




NASDAQ OMX Copenhagen

Danish Corporate Governance Recommendations (2008)

As a company organised under Danish law and with a primary listing on NASDAQ OMX Copenhagen, Novo Nordisk is in compliance with Danish securities law and it is Novo Nordisk's intent to be guided by Corporate Governance Recommendations designated by NASDAQ OMX Copenhagen. NASDAQ OMX Copenhagen has on a comply or explain basis designated the Danish Recommendations on Corporate Governance (revised February and December 2008) prepared by the Danish Committee on Corporate Governance. Novo Nordisk is in compliance with all such recommendations.

Danish Corporate Governance Recommendations

-  The recommendation is being fulfilled
-  The recommendation is partially being fulfilled
-  The recommendation is not being fulfilled

Novo Nordisk's approach

I. The role of the shareholders and their interaction with the management of the company

The shareholders, the owners of the companies and society have a joint interest in the companies always being capable of adjusting to changing demands, which allows the companies to continue to be competitive and continue to create value. Corporate governance implies that the supervisory board and the executive board understand that interaction between the management and the shareholders is of vital importance to the company. As owners of the company, the shareholders can actively exercise their rights and use their influence resulting in the management protecting the interests of the shareholders as best as possible, and ensuring efficient deployment of the company's funds both in the short as well as the long term.

Therefore, good corporate governance depends on appropriate frameworks which encourage the shareholders to enter into a dialogue with the management of the company and each other. This can be encouraged through a strengthening of the general meeting's role as a forum for communication and decisions.

1. Exercise of ownership and communication

The Committee recommends that the companies contribute to improving the communication between the company and the shareholders, and between the individual shareholders in the company via the use of e.g. information technology.

Novo Nordisk ensures through its shareholder magazine, website, Annual General Meeting and investor meetings to have an effective communication between the shareholders and Novo Nordisk, which includes use of information technology.

2. Capital and share structures

The Committee recommends that the supervisory board, at appropriate intervals, assess whether the company's capital and share structures continue to be in the interests of the shareholders and the company and that the supervisory board account for this assessment in the company's annual report.

The Board assesses regularly – and at least once a year – whether the capital and share structure are in the interest of the shareholders. The Annual Report contains the Board's assessment.

Danish Corporate Governance Recommendations

The recommendation is being fulfilled

The recommendation is partially being fulfilled

The recommendation is not being fulfilled

Novo Nordisk's approach

3. Preparations for the general meeting, including notice of meeting and proxy

The Committee *recommends that* the general meeting be called at sufficient notice to enable the shareholders to prepare for the meeting and consider the business to be transacted at the general meeting *that* the notice of meeting, including the agenda, be drawn up in such a way as to give the shareholders a satisfactory picture of the business covered by the items on the agenda and that proxies given to a company's supervisory board, as far as possible, include the position of the shareholders regarding each item on the agenda.

The Annual General Meeting is convened with not less than three weeks' and not more than five weeks' notice, cf. the Articles. The notices include descriptions of the complete proposals. Proxies include the position of the shareholders in relation to each item on the agenda.

4. The duties of the supervisory board and the rights of the shareholders in the event of takeover bids

In connection with a public takeover bid, the Committee recommends that in such situations, the supervisory board does not, without the acceptance of the general meeting or on its own, attempt to counter a takeover bid by making decisions which in reality prevent the shareholders from deciding on the takeover bid.

Novo Nordisk agrees in principle with the recommendation. Actions will be determined on a case-by-case basis.

II. The role of the stakeholders and their importance to the company

It is essential for a company's prosperity and future possibilities that the company have a good relationship with its stakeholders. Stakeholders are everyone directly affected by the company's decisions and business. Thus, it is desirable that the company's management run and develop the company with due consideration of its stakeholders, and that the management provide an incentive for dialogue with these stakeholders. Successful interaction between the company and its stakeholders implies openness and mutual respect.

1. The company's policy in relation to the stakeholders

The Committee *recommends that* the supervisory board adopt a policy on the company's relationship with its stakeholders.

Novo Nordisk's Way of Management includes a policy on the relationship with Novo Nordisk's stakeholders.

2. The role of the stakeholders and their interests

The Committee *recommends that* the supervisory board ensure that the interests and roles of the stakeholders are respected in accordance with the company's policy on such issues.

