

On 22 March 2018 at 2.00 pm (CET), the Annual General Meeting of Novo Nordisk A/S was held at Royal Arena, Hannemanns Allé 20, DK-2300 Copenhagen S, Denmark.

The agenda was as follows:

1. The Board of Directors' oral report on the Company's activities in the past financial year.
2. Presentation and adoption of the statutory Annual Report 2017.
3. Approval of the remuneration of the Board of Directors for 2017 and the remuneration level for 2018.
 - 3.1. Approval of actual remuneration for 2017.
 - 3.2. Approval of remuneration level for 2018.
4. Resolution to distribute the profit according to the adopted statutory Annual Report 2017.
5. Election of members to the Board of Directors, including chairman and vice chairman.
 - 5.1. Election of chairman.
 - 5.2. Election of vice chairman.
 - 5.3. Election of other members to the Board of Directors.
6. Appointment of auditor.
7. Proposals from the Board of Directors:
 - 7.1. Reduction of the Company's B share capital by nominally DKK 10,000,000 by cancellation of B shares.
 - 7.2. Authorisation to the Board of Directors to allow the Company to repurchase own shares.
 - 7.3. Approval of changes to the Remuneration Principles.
8. Any other business.

Shares of a nominal value of approximately 266.7 million Danish kroner were represented at the Annual General Meeting, equal to 54.81% of the Company's total share capital after deduction of the Company's holding of own shares. The capital represented corresponded to 123,443,098,300 votes, equal to 84.9% of the total number of votes, excluding votes attached to the Company's holding of own shares.

A total of 1,280 admission cards were issued for the Annual General Meeting, and 552 admission card holders were present. Of those present, shareholders with voting rights comprised 426. The Board received proxies for a total of 129,019,040, equal to 0.10% of the votes represented. In addition, proxy voting instructions or written votes were received for a total 120,800,815,860 votes, equal to 97.86% of the represented votes.

With respect to the results of the votes, reference is made to **Appendix 1**, which includes the statement of the keeper of the Register of Shareholders, VP Investor Services, based on the electronic voting carried out at the Annual General Meeting. Where no vote was carried out the state-



ment reflects the actual votes in accordance with proxy voting instructions and written votes and shareholders present are calculated as votes in favour. No formal vote was carried out in relation to election of members of the Board and election of auditors as no other candidates than those proposed by the Board were suggested as candidates. For those elections **Appendix 1** includes the votes cast prior to the meeting including those represented by proxies issued to the Board.

The Chairman of the Board of Directors, Göran Ando, welcomed the shareholders. The Chairman stated that the Annual General Meeting would be webcasted live in Danish and English to allow shareholders worldwide to follow the meeting. The Annual General Meeting would take place in English. It would be possible for the shareholders to speak either in Danish or in English and simultaneous interpretation would be available via headphones for everyone attending the Meeting.

The Chairman of the Board of Directors introduced the individual members of the Board of Directors, Executive Management and the Company's auditors.

The Chairman of the Board of Directors informed the general meeting that in accordance with Article 7.3 of the Company's Articles of Association, the Board of Directors had appointed Klaus Søgård, attorney-at-law, as Chairman of the Meeting.

The Chairman of the Meeting explained the rules under the Danish Companies Act and the Company's Articles of Association concerning the convening of the Annual General Meeting and noted that the Annual General Meeting had been duly convened and formed a quorum.

The Chairman of the Meeting explained that items 1 and 2 on the agenda would be presented together.

Item 1 on the agenda: The Board of Directors' oral report on the Company's activities in the past financial year.

Novo Nordisk's President and chief executive officer, Lars Fruergaard Jørgensen, made reference to his letter included in the statutory Annual Report, in which he stated that his first year as President and chief executive officer had been worth every minutes and that he had spent a lot of time travelling the world to meet employees, patients, healthcare professionals and other stakeholder who are all important for Novo Nordisk. Lars Fruergaard Jørgensen noted that Novo Nordisk has a strong platform for future success and a very important purpose.

Lars Fruergaard Jørgensen informed that competition among the pharmaceutical companies within diabetes care is very intense and puts Novo Nordisk's prices under pressure, especially in the US. On this background, Lars Fruergaard Jørgensen was satisfied with how Novo Nordisk's sales have developed in 2017, where Novo Nordisk had delivered on its promises. Novo Nordisk's sales growth in 2017 of 2% measured in local currencies was within the range that Novo Nordisk had announced at the beginning of 2017, and operating profit growth of 5% measured in local currencies was above the range.

Lars Fruergaard Jørgensen further stated that 2017 had been characterised by an intense flow of new clinical data, which had led to regulatory approvals and label updates for several key products.



Most important had been the approval in the US of Ozempic®, Novo Nordisk's new once-weekly GLP-1 for the treatment of type 2 diabetes, followed by an approval in the EU in February 2018.

Lars Fruergaard Jørgensen then reviewed some of the other key developments in 2017. In 2017, the overall sales growth was 2.3% in local currencies and unchanged in Danish kroner, which was within the range between -1% and 4% in local currencies that Novo Nordisk had communicated at the beginning of the year. Lars Fruergaard Jørgensen further noted that reviewing the sales development from a regional perspective, Novo Nordisk's two operational units, North America Operations and International Operations, both performed according to plan. Despite price pressure, North America Operations managed to keep sales at the same level as 2016 and International Operations grew 5%, both measured in local currencies.

