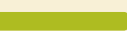




NASDAQ OMX Copenhagen

Danish Corporate Governance Recommendations (August 2011)

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 the Danish Corporate Governance Recommendations announced by NASDAQ OMX Copenhagen (last revised August 2011, prepared by the Danish Committee on Corporate Governance). NASDAQ OMX Copenhagen has required Danish companies to report on a "comply-or-explain" basis their compliance with these recommendations. Novo Nordisk is in compliance with all but three of the new Danish Corporate Governance Recommendations.

Danish Corporate Governance Recommendations

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

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

The company's shareholders, employees and other stakeholders have a joint interest in the company always being capable of adjusting to changing demands, which allows the company to continue to be competitive and to create value. Positive interaction between management and shareholders is therefore essential. Shareholder influence is exercised at the general meeting. As owners of the company, the shareholders should actively exercise their rights and use their influence resulting in the management protecting the interests of the shareholders as best as possible and ensuring an appropriate and balanced development of the company both in the short and the long term.

Good corporate governance depends on appropriate frameworks which make it easy for the shareholders to enter into a dialogue with the management of the company. This can be encouraged by ensuring that the shareholders are always well-informed of the company's situation and outlook and that the general meeting serves as a forum for communication and discussion and is the place where shareholders express their views and make decisions.

1.1. Dialogue between the company and its shareholders

1.1.1. The Committee recommends that the central governing body, for example through investor relations activities, ensure an ongoing dialogue between the company and its shareholders in order that the central governing body knows the shareholders' attitude, interests and views in relation to the company and that investor relations material be made available to all investors on the company's website.

Novo Nordisk's approach

N/A

Novo Nordisk ensures through investor relations activities that it has an ongoing dialogue between the shareholders and Novo Nordisk. Investor Relations materials and presentations and other shareholder reporting are available on the Novo Nordisk website, for example press releases, company announcements, Annual General Meeting notice and agenda, etc.

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

1.2. Capital and share structures

1.2.1. The Committee recommends that the central governing body every year evaluate whether the company's capital and share structures continue to be in the interests of the shareholders and the company and account for this evaluation in the management commentary in the annual report and/or on the company's website.

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

1.3. General meeting

1.3.1. The Committee recommends that the supreme governing body and the executive board promote active ownership, including shareholders' attendance at general meetings.

The Board and the Executive Management promote active ownership and attendance at general meetings.

1.3.2. The Committee recommends that the central governing body resolve or submit to the general meeting the question whether the general meeting shall be conducted by physical attendance or as a partly or entirely electronic general meeting.

The Annual General Meeting is currently not conducted as a (fully or partially) electronic general meeting. However, Novo Nordisk periodically evaluates the possibility of holding general meetings electronically when the technology is feasible and reliable. Each year – in connection with the approval of the Annual General Meeting notice - the Board evaluates whether to conduct the general meeting by physical attendance or as a partly or entirely electronic general meeting.

1.3.3. The Committee recommends that proxies given to the supreme governing body allow shareholders to consider each individual item on the agenda.

Proxies allow shareholders to consider each individual item on the agenda.

1.3.4. The Committee recommends that all members of the supreme governing body and the executive board be present at the general meeting.

All members of the Board and Executive Management are present at the general meeting.

1.4. Takeover bids

1.4.1. The Committee recommends that the central governing body, from the moment it obtains knowledge that a takeover bid will be submitted, do not, without the acceptance of the general meeting, attempt to counter the takeover bid by making decisions which in reality prevent the shareholders from deciding on the takeover bid.

Novo Nordisk agrees in principle with the recommendations. Actions will be determined on a case-by-case basis with due consideration to shareholders and other stakeholders.

1.4.2. The Committee recommends that the central governing body give the shareholders the opportunity to decide whether or not they wish to dispose of their shares in the company under the terms offered.

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

2. The role of stakeholders and their importance to the company and the company's corporate social responsibility

In order for a company to be able to adjust readily to changing demands and thus stay competitive and deliver value-adding performance, it is essential for the company to have, in addition to the dialogue with its shareholders, a good relationship with its stakeholders.

The management of the company should operate and develop the company with due consideration of its stakeholders and to a reasonable extent engage in active dialogue with its stakeholders to develop and strengthen the company. Such dialogue may take place at investor meetings etc.

