting power of B shares owned by investors. Four of the company’s 12 Board of Directors are women.

Clorox has just begun to monitor the environmental impact of its suppliers. They are somewhat behind the best companies on this issue and we will look for progress over the coming year.



Source: OWL SHARES

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