The three products Victoza®, Tresiba® and Saxenda® stood out when looking at sales growth from a product perspective. These products were expected to remain key growth drivers in the coming years together with Ozempic®, Novo Nordisk's new once-weekly, injectable GLP-1 treatment for adults with type 2 diabetes. Sales of Tresiba® reached 7 billion Danish kroner and thereby reached "blockbuster status" – a description of products selling more than 1 billion US dollar per year. Sales of Victoza® grew by 18% in local currencies despite increased competition in the GLP-1 market. Saxenda® was the third largest growth contributor in 2017, and the product is now launched in 25 countries.

Lars Fruergaard Jørgensen stated that Novo Nordisk during 2017 had taken a number of initiatives to strengthen its commercial execution, and that Novo Nordisk had entered 2018 well prepared to bring value to patients thereby maximizing return on Novo Nordisk's broad product portfolio.

Lars Fruergaard Jørgensen then referred to research and development ("R&D"), where 2017 had been a year with a lot of exciting news from Novo Nordisk's pipeline which would further strengthen its product portfolio in the coming years:

- The approval of Ozempic®, Novo Nordisk's new once-weekly GLP-1 for the treatment of type 2 diabetes, in the US and the approval of Ozempic® in EU in February 2018. In both markets the label reflected that Ozempic® had demonstrated clinically meaningful and statistically significant reductions in HbA1c, as well as statistically significant reductions in body weight versus comparators. In the SUSTAIN 7-trial results announced in August, Ozempic® demonstrated superior reduction in both HbA1c and body weight when compared to dulaglutide, the main competing diabetes care product in GLP-1 treatment.
- The label updates for Victoza® in the EU and the US reflected the product's ability to reduce the risk of cardiovascular events in adults with type 2 diabetes and at high risk of cardiovascular disease.
- The label update for Tresiba® in the EU, based on data from the DEVOTE trial, demonstrated a clinically relevant reduction in hypoglycaemia compared with insulin glargine U100.

- The approvals of Fiasp®, a new fast-acting mealtime insulin, in the EU and the US for the treatment of adults with diabetes.
- The completion of the phase 2 trial for semaglutide in obesity in June 2017, where the patients who had completed one year's treatment demonstrated a weight loss of 16.2% at the highest dose of semaglutide.

Lars Fruergaard Jørgensen then referred to the outlook for 2018, where Novo Nordisk's focus will be on implementing the strategies that Novo Nordisk had developed and started executing on in 2017. Lars Fruergaard Jørgensen stated that 2018 overall will be an exciting year with the launch of Ozempic®. Lars Fruergaard Jørgensen further stated that, with the breadth of Novo Nordisk's diabetes care product portfolio, a key priority for 2018 is to grow market shares while recognising that its biopharmaceutical franchise is likely affected by a competitive product launch.

Lars Fruergaard Jørgensen noted that prices still will be under pressure, especially in the US, and that the increase in numbers of people with chronic diseases, such as diabetes, and the costs of treating them put healthcare budgets under pressure. This will especially affect the prices of Novo Nordisk's insulin products, and Novo Nordisk therefore expects sales growth of 2% to 5% in 2018, despite its ambition to gain market shares.

Lars Fruergaard Jørgensen hereafter noted that Novo Nordisk has a great responsibility for the 415 million people in the world with diabetes, the millions more who have obesity and the thousands who live with haemophilia or growth disorders, and that they are the reason for the Company's being.

Lars Fruergaard Jørgensen expressed that his vision is that Novo Nordisk under his tenure as President and chief executive officer will have solidified its position as the world's leading diabetes care company; will be the world's leading company within medical treatment of obesity; will be among the leading companies in haemophilia; and will be recognised by its employees, the patients it serves, Novo Nordisk's shareholders and other external stakeholders as an outstanding company, both for what Novo Nordisk does and how Novo Nordisk does it.

As a final remark, Lars Fruergaard Jørgensen thanked for the support he had received.

The Chairman of the Board of Directors, Göran Ando, noted that the statutory Annual Report was distributed electronically and in printed format on 6 February 2018 and 23 February 2018, respectively.

Göran Ando reviewed the financial highlights of the consolidated financial statements.

Novo Nordisk ended 2017 growing sales within the range communicated at the beginning of the year and above the range provided for operating profit. At the beginning of the year, Novo Nordisk had guided sales growth of -1 to 4% and adjusted operating profit growth of -2 to 3%, both in local currencies. Sales increased by 2% measured in local currencies and were unchanged in Danish kroner.



Göran Ando then moved on to the cost lines. Costs related to production increased by 3% in Danish kroner, resulting in a gross margin of 84.2%, compared with 84.6% in 2016, which reflected a negative currency impact of 0.3 percentage points. Sales and distribution costs increased by 2% in local currencies and were unchanged in Danish kroner. The development reflected increased sales force and promotional costs and costs related to legal cases, which was partly offset by reduced manning in the US and broad cost control initiatives. Research and development costs decreased by 3% in local currencies and by 4% in Danish kroner. The decline reflected the discontinuation of a number of research projects following the updated R&D strategy announced in October 2016 leading to lower research costs. Administration costs declined by 3% in local currencies and by 4% in Danish kroner, which reflected general cost control initiatives. Operating profit increased by 5% in local currencies and by 1% in Danish kroner.

