



ROSHNI
Roshni is living with type 1 diabetes in India

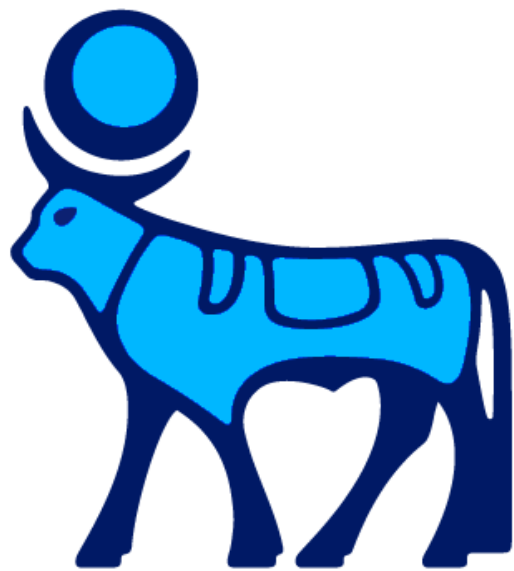
novo nordisk – a focused healthcare company

Novo Nordisk
Annual General Meeting

26 March 2020



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Board of Directors



Helge Lund



Jeppe Christiansen



Brian Daniels



Laurence Debroux



Andreas Fibig



Sylvie Grégoire



Liz Hewitt



Kasim Kutay



Martin Mackay



**Anne Marie
Kverneland**



Mette Bøjer Jensen

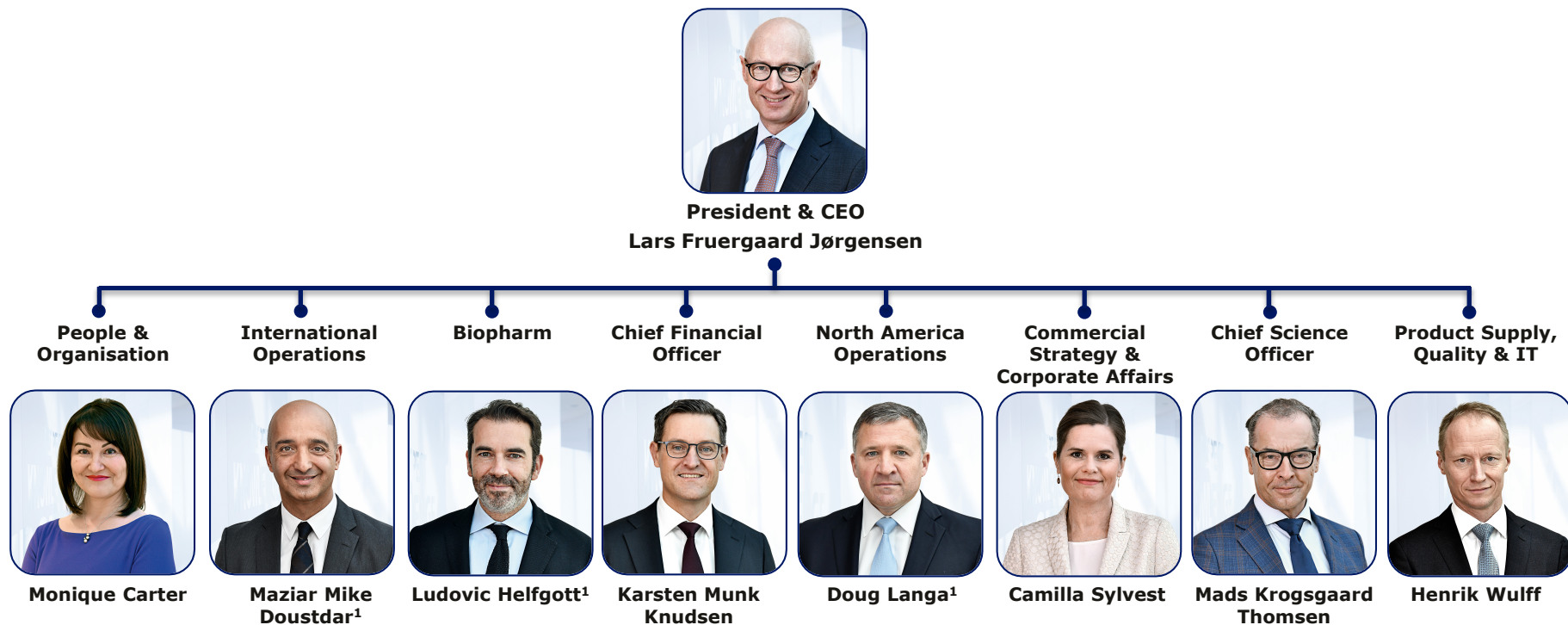


Thomas Rantzau



Stig Strøbæk

Executive Management



¹ Not registered with the Danish Business Authority

Mogens Mogensen and Mads Melgaard
PriceWaterHouse



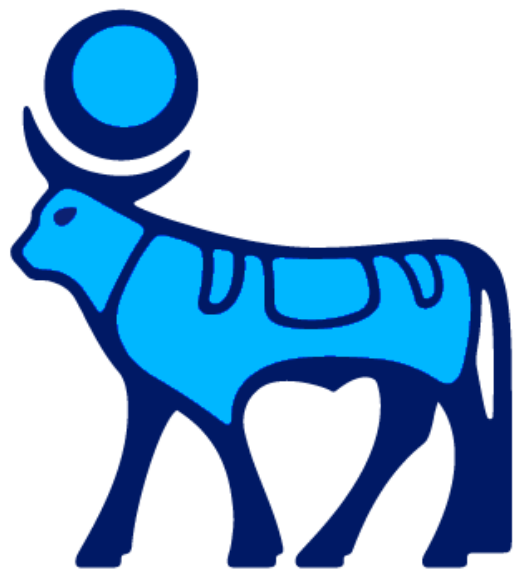
Klaus Søgaaard
Gorrissen Federspiel



Agenda

Annual General Meeting 2020

- 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 2019**
- 3. Remuneration, including presentation of Remuneration Report 2019, approval of remuneration of the Board of Directors for 2019 and remuneration level for 2020 as well as adoption of the Remuneration Policy**
- 4. Resolution to distribute the profit according to the adopted statutory Annual Report 2019**
- 5. Election of members to the Board of Directors, including chair and vice-chair**
- 6. Appointment of auditor**
- 7. Proposals from the Board of Directors**
- 8. Proposal from a shareholder**
- 9. Any other business**



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Sustained growth opportunities – strategic aspirations for 2025