N/A

2.1. The company's policy in relation to its stakeholders

2.1.1. The Committee recommends that the central governing body identify the company's key stakeholders and their main interests in relation to the company.

2.1.2. The Committee recommends that the central governing body adopt a policy on the company's relationship with its stakeholders, including the investors, and ensure that the interests of the stakeholders are respected in accordance with the company's policy on such issues.

Key stakeholders and their main interests are identified in the Annual Report, which is approved by the Board.

The Board has adopted the Novo Nordisk Way, which includes stakeholder engagement as a corporate value. 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.

2.2. Corporate social responsibility

2.2.1. The Committee recommends that the central governing body adopt a policy on corporate social responsibility.

Corporate Social Responsibility is anchored in Novo Nordisk's Articles of Association, which state that the company seeks to conduct its business in a financially, environmentally and socially responsible way. This reflects the commitment to the Triple Bottom Line - a business principle that ensures balanced decision-making with an aim to contribute to sustainable development: to balance short-term gains with long-term profitability and shareholder return with other stakeholder interests. Novo Nordisk accounts for its performance on all three dimensions in its annual report.

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. Openness and transparency

Shareholders, including potential shareholders, and other stakeholders have different needs for information about the company. Their understanding of and relations to the company depend on the amount and the quality of information published 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 future.

Openness and mutual respect are prerequisites for a fruitful interaction between the company and its stakeholders.

A thorough and updated communication strategy will help the company provide timely, trustworthy, accurate and up-to-date internal and external information of high quality and comply with the disclosure requirements in force from time to time.

N/A

3.1. Disclosure of information to the market

3.1.1. The Committee recommends that the central governing body adopt a communication strategy.

3.1.2. The Committee recommends that information from the company to the market be published in both Danish and English.

3.1.3. The Committee recommends that the company publish quarterly reports.

Communication policy forms part of the Novo Nordisk policies that provide a link between the Novo Nordisk Way adopted by the Board and how we conduct business in Novo Nordisk.

Announcements to the market and annual reports are published in both Danish and English.

Novo Nordisk publishes quarterly financial reports.

Danish Corporate Governance Recommendations

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

4. The tasks and responsibilities of the supreme and the central governing bodies

The supreme governing body is responsible for safeguarding the interests of the shareholders with care and due consideration of the other stakeholders.

The most important tasks of the supreme governing body include appointing a qualified executive board, establishing its tasks, conditions of employment and distribution of work and preparing guidelines for accountability, planning, follow-up and risk management. The supreme governing body is responsible for supervising the executive board and preparing guidelines for how to exercise this supervision.

The supreme governing body is responsible for ensuring the professional development and retention or dismissal of the members of the executive board as well as ensuring that the remuneration of the members of the executive board reflects the long-term value creation in the company as well as the independent performance of the members of the executive board.

Both the supreme governing body and the central governing body shall ensure that the necessary financial resources are in place at any given time.

The central governing body is in charge of the overall and strategic management of the company. The central governing body must define the company's strategic goals and make sure that the necessary conditions for achieving such goals are present in the form of financial as well as competence resources and is responsible for the proper organisation of the company's activities.

It is essential that the central governing body ensures ongoing development of and follow-up on the company's strategic goals and determines whether the conditions for achieving these goals are present.

4.1. Overall tasks and responsibilities

4.1.1. The Committee recommends that the central governing body determine the company's overall strategy at least once every year with a view to sustaining value creation in the company.

4.1.2. The Committee recommends that the supreme governing body at least once every year discuss and ensure that the necessary qualifications and financial resources are in place in order for the company to achieve its strategic goals.

4.1.3. The Committee recommends that the supreme governing body at least once every year define its most important tasks related to the financial and managerial control of the company, including how to supervise the work of the executive board.

Novo Nordisk's approach

N/A

The Board regularly, and at least annually, determines the overall strategy, and this is done with a view to sustaining value creation.

The Board regularly, and at least annually, determines that the necessary qualifications and financial resources are in place.

The Board has established its most important tasks in its Rules of Procedure of the Board and its annual calendar, and this includes how to supervise the work of the Executive Management.

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

4.1.4. The Committee recommends that the supreme governing body annually discuss the company's activities to ensure diversity at management levels, including equal opportunities for both sexes, and that the supreme governing body set measurable objectives and in the management commentary in the annual report and/or on the company's website give an account of both the objectives and the progress made in achieving the objective.