Novo Nordisk has a number of functions and processes to ensure that the stakeholders' interests and roles are respected. The Board oversees the activities in this area.

III. Openness and transparency

To a varying extent, it is necessary to provide shareholders, including potential shareholders, and other stakeholders with information about the company. Understanding and relating to the company depend on the amount of information and the quality of information published or provided by the company. Openness and transparency are essential conditions for ensuring that the company's shareholders and other stakeholders are able to regularly evaluate and relate to the company and its prospects and so to contribute to constructive interaction with the company.

Danish Corporate Governance Recommendations

The recommendation is being fulfilled

The recommendation is partially being fulfilled

The recommendation is not being fulfilled

Novo Nordisk's approach

1. Information and publication of information

The Committee *recommends* that the supervisory board adopt an information and communication policy.

Furthermore, the Committee *recommends* that the company draw up procedures to ensure immediate publication of all essential information of importance for how the shareholders and the financial markets evaluate the company and its activities as well as its business goals, strategies and results in a reliable and sufficient manner unless publication can be omitted according to stock exchange legal rules.

The Committee *recommends* that information be published in both Danish and English, and, if necessary, in any other relevant languages; this also applies to the company's website, which must display identical information in these languages.

Information and communication policy form part of Novo Nordisk Way of Management adopted by the Board.

The Board has adopted procedures for the timely disclosure of material news, which processes are overseen by a Disclosure Committee.

Information is published in both Danish and English. Novo Nordisk's website is both in Danish and English. However certain information on the Novo Nordisk website is only published in English and not translated into Danish.

2. Investor relations

The Committee *recommends* that the supervisory board lays the groundwork for an ongoing dialogue between the company and the company's shareholders and potential shareholders.

Novo Nordisk ensures that investor meetings are held and that the Board receives feedback from such meetings, and that Investor Relations and other shareholder reporting is available on the Novo Nordisk website. Further, all investor presentations are accessible on the Novo Nordisk website.

3. Annual report

The Committee *recommends* that the supervisory board consider to what extent generally accepted accounting standards other than those required, such as US-GAAP, shall be applied as a supplement to the annual report if trade conditions or other circumstances make this relevant in relation to the information needs of the recipients, including the need for comparability.

In connection with the preparation of the annual report, the Committee *recommends* that the supervisory board decide whether it is expedient that the company publishes details of a non-financial nature, even in instances where this is not required by any applicable legislation or standards.

Novo Nordisk has considered whether other generally accepted accounting standards should be applied and found that this was not the case.

Novo Nordisk's Annual Report includes both financial and non-financial information.

4. Quarterly reports

The Committee *recommends* that companies publish quarterly reports.

Novo Nordisk publishes quarterly financial reports.

Danish Corporate Governance Recommendations

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Novo Nordisk's approach

IV. The tasks and responsibilities of the supervisory board

The supervisory board is responsible for safeguarding the interests of the shareholders with care and due consideration of the other stakeholders. As concerns the managerial division of tasks between the supervisory board and the executive board, the supervisory board is assigned with, and responsible for, undertaking the overall management of the company as well as establishing guidelines for and supervising the executive board's work. One important management task is to develop and establish appropriate strategies for the company. It is essential that the supervisory board ensure ongoing development of and follow-up on the necessary strategies in collaboration with the executive board.

1. The overall tasks and responsibilities of the supervisory board

The Committee *recommends* that the supervisory board discuss and establish its most important tasks related to the overall strategic management as well as the financial and managerial supervision of the company and regularly evaluate the executive board's work.

The Board has established its most important tasks, among other things through the Rules of Procedure of the Board and the annual calendar. Further, the Board systematically and regularly evaluate Executive Management's work and performance.

2. The tasks of the chairman

The Committee *recommends* that the company prepare a work and task description specifying the tasks, duties and responsibilities of the chairman, and of the deputy chairman, if required.

The Committee *recommends* that the chairman ensure that the special knowledge and competence of each individual member of the supervisory board are used in the best possible manner in the supervisory board's work to the benefit of the company.

The Committee *recommends* that the company appoint a deputy chairman, who must be able to act in the chairman's absence and also to act as an effective sounding board for the chairman.

The Chairmanship's tasks, duties and responsibilities are described in the Rules of Procedure of the Board and the Chairmanship charter, which has been approved by the Board.