Purpose and
sustainability



Innovation and
therapeutic focus



Commercial execution



Financials

Strategic aspirations for 2025

Highlights 2019



Purpose and sustainability

Patients reached with Novo Nordisk products increased by 3% to 30 million

Access to Insulin Commitment expanded with 29 middle-income countries, reaching 2.9 million patients

Partnership with UNICEF to prevent childhood overweight and obesity

Circular for Zero environmental strategy introduced



Commercial execution

Diabetes sales increased by 4%:

- Value market share leadership expanded by 0.8% point to 28.6%
- Sales of GLP-1 increased by 22% reflecting solid launch of Ozempic®

Obesity sales increased by 42% to DKK 5.7 billion

Biopharm increased by 4% driven by key products NovoEight®, Refixia®, and Esperoct®



Innovation and therapeutic focus

Diabetes:

- **Rybelsus®** received **approval** for the treatment of type 2 diabetes in the US and positive EU CHMP opinion
- **Ozempic® approved** in the US for CV risk reduction
- Insulin icodex (LAI287) phase 2 trial successfully completed

Obesity:

- AM833 phase 2 trial initiated

Biopharm:

- Mim8 phase 1/2 initiated
- **Esperoct® approved** in the US, the EU and Japan for the treatment of haemophilia A



Financials

Sales increased by 6% to DKK 122.0 billion

- 11% and 1% growth in IO and NAO, respectively

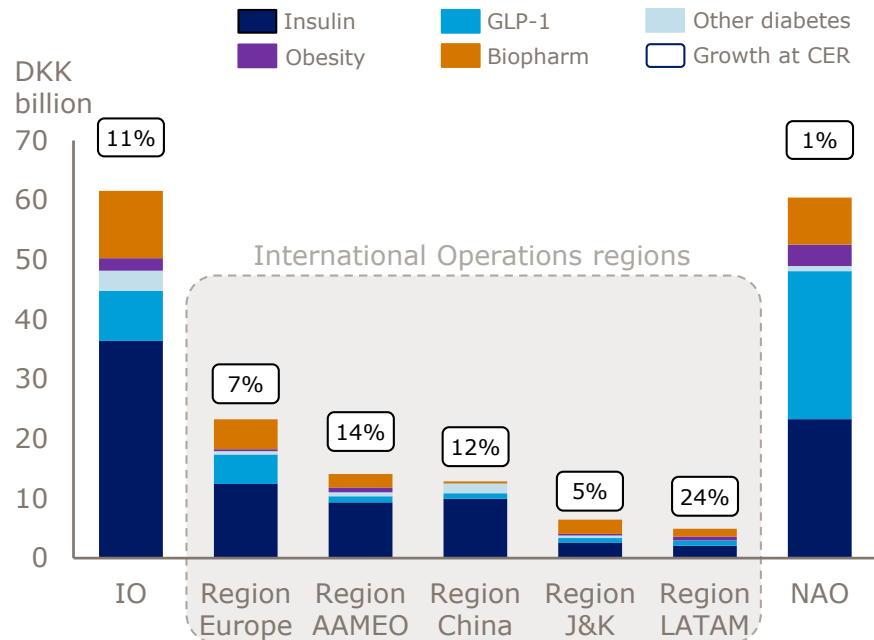
Operating profit increased by 6% to DKK 52.5 billion