The Board regularly, and at least annually, discusses the company's activities to ensure diversity at management levels and set measurable objectives.

In the annual report and/or on the website the management gives an account of the objectives and the progress made in achieving the objectives.

4.2. Procedures

4.2.1. The Committee recommends that the supreme governing body review its rules of procedure annually to ensure that they are adequate and always match the activities and needs of the company.

The processes and procedures regarding the Board's work, including 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.

4.2.2. The Committee recommends that the supreme governing body annually review and approve procedures for the executive board, including establish requirements for the executive board's timely, accurate and adequate reporting to the supreme governing body and for any other communication between the two governing bodies.

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

4.3. The chairman and deputy chairman of the supreme governing body

The most important tasks of the chairman of the supreme governing body normally include scheduling of meetings for the year, preparation of agenda for the meetings and chairing of the meetings. The chairman shall also ensure that the members currently update and improve their knowledge of the company and that the special knowledge and skills of each individual member are used in the best possible manner and to the benefit of the company. Moreover, the chairman is responsible for promoting good and constructive relations between the members of the supreme governing body and with the executive board as well as efficient communication including with shareholders.

4.3.1. The Committee recommends that a deputy chairman of the supreme governing body be appointed, who must be able to act in the chairman's absence and also act as an effective sounding board for the chairman.

The Board has a chairman and a vice-chairman who constitute the Chairmanship. The vice-chairman is able to act in the chairman's absence and as an effective sounding board for the chairman.

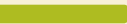
4.3.2. The Committee recommends the preparation of a scope of work and task list specifying the tasks, duties and responsibilities of the chairman and deputy chairman.


The Chairmanship's tasks, duties and responsibilities are described in the Rules of Procedure of the Board and the Charter of the Chairmanship, which has been approved by the Board and disclosed on the Novo Nordisk website.


4.3.3. The Committee recommends that the chairman of the supreme governing body organise, convene and chair meetings to ensure efficiency in the body's work and to create the best possible working conditions for the members, individually and collectively.

The chairman chairs the meeting with a view to fulfilling the recommendation.

Danish Corporate Governance Recommendations

 The recommendation is being fulfilled

 The recommendation is partially being fulfilled

 The recommendation is not being fulfilled

4.3.4. The Committee recommends that, if the board of directors in exceptional cases asks its chairman to perform special tasks for the company, including briefly participate in the day-to-day management, a board resolution to that effect should be passed and precautions taken to ensure that the board of directors will maintain responsibility for the overall management and control function. A reasonable distribution of duties must be ensured between the chairman, the deputy chairman, the other members of the board of directors and the executive board. Information about agreements on the chairman's participation in the day-to-day management and the expected duration hereof must be disclosed in a company announcement.

Novo Nordisk's approach

Novo Nordisk agrees with the recommendation in principle, and will on a case-by-case basis disclose details as required.

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

5. Composition and organisation of the supreme governing body

In companies where the board of directors constitutes the supreme governing body, the board of directors should be composed in such a way as to allow it to perform its managerial tasks, including overall and strategic tasks.

It is essential that the supreme governing body of a company be composed in such a way as to ensure effective performance of its control tasks and, at the same time, ensure a constructive and qualified dialogue with the executive board. It is also essential that the members of the supreme governing body always act independently of special interests.

Diversity improves the quality of the supreme governing body's work and the cooperation between its members, including through different approaches to the performance of management tasks.

The supreme governing body should regularly assess whether its composition and the skills of its members, individually and collectively, reflect the demands posed by the company's situation and circumstances.

To increase value creation, the supreme governing body should carry out an evaluation of its members every year and ensure integration of new talent while maintaining continuity.

N/A

5.1. Composition

5.1.1. The Committee recommends that the supreme governing body annually specify the skills it must have to best perform its tasks and that the specification be posted on the website. Proposals for the nomination/replacement of members of the supreme governing body to be submitted to the general meeting should be prepared in the light hereof.

5.1.2. The Committee recommends that the supreme governing body ensure a formal, thorough and transparent process for selection and nomination of candidates to the supreme governing body. When assessing its composition and nominating new candidates, the supreme governing body must take into consideration the need for integration of new talent and the need for diversity in relation to international experience, gender and age, etc.

