



Charter of the Audit Committee of the Board of Directors of Novo Nordisk A/S

CVR no. 24 25 67 90

1. Status

The Audit Committee is a committee of the Board of Directors established in accordance with Section 5 of the Rules of Procedure for the Board of Directors of Novo Nordisk A/S.

2. Purpose

The Audit Committee shall assist the Board of Directors with the oversight of:

- a) the External Auditors
- b) the internal audit function
- c) the procedure for handling complaints reported through the Compliance Hotline (whistleblowing)
- d) financial, social and environmental reporting
- e) business ethics compliance
- f) information security
- g) insurance coverage
- h) special theme reviews and other tasks

3. Membership

The Audit Committee shall consist of at least 3 and normally of up to five members. Members of the Audit Committee are elected for a one-year term by and among the members of the Board of Directors. Election usually takes place at the board meeting following the Annual General Meeting. However, any member of the Audit Committee elected by the Board of Directors can be removed by the Board of Directors at any time.

One of the members of the Audit Committee shall be designated by the Board of Directors as chairman of the Audit Committee. The chairman and the vice chairman of the Board of Directors cannot be chairman of the Audit Committee.

Each member of the Audit Committee shall qualify as independent as defined by the US Securities and Exchange Commission (SEC). Furthermore, at least one member of the Audit Committee shall qualify as an Audit Committee Financial Expert as defined by the SEC and be designated by the Board of Directors as an Audit Committee Financial Expert.

Further, at least one member of the Audit Committee shall in accordance with applicable Danish law have competences in accounting and/or auditing. The members of the Audit Committee shall as a whole have competences relevant to the healthcare industry.

The same person or persons may satisfy the US and Danish independence and financial expertise requirements.

In addition to the members of the Audit Committee the External Auditors and the Chief Financial Officer will attend in relevant parts of the meeting.

The Audit Committee may invite other people such as Senior Vice President of Legal Affairs, Corporate Vice President of Group Internal Audit and other functions such as Corporate IT and Product Supply when relevant for the specific agenda item.

The Chief Compliance Officer/Senior Vice President of Business Assurance acts as secretary of the Audit Committee and attends in the full meeting.

4. Responsibilities

The primary function of the Audit Committee is to assist the Board of Directors by reviewing information within the areas of oversight, cf. clause 2, and based on that present recommendations to the Board of Directors. All decisions will be made by the Board of Directors except as expressly stated in this Charter.

The Audit Committee shall have the following responsibilities:

a) The External Auditors

An External Auditor is an auditor engaged to perform audit, review and attest services for Novo Nordisk as defined in applicable Danish and US law.

Oversee the process for identifying an External Auditor to be elected by the Annual General Meeting, including arranging any required tenders and in connection with a tender providing at least two proposals to the Board of Directors. Recommend to the Board of Directors the statutory External Auditors to be nominated by the Board of Directors and elected by the Annual General Meeting. Prepare the Board of Directors' recommendation to the Annual General Meeting regarding the election of the External Auditors and, if relevant, recommend to the Board of Directors that the Board of Directors proposes to the Annual General Meeting that an External Auditor is discharged.

Appoint, retain and oversee the work of any other External Auditors as requested by the SEC. Review the annual audit plan and the work of the External Auditors.

Review and discuss the External Auditors' reports to the Board of Directors, including long-form reports and report the result of the statutory audit, including the financial reporting process, to the Board of Directors. Review the compensation of the External Auditors and recommend the compensation to the Board of Directors for approval.

Establish policies and procedures for the engagement of any External Auditor signing the audit report submitted to the SEC or Danish Authorities to provide audit services and permitted non-audit services. The provision of permitted non-audit services shall comply with the restrictions in applicable Danish and US law. In addition, establish process for hire of current and former employees of the External Auditor. Review the engagement letter with the External Auditors and recommend the terms to the Board of Directors for approval. Pre-approve all audit services and permitted non-audit services to be provided by any External Auditor. The Audit Committee may delegate its authority to pre-approve services to one or more members of the Audit Committee provided that such designees

present any such approvals to the full Audit Committee at the next Audit Committee meeting.

At least annually consider the competences, performance and independence of the External Auditors and obtain and review a report from the External Auditors describing internal quality-control procedures, issues raised in internal quality reviews or by authorities, actions taken and substantiating that the External Auditors are independent.

Resolve any disagreements between Executive Management and any External Auditor regarding financial reporting.

b) The internal audit function

Review and approve the Charter, the annual audit plan, budget and the work of the internal audit function.

Review and discuss the internal auditors' reporting to Executive Management and the Audit Committee.

Monitor the effectiveness and the independence of the company's internal audit.