Free cash flow of DKK 34.5 billion

Total dividend of DKK 8.35 per share of DKK 0.20

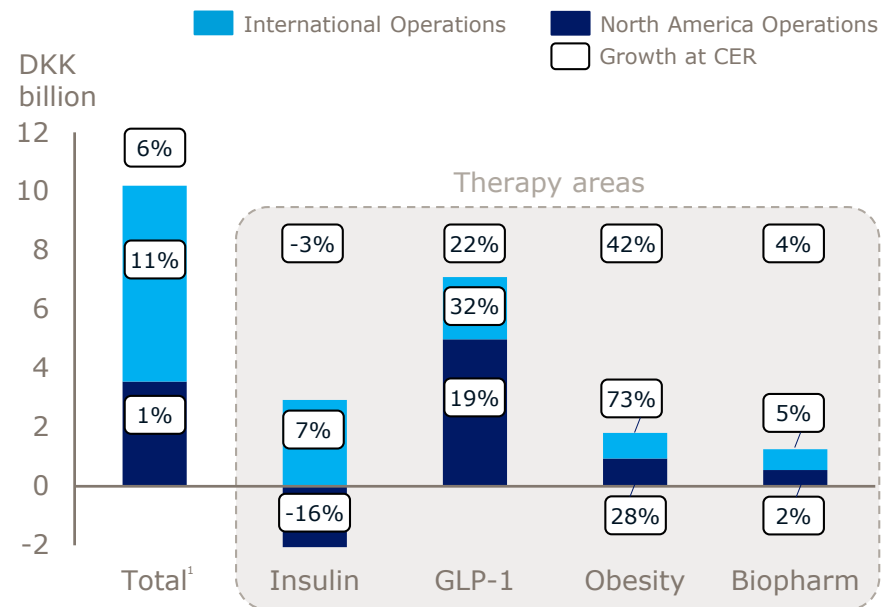
Sales growth of 6% driven by solid sales growth in International Operations

Reported sales split for FY 2019



IO: International Operations; AAMEO: Africa, Asia, Middle East & Oceania; J&K: Japan & Korea; LATAM: Latin America; NAO: North America Operations; FY: Full year

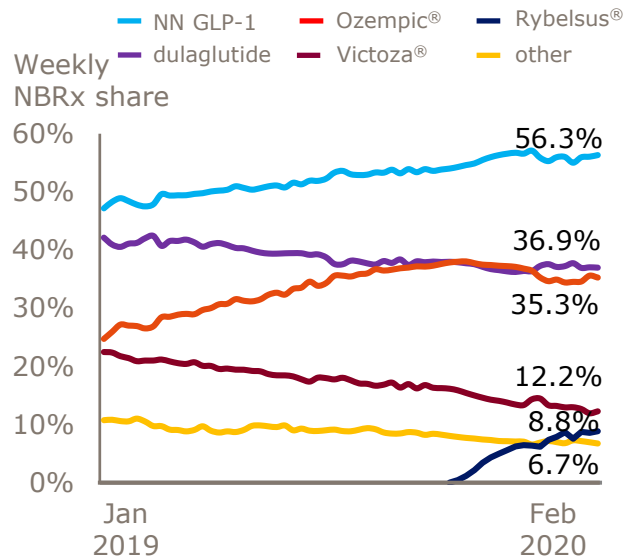
Added reported sales and growth per therapy area and operational unit at CER



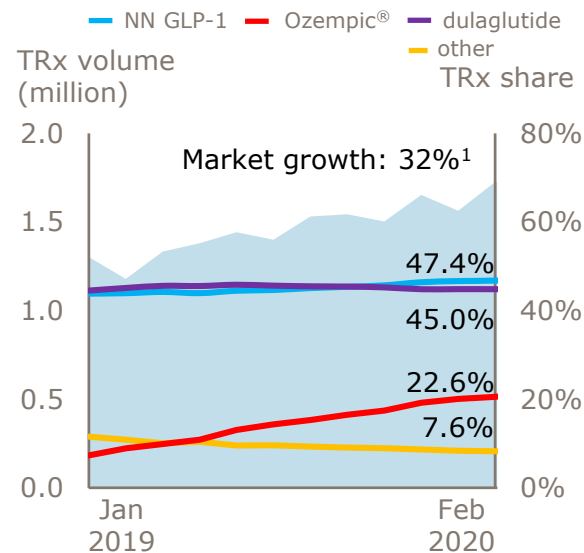
¹ "Other diabetes" is included in Total
CER: Constant exchange rates