5.1.3. The Committee recommends that a description of the nominated candidates' qualifications, including information about other executive functions, e.g. memberships of executive boards, boards of directors and supervisory boards, including board committees, held by the candidates in both Danish and foreign companies as well as information on demanding organisational tasks should accompany the notice convening the general meeting when election of members to the supreme governing body is on the agenda.

The Board has determined which competences should be present at the Board, and this Competence Profile is disclosed on the Novo Nordisk website. The Competence Profile is reviewed annually by the Chairmanship and presented to the Board for approval.

The Board has established a thorough and transparent process which is formalised in the Rules of Procedure and the Chairmanship Charter, which are accessible on Novo Nordisk's website. The Board takes the need for integration of new talent and diversity into consideration when evaluating its composition.

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

Danish Corporate Governance Recommendations

The recommendation is being fulfilled

The recommendation is partially being fulfilled

The recommendation is not being fulfilled

5.1.4. The Committee recommends that every year, the annual report contain an account of the composition of the supreme governing body, including its diversity, and of any special skills possessed by the individual members.

5.2. Training of members of the supreme governing body

5.2.1. The Committee recommends that new members joining the supreme governing body be given an introduction to the company.

5.2.2. The Committee recommends that the supreme governing body annually assess whether the skills and expertise of its members need to be updated.

5.3. Number of members of the supreme governing body

5.3.1. The Committee recommends that the supreme governing body have only so many members as to allow a constructive debate and an effective decision-making process enabling all members to play an active role.

5.3.2. The Committee recommends that in connection with the preparation for each year's general meeting, the supreme governing body consider whether the number of members is appropriate in relation to the requirements of the company.

5.4. The independence of the supreme governing body

5.4.1. In order for the members of the supreme governing body to act independently of special interests, the Committee recommends that at least half of the members elected by the general meeting be independent persons.

The independent supreme governing body member may not:

- be, or have been within the last five years, a member of the executive board/managerial staff of the company or an associated company,
- have received significant additional remuneration from the company/group or an associated company apart from a fee for its services in the capacity as a member of the supreme governing body,
- represent the interests of a controlling shareholder,

Novo Nordisk's approach

A profile of each board member, including the special competences possessed by 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 includes an account of the proposed composition of the Board of Directors including its diversity.

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

The self-assessment process identifies whether the competences and expertise of the board members need to be updated. Further the chairman reviews with all board members whether their competences or expertise need to be updated.

The Board has 12 members, of whom eight are elected by shareholders at general meetings, and four are Novo Nordisk employees from Denmark, elected by Danish employees. The size of the Board allows for constructive debate and an effective decision-making process, and enables all board members to play an active role.

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

Half of the shareholder-elected board members (four of eight) are deemed independent.

None of the shareholder-elected board members have been members of the Executive Management of Novo Nordisk within the last five years.

Apart from executive and employee pay none of the board members have received significant fees apart from a fee for servicing on the Board.

Four of the shareholder-elected board members are board members or executives in Novo Nordisk's majority shareholder, Novo A/S, or Novo A/S' parent, Novo Nordisk Foundation.

Danish Corporate Governance Recommendations

The recommendation is being fulfilled

The recommendation is partially being fulfilled

The recommendation is not being fulfilled

- within the last year, have had a material business relationship (e.g. personally or indirectly as a partner or an employee, shareholder, customer, supplier or member of a governing body of companies with similar relations) with the company or an associated company,
- be, or have been within the last three years, an employee or partner of the external audit firm,
- hold cross-memberships of governing bodies,
- have been a member of the supreme governing body for more than 12 years, or
- have close family ties with persons that are not regarded as independent persons.

5.4.2. The Committee recommends that at least once every year, the supreme governing body list the names of the members who are regarded as independent persons and also disclose whether new candidates for the supreme governing body are considered independent persons.

5.5. Members of the supreme governing body elected by the employees

5.5.1. The Committee recommends that the individual company explain, in the company's annual report or on its website, the system of employee-elected board members and the company's use hereof in companies where the employees have chosen to apply the provisions of the Companies Act on employee representation.

5.6. Meeting frequency

5.6.1. The Committee recommends that the supreme governing body 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 number of meetings held be disclosed in the annual report.

5.7. Expected time commitment and the number of other executive functions

5.7.1. The Committee recommends that each member of the supreme governing body assess the expected time commitment for each function in order that the member does not take on more functions than he/she can manage in a satisfactory way for the company.

