



# Diabetes API US

ISPE - CaSa  
Life Sciences Technology Conference  
31 March 2016



Novo Nordisk

Clayton

Local  
collaboration...

supporting  
global needs...

for patients living

with diabetes

26.8

CLAYTON  
NC

SAGAMORE  
DK

# Agenda

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## 1 Introduction to Novo Nordisk and Diabetes API US

## 2 "Site tour"

## 4 Organisational build up

## 5 Structuring around work packages

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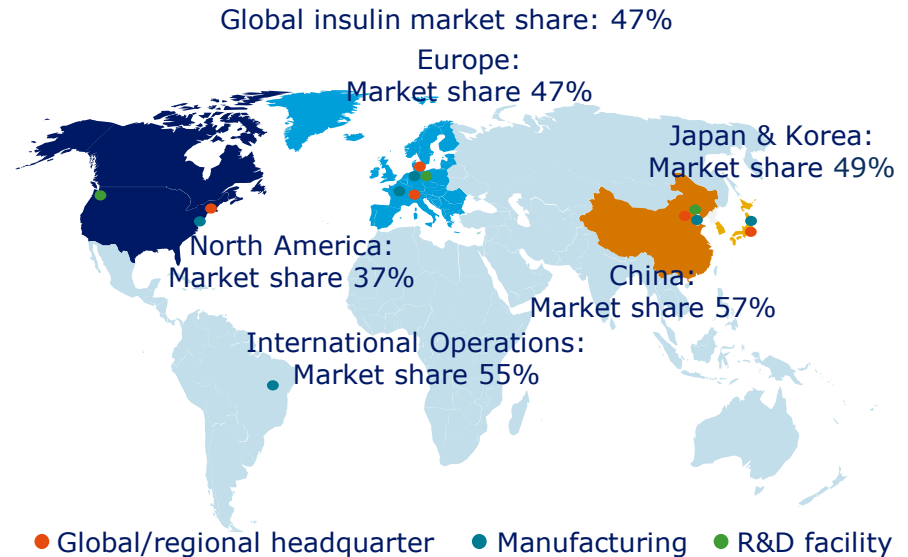
# Novo Nordisk at a glance

## Global leader in diabetes care

- A **focused** pharmaceutical company with **leading positions** in diabetes, haemophilia and growth hormone
- **Double digit top line growth** driven by diabetes pandemic
- Significant **growth opportunities** fuelled by global presence and strong R&D pipeline
- **High barriers to entry** in biologics
- **Operating margin** targeting **40%**
- **Operating profit growth** targeting **15%**
- Earnings **conversion to cash** targeting **90%**
- **Cash generated returned to shareholders**

Source: IMS MAT Feb 2015 volume figures, Roadshow 2015 Q2 presentation

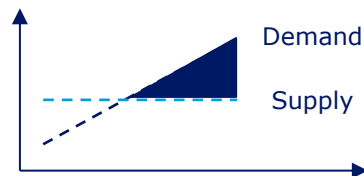
## The core equity story



# Business rationale: Diabetes API expansion in US

Expanding API production capacity in the US will enhance robustness of Novo Nordisk supply chain

**Satisfy demand for existing and new products**



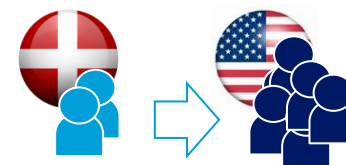
Satisfy growing demand for existing and future products primarily Victoza® and new innovative oral treatment of diabetes (currently in phase 3)

**Supplement current API footprint in Denmark**



Ensure dual source API supply to enhance robustness of Novo Nordisk supply chain

**US providing access to talent**



Expand with local presence in largest diabetes market and get access to large pool of skilled pharma talents

# Key facts



The facility will deliver API to primarily **Victoza®** and new innovative **oral treatment** of diabetes currently in phase 3



The facility is expected to grow to **~700 FTEs** when entering into **operation in 2020**