Net financial items showed a loss of 287 million Danish kroner compared to a loss of 634 million Danish kroner in 2016. The net financials reflected a loss on foreign exchange forward contracts hedging the US dollar and the Chinese yuan due to the interest rate differential versus the Danish krone. The effective tax rate for 2017 was 21.7%; broadly in line with the corporate statutory tax rate in Denmark. Further, the net profit increased by 1%.

The balance sheet total was increased by 4.9 billion Danish kroner, or 5%, to 102.4 billion Danish kroner, from the end of 2016 to the end of 2017. The increase in total assets was driven by non-current assets due to an increase in property, plant and equipment primarily reflecting the ramp up of diabetes production investments in the US. The free cash flow of 32.6 billion Danish kroner in 2017 showed a decrease of 7.4 billion Danish kroner, or 19%, compared to last year. This reflected a non-recurring impact from lower income taxes paid in 2016 as well as increased capital expenditure in 2017.

Göran Ando then stated that Novo Nordisk focuses on returning cash to its shareholders whenever feasible, and that since 2013 dividends paid to shareholders per year have increased with 13.5% on average.

Lastly, Göran Ando explained the remuneration of Executive Management for 2017 which comprised several components, including a short-term cash-based incentive programme and a long-term share-based incentive programme. The cash bonus for the President and chief executive officer for 2017 was 100% of the maximum cash bonus equalling 12 months' fixed base salary plus pension contribution, and the cash bonuses for the executive vice presidents were also 100% of their maximum cash bonus equalling 8.5 and 8 months' fixed base salary plus pension contribution, respectively. For executives promoted to Executive Management in second half of 2017, the cash bonus was adjusted. In 2017, Novo Nordisk exceeded the planned incentive target for economic value creation with 4.8%, and sales were 0.8% above the target level in local currencies, however, two of the non-financial targets were not met. On this basis, 69% of the maximum share allocation would be granted to the participants in the long-term share-based incentive programme. Thus, the President and chief executive officer would receive shares equalling 8.2 months' fixed base salary plus pension contribution, whereas the executive vice presidents would receive shares equalling 6.2 months' fixed base salary plus pension contribution. The two executives being promoted to executive vice president after 1 July 2017 would receive shares equalling 5.5 months' fixed base salary plus pension contribution based on their previous status as senior vice president.

Finally, Göran Ando commented on what to expect in 2018. In the statutory Annual Report, Novo Nordisk had presented the outlook for 2018 and expects sales growth in local currencies to be in the range of 2% to 5%. This reflected expectations for continued robust performance for the portfolio of new-generation insulin and the GLP-1 portfolio, now comprising both Victoza® and Ozempic® as well as a positive contribution from Saxenda®. Sales growth was expected to be partly countered by intensifying global competition within the diabetes care and biopharmaceuticals, especially within haemophilia inhibitor segment, as well as continued pricing pressure within diabetes care, especially in the US. Further, Novo Nordisk expected operating profit growth in local currencies to be in the range of 1% to 5%, which reflected the outlook for sales and a planned increase in sales and distribution costs to support the launch of Ozempic®. The reported sales growth and the reported operating profit were expected to be around 7 and 10, respectively, percentage points lower than the local currency level given the significant depreciation for the US dollar and related currencies versus the Danish krone, based on currencies as of 1 February 2018.

The Chairman of the Meeting proceeded to open the debate concerning items 1 and 2 on the agenda.

Thomas Østergaard, PFA, thanked the chairman and the President and chief executive officer for their reports and congratulated the Board of Directors and Executive Management on Novo Nordisk's achievements in 2017. Further, Thomas Østergaard noted that, in an environment where prices are under pressure, Novo Nordisk's competitive product portfolio and pipeline within the diabetes and obesity businesses were comforting. Thomas Østergaard mentioned the positive news in 2017 regarding the updated Victoza® label in the US and the EU as well as the approval of Ozempic® in the US. Further, Thomas Østergaard noted that 2018 was also set to be an eventful year and mentioned, inter alia, the launch of Ozempic® in the US.

Thomas Østergaard then turned to the biopharmaceutical business and questioned how critical it is for this business that Novo Nordisk succeeded in making acquisitions or licensing deals in the near future. Further, Thomas Østergaard referred to Novo Nordisk's process with Ablynx and queried with regard to Novo Nordisk's strategy in a similar situation.

Finally, Thomas Østergaard congratulated the Board of Directors, Executive Management as well as the employees of Novo Nordisk on delivering a satisfactory result in 2017.

Lars Fruergaard Jørgensen explained that Novo Nordisk has outlined a biopharmaceutical strategy under Jesper Brandgaard's leadership which comprises three key priorities. Firstly, Novo Nordisk should maximize the value of its current products; secondly strengthening its leadership in the biopharmaceutical division; and lastly accelerating the growth by making external deals in the form of acquisitions or in-licensing deals. Lars Fruergaard Jørgensen elaborated that it is not critically needed for Novo Nordisk to make external deals in the biopharmaceutical division, but that it is desirable to do so in order to ensure growth in this division.