5.7.2. The Committee recommends that the annual report contain the following information about the members of the supreme governing body:

Novo Nordisk's approach

None of the shareholder-elected board members have within the last year had a material business relationship with Novo Nordisk or an associated company.

None of the shareholder-elected board members have been employed with the external auditor.

None of the shareholder-elected board members hold cross-memberships.

None of the shareholder-elected board members have served on the Board for more than 12 years.

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

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

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

The Board ordinarily meets 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.

All board members assess his/her expected time commitment, and do not hold more positions than he/she can manage.

The Annual Report contains the recommended information.

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

- the member's occupation,
- the member's other executive functions, e.g. memberships of executive boards, boards of directors and supervisory boards, including board committees, in Danish and foreign companies as well as demanding organisational tasks, and
- the number of shares, options, warrants, etc. that the member holds in the company and its consolidated companies and any changes in such holdings during the financial year.

5.8. Retirement age

5.8.1. The Committee recommends that the company's articles of association fix a retirement age for members of the supreme governing body and that the annual report contain information on such retirement age as well as the age of each member of the board of directors.

According to the Articles of Association and 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. Further, Novo Nordisk has stated the retirement age as well as the age of its board members in its Annual Report.

5.9. Election period

5.9.1. The Committee recommends that members of the supreme governing body elected by the general meeting be up for re-election every year at the annual general meeting.

Shareholder-elected board members serve for a one-year term and can be re-elected at the Annual General Meeting.

5.9.2. The Committee recommends that the annual report state when the individual member of the supreme governing body joined the body, whether the member was re-elected and when the current election period expires.

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

5.10. Board committees

Board committees may increase efficiency and improve the quality of the work performed by the supreme governing body by assisting in the preparation and processing of the material on which supreme governing body decisions is based, including material on audit, composition of the management and remuneration of the management.

A board committee should be set up with the sole purpose of facilitating the transaction of business by the supreme governing body and must not cause significant information required by all members of the supreme governing body only to be communicated to the board committee.

The supreme governing body remains fully responsible for all decisions based upon board committee recommendations.

The establishment of a committee should not result in a pause or halt in the transaction of business by the supreme governing body.

Danish Corporate Governance Recommendations

The recommendation is being fulfilled

The recommendation is partially being fulfilled

The recommendation is not being fulfilled

The supreme governing body evaluates on an ongoing basis whether there is a need for establishing additional board committees, including a risk committee, etc.

5.10.1. The Committee recommends that the company publish the following information in the management commentary in its annual report or on the company's website:

- the terms of reference for the board committees,
- important activities of the committees during the year and the number of meetings held by each committee, and
- the names of the members of each committee, including the chairmen of the committees, as well as information on which members are independent members and which members have special qualifications.

5.10.2. The Committee recommends that a majority of the members of a board committee be independent members.

5.10.3. The Committee recommends that the supreme governing body establish an actual audit committee.

5.10.4. The Committee recommends that the following be taken into account in composing the audit committee:

- the chairman of the supreme governing body should not be chairman of the audit committee, and
- between them, the members should possess such an amount of expertise and experience as to provide an updated insight into and experience in the financial, accounting and audit conditions of companies whose shares are admitted to trading on a regulated market.

5.10.5. The Committee recommends that, prior to the approval of the annual report and other financial reports, the audit committee monitor and report to the supreme governing body about:

- significant accounting policies
- significant accounting estimates,
- related party transactions, and
- uncertainties and risks, including in relation to the outlook.

5.10.6. The Committee recommends that the audit committee:

- annually consider whether there is a need for an internal audit function, and if so,
- formulate recommendations on selecting, appointing and

Novo Nordisk's approach

Novo Nordisk discloses on its website committee charters, descriptions of important activities during the year, and the number of meetings as well as names, positions and relevant qualifications.

The majority of committee members are independent.

The Board has established an Audit Committee.

The chairman of the Board is not the chairman of the Audit Committee. Also, the Audit Committee members possess the necessary expertise and experience.

The Board has approved a Charter for the Audit Committee setting out its responsibilities and powers. As stated in the Charter, the Audit Committee is, amongst other things, responsible for oversight of and reporting to the Board on the elements described in the recommendation.

Novo Nordisk has established an internal audit function. In accordance with its Charter the Audit Committee carries out the tasks included in the recommendation.

