



Novartis

Subsidiaries: Novartis Pharmaceuticals Corporation

Locations: Switzerland (HQ)

Industries: Pharmaceuticals Biotechnology and Life Sciences



RISK LEVEL:

DESCRIPTION:

Novartis, a pharmaceutical company, has not publicly terminated business relationships based on views or beliefs. By complying with Human Rights Campaign's controversial demands, Novartis increases the risk of dividing employees, alienating customers and harming shareholders. The company covers transgender-related medical costs for its employees and their children. It also uses sex and gender ideology criteria in employee recruitment, vendor selection, marketing, and philanthropic support. Novartis uses its reputation, corporate funds, and political influence to support controversial sex and gender ideologies, organizations, and legislation. The company provides a benefits package for employees which covers travel/lodging costs for an abortion and transgender medical procedures for covered employees and dependents, including children. Novartis does not provide its employees with protections against viewpoint discrimination. The company funds multiple LGBTQ organizations and supports the Equality Act. Novartis also may discriminate against some religious organizations in its charitable giving. For these reasons, Novartis receives a High Risk rating.

Corporate Weaponization

Has denied service to customers, suppliers, or vendors due to their political views or religious Medium Risk beliefs OR corporately boycotts, divests, or sanctions regions, people groups, or industries.

Novartis received a score of 85 on the 2023 Corporate Equality Index (CEI) from the Human Rights Campaign (HRC), a political stakeholder group. The company recruits employees based on sexual identity issues. The company discriminates against vendors that do not promote divisive sex and gender policies, indicating it prioritizes sexual issues over merit (1)(2). However, Novartis has not publicly fired customers, suppliers, or vendors based on political views or religious beliefs. Novartis's Environmental Sustainability Criteria for Suppliers requires that each "Supplier shall ensure that all products and/or services procured by Novartis should be carbon neutral by 2030" (3).

Charitable giving (including employee matching programs) policies or practices discriminate

High Risk
against charitable organizations based on views or religious beliefs.

Novartis(1)(2). Novartis' charitable giving guidelines require that organizations abide by its nondiscrimination policy, thereby excluding some religious charities (3).

Employment policies fail to protect against discrimination based on political affiliation/views High Risk and/or religion.

Novartisindicates the company provides gender transition guidelines for its employees (1)(2). Novartis does not provide viewpoint



Corporate Governance and Public Policy

Uses corporate reputation to support ideological causes and/or organizations hostile to freedom High Risk of expression.

Novartisindicates the company agrees to allow a controversial stakeholder group focused on sexual identity issues to dictate marketing or advertising strategy ($\underline{1}$)($\underline{2}$).customers and harming shareholders. $\underline{3}$)($\underline{4}$)($\underline{5}$)($\underline{6}$). Novartis publishes "The Novartis in Society Integrated Report" to outline its ESG efforts which includes its 2030 environmental sustainability strategy, the goal of Net Zero by 2040, and its signature on The Climate Pledge ($\underline{7}$)($\underline{8}$)($\underline{9}$). Novartis joined the Business for Innovative Climate and Energy Policy (BICEP) that advocates for ESG to policymakers and is a member of the Business Coalition for the Equality Act ($\underline{10}$)($\underline{11}$).

Uses corporate funds to advance ideological causes, organizations, or policies hostile to freedom High Risk of expression.

Novartis provides a benefits package for employees which covers travel/lodging costs for an abortion and transgender medical procedures for covered employees and dependents, including children $(\underline{1})(\underline{2})(\underline{3})$. Novartisindicates the company covers transgender related costs for its employees and their children, including paid short-term leave, puberty blockers, cross-sex hormones, chest surgeries, genital surgeries, medical visits and lab monitoring, travel and lodging. Additionally, the company has pledged philanthropic support of at least one organization or event that promotes sex and gender ideology $(\underline{4})(\underline{5})$.customers and harming shareholders. Novartis is a founding member of the PGLE, a Silver sponsor of Out and Equal and a corporate partner of the National LGBT Chamber of Commerce $(\underline{6})(7)(\underline{8})$.

Uses corporate political contributions for ideological, non-business purposes.

High Risk

Novartisindicates the company publicly advocated for controversial sex and gender ideology through local, state or federal legislation or initiatives (1)(2). By allowing a political stakeholder group to dictate operations, the company risks dividing employees, alienating customers and harming shareholders. Novartis has not used its PAC donations or lobbying for ideological purposes. (3)(4)(5).

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