Lars Fruergaard Jørgensen explained Novo Nordisk's process with regard to Ablynx, and that Novo Nordisk's strategy is to work for its own shareholders which means that it will not overpay in a possible acquisition, since this would mean transferring value from its own shareholders. Lars Fruergaard Jørgensen noted that Novo Nordisk is looking for external deals, which ideally could be an

in-licensing deal since Novo Nordisk in such case would split the value with the seller in case of success.

Claus Berner Møller, ATP, thanked the chairman and the President and chief executive officer for their reports.

Claus Berner Møller stated that the performance in 2017 for sales growth measured in local currencies was in line with the outlook from the beginning of the year, but that 2017 was a year with different developments in the diabetes care and obesity division, that experienced an increase in sales, and the biopharmaceutical division, that experienced a decline in sales. Claus Berner Møller noted that this illustrates a lack of innovation height in the biopharmaceutical division and that Novo Nordisk needs to expand leadership in haemophilia and other therapeutic areas to become successful in this division.

Claus Berner Møller then stated that he was pleased with the more aggressive attitude in R&D as described in the Annual Report. Further, Claus Berner Møller mentioned Novo Nordisk's focus on acquisitions, exemplified by the proposed acquisition of Ablynx. Claus Berner Møller questioned how and when a more positive development especially regarding the financial results in the biopharmaceutical division could be expected.

Claus Berner Møller referred to the proposed changes to Novo Nordisk's Remuneration Principles with regard to the long-term incentive programme for the President and chief executive officer and commented that the right key performance indicators had been chosen, but that he expects the bar for getting the maximum share allocation to be a stretch target. Claus Berner Møller noted that the maximum salary for the President and chief executive officer is lower now than it was some years ago and that ATP would vote for the proposal, but reminded Novo Nordisk that the maximum salary level was in the view of ATP at a very high level .

Claus Berner Møller then commented on the proposed increase of remuneration of the Board of Directors which constituted a remarkable increase, but reflected the increase of the responsibility and expected time spend for a board member, and thus ATP supported the proposal. Claus Berner Møller mentioned that the salary to the President and chief executive officer and the remuneration of the Board of Directors are at a top level compared to Scandinavia and other countries in the Northern part of Europe, and Claus Berner Møller further noted that Novo Nordisk should not be benchmarked against the US and Switzerland which have much higher fee levels.

Finally, Claus Berner Møller thanked the Chairman of the Board of Directors, Göran Ando, for his dedication to Novo Nordisk through more than ten years, and Claus Berner Møller expressed his support for Helge Lund as the new Chairman of the Board of Directors. Claus Berner Møller then wished Novo Nordisk and its employees all the best for 2018.

Lars Fruergaard Jørgensen explained that whether and when the biopharmaceutical division will return to growth depends on Novo Nordisk's launch and penetration of its existing portfolio, the external deals it makes as well as the competition it faces, and thus a specific timeline cannot be provided. Lars Fruergaard Jørgensen further noted that it is a top priority to return the biopharmaceutical division to growth.



The Chairman of the Board of Directors, Göran Ando, explained with regard to remuneration that it is important for Novo Nordisk not to forget that it is a Danish company, however this must be balanced with Novo Nordisk's wish to attract and retain top executives from around the world.

Michael Thøgersen, the Danish Shareholders' Association, commented on the financial results for 2017, which were very satisfactory. Michael Thøgersen noted that Novo Nordisk is in a growing market, and Michael Thøgersen then commented on the drop in the US dollar and the impact this has on Novo Nordisk's profitability.

Furthermore, Michael Thøgersen posed a number of queries: (i) Michael Thøgersen asked whether Novo Nordisk will be hedged in any significant way in connection with its expenditures in US dollar. (ii) Michael Thøgersen pointed out Novo Nordisk's expansion of the production facilities in North Carolina and other places in the US and queried whether this would have an impact when dealing with American authorities and middlemen. (iii) Michael Thøgersen questioned whether Novo Nordisk experiences differences in relation sales and distribution costs in different markets. (iv) Michael Thøgersen asked how much of the end-user price goes to middlemen, i.e. purchasers and distributors, and what Novo Nordisk's view is with regard to middlemen's earnings. (v) Michael Thøgersen queried whether Novo Nordisk considers splitting up its businesses for diabetes and biopharmaceuticals into two separate companies. (vi) Michael Thøgersen referred to the PIONEER 1 trial and asked whether Novo Nordisk could elaborate on the remaining nine PIONEER trials. (vii) Michael Thøgersen pointed out the update on the Tresiba® label in the EU and questioned whether the German authorities have accepted Tresiba® as a superior product compared to traditional medication.

Further, Michael Thøgersen referred to the appointment of Camilla Sylvest as executive vice president and in this connection Michael Thøgersen recognised her performance in China and wished her the best in her new position. Finally, Michael Thøgersen expressed that he was pleased with Novo Nordisk's Danish translation of its Annual Report.

Lars Fruergaard Jørgensen explained that once Novo Nordisk's plant in North Carolina would be in operation in 2020, Novo Nordisk would improve its balance between sales and costs in US dollar and thereby reduce its direct US dollar exposure.

Further, with regard to the impact of its expansion of the manufacturing facility in North Carolina on authorities and middlemen, Lars Fruergaard Jørgensen stated that it might not be the main concern of middlemen, who instead might be more interested in rebates. However, on a political level, Lars Fruergaard Jørgensen stated that the expansion possibly could result in a higher level of support.