Danish Corporate Governance Recommendations

The recommendation is being fulfilled

The recommendation is partially being fulfilled

The recommendation is not being fulfilled

removing the head of the internal audit function and on the budget of the internal audit function, and

- monitor the executive board's follow-up on the conclusions and recommendations of the internal audit function.

5.10.7. The Committee recommends that the supreme governing body establish a nomination committee with at least the following preparatory tasks:

- describe the qualifications required in the two governing bodies and for a given position, state the expected time commitment for a position and evaluate the balance of skills, knowledge and experience available in the two governing bodies.
- annually evaluate the structure, size, composition and performance of the governing bodies and make recommendations to the supreme governing body with regard to any changes,
- annually evaluate the skills, knowledge and experience of the individual members of the governing bodies and report such details to the supreme governing body,
- consider proposals submitted by relevant persons, including shareholders and members of the governing bodies, for candidates for executive positions, and
- identify and recommend to the supreme governing body candidates for the governing bodies.

5.10.8. The Committee recommends that the supreme governing body establish a remuneration committee with at least the following preparatory tasks:

- make proposals, for the approval of the supreme governing body prior to approval at the general meeting, on the remuneration policy, including the overall principles of incentive pay schemes, for members of the supreme governing body and the executive board,
- make proposals to the supreme governing body on remuneration for members of the supreme governing body and the executive board and ensure that the remuneration is consistent with the company's remuneration policy and the evaluation of the performance of the persons concerned. The committee should have information about the total amount of remuneration that members of the supreme governing body and the executive board receive from other companies in the group, and
- oversee that the information in the annual report on the remuneration of the supreme governing body and the executive board is correct, true and sufficient.

Novo Nordisk's approach

The Chairmanship has the role and responsibility of a nomination committee, and presents proposals to the Board. However, Novo Nordisk has not established a separate nomination committee because Novo Nordisk believes that each board member must have the opportunity to contribute actively to discussions and have access to all relevant information about nomination. To review the current board composition Novo Nordisk has established an ad hoc nomination team, which consists of the Chairmanship supplemented with two other board members.

The Chairmanship has the role and responsibility of a remuneration committee, and presents proposals to the Board. However, Novo Nordisk has not established a separate remuneration committee because Novo Nordisk believes that each board member must have the opportunity to contribute actively to discussions and have access to all relevant information about remuneration.

Danish Corporate Governance Recommendations

The recommendation is being fulfilled

The recommendation is partially being fulfilled

The recommendation is not being fulfilled

5.10.9. The Committee recommends that the remuneration committee do not consult with the same external advisers as the executive board of the company.

5.11. Evaluation of the performance of the supreme governing body and the executive board

5.11.1. The Committee recommends that the supreme governing body undertake an annual evaluation of the performance and achievements of the supreme governing body and of the individual members of the body.

5.11.2. The Committee recommends that the chairman be in charge of the evaluation of the supreme governing body, that the outcome be discussed in the supreme governing body and that the details of the procedure of self-evaluation and the outcome be disclosed in the annual report.

5.11.3. The Committee recommends that the supreme governing body at least once every year evaluate the work and performance of the executive board in accordance with pre-defined criteria.

5.11.4. The Committee recommends that the executive board and the supreme governing body establish a procedure according to which their cooperation is evaluated annually through a formalised dialogue between the chairman of the supreme governing body and the chief executive officer and that the outcome of the evaluation be presented to the supreme governing body.

Novo Nordisk's approach

The Chairmanship may engage independent advisers as it determines necessary to carry out its duties. The Chairmanship does not consult the same external advisers as the Executive Management.

The Board conducts an annual self-assessment of its effectiveness as a collective body, and this assessment includes an assessment of each individual member and such member's effectiveness and competencies.

The Board's annual self-assessment is directed by the Chairmanship and may be facilitated by an external consultant. The outcome is discussed by the Board, and both the process and the outcome of the self-assessment are described in the Annual Report.

The Board assesses the performance of each executive continuously on an informal basis and formally once a year. The chairman also conducts at least one annual interview with each executive.

The collaboration between the Board and the Executive Management is assessed as part of the Board's annual self-assessment procedure. This is discussed among the Board and Executive Management as well as between the chairman and the CEO.

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

6. Remuneration of members of the governing bodies

Openness and transparency about all important issues regarding the principles for and amounts of the total remuneration offered to members of the governing bodies are essential. The principles of the remuneration policy should support a long-term value-creation for the company.