Total Project Cost estimated to **~USD 2 billion**



Roughly **80,000 sq. meters** and covering app. **85 acres of land**



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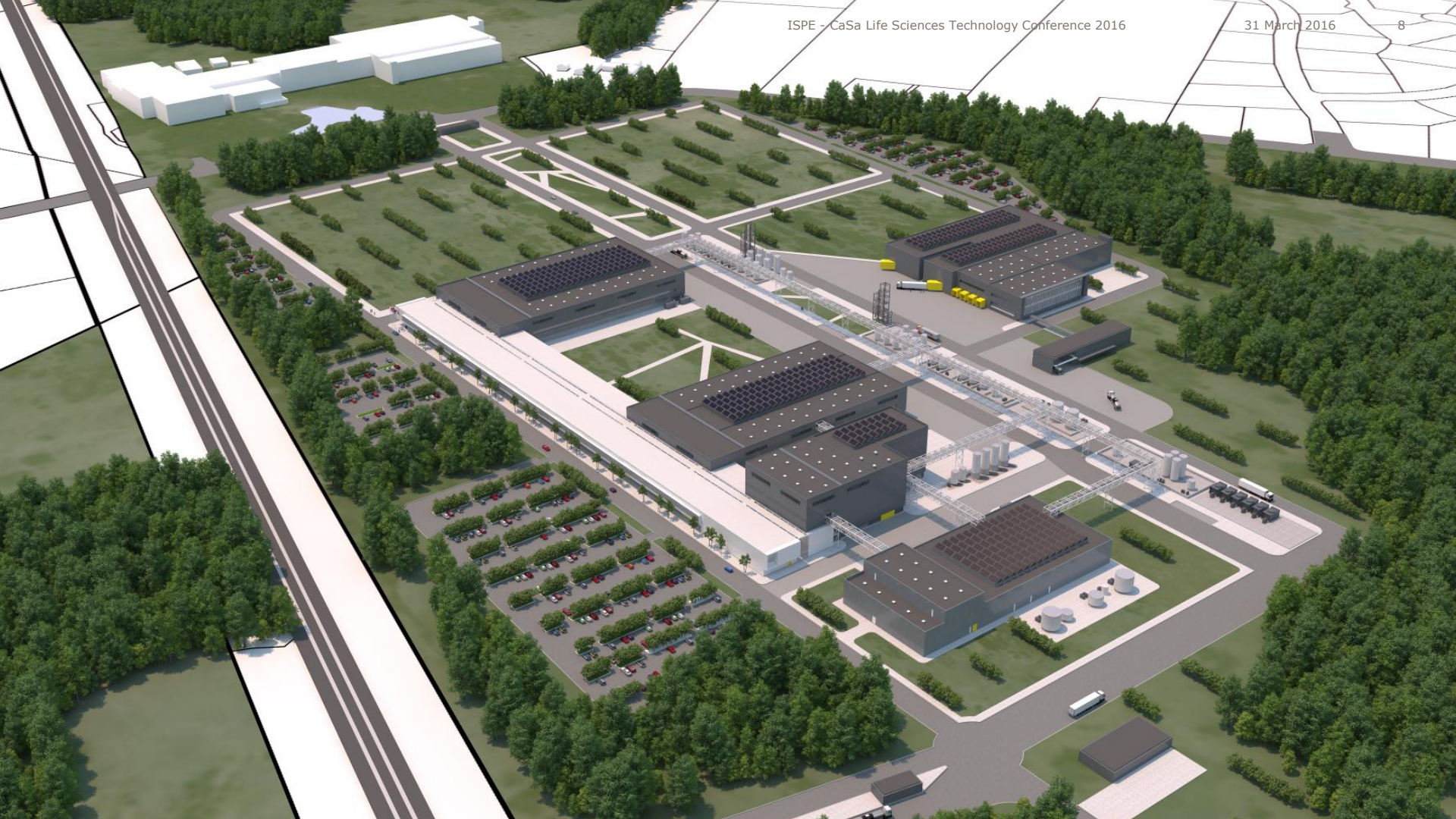
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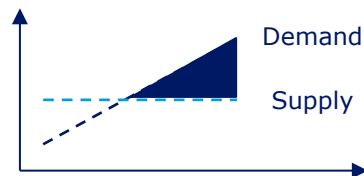
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## Satisfy demand for existing and new products