In terms of differences in sales and distribution costs in different markets, Lars Fruergaard Jørgensen explained that Novo Nordisk's sales and distribution costs varies across markets. Lars Fruergaard Jørgensen noted that in the US, Novo Nordisk has the highest prices of its products, but also the highest sales and distribution costs, and that Novo Nordisk's margins overall are similar across some of the mature markets due to variations in sales and distribution costs.

With regard to earnings of middlemen, Lars Fruergaard Jørgensen referred to the Annual Report and explained that Novo Nordisk's gross sales in 2017 was approximately 216 billion Danish kroner,



and that Novo Nordisk paid more than 100 billion Danish kroner in rebates. On average, Novo Nordisk paid 64% in rebate in the US. Further, Lars Fruergaard Jørgensen stated that Novo Nordisk finds it problematic that the middlemen in some cases keep the rebate whereas the patients pay list-price for the products. Lars Fruergaard Jørgensen then noted that Novo Nordisk is actively working on changing these systems, but that it recognises this will take some time to accomplish.

In terms of splitting up Novo Nordisk's businesses for diabetes and biopharmaceuticals into two separate companies, Lars Fruergaard Jørgensen stated that Novo Nordisk believes that it is the best owner of its biopharmaceutical business and Novo Nordisk does not have any plans to split up the two businesses. Lars Fruergaard Jørgensen further noted that it is Novo Nordisk's belief that through the biopharmaceutical strategy comprising the three key priorities previously mentioned, Novo Nordisk can return its biopharmaceutical business to growth.

With regard to the PIONEER trials, Lars Fruergaard Jørgensen explained that Novo Nordisk recognises that ten trials in total are a lot, but that is important for Novo Nordisk to conduct comprehensive trials to document that a new product is better than the competing products on the market.

In terms of Tresiba® on the German market, Lars Fruergaard Jørgensen explained that Novo Nordisk has not been able to get a higher price for the product than for much older insulin. Lars Fruergaard Jørgensen further stated that Novo Nordisk is working on changing this, however, a specific timeline cannot be provided.

Finally Lars Fruergaard Jørgensen recognised Michael Thøgersen's comment regarding the Danish translation of the Annual Report and mentioned that Novo Nordisk spends a lot of time on both the Annual Report and the Danish translation hereof.

Jonna Tjapkes, ASN Bank, posed three questions: (i) When will Novo Nordisk publish all clinical trials results in open access scientific journals and databases. (ii) When will Novo Nordisk disclose all payments to healthcare professionals. (iii) What percentage of remuneration to sales staff is fixed and what percentage is variable, and what non-financial key performance indicators are included in the remuneration policy for sales staff.

Lars Fruergaard Jørgensen explained that Novo Nordisk has taken action on publishing data from clinical trials in the past year and that Novo Nordisk is committed that it discloses data in a transparent way, which is described in more detail in Novo Nordisk's policy on this subject available at its website.

In terms of transparency of payments to healthcare professionals, Lars Fruergaard Jørgensen explained that Novo Nordisk discloses payments made in the 27 countries in the EU through the EFPIA reports, and that Novo Nordisk also make comprehensive disclosures in the US. Lars Fruergaard Jørgensen stated that Novo Nordisk is committed to disclose payments to healthcare professionals, but it is a very complex task and thus a specific timeline cannot be provided.

With regard to sales staff remuneration, Lars Fruergaard Jørgensen explained that Novo Nordisk does not have a uniform way of remunerating sales staff, but that it is based on local customs and practises, and thus the percentages of fixed and variable components varies. Lars Fruergaard



Jørgensen noted that all employees must complete a yearly test on business ethics, and that Novo Nordisk has a zero tolerance on unethical behaviour.

Bjørn Hansen, private shareholder, congratulated Novo Nordisk, the Board of Directors, Executive Management as well as the employees for the results in 2017. Further, Bjørn Hansen commended Novo Nordisk on publishing both an English Annual Report and a Danish translation hereof.

Bjørn Hansen posed a number of queries: (i) What has Novo Nordisk planned to do with regard to the impending “trade war” in the US. (ii) With regard to trademarks and patents, Bjørn Hansen queried whether Novo Nordisk had experienced any losses on its trademarks or patents in the Annual Report; and how Novo Nordisk assesses the value of its trademarks and patents. (iii) Has Novo Nordisk experienced any losses with regard to the US dollar.

Lars Fruergaard Jørgensen explained that Novo Nordisk does not believe that it will find itself in a “trade war” limiting its ability to sell its products in the US, but of course it is not possible to predict what will happen in the future. With regard to Novo Nordisk’s trademarks and patents, Lars Fruergaard Jørgensen explained that Novo Nordisk generally has a very large family of patents covering each product, and that trademark and patents are not included in the balance sheet in the Annual Report.

In terms of losses with regard to the US dollar, Lars Fruergaard Jørgensen explained that Novo Nordisk had hedging losses of 187 million Danish kroner relating to the US dollar compared to 576 million Danish kroner in 2016. In 2018, Novo Nordisk expects a positive contribution of 2.7 billion Danish kroner from hedging gains.

Victor Belvin, Mitflex, questioned which strategies Novo Nordisk is currently implementing with regard to entering into emerging markets around the world.