Competitive remuneration is a prerequisite for attracting and retaining competent members of the governing bodies. The total remuneration package, i.e. the fixed and variable components and other remuneration components, should be reasonable and reflect the governing body members' independent performance, responsibilities and value creation in the company. The variable component of the remuneration should be based on actual achievements over a period of time with a view to long-term value creation.

N/A

6.1. Content and form of the remuneration policy

6.1.1. The Committee recommends that the supreme governing body adopt a remuneration policy applicable to the supreme governing body and the executive board.

6.1.2. The Committee recommends that the remuneration policy and any changes to the policy be approved by the general meeting of the company.

6.1.3. The Committee recommends that the remuneration policy include a thorough description of the components of the remuneration for members of the supreme governing body and the executive board.

6.1.4. The Committee recommends that the remuneration policy include:

- the reasons for choosing the individual components of the remuneration, and
- a description of the criteria on which the balance between the individual components of the remuneration is based.

6.1.5. The Committee recommends that, if the remuneration policy includes variable components,

- limits be set on the variable components of the total remuneration package,
- a reasonable and balanced linkage be ensured between remuneration for governing body members, expected risks and the value creation for shareholders in the short and long term,

The Board has adopted Remuneration Principles. These are described in the Annual Report and disclosed on the company's website.

The Remuneration Principles and any changes hereto are approved by the Annual General Meeting.

The Remuneration Principles contain a thorough description of the components of the remuneration.

The Remuneration Principles include the reasons for choosing the individual components of the remuneration and a description of the criteria on which the balance between the individual components of the remuneration is based.

Executives, but not board members, are remunerated in parts with variable components. The variable components of the remuneration are based on actual achievements over a period of time with a view to long-term value creation. The variable components are described in the Remuneration Principles, as approved by the Board and the shareholders at the Annual General Meeting, reflecting the terms described in the recommendation.

Danish Corporate Governance Recommendations

The recommendation is being fulfilled

The recommendation is partially being fulfilled

The recommendation is not being fulfilled

- there be clarity about performance criteria and measurability for award of variable components, and
- there be criteria ensuring that vesting periods for variable components of remuneration agreements are longer than one calendar year.

6.1.6. The Committee recommends that remuneration of members of the supreme governing body do not include share or warrant programmes.

6.1.7. The Committee recommends that if members of the executive board receive share-based remuneration, such programmes be established as roll-over programmes, i.e. the options are granted periodically and should not be exercisable earlier than three years from the date of grant. An explanation of the relation between the redemption price and the market price at the time of grant should be provided.

6.1.8. The Committee recommends that, in exceptional cases, companies should be able to reclaim in full or in part variable components of remuneration that were paid on the basis of data, which proved to be manifestly misstated.

6.1.9. The Committee recommends that termination payments should not amount to more than two years' annual remuneration.

6.2. Disclosure of the remuneration policy

6.2.1. The Committee recommends that the remuneration policy be clear and easily understandable and that it be disclosed in the annual report and posted on the company's website.

6.2.2. The Committee recommends that the company's remuneration policy and compliance with this policy be explained and justified in the chairman's statement at the company's general meeting.

6.2.3. The Committee recommends that the total remuneration granted to each member of the supreme governing body and the executive board by the company and other consolidated companies be disclosed in the (consolidated) financial statements and that the linkage with the remuneration policy be explained.

Novo Nordisk's approach

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

As described in the Remuneration Principles a proportion of the annually calculated shareholder value creation is allocated to a joint pool for participants, including Executive Management. The joint pool is converted into shares at market price, and the shares in the joint pool for a given year will be locked up for three years before they are transferred to the participants. The Remuneration Principles provide an explanation of the required information.

Novo Nordisk has the right to reclaim in full or in part variable components of remuneration that were paid on the basis of data that prove to be manifestly misstated.

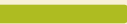
Executives are entitled to severance payments of up to 2 years remuneration plus pension benefits. For existing employment contracts the severance payments as described above will not exceed an amount equal to 36 months fixed base salary plus pension contributions. This will in the long term bring Novo Nordisk into compliance with the recommendation.


The Remuneration Principles have been drafted to be clear and easily understandable. The Remuneration Principles are described in the Annual Report and disclosed on the Novo Nordisk website.


The Remuneration Principles and the approval of the remuneration of the board members are dealt with as separate agenda items at the Annual General Meeting.