The Chairman chairs the meeting with a view of meeting the recommendation. The annual self-assessment procedure evaluates the Chairman's performance. Annual calendar ensures active sparring with management.

The Board has a Chairman and a deputy chairman who constitute the Chairmanship.

3. Procedures

The Committee *recommends* that the procedures always match the needs of the individual company and that all the members of the supervisory board review the procedures at least once a year for this purpose.

The processes and procedures regarding the Board's work, incl. the Rules of Procedure of the Board have been tailor-made to the Board and are regularly (at least once a year) reviewed and updated, if necessary.

4. Information from the executive board to the supervisory board

The Committee *recommends* that the supervisory board establish procedures for how the executive board reports to the supervisory board and for any other communication between the supervisory board and the executive board with a view to ensuring that such information about the company's business as required by the supervisory board is regularly provided to the supervisory board.

An annual calendar has been established with a view to ensure timely reporting by the Executive Management.

Danish Corporate Governance Recommendations

The recommendation is being fulfilled

The recommendation is partially being fulfilled

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Novo Nordisk's approach

V. The composition of the supervisory board

It is essential that the supervisory board be composed in such a way as to allow it to perform its managerial tasks, including the strategic tasks of the company, in an effective and forward-looking manner and, at the same time, to act as a constructive and qualified sounding board for the members of the executive board. It is also essential that the members of the supervisory board always act independently of special interests. The supervisory board must regularly ensure that its composition and its procedures reflect the demands made by the company's current situation and circumstances.

1. Recruitment and election of supervisory board members

The Committee recommends that the supervisory board regularly assesses the competence it must have to best perform its tasks and, in light hereof, assesses the composition of the supervisory board.

As a way to achieve this, the Committee recommends that:

- when assessing its composition, the supervisory board takes diversity into consideration in relation to gender, age, etc.
- the supervisory board ensures a formal, thorough and transparent process for selection and nomination of candidates.
- the supervisory board includes a description of the nominated candidates' background, including information about other managerial positions and directorships held by the candidates in both Danish and foreign companies as well as demanding organisational tasks performed by the individual persons, in the notice convening the general meeting when the election of the members to the supervisory board is on the agenda.
- the description provides information about the recruitment criteria established by the supervisory board, including the requirements for professional qualifications, international experience, educational background etc., which represent essential qualities with regard to the supervisory board, and that the shareholders of the company are given an opportunity to discuss these criteria at the general meeting.
- the description provides information about the supervisory board's assessment of its composition, including its diversity, and that the shareholders of the company are given an opportunity to discuss the composition of the supervisory board at the general meeting.
- every year, in the management's review, the supervisory board accounts for its composition, including its diversity, and for any special competence possessed by the individual members.

2. Training and introduction for members of the supervisory board

The Committee *recommends* that new members joining the supervisory board be given an introduction to the company and that the

The Board assesses regularly the competences that is required and the composition of the Board.

The Board takes diversity into consideration when evaluating its composition.

The Board has established a thorough process which is formalised in the Rules of Procedure and the Chairmanship charter, that are accessible on Novo Nordisk's website.

The recommended information is provided in the notice convening the Annual General Meeting.

The Board has established competency criteria for the nomination of board candidates. Further, the notice convening the Annual General Meeting refers to the criteria and that they are accessible on Novo Nordisk's website. Thereby all shareholders are given the opportunity to discuss such criteria, among other things at the Annual General Meeting.

The notice convening the Annual General Meeting includes the Board's assessment and thereby all shareholders are given the opportunity to discuss such composition at the Annual General Meeting.

A profile of each board member is included in the Annual Report, on the Novo Nordisk website and in the notice convening the Annual General Meeting. The notice also highlights special competences possessed by each board member.

An extensive introduction programme equalling 2 full days is arranged for new board members.

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chairman, in collaboration with each individual supervisory board member, decide whether it is necessary to offer the member in question relevant supplementary training.

The Committee *recommends* that every year, the supervisory board assess whether the competence and expertise of the members need to be updated in some respect.

3. The number of supervisory board members

The Commission *recommends* that the supervisory board have only so many members as to allow a constructive debate and an effective decision-making process that enables all the members of the supervisory board to play an active role and so that the size of the supervisory board allows the competence and experience of the supervisory board members to match the requirements of the company.

The Commission *recommends* that at regular intervals, the supervisory board considers whether the number of supervisory board members is appropriate in relation to the requirements of the company.