Lars Fruergaard Jørgensen explained that Novo Nordisk is a global company and sells its products in all markets, including emerging markets. Lars Fruergaard Jørgensen further explained that Novo Nordisk has a broad product portfolio, and in emerging markets Novo Nordisk typically covers both the low-end of the market, typically selling human insulin, as well as the high-end of the market, selling the same products as in the US or the EU. Lars Fruergaard Jørgensen stated that Novo Nordisk has quite a uniform strategy around the world which is to bring its products to people with diabetes and other chronic diseases, but that Novo Nordisk utilizes its product portfolio in different ways so that it fits the specific market. Additionally, Lars Fruergaard Jørgensen explained that Novo Nordisk has placed manufacturing plants in emerging markets, and that Novo Nordisk has its largest insulin manufacturing plant in Brazil and another large manufacturing plant in China. Finally, Lars Fruergaard Jørgensen noted that Novo Nordisk carries out clinical trials in emerging markets and supports some of the poorest parts of the world by providing access programmes which limit the maximum prices of its products.

As there were no further comments, the Chairman of the Meeting concluded that the general meeting had taken account of the report.

Item 2 on the agenda: Presentation and adoption of the statutory Annual Report 2017.



Reference is made to the comments under item 1 above.

No further shareholders wished to take the floor. The Chairman of the Meeting thereby concluded that the statutory Annual Report for 2017 was approved.

Item 3 on the agenda: Approval of the remuneration of the Board of Directors for 2017 and the remuneration level for 2018.

The Chairman of the Board of Directors stated that the 2017 Annual General Meeting approved an unchanged remuneration level for the Board of Directors for 2017. The Chairman of the Board of Directors noted that the Board fee is composed of a fixed annual base fee for the members, a multiplier of the fixed base fee for the Chairmanship and members of the board committees, fees for ad hoc tasks and travel allowance.

The actual remuneration paid to the members of the Board of Directors for 2017 amounted to DKK 16.1 million and corresponded to the level approved by the Annual General Meeting in 2017. On this background, the Board of Directors proposed that the Annual General Meeting adopted the actual remuneration for 2017.

With regard to the remuneration level for 2018, the Board of Directors proposed that the Board fee continues to be composed of a fixed annual base fee for the members and an additional fee for additional tasks such as committee work. Based on benchmark data from major Danish companies supplemented with benchmark data from Scandinavian companies and European pharmaceutical companies, which in size and complexity are similar to the Company, and the fact that the Board fee has been unchanged since 2015, the Board of Directors proposed to increase the annual base fee from 600,000 Danish kroner to 700,000 Danish kroner. Consequently, a total increase in the remuneration level for 2018 for each board member is estimated to be between 9% and 15% with an average increase per board member 12% compared to the actual total remuneration for 2017.

The Chairman of the Meeting concluded that the actual remuneration for 2017 was approved and the remuneration level for 2018 was approved as there were no comments to the proposals.

Item 4 on the agenda: Resolution to distribute the profit according to the adopted statutory Annual Report 2017.

The Chairman of the Board of Directors explained that an interim dividend of DKK 3.00 per share was paid in August 2017, and that the Board of Directors was proposing that the final dividend for 2017 be DKK 4.85 per share to be paid in March 2018. The total dividend for 2017 would therefore be DKK 7.85 – an increase of 3% compared to 2016. This corresponded to a pay-out ratio of 50.4%. No dividend would be paid on the Company's holding of own shares.

Moreover, the Board of Directors had approved a new share repurchase programme of up to DKK 14 billion to be executed over 12 months starting February 2018, which could be reduced in size if significant product in-licensing or bolt-on acquisition opportunities arise in 2018. Finally, the Chairman of the Board of Directors stated that the final dividend, the expected interim dividend in

August 2018 and the DKK 14 billion share repurchase programme in total implied that Novo Nordisk expected to return more than the currently guided free cash flow to shareholders in 2018.

The Chairman of the Meeting concluded that the Board of Directors' proposal was approved.

Item 5 on the agenda: Election of members to the Board of Directors, including chairman and vice chairman.

The Chairman of the Meeting explained that in accordance with Article 10 (2) of the Articles of Association, the Annual General Meeting shall elect between 4 and 10 members to the Board of Directors each year, and in accordance with Article 10 (2) of the Articles of Association, the Annual General Meeting shall elect the Chairman and Vice Chairman directly.

The Chairman of the Board of Directors explained the annual self-assessment process, which included all members of the Board of Directors and of Executive Management. In 2017, the self-assessment was facilitated by external consultants and evaluated topics such as board dynamics, strategy, executive succession and board composition. In addition, each individual member of the Board of Directors and Executive Management was provided with feedback from all other board members and executives on their individual performance.

The Chairman of the Board of Directors further stated that the self-assessment revealed in general a good performance by the Board of Directors as well as good collaboration between the Board of Directors and Executive Management. The process also resulted in increased focus on the process for strategy development, on further development of the company culture, on executive succession and on what future board competences would be needed.

The Chairman of the Meeting explained under item 5.1, that Göran Ando did not seek re-election as member of the Board of Directors, and that the Board of Directors proposed the election of Helge Lund as chairman.

Helge Lund's as well as the other candidates' executive functions, board memberships, educational backgrounds and competences of significance to Novo Nordisk, and their independence, cf. the Danish recommendations for corporate governance, were described in the notice convening the Annual General Meeting.