Novo Nordisk innovative GLP-1 portfolio drives sales growth and market share gains globally

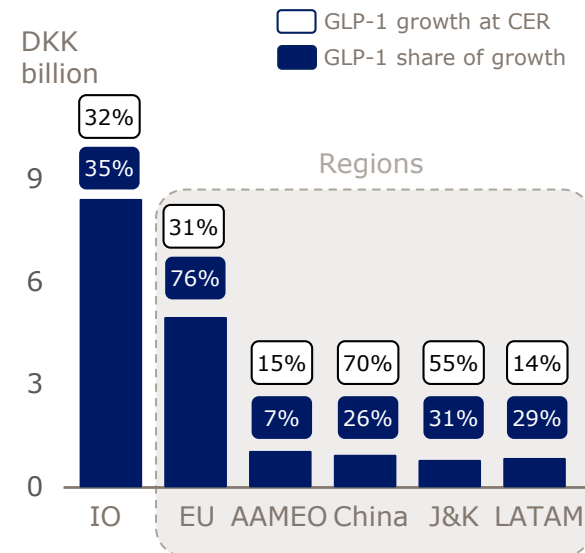
USA GLP-1 NBRx market share



USA GLP-1 TRx market growth and market share



Reported GLP-1 sales per region in International Operations



Source: NBRx-IQVIA National LRx Weekly, week-end 28 Feb 2020; TRx-IQVIA Xponent, Feb 2020

NBRx: New-to-brand prescriptions; TRx: Total prescriptions

¹ QvQ

Most-right graph is FY2019 reported sales.

Key clinical milestones within research and development in 2019

Diabetes

Insulin icodec – phase 2 results
Insulin intended for once-weekly treatment

Diabetes

Icosema – phase 1 results
Combo of insulin and semaglutide intended for once-weekly treatment

Diabetes

SUSTAIN FORTE – phase 3 initiation
High dose Ozempic®; ~1,500 patients, T2D ≥10 years

Diabetes

FOCUS – diabetic retinopathy outcomes trial initiation
Semaglutide s.c; ~1,500 patients, T2D ≥10 years

Diabetes

SOUL – cardiovascular outcomes trial initiation
Oral semaglutide; ~9,600 patients, T2D, established CVD or CKD

Obesity

AM833 – phase 2 initiation
Long-acting amylin analogue AM833; dose-response vs placebo

Obesity

PYY 1562 and **PYY 1875** – phase 1 results

Haem-
ophilia

Concizumab – phase 3 initiation, paused in March 2020
Haemophilia A and B irrespective of inhibitor status

Haem-
ophilia

Mim8 – phase 1 initiation
Next-generation factor VIII mimetic

GHD

Somapacitan – phase 3 initiation
Growth hormone deficiency in children and phase 2 for SGA

Chronic
kidney
disease

FLOW – chronic kidney disease outcomes trial initiation
Semaglutide 1.0mg; ~3,200 patients, T2D, moderate to severe CKD



Strategic aspirations for 2025

Milestones expected for 2020



Purpose and sustainability

Expansion of the US affordability offerings

Utilise solar energy power across all US operations

100% renewable power in 2020 for all production sites



Innovation and therapeutic focus

Diabetes:

- Sustain FORTE phase 3 results due Q4 2020
- Insulin icodec phase 3 initiation due in the second half of 2020

Obesity:

- Semaglutide obesity phase 3 results due mid-2020
- Amylin phase 2 results

Biopharm:

- Somapacitan regulatory feedback from the FDA/EMA for the treatment of AGHD

Other serious chronic diseases:

- Phase 2 readouts from NASH trials



Commercial execution

Expand diabetes market leadership led by launches and penetration of Ozempic®, Rybelsus®, and new-generation insulin

Strengthen obesity leadership with continued global rollout and penetration of Saxenda®

Continued launches of key Biopharm products

Refixia® and Esperoct® support sustained growth outlook



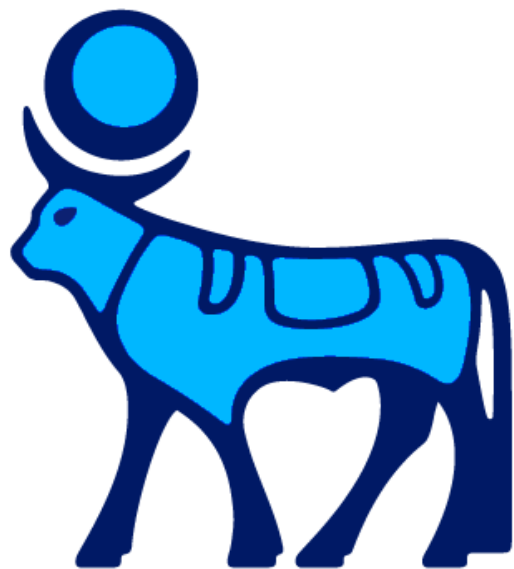
Financials

Sales growth expected to be 3-6% (reported: around 1 percentage point higher)