4. The independence of the supervisory board

In order for the supervisory board members to act independently of special interests, the Committee *recommends* that at least half of the supervisory board members elected by the general meeting be independent persons. In this context, an independent supervisory board member elected by the general meeting may not:

- be an employee of the company or have been employed by the company within the past five years.
- be or have been a member of the executive board of the company.
- be a professional consultant to the company or be employed by, or have a financial interest in, a company which is a professional consultant to the company.
- have some other essential strategic interest in the company other than that of a shareholder.

Furthermore, any person related, in terms of business or in any other way, to the company's major shareholder, is not regarded as an independent person.

Family ties with persons not regarded as independent persons also imply a situation of non-independence.

The Committee *recommends* that least once a year, the supervisory board list the names of the members of the supervisory board who are not regarded as independent persons and also disclose whether new candidates for the supervisory board are considered independent persons and state the grounds for such consideration.

Novo Nordisk's approach

Further the Chairman reviews with all board members whether competences or expertise need to be updated.

The self assessment process identifies whether the competence and expertise of the board members need to be updated.

Seven of the board members are elected by the Annual General Meeting ensuring that the Board will have sufficient balance between competences, experience etc.

The Board reviews the size regularly and has determined that the size of the Board is adequate.

The majority of the shareholder-elected board members (4 of 7) are deemed independent.

None of the shareholder-elected board members are or have been employed by Novo Nordisk within the past 5 years.

2 of the shareholder-elected board members have been members of the Executive Management of Novo Nordisk prior to the demerger in 2000.

None of the shareholder-elected board members are consultants to Novo Nordisk or have a financial interest in a consulting firm providing services to Novo Nordisk.

None of the shareholder-elected board members have other essential strategic interest in Novo Nordisk other than that of a shareholder.

3 of the shareholder-elected board members are board members or executives in Novo Nordisk's majority shareholder, Novo AVS, or its parent, Novo Nordisk Foundation.

None of the shareholder-elected board members have such family ties.

Disclosure on independence is included in the Annual Report, on the Novo Nordisk website and in the notice convening the Annual General Meeting.

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Novo Nordisk's approach

The Committee *recommends* that the members of the executive board of a company not be members of the supervisory board of the same company.

The Committee *recommends* that the annual report contain the following information about supervisory board members:

- occupation of the individual supervisory board member.
- other managerial positions or directorships held by the supervisory board member in Danish and foreign companies as well as demanding organisational tasks performed by that individual.
- number of shares, options and warrants held by the supervisory board member in the company and group enterprises as well as changes in the member's portfolio of the mentioned securities having taken place during the financial year.

The two bodies are separate, and no person serves as a member of both.

The Annual Report contains the recommended information.

5. Supervisory board members elected by the staff

The Committee *recommends* that the individual company consider the need to explain the system of staff-elected supervisory board members in the company's annual report or on its website.

Novo Nordisk has in the Annual Report and on its website explained the system of employee elected board members.

6. Meeting frequency

The Committee *recommends* that the supervisory board meet at regular intervals according to a predetermined meeting and work schedule or when meetings are deemed necessary or appropriate as required by the company and that the annual meeting frequency be published in the annual report.

The Board ordinarily meet seven times a year including a 2–3 day strategic session. The Board ensures via a fixed annual calendar that it addresses the main tasks in a timely manner.

The number of board meetings is published in the Annual Report.

7. Time allocated to supervisory board work and the number of directorships

The Committee *recommends* that a supervisory board member who is also a member of the executive board of an active company hold not more than three ordinary directorships or one chairmanship and one ordinary directorship in companies not forming part of the group unless in exceptional circumstances.

None of the board members, who are members of management in an active company, hold more than three ordinary board positions or one chairmanship and one ordinary board position in other companies not forming part of the group.

8. Retirement age

The Committee *recommends* that the company agree on a retirement age for members of the supervisory board and that the annual report contain information about the age of the individual members of the supervisory board.

According to the Rules of Procedure of the Board members of the Board must retire at the first Annual General Meeting after having reached the age of 70. Novo Nordisk has stated the age of its board members in its Annual Report.

9. Election period

The Committee *recommends* that members of the supervisory board be up for re-election every year at the general meeting and that the supervisory board in this connection makes special efforts to ensure the balance between replacement and continuity on the supervisory board as regards the chairmanship and the deputy chairmanship.