The Chairman of the Meeting gave the floor to the Chairman of the Board of Directors to comment on the proposed new Chairman.

The Chairman of the Board of Directors explained that Helge Lund is a Norwegian national and joined the Board of Directors in 2014, that he had to step down in light of a job change, but that he returned last year and has been an extremely valuable board member. The Board of Directors recommended election of Mr. Lund due to his extensive experience within management of global companies, and due to him being assessed to have the personal qualifications to be Chairman. Further, as part of the Board succession preparedness activities, Mr. Lund had been invited to the Chairmanship meetings as an observer since April 2017. The Board of Directors has discussed these qualifications and finds that Helge Lund is the right person to become Chairman.



The Chairman of the Meeting stated that no other proposals for candidates had been received. With the consent of the Annual General Meeting, Helge Lund was elected as Chairman of the Board for a one-year term.

Under item 5.2, the Board of Directors proposed re-election of Jeppe Christiansen as Vice Chairman.

The Chairman of the Meeting stated that no other proposals for candidates had been received. With the consent of the Annual General Meeting Jeppe Christiansen was re-elected as Vice Chairman of the Board for a one-year term.

Under item 5.3 on the agenda, the Board of Directors proposed re-election of the following members of the Board of Directors: Brian Daniels, Sylvie Grégoire, Liz Hewitt and Kasim Kutay.

The Chairman of the Meeting further stated that the Board of Directors had proposed election of Andreas Fibig and Martin Mackay.

The Chairman of the Meeting gave the floor to the Chairman of the Board of Directors to comment on the proposed new members of the Board of Directors.

The Chairman of the Board of Directors explained that Andreas Fibig is a German national and chairman of the Board of Directors and President and chief executive officer of International Flavors & Fragrances, Inc, based in the US. Prior to this, Mr. Fibig has spent his career in the pharmaceutical field. The Board of Directors recommended election of Mr. Fibig due to his extensive global experience within biopharmaceutical companies, in depth knowledge of strategy, sales and marketing and knowledge about how large international companies operate.

The Chairman of the Board of Directors explained that Martin Mackay is an American national born in the UK. The Board of Directors recommended election of Mr. Mackay due to his background as a R&D executive with extensive experience in building a pipeline, acquiring products and managing the portfolio of early-stage and late-stage projects in large international pharmaceutical companies.

The selection process was undertaken by the Nomination Committee, with the assistance of an executive search firm. Several suitable candidates were identified. It was a requirement that diversity was taken into account with regard to experience, background, gender and origin. In the end the best suitable candidates were male non-Danes. The Board of Directors will continue to work with securing the desired diversity on the Board. The Chairman of the Board of Directors noted that following Andreas Fibig and Martin Mackay's election, the Board of Directors will consist of 6 male and 2 female shareholder-elected members, and 2 Nordic and 6 non-Nordic shareholder-elected members.

Consequently, the Board of Directors has fulfilled its ambition of having at least two shareholder-elected members with Nordic nationality and at least two shareholder-elected members with a nationality other than Nordic. The Board of Directors has not fulfilled the ambition of having at least three shareholder-elected members of each gender, which the Board of Directors will strive to fulfil by 2020.

The Chairman of the Meeting stated that no other proposals for candidates had been made, and that the only candidates thereby were Brian Daniels, Sylvie Grégoire, Liz Hewitt, Kasim Kutay, Andreas Fibig and Martin Mackay.

The Chairman of the Meeting subsequently asked if there were any comments concerning item 5 on the agenda. The Chairman established, with the consent of the Annual General Meeting, that all candidates suggested by the Board were elected.

Further, the Chairman of the Meeting explained that the employee representatives are elected for a four-year term by the employees of Novo Nordisk, and that the term for the current employee representatives would expire this year, and that an election of employee representatives therefore was conducted in February 2017. The result was that Anne Marie Kverneland and Stig Strøbæk would remain as employee representatives, and that Mette Bøjer Jensen and Thomas Rantzau were elected as new employee representatives. Consequently, Lise Lotte Hyveled and Søren Thuesen Pederen would step down when the newly elected employee representatives takes office after the Annual General Meeting.

Item 6 on the agenda: Appointment of auditor.

The Chairman of the Meeting stated that the Board of Directors had proposed re-appointment of the Company's auditor, PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab ('PwC').

There were no comments and the Chairman of the Meeting established with the consent of the Annual General Meeting that PwC was re-appointed.

Item 7 on the agenda: Proposals from the Board of Directors.

The Chairman of the Meeting stated that in order for the proposal to reduce the share capital under item 7.1 to be adopted, at least two-thirds of the votes cast at the Annual General Meeting as well as of the voting share capital represented at the Annual General Meeting were required. All other proposals only required simple majority.

Item 7.1 on the agenda: Reduction of the Company's B share capital by nominally DKK 10,000,000 by cancellation of B shares.

The Chairman of the Meeting stated that the Board of Directors proposed that the Company's B share capital be reduced by a nominal value of DKK 10,000,000. The Chairman of the Meeting explained that this reduction was basically a part of the repurchase programme.