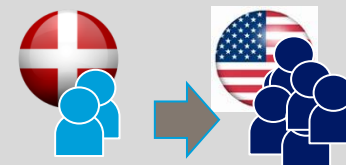
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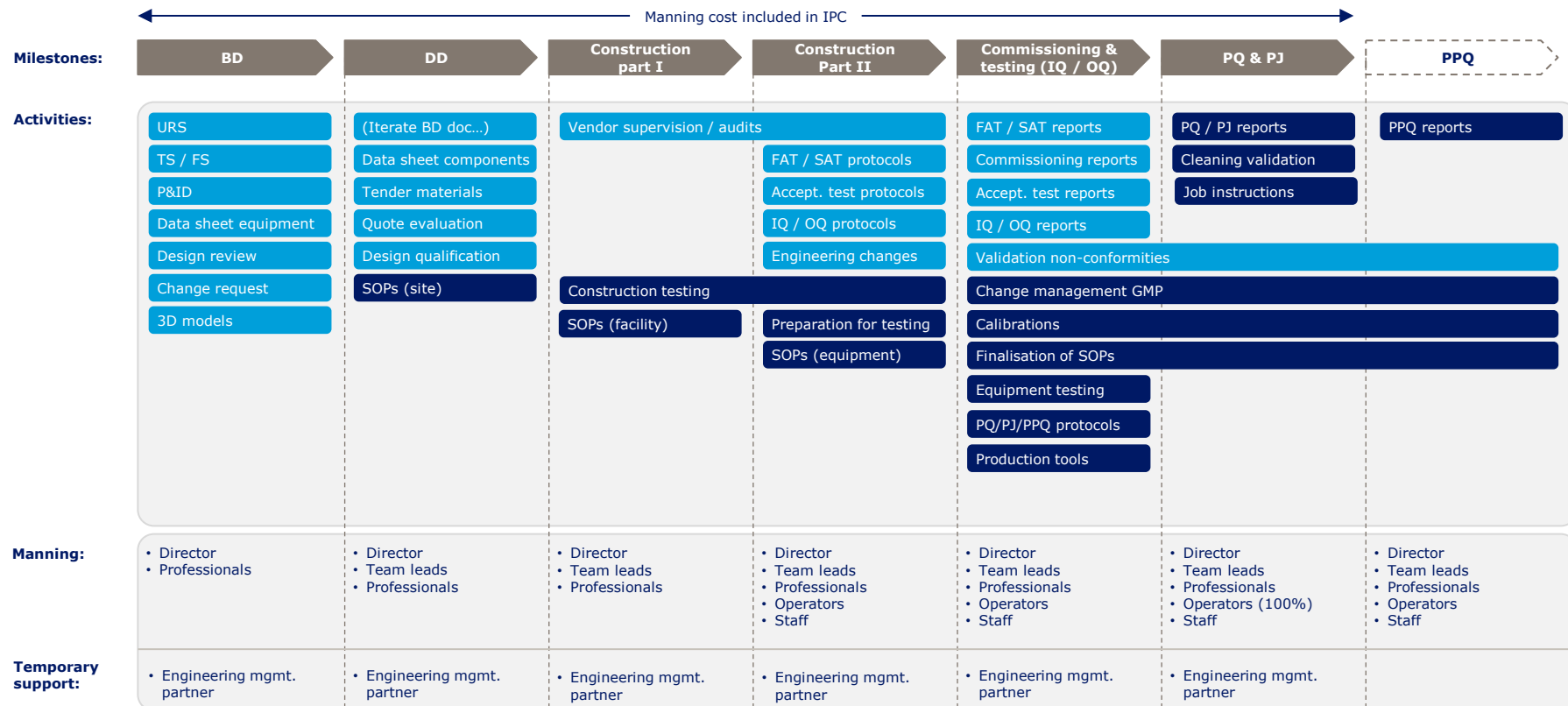


Expand with local presence in largest diabetes market and get access to large pool of skilled pharma talents