Shareholder-elected board members serve for a one-year term and can be re-elected by the Annual General Meeting. Balance between replacement and continuity will be ensured when nominating candidates.

Danish Corporate Governance Recommendations

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The recommendation is not being fulfilled

The Committee *recommends* that the annual report state when the individual member of the supervisory board joined the board, whether the member of the supervisory board was re-elected and when the new election period expires.

10. Use of supervisory board committees

The Committee *recommends* that the supervisory board consider and decide whether to establish committees, including nomination, remuneration and audit committees.

If the supervisory board appoints a committee, the Committee *recommends* that such appointment take place only in connection with matters relating to specific issues for the purpose of preparing decisions to be made by all the members of the supervisory board.

In the event of appointment of a supervisory board committee, the Committee *recommends* the supervisory board draw up terms of reference for that committee setting out its responsibilities and powers.

The Committee *recommends* that the company's annual report describe important issues included in the terms of reference of the individual supervisory board committee and that the annual report list the names of the members of the individual supervisory board committee as well as the number of meetings of that committee held during the financial year.

11. Assessment of the supervisory board's work

The Committee *recommends* that the supervisory board establish an assessment procedure that regularly and systematically evaluates the work, results and composition of the supervisory board as well as the work and results of the individual members, including the chairman, for the purpose of improving the supervisory board's work and that the criteria of assessment are clearly defined.

The Committee *recommends* that such assessment be made once a year, that the chairman of the supervisory board be in charge of this process, drawing on external support, if necessary, that the outcome be discussed by the entire supervisory board and that the supervisory board provide details of its procedures of self-assessment in the company's annual report.

The Committee *recommends* that the supervisory board assess the executive board's work and results once year according to previously established explicit criteria.

The Committee *recommends* that the executive board and the supervisory board establish a procedure to assess the collaboration between the two boards at an annual meeting between the CEO and the chairman of the supervisory board and that the outcome of such assessment be presented to the entire supervisory board.

Novo Nordisk's approach

In the Annual Report, Novo Nordisk has for each board member stated his/her term of office, whether he/she has been re-elected and the date on which he/she joined the Board.

The Board has determined that it is appropriate to have an Audit Committee.

The Audit Committee focuses on audit and financial reporting related tasks for the purpose of preparing decisions to be made by the Board.

The Board has approved a charter for the Audit Committee setting out its responsibilities and powers.

The Annual Report describes the Audit Committee and lists the members and meetings. Also Novo Nordisk has on its website disclosed a report of matters dealt with by the Audit Committee in the previous year.

The Board conducts regularly a self-assessment procedure with clearly defined criteria to improve the performance of the Board.

This process is conducted annually, is directed by the Chairmanship and may be facilitated by an external consultant. The outcome is discussed by the Board. The process of self assessment is described in the Annual Report.

The Board continuously assesses, formally once a year, the performance of each executive. The Chairman also conducts an annual interview with each executive.

The collaboration between the Board and the Executive Management is assessed as part of the Board's self assessment procedure which is discussed by the Board and Executive Management as well as in meeting between the Chairman and the CEO.

Danish Corporate Governance Recommendations

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The recommendation is not being fulfilled

VI. Remuneration of the members of the supervisory board and the executive board

Competitive remuneration is a prerequisite for attracting and retaining competent members of the supervisory board and the executive board. The remuneration of the members of the supervisory and executive boards should be reasonable in relation to the tasks assigned and the responsibilities involved in performing these tasks.

Performance-related pay may result in convergence of interests between the shareholders and the management of the company and may cause the management to focus on increasing the company's value creation.

It is essential that there be openness about all important issues regarding the principles and amounts of the total remuneration offered to the members of the supervisory board and the executive board.

1. Remuneration

The Committee *recommends* that the total remuneration (fixed pay, incentive pay covering all forms of variable pay, pension, severance pay and other benefits) be at a competitive and fair level, reflecting the independent performance and value creation in the company of the members of the executive board and the supervisory board.

2. Remuneration policy

The Committee *recommends* that the supervisory board adopt a remuneration policy and that the company disclose the contents of such policy in its annual report and on the company's website.

The Committee *recommends* that the remuneration policy reflect the interests of the company and the shareholders, match the specific conditions of the company and be reasonable in relation to the tasks and responsibilities undertaken and that it promotes long-term behaviour and is transparent and easy to understand.