The Annual Report includes such information.


Danish Corporate Governance Recommendations


 The recommendation is being fulfilled

 The recommendation is partially being fulfilled

 The recommendation is not being fulfilled

 6.2.4. The Committee recommends that the details of any defined-benefit schemes offered to members of the supreme governing body or the executive board and the actuarial value of such schemes as well as changes during the year be included as part of the information on the total remuneration.

 6.2.5. The Committee recommends that the most important aspects of retention and severance programmes be disclosed in the company's annual report.

 6.2.6. The Committee recommends that the proposal for remuneration of the supreme governing body for the current financial year be approved by the shareholders at the general meeting.

Novo Nordisk's approach

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

The Annual Report includes such information.

The approval of the remuneration of the board members is dealt with and approved as a separate agenda item at the Annual General Meeting.

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

7. Financial reporting

Each member of the supreme governing body and the executive board is responsible for preparing the annual report and other financial reports in accordance with current legislation, applicable standards and any further requirements concerning financial statements stipulated in the articles of association, etc.

The members of the said governing bodies must ensure that the financial reporting is easy to understand and balanced and provides a true and fair view of the company's financial position, performance and cash flow. The management commentary must give a true and fair presentation of the state of affairs, including the outlook.

N/A

7.1. Other relevant information

7.1.1. The Committee recommends that the annual report and other financial reports be supplemented by additional financial and non-financial information, if deemed necessary or relevant in relation to the information needs of the recipients.

The Annual Report contains all financial and non-financial information deemed relevant.

7.2. The going concern assumption

7.2.1. The Committee recommends that, upon consideration and approval of the annual report, the supreme governing body decide whether the business is a going concern, including supporting assumptions or qualifications where necessary.

The Annual Report is submitted under a going-concern assumption.

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

8. Risk management and internal control

Each member of the supreme governing body and the executive board Effective risk management and an effective internal control system contribute to reducing strategic and business risks, to ensuring observance of current rules and regulations and to ensuring the quality of the basis for management decisions and financial reporting. The company's choice of strategy naturally involves risk. It is essential that the risks are identified and communicated, and that the risks are managed appropriately.

Effective risk management and internal control are a precondition for the supreme governing body and the executive board to efficiently perform the tasks bestowed upon them. Consequently, it is essential that the supreme governing body ensures effective risk management and effective internal control systems.

N/A

8.1. Identification of risks

8.1.1. The Committee recommends that the central governing body at least once every year identify the most important business risks associated with the realisation of the company's strategy and overall goals as well as the risks associated with financial reporting.

8.1.2. The Committee recommends that the executive board currently report to the supreme governing body on the development within the most important areas of risk and compliance with adopted policies, frameworks etc. in order to enable the supreme governing body to track the development and make the necessary decisions.

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

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.

8.2. Whistleblowing

8.2.1. The Committee recommends that the supreme governing body decide whether to establish a whistleblowing scheme for expedient and confidential notification of possible or suspected wrongdoing.

The Board has determined that it is appropriate to have a whistleblowing scheme.

8.3. Openness about risk management

8.3.1. The Committee recommends that the management commentary in the annual report include information about the company's management of business risks.

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

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

9. Audit

Ensuring an independent, competent and thorough audit is an essential element of the work of the supreme governing body.

N/A

9.1. Contact to auditor

9.1.1. The Committee recommends that the supreme governing body maintain a regular dialogue and exchange of information with the auditor.

The Board, via the Audit Committee, maintains a regular dialogue and exchange of information with the external auditor.

9.1.2. The Committee recommends that the auditor agreement and auditors' fee be agreed between the supreme governing body and the auditor on the basis of a recommendation from the audit committee.

The auditor agreement and the auditor's fee are approved by the Board on the basis of a recommendation from the Audit Committee.

9.1.3. The Committee recommends that the supreme governing body and the audit committee meet with the auditor at least once every year without the executive board present. This also applies to the internal auditor, if any.

The Board and Audit Committee meet with the Internal Audit department and External Auditor at least once per year without the executives being present. Also, the Internal Audit department and External Auditor participate in the Board meeting where the financial reports are approved

9.2. Internal audit

9.2.1. The Committee recommends that the supreme governing body, on the basis of a recommendation from the audit committee, once every year decide whether to establish an internal audit for support and control of the company's internal control and risk management systems and state the reasons for its decision in the annual report.

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