SUBJECT TO ONGOING REVIEW

# Example ramp up plan: Fermentation

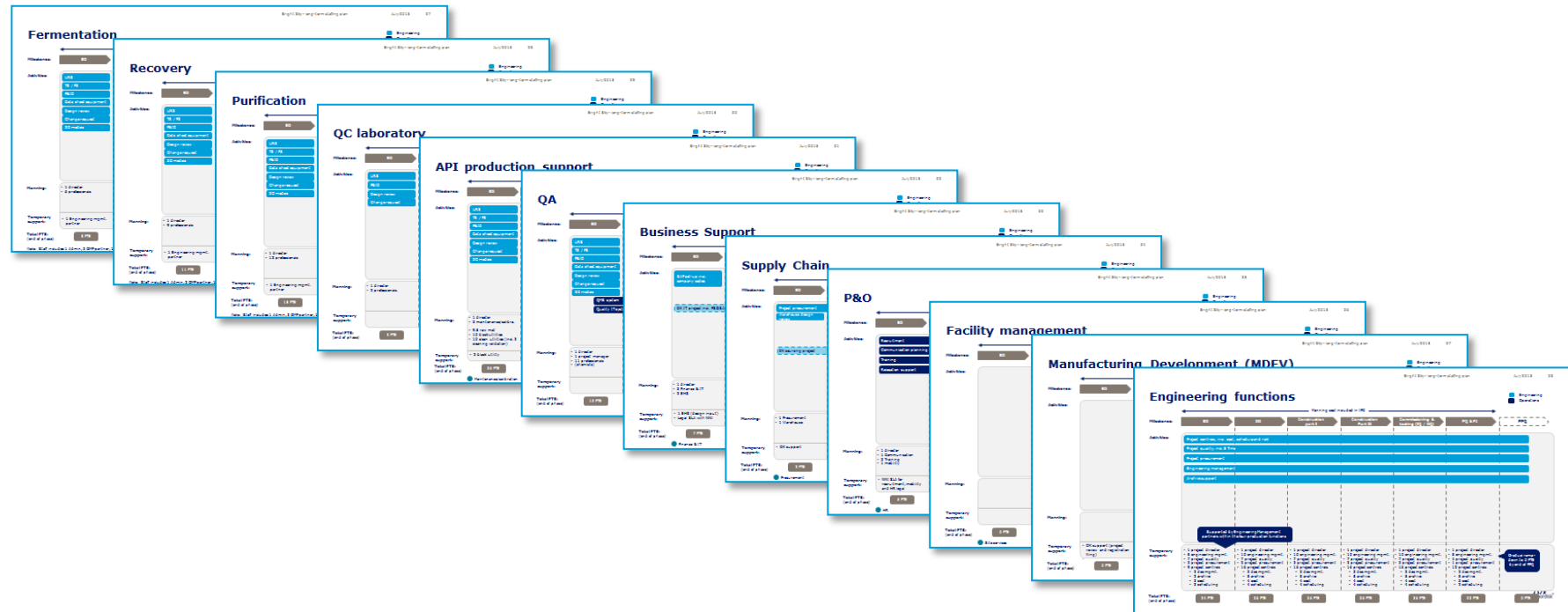
Engineering  
Operations



Note: Staff includes 1 Admin, 2 GMP partner, 1 GMP coordinator, 1 cLEAN coordinator, 1 training coordinator

## Ramp up plans prepared for each organisational unit

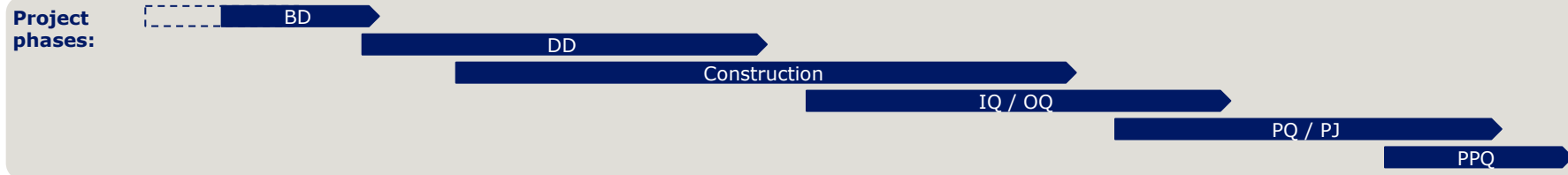
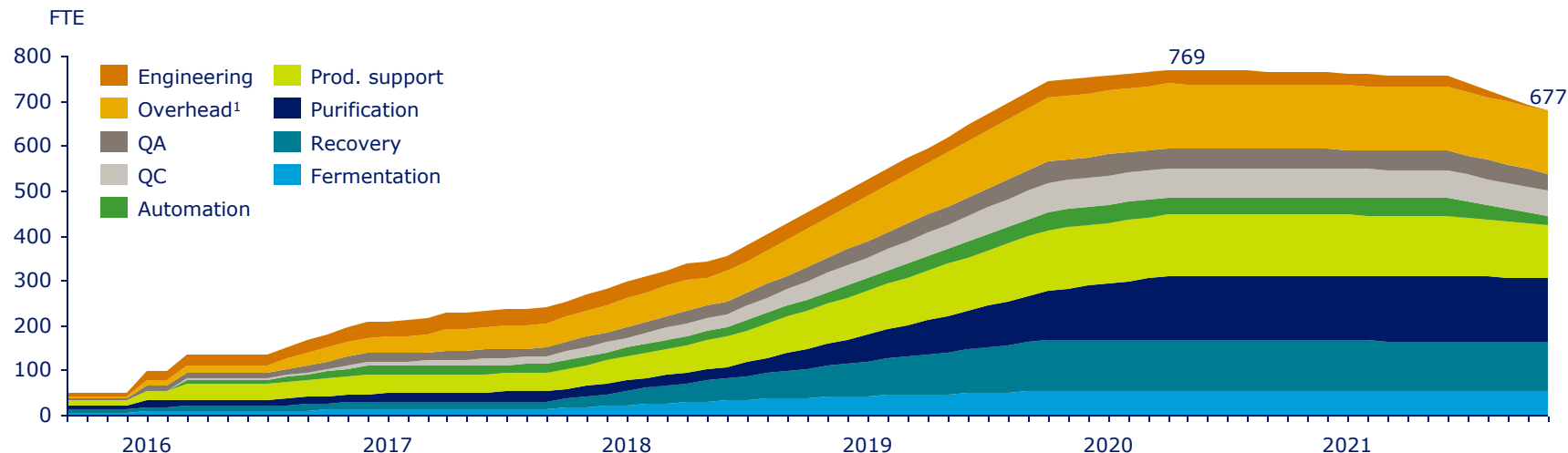
Ramp up plans subject to ongoing update and revision based on revised manning need