Operating profit growth expected to be 1-5% (reported: around 1 percentage point higher)

Free cash flow in the range of DKK 36-41 billion

DKK 17 billion share repurchase programme



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Consolidated income statement

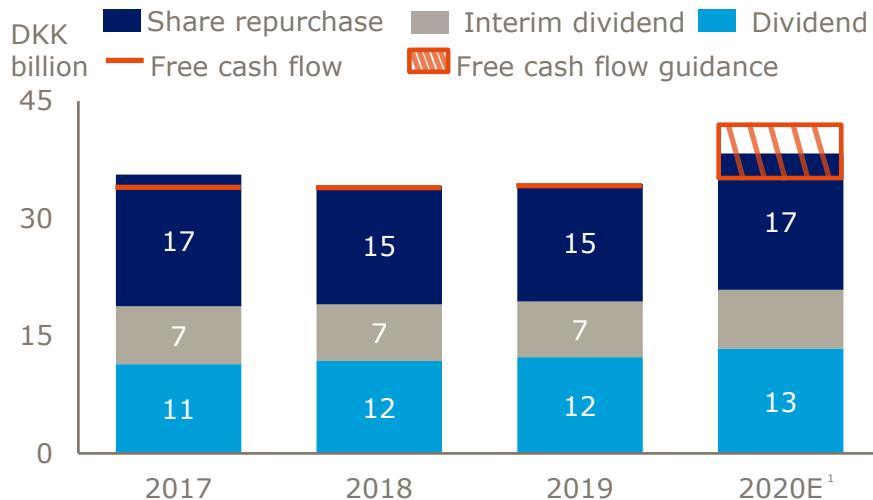
DKK million	2019	2018	Change
Sales	122,021	111,831	9%
Cost of goods sold	20,088	17,617	14%
Sales and distribution costs	31,823	29,397	8%
Research and development costs	14,220	14,805	(4%)
Administration costs	4,007	3,916	2%
Other operating income, net	600	1,152	(48%)
Operating profit	52,453	47,248	11%
Net financials	(3,930)	367	N/A
Profit before income taxes	48,553	47,615	2%
Income taxes	9,602	8,987	7%
Net profit	38,951	38,628	1%

Consolidated balance sheet per 31 December

Assets (DKK million)	2019	2018	Equity and liabilities (DKK million)	2019	2018
Non-current assets	63,156	51,702	Equity	57,593	51,839
Inventories, trade receivables and other current assets	46,981	43,429	Non-current liabilities	9,036	4,766
Cash at bank	15,475	15,638	Current liabilities	58,983	54,164
Total assets	125,612	110,769	Total equity and liabilities	125,612	110,769

Expected cash return to shareholders in 2020 and former long-term financial targets have been met

Annual cash return to shareholders



Novo Nordisk has met its previous long-term financial targets

Cash Conversion (three-year average)

Target: 85%
2019: 86%

OPAT/NOA

Target: 80%
2019: 98%

Average operating profit growth

Target: 5%
2016-2019: 4.9%

¹ For 2020, expected free cash flow is DKK 36-41 billion.

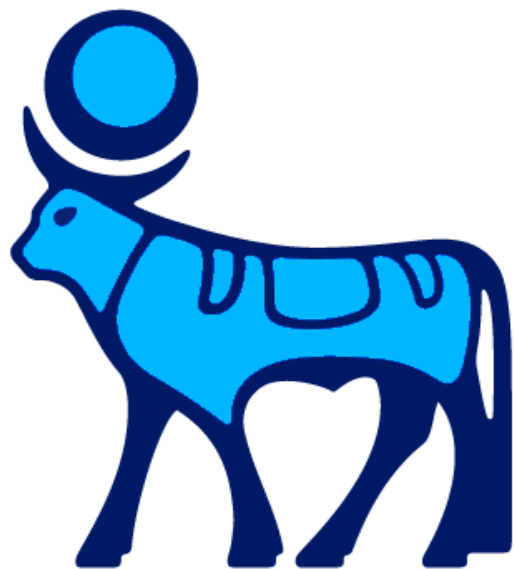
Note: Share repurchase programmes run for 12 months starting Feb until end-Jan of the following year.