The chairman of the Audit Committee shall approve the appointment, remuneration principles and actual remuneration and dismissal of the head of the internal audit function. Should the head of the internal audit function want to pursue other positions, the reasons for such shall be informed to the chairman of the Audit Committee.

The chairman of the Audit Committee shall review the performance of the head of the internal audit function and assess whether the personal targets for the head of such function have been achieved.

c) The procedure for handling complaints reported through the Compliance Hotline (whistleblowing)

Maintain procedures for the receipt, retention and treatment of complaints received by Novo Nordisk's Compliance Hotline as well as monitor complaints received. Furthermore, ensure a confidential and anonymous procedure for submission made by employees of Novo Nordisk of concerns regarding questionable accounting, internal accounting controls, auditing, financial reporting matters and business ethics matters.

d) Financial, social and environmental reporting

Review key accounting policies, significant accounting estimates and significant related party transactions, and recommend changes in key accounting policies to the Board of Directors.

Review and discuss

- the consolidated financial statement in the Annual Report and Form 20-F,
- the consolidated social and environmental statement in the Annual Report,
- the company's financial statement releases for the full year and interim financial reports, and

- any other significant financial earnings announcements.

Monitor and review the adequacy and effectiveness of the systems of internal controls over financial, social and environmental reporting (including deficiencies and significant changes in internal controls reported to the Audit Committee) and approve significant changes therein.

Monitor the effectiveness of the risk management systems of Novo Nordisk in relation to financial reporting and review and discuss criteria with respect to risk assessment and risk management.

Review and approve the company's financial counterpart exposure as described in the company's treasury policy, including changes hereto.

e) Business ethics compliance

Review and report to the Board of Directors on the effectiveness of the business ethics compliance programme.

f) Information security

Review Novo Nordisk's Information Security Strategy and annually assess compliance with the current strategy.

g) Insurance coverage

Review Novo Nordisk's insurance coverage by assessing annually the appropriateness of the insurance coverage regarding property, business interruption and product liability.

h) Special theme reviews and other tasks

Focused review of special themes and items for which there may be a significant accounting impact, i.e. M&A transactions, significant investments etc. as well as other tasks specifically decided by the Board.

5. Operation of the Audit Committee

The Audit Committee may engage independent counsel and other advisors as it determines necessary to carry out its duties.

To enable the Audit Committee to perform its duties the Audit Committee may if required request separate meetings with any employee and the External Auditors upon their discretion.

The Audit Committee shall have available appropriate funding as determined necessary by the Audit Committee for the fulfilment of its tasks and duties.

The Audit Committee shall, once a year,

- conduct an organisational review of the finance and assurance organisation
- conduct a performance evaluation of the Audit Committee and report such evaluation to the Board of Directors

- review applicable independence, financial expertise and other legal requirements of each member of the Audit Committee to determine whether the Audit Committee meets the applicable legal standards. Further the Audit Committee shall present such review to the Board of Directors for approval as well as propose any required or recommended disclosure
- evaluate the adequacy of this Charter and recommend any proposed changes to the Board of Directors.

6. Meetings

The Audit Committee shall meet as often as it determines appropriate, but at least four times each year. Further, the Audit Committee shall meet upon request of a member of the Audit Committee, the Chief Executive Officer, the Chief Financial Officer or an External Auditor.

Meetings shall be convened at not less than three calendar days' written notice to all members of the Audit Committee, and such notice shall include an agenda for the meeting in question. Any written material relating to the individual agenda items shall, to the extent possible, be forwarded to the members together with the notice convening the meeting.

Minutes of Audit Committee meetings are kept and forwarded to the members of the Audit Committee.

Under special circumstances, a committee resolution may be passed over the phone or in writing. In such cases the proposed resolution shall be forwarded to the members and the chairman shall subsequently seek to obtain a written, oral or electronically transferred statement from all members of the Audit Committee and arrange for the recording of the resolution in the minute book.

7. Quorum

The Audit Committee forms a quorum when two or more of its members are present. Resolutions are passed by simple majority.

8. Audit Committee member fee

Each member of the Audit Committee shall receive an annual fee to be proposed by the Board of Directors and approved by the Annual General Meeting.

9. Reporting to the Board of Directors

The Audit Committee will regularly inform the Board of Directors of discussions and present recommendations to the Board of Directors. Further, the Board of Directors will receive the minutes of meetings of the Audit Committee, while all material presented to or prepared by the Audit Committee will be available to all members of the Board of Directors upon request.

10. Audit Committee reporting

The Audit Committee shall prepare the Audit Committee report that is required by applicable law or deemed appropriate to be included in Novo Nordisk's financial reporting.

11. Publication of the Charter

This charter shall be made available on the Company's website.

12. Adoption of Charter

This Charter has been approved by the Board at its meeting held on 5 December 2018.