SUBJECT TO ONGOING REVIEW

# Project organisation – ramp up, baseline

The organisation will be gradually ramped up to 677 FTE's in full operation



1) Includes Business Support, Supply Chain, People & Organisation, Site Management and Manufacturing Development

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# Structuring projects around work-packages - Introduction

Structuring around work packages makes it easier to manage large scale projects

## What is it?



- A way to divide a large project into manageable pieces
- A way to delegate responsibility into the project
- Work packages containing responsibility for scope, schedule, cost and risk

## What are the benefits?



- Create ownership at operational level
- Secure transparency around responsibilities and risk
- Empower people to take on more responsibility and create development opportunities

## How is it set up?

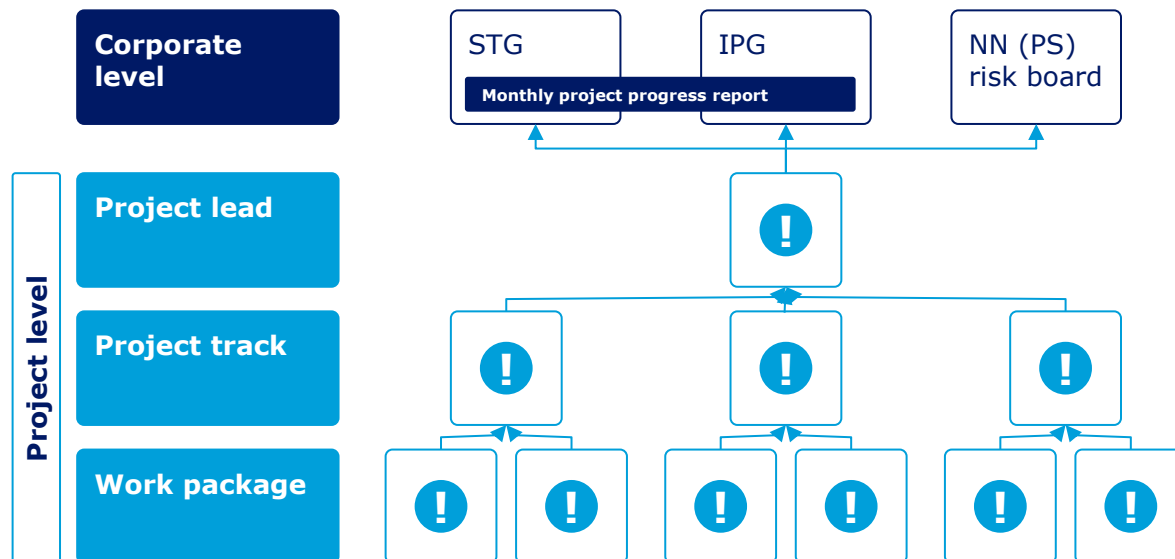


1. Define overall project structure (project tracks)
2. Assess distribution of PMD's based on synergy and capability fit
3. Prepare work package descriptions and interface matrices

# Structuring projects around work-packages - Operation

Structuring around work packages creates a direct link from operational project level to highest corporate level

## Project governance structure (illustrative)



## Dynamics



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