Financial outlook for 2020

	Expectations 5 Feb 2020
Sales growth – at CER	3% to 6%
Sales growth - reported	Around 1 percentage point higher
Operating profit growth – at CER	1% to 5%
Operating profit growth - reported	Around 1 percentage point higher
Financial items (net)	Loss of around DKK 1.5 billion
Effective tax rate	20% to 22%
Capital expenditure	Around DKK 6.5 billion
Depreciation, amortisation and impairment losses	Around DKK 5 billion
Free cash flow	DKK 36 to 41 billion

The financial outlook is based on an assumption of a continuation of the current business environment and given the current scope of business activities and has been prepared assuming that currency exchange rates remain at the level as of 31 January 2020.

CER: Constant exchange rates



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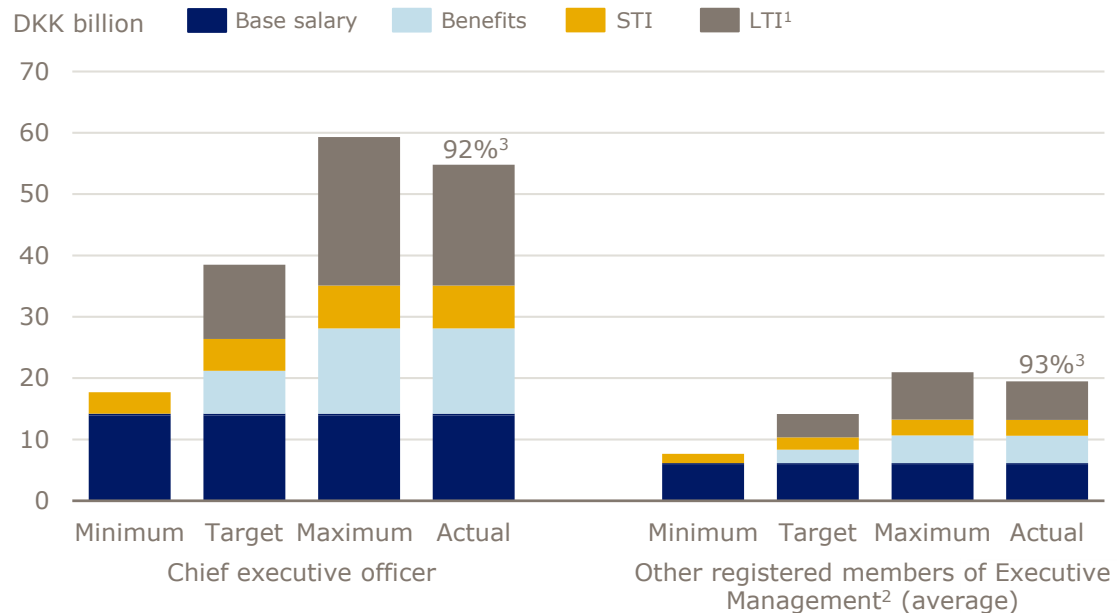
Agenda item 3.1

Presentation of the Remuneration Report 2019

Remuneration report 2019



Executive remuneration for 2019



¹ The graph does not reflect the potential adjustment after three-years vesting of up to +/- 30% of the numbers of LTIP shares allocated for 2019 performance. ² Includes executives who have been registered with the Danish Business Authority for the full year of 2019.

³ Percentage of maximum. STI: Short-term cash-based incentive; LTI: Long-term share-based incentive

Agenda item 3.2 a)

Approval of remuneration of the Board of Directors for 2019

	Board		Audit Committee		Nomination Committee		Remuneration Committee		R&D Committee	
	Multiplier	DKK	Multiplier	DKK	Multiplier	DKK	Multiplier	DKK	Multiplier	DKK
Chair	3.00	2,100,000	1.00	700,000	0.50	350,000	0.50	350,000	0.50	350,000
Vice chair	2.00	1,400,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Member	1.00	700,000	0.50	350,000	0.25	175,000	0.25	175,000	0.25	175,000

Travel allowances for board members and board committee members

In home country with 5 hours or more air travel	Outside home country but on home continent	On another continent than the home country
DKK 37,500 per meeting	DKK 37,500 per meeting	DKK 75,000 per meeting

Notes:

Remuneration also includes payment of social security taxes and bank transfer fees

Multipliers relate to the fixed annual base fee of DKK 700,000

Agenda item 3.2 b)

Approval of remuneration level for 2020 for the Board of Directors

	Board		Audit Committee		Nomination Committee		Remuneration Committee		R&D Committee	
	Multiplier	DKK	Multiplier	DKK	Multiplier	DKK	Multiplier	DKK	Multiplier	DKK
Chair	3.00	2,160,000	1.00	720,000	0.50	360,000	0.50	360,000	0.50	360,000
Vice chair	2.00	1,440,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Member	1.00	720,000	0.50	360,000	0.25	180,000	0.25	180,000	0.25	180,000