The Committee *recommends* that the remuneration policy include a statement explaining the fixed pay and the overall principles of the incentive pay programme (covering all forms of variable pay), including the terms of the vesting/granting of bonus/performance-related bonus and/or price-related incentive schemes, etc., as well as pension schemes and severance programmes and other benefits. Information about the relationship between the fixed pay, the incentive pay and the other elements of the pay is a part of the remuneration policy.

The Committee *recommends* that any defined benefit schemes be disclosed.

Novo Nordisk's approach

The Remuneration Principles are designed to attract, retain and motivate the board members and Executives. Remuneration should align the interests of the board members and the Executives with those of the shareholders.

Remuneration to the Board and Executive Management must be at a competitive level compared to other major Danish companies and similar positions in international pharmaceutical companies.

The Board has adopted Remuneration Principles, including Incentive Guidelines, which are described in the Annual Report and disclosed on the company's website. The Incentive Guidelines are also approved by the Annual General Meeting.

The Remuneration Principles, including the Incentive Guidelines, reflect the terms described in the recommendation.

The Remuneration Principles, including the Incentive Guidelines, include the elements which are recommended.

Novo Nordisk does not have any defined benefit schemes for the Board and Executive Management.

Danish Corporate Governance Recommendations

The recommendation is being fulfilled

The recommendation is partially being fulfilled

The recommendation is not being fulfilled

The Committee *recommends* that the company's remuneration, including incentive pay, policy reporting include a statement explaining how such policy was implemented in the past financial year, how such policy is implemented in the current financial year and how the company plans to implement it in the next financial year.

The Committee *recommends* that the remuneration policy contain clear and comprehensible information that is easy to understand by the individual shareholder and which enables the shareholder to see that the supervisory board complies with the remuneration policy and the guidelines adopted for incentive pay. Thus, there must be a connection between the information communicated to and approved by the general meeting prior to the granting and the annual report stating the facts after the granting.

The Committee *recommends* that the company's remuneration policy be mentioned in the statement given by the chairman at the company's general meeting and that the remuneration of the supervisory board for the current financial year be presented for adoption at the general meeting when the annual report for the previous year is submitted for adoption.

3. General guidelines for incentive pay

The Committee *recommends* that the general guidelines for incentive pay reflect the interests of the shareholders and the company, match the specific conditions of the company and be reasonable in relation to the tasks and responsibilities undertaken. There must be a connection between the information communicated to and approved by the general meeting prior to the granting and the annual report showing the specific results of the approved guidelines for incentive pay.

The Committee *recommends* that the remuneration of the members of the supervisory board not consist of share option schemes, but e.g. bonus schemes and shares at market price.

If the remuneration of the members of the executive board consists of share or subscription options, the Committee *recommends* that the schemes be set up as roll-over schemes (i.e. the options are granted periodically e.g. every year and expire over a number of years) and that the redemption price be higher than the market price at the time of granting.

The Committee *recommends* that incentive pay programmes be designed in such a way that they promote long-term behaviour and are transparent and easy to understand, even for outsiders, and that valuation at the time of granting be made according to generally accepted methods.

4. Severance programmes

The Committee *recommends* that information about the most important aspects of severance programmes be disclosed in the company's annual report.

Novo Nordisk's approach

The Remuneration Principles reporting includes a historical section and are designed to address future implementation.

The Remuneration Principles, including the Incentive Guidelines, include the elements which are recommended.

The Remuneration Principles are mentioned by the Chairman at the Annual General Meeting. The remuneration of the Board for the previous and current years is presented for approval to the Annual General Meeting as a separate agenda item.

The Remuneration Principles, including the Incentive Guidelines, reflect the terms described in the recommendation.


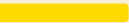

The remuneration of the Board does not consist of share option schemes or other incentive schemes.

The remuneration of the Board does not consist of share option schemes or other incentive schemes.

The incentive programmes are designed to promote both short-term and long-term behaviour and they comply with the recommendations made.

The most important aspects of severance programmes are included in the Annual Report.

Danish Corporate Governance Recommendations

-  The recommendation is being fulfilled
-  The recommendation is partially being fulfilled
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Novo Nordisk's approach

5. Openness about remuneration

The Committee *recommends* that the annual report include information about the amounts of total remuneration of the individual members of the supervisory board and the executive board provided by the company or other companies within the same group.