The Chairman of the Meeting explained that the Board of Directors proposed a reduction of the Company's share capital from DKK 392,512,800 to DKK 382,512,800 by cancelling part of the Company's own holding of B shares at a nominal value of DKK 10,000,000 divided into 50,000,000 B shares of DKK 0.20 each equalling the nominal value of DKK 10,000,000.

Adoption of the proposal implies an amendment to Article 3.1 of the Articles of Association of the Company.



The Chairman of the Meeting established, with the consent of the Annual General Meeting, that the reduction of share capital, and proposed amendment to the Articles of Association, was approved with the required majority.

Item 7.2 on the agenda: Authorisation to the Board of Directors to allow the Company to repurchase own shares.

The Chairman of the Meeting stated that the Board of Directors had proposed that the Annual General Meeting authorise the Board of Directors to buy back the Company's own shares up to a total of DKK 49,000,000; equivalent to 10% of the share capital and with a holding limit of 10% of the share capital. The repurchase must take place at a price equal to the share price quoted at the time of the repurchase with a deviation of up to 10%. The authorisation will be valid until the Annual General Meeting in 2019.

The Chairman of the Meeting established, with the consent of the Annual General Meeting, that the authorisation to repurchase own shares, was approved.

Item 7.3 on the agenda: Approval of changes to the Remuneration Principles.

The Chairman of the Meeting stated that the Board of Directors proposed a number of changes to the principles for remuneration of board members and executives in Novo Nordisk including the general guidelines for incentive-based remuneration (the 'Remuneration Principles') to be approved by the Annual General Meeting.

The Chairman of the Board of Directors stated that the revised Remuneration Principles were included in the Annual General Meeting notice as Appendix 2 – and he highlighted a few of the proposed changes: (i) an increase of the maximum possible Long-term Incentive Programme share allocation for the President and chief executive officer and the executive vice presidents from currently 12 months to 18 and 13.5 months, respectively, and additionally to include a possibility to reduce or increase the number of shares allocated by 30% depending on the average sales growth in the vesting period resulting in a total possible grant of up to 24 months for the President and chief executive officer and 18 months for the executive vice presidents, (ii) an ability to wholly or partially reduce the severance payment if the executive has or takes up new employment after the expiry of the notice period. Severance payment under contracts entered into before 2017 with members of the Management Board, i.e. the members of Executive Management and senior vice presidents, may, however, not be reduced.

Martijn Huijnen, ASN Bank, commented that ASN Bank was against the proposal since not all key performance indicators were in public domain, and since they found possible maximum share allocation under the Long-term Incentive Programme being too high. Further, Martijn Huijnen informed that key performance indicators regarding sustainability in the view of ASN Bank were missing in the programme. A formal vote was suggested.

The Chairman of the Board of Directors explained, as previously mentioned, that Novo Nordisk is trying to balance between being a Danish company and wishing to attract and retain top executives from around the world. Further, the Chairman of the Board of Directors noted that if maximum allocations of shares under the Long-term Incentive Programme were made, this would mean that



Novo Nordisk was growing significantly, which would typically mean that shareholders were being well rewarded.

The Chairman of the Meeting then conducted an electronic vote concerning item 7.3 on the agenda. The Chairman of the Meeting noted that the revised Remuneration Principles were adopted by 98.29% of the votes. Reference is made to Appendix 1 for detailed information on the vote.

Item 8 on the agenda: Any other business.

The Chairman of the Meeting asked if anyone wished to take the floor.

As no one else wished to speak under this item, the Chairman of the Meeting declared that the agenda was completed and gave the floor to the Chairman of the Board of Directors.

The Chairman of the Board of Directors then thanked Liselotte Hyeved and Søren Thuesen Pedersen as departing employee representatives.

Further, the Chairman of the Board of Directors mentioned that this was his last Annual General Meeting as Chairman and member of the Board of Directors, at that it had been a privilege to be part of Novo Nordisk's exciting journey for the past thirteen years.

The Chairman of the Board of Directors then mentioned that he was excited about the medical advances that have been made during his time with Novo Nordisk, including Ozempic® as well as oral semaglutide.

The Chairman of the Board of Directors went on to thank Lars Fruergaard Jørgensen for the way he has taken on the role as CEO of Novo Nordisk. Under his leadership, Novo Nordisk has started a change process that will make it more competitive in the new business reality. The Chairman of the Board of Directors noted that in Lars Fruergaard Jørgensen's first year as President and chief executive officer, he has shown that he can lead an organisation in challenging times. Further, with the new members of Executive Management, Novo Nordisk has strengthened the commercial capabilities of what constitutes a renewed and yet very experienced executive leadership team.

Finally, the Chairman of the Board of Directors thanked his fellow board members, Executive Management and Novo Nordisk's shareholders for the confidence they have had in him personally and Novo Nordisk.

The newly elected Chairman of the Board of Directors, Mr. Helge Lund, recognised that Göran Ando have been on the Board of Directors for thirteen years and mentioned that during this time, Novo Nordisk has grown to become among the leading pharmaceutical companies in the world. Helge Lund stated that Göran Ando with his leadership had added significant contributions to Novo Nordisk, and the on behalf of the Board of Directors Helge Lund thanked Göran Ando and wished him all the best for the future.

The Chairman of the Board of Directors then declared the Annual General Meeting closed.



The Annual General Meeting was closed at 15:53.



Klaus Sogaard
Chairman of the Meeting