Travel allowances for board members and board committee members

In home country with 5 hours or more air travel	Outside home country but on home continent	On another continent than the home country
DKK 38,500 per meeting	DKK 38,500 per meeting	DKK 77,000 per meeting

Notes:

Remuneration also includes payment of social security taxes and bank transfer fees

Multipliers relate to the fixed annual base fee of DKK 720,000

Agenda item 3.3

Adoption of the Remuneration Policy

Background for the new Remuneration Policy – executive remuneration

- New Remuneration Policy to replace current Remuneration Principles
- Continuation of current approaches with no change in overall remuneration level
- Designed to attract, retain and motivate the Board members and the executives at a competitive level
- Remuneration benchmarked to Nordic general industry companies and European pharma companies
- Designed to align the interests of the executives with those of the shareholders
- Fixed remuneration enables the executives to take decisions with a long-term perspective in mind without undue considerations for short- or long-term incentives
- Variable (STI/LTI) remuneration is designed to promote performance in line with the company's strategy and to further align the interests of executives and shareholders

LTI: Long-term cash-based incentives; STI: Short-term cash-based incentives

Agenda item 3.3 - continued

Adoption of the Remuneration Policy

Substantive differences to the current Remuneration Principles for the executives

Examples

- Base salary to be adjusted given the change in pension contribution
- Pension contribution reduced to the same level that applies to other employees
- The short-term incentive programme calculated based on base salary only and redesigned to allow for a higher degree of incentives being linked to the company's overall performance
- The long-term incentive programme calculated based on base salary only and redesigned from a four-year programme period to a five-year programme period

Agenda item 3.4

Amendment of the Articles of Association

- Reference to the current Remuneration Principles to be deleted
- Standard Annual General Assembly agenda to include advisory vote on the Remuneration Report

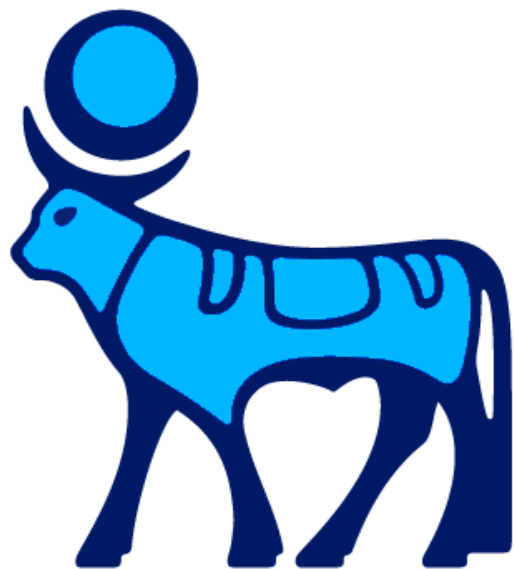
LTI: Long-term cash-based incentives; STI: Short-term cash-based incentives; LTIP: Long-term incentives programme; STIP: Short-term incentive programme.

Agenda item 4

Adoption of the resolution to distribute the profit according to the adopted statutory Annual Report 2019

DKK million

	2019
Net profit in the parent company, Novo Nordisk A/S	39,252
Proposed appropriation	
Interim dividend for the year – DKK 3.00 paid in August 2019	7,100
Proposed final dividend – DKK 5.35 paid in March 2020	12,551
Transfer to net revaluation reserve	4,224
Transfer to retained earnings	15,377
Proposed dividend/net profit (pay-out ratio), consolidated financial statement	50.5%
Proposed dividend per share in DKK in total for 2019	8.35

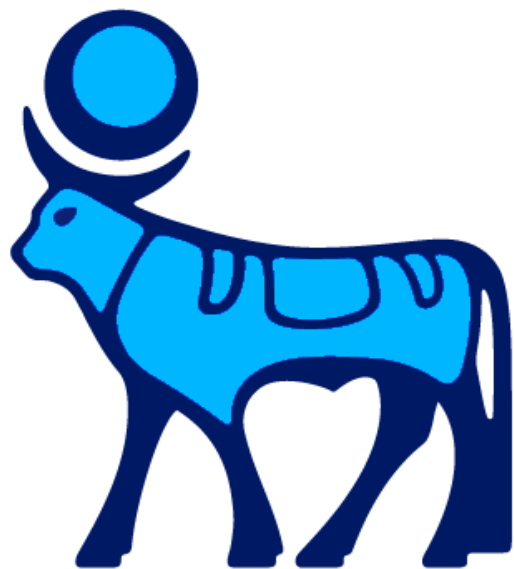


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Agenda item 5

Election of members to the Board of Directors, including chair and vice-chair

- Item 5.1 – Election of chair
- Item 5.2 – Election of vice-chair
- Item 5.3 – Election of other members to the Board of Directors