The Annual Report includes such information.

VII. Risk management

Effective risk management is a prerequisite allowing the supervisory board to perform its tasks in the best possible way. Therefore, it is essential that the supervisory board arrange for appropriate risk management systems to be established and generally ensure that such systems meet the requirements of the company at any time

The purpose of risk management is to:

- develop and maintain an understanding of the organisation of the company's strategic and operational goals, including an identification of the critical success factors for achieving such goals.
- analyse the possibilities and challenges related to the implementation of the above goals as well as the risk of these goals not being met.
- analyse the most important activities launched by the company to identify the risks in this connection.
- determine the venture spirit of the company.

1. Identification of risks

The Committee *recommends* that the supervisory board and the executive board, when formulating the company's strategy and overall goals, identify the greatest business risks involved in achieving such strategy and goals.

Once a year, a strategic plan with an in-depth identification and evaluation of long term strategic risk factors is prepared by Executive Management. The Board reviews and approves the long term strategic plan.

2. Plan for risk management

The Committee *recommends* that the executive board prepare a plan for the company's risk management on the basis of the risks identified and submit this plan to the supervisory board for approval, and that the executive board regularly report to the supervisory board to allow the latter to systematically follow the trends in significant risk areas.

Major risks are systematically identified and regularly reported to Executive Management and the Board. Executive Management is responsible for the risk management process, including risk identification, assessment of likelihood and potential impact and initiation of mitigating actions.

3. Openness regarding risk management


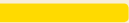

The Committee *recommends* that the company's annual report include information about the company's risk management activities.

The Annual Report includes information on Novo Nordisk's risk management activities.

VIII. Audit

Ensuring a competent and independent audit is an essential part of the supervisory board's work. The Committee recommends that the contractual basis and thus the framework of the auditor's work be determined between the supervisory board and the auditor.

Danish Corporate Governance Recommendations

-  The recommendation is being fulfilled
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-  The recommendation is not being fulfilled

Novo Nordisk's approach

1. The supervisory board's nomination of an auditor candidate

The Committee *recommends* that having consulted the executive board, the supervisory board make a specific and critical assessment of the auditor's independence and competence, etc., to be used in connection with the nomination of a candidate at the general meeting.

The Audit Committee recommends - after having consulted Executive Management – an auditor candidate to be proposed by the Board at the Annual General Meeting. A critical assessment of the auditor's competences and independence is made by the Audit Committee on behalf of the Board.

2. Agreement with the auditor

The Committee *recommends* that the auditor agreement and the auditor's fee be agreed between the company's supervisory board and the auditor.

The auditor agreement and the auditor's fee are agreed between the auditor and the Audit Committee on behalf of the Board and the auditor.

3. Non-audit services

The Committee *recommends* that every year, the supervisory board lay down the overall, general scope of the auditor's provision of non-audit services with a view to ensuring the auditor's independence, etc.

The Audit Committee lays down such overall general scope for non-audit services on behalf of the Board.

4. Internal control systems

The Committee *recommends* that at least once a year, the supervisory board review and assess the internal control systems within the company as well as the management's guidelines for and supervision of such systems and that the supervisory board consider the extent to which this function is able to assist the supervisory board in this work.

The Audit Committee reviews and assesses on behalf of the Board once a year Novo Nordisk's internal control systems in line with the US Sarbanes Oxley Act Section 404.

5. Accounting policies and accounting estimates

When the supervisory board reviews the annual report (or a draft of it) together with the auditor, the Committee *recommends* that particular efforts be made to discuss the accounting policies applied in the most important areas as well as important accounting estimates and that the expediency of the accounting policies applied be assessed.

The Audit Committee and the Board discuss such accounting principles and accounting estimates at meetings where the auditor is present as well as assess the expediency of the accounting policies.

6. Result of the audit

The Committee *recommends* that the result of the audit be discussed at meetings with the supervisory board for the purpose of reviewing the auditor's observations and opinion, possibly on the basis of the long-form audit report.

The Audit Committee monitor the audit process on an on going basis. The result of the audit is discussed by the Board among other things on the basis of the long-form audit report.

7. Audit committee

In companies with complex accounting and audit conditions, the Committee *recommends* that the supervisory board consider establishing an audit committee to assist the supervisory board in accounting and audit matters.

Novo Nordisk has established an Audit Committee.