

The Competence Profile of the Board of Directors of Novo Nordisk A/S

The Company

Founded in 1923, Novo Nordisk is a global healthcare company with almost 100 years of innovation and leadership in diabetes care. This heritage has given Novo Nordisk experience and capabilities that also enable the company to help people defeat obesity, haemophilia, growth disorders and other serious chronic diseases. Headquartered in Denmark, Novo Nordisk employs more than 50,000 people in 80 countries and markets its products in almost 170 countries resulting in sales of more than 140 bn DKK.

It is Novo Nordisk's purpose to drive change to defeat diabetes and other serious chronic diseases. Novo Nordisk aims to lead in all disease areas in which the company is active. The key contribution is to discover and develop innovative biological medicines and make them accessible to patients throughout the world. Growing business and delivering competitive financial results is what allows Novo Nordisk to help patients live better lives, offer an attractive return to the shareholders and contribute to the communities. Its business philosophy is one of balancing financial, social and environmental considerations to generate value to society and our future business.

The company is managed according to the *Novo Nordisk Way*, which describes the company's ambitions, strategic priorities and the values that characterise the company.

To remain successful, Novo Nordisk must successfully address various major challenges over the coming years, including innovation of new medicines, globalisation, and being a sustainable business.

Through its holding company Novo Holdings A/S, which holds all the A shares in the company, the Novo Nordisk Foundation is Novo Nordisk's controlling shareholder. The company's B shares, which are listed on the stock exchanges of Copenhagen (Nasdaq Copenhagen) and New York (NYSE), are widely held.

Tasks of the Board of Directors

The Board of Directors is responsible for the overall strategic direction and supervision of the performance of the company, strategy implementation and the work of Executive Management. The composition of the Board of Directors must therefore be such that the consolidated competences of its members enable it to inspire, guide and oversee the company's development.

The Board of Directors shall ensure that Novo Nordisk has an appropriate organisational structure, management team, general management processes and organisational competences in place to deal with the company's business challenges and opportunities, thus maximising the likelihood of achieving its mission. The Board of Directors ensures that Novo Nordisk is managed in accordance with the *Novo Nordisk Way*.

Election of the Board of Directors

The members of Novo Nordisk's Board of Directors are elected in two ways:

- The shareholders elect the chair, the vice chair and 2-8 other members of the Board of Directors at the Annual General Meeting based on nomination by the current Board of Directors.
- The employees of Novo Nordisk A/S elect among themselves a number of Board members corresponding to half of the total number of Board members elected by the shareholders.

General competences of the Board members

In order to support continued fulfilment of Novo Nordisk's purpose and the *Novo Nordisk Way*, all shareholder-elected Board members should possess the following personal characteristics:

- Integrity, accountability, and fairness
- Financial literacy
- Commitment
- Desire for innovation
- A corporate social responsible mindset
- A collaborative mindset

In addition, the collective competences of the shareholder-elected Board members should include experience within:

- Global corporate leadership
- Healthcare & pharma industry
- Medicine & science
- Technology, data & digital
- Finance & accounting
- Business development, M&A and external innovation sourcing
- Human capital management
- Environmental, social & governance (ESG)

To ensure that discussions and decisions of the Board reflect the complex global environment Novo Nordisk is operating in, it is in the company's interest and its aspiration that the composition of the Board of Directors is diverse in perspectives, experience, competences, gender and nationality.

Membership of Novo Nordisk's Board is demanding in terms of expected contributions, frequency of meetings, preparation for meetings and the need to continuously keep abreast of developments in the healthcare and pharmaceutical industry.

General circumstances relating to the shareholder-elected Board members

In order to ensure that Novo Nordisk and its controlling shareholder share common vision and goals, it is desirable to have a number of Board members representing the majority shareholder. However, in order to get an outside perspective on Novo Nordisk's business, it is also desirable to have a number of Board members who do not represent the majority shareholder.

In nominating candidates, the Nomination Committee shall seek to achieve a balance between renewal and continuity. It is Novo Nordisk's aspiration that a person is not nominated for election or re-election, if such Board member has been a Novo Nordisk Board member for 12 years at the time of the General Meeting. It is Novo Nordisk's aspiration that at least half of its shareholder-elected Board members should be independent in accordance with the Danish Corporate Governance Recommendations.

Further, it is the aim that by 2024 the Board consists of at least two shareholder-elected Board members with Nordic nationality and at least two shareholder-elected Board members with another nationality than Nordic - and at least three shareholder-elected Board members of each gender.

All shareholder-elected Board members should have a good command of the English language.

Special competences relating to the chair and vice chair

Special competences relating to the chair and vice chair include:

- Experience with and ability to facilitate discussions at Board meetings and outline decisions
- Proactively engage with Executive Management to oversee performance and development

Special competences relating to the employee-elected Board members

Special competences represented by the employee-elected Board members are expected to include:

- Experience and broad knowledge of how the company conducts its business
- Strong knowledge of what employees in the company are occupied with and pay attention to
- Ability to communicate opinions on how the company conduct its business
- Ability to advise on appropriate forms of communication between the company and the employees

- A good command of the English language

It is in the company's interest that the employee-elected Board members represent a diversity of perspectives, experience, backgrounds, gender and origin – thereby reflecting the composition of the company's staff.