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Helge Lund
Chair

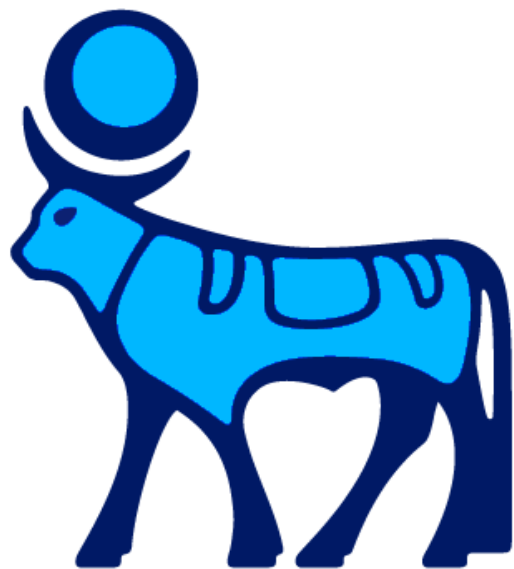


Jepe Christiansen
Vice-chair



Brian Daniels, Laurence Debroux, Andreas Fibig, Sylvie Grégoire,
Liz Hewitt, Kasim Kutay and Martin Mackay





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Mette Bøjer Jensen, Anne Marie Kverneland, Thomas Rantzau
and Stig Strøbæk



Agenda item 6

Re-appointment of PriceWaterhouseCoopers as auditor

Agenda item 7

Proposals from the Board of Directors

- Item 7.1 – Reduction of the Company's B share capital
- Item 7.2 – Authorisation to the Board of Directors to repurchase own shares
- Item 7.3 – Authorisation to the Board of Directors to increase the share capital
- Item 7.4 – Approval of donation of the World Diabetes Foundation

Agenda item 7.1

Reduction of the Company's B share capital

- Reduction of the Company's B share capital from DKK 372,512,800 to DKK 362,512,800 by cancellation of 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.
- After reduction of the share capital, the Company's share capital will amount to DKK 470,000,000 divided into A share capital of DKK 107,487,200 and B share capital of DKK 362,512,800.

Agenda item 7.2

Authorisation to the Board of Directors to repurchase own shares

- Authorisation of the Board of Directors, until the Annual General Meeting in 2021, to allow the Company to repurchase own shares of up to 10% of the share capital, subject to 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%.

Agenda item 7.3

Authorisation to the Board of Directors to increase the share capital

- Extend the Board of Directors' authorisations in Article 5.3 (issue of new shares to employees without pre-emptive rights for shareholders) for a period of one year until 26 March 2022 and limit the maximum share capital increase to be a total of nominally DKK 2,000,000.
- Extend the Board of Directors' authorisations in Article 5.4 (issue of new shares with or without pre-emptive rights for existing shareholders) for a period of one year until 26 March 2022 and limit the maximum share capital increase to a total of nominally DKK 47,000,000.
- Subject to a total cap of nominally DKK 47,000,000 for both proposals.

Agenda item 7.4

Approval of the donation to the World Diabetes Foundation

- Replacement of the remaining 5 years of the donation with a new 5-year donation for the period 2020-2024, and to calculate the yearly donations under this as 0.085% of the total diabetes net sales.
- The current annual cap of DKK 90 million is increased by DKK 1 million per year, starting in 2020 and ending at DKK 95 million in 2024, while maintaining the overall cap of 15% of Novo Nordisk's taxable income.

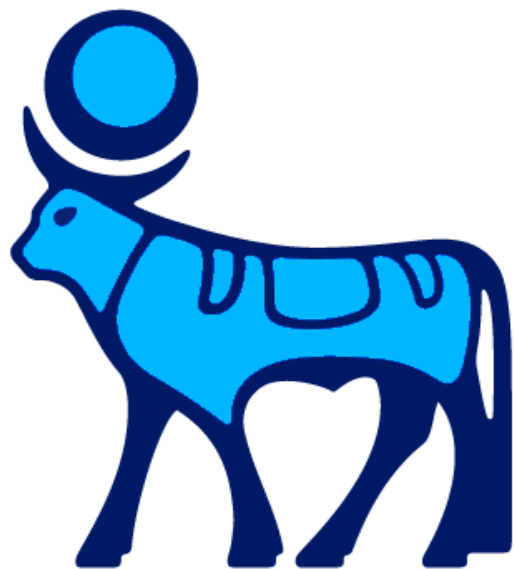
Agenda item 8.1

Shareholder proposal from Frank Aaen

The shareholder proposes that Novo Nordisk in the annual report discloses the ratio between the CEO's as well as the Executive Management's average remuneration and the remuneration of an average employee and the median remuneration.

Agenda item 9

Any other business



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