2023

Novo Nordisk
Human Rights Report

Contents

'At Novo Nordisk we are committed to respecting human rights. This goes not only for our employees and patients, but also for the people who are involved in the broad value chain of Novo Nordisk.

I expect all Novo Nordisk leaders and employees to be aware of our potential human rights impacts, so that we make sure that we treat everyone with respect.'

Lars Fruergaard Jørgensen
President & CEO, Novo Nordisk

Introduction

The **Novo Nordisk Human Rights Report (2023)** describes the latest work we have done at Novo Nordisk towards meeting the responsibility to respect human rights according to the UN Guiding Principles on Business and Human Rights.

Novo Nordisk at a Glance

Novo Nordisk is a leading global healthcare company, founded in 1923 and headquartered in Denmark. Our purpose is to drive change to defeat serious chronic diseases. We do so by pioneering scientific breakthroughs, expanding access to our medicines and working to prevent and ultimately cure disease.

In 2023, we celebrated 100 years of driving change to defeat serious chronic diseases. This marks a notable milestone where we supported more than 40 million people living with serious chronic diseases. At the same time, we acknowledge that as our business continues to grow, so does our role in society.

Our Human Rights Commitment

Novo Nordisk is committed to meeting the responsibility to respect human rights throughout our operations and value chains as defined by the UN Guiding Principles on Business and Human Rights. Our Human Rights Commitment is anchored in Novo Nordisk's OneCode. Please refer to our **Human Rights Commitment** here.

Affiliates in **80** countries	More than **41** million patients reached with our diabetes and obesity care products
Total net sales **232,261** DKK million	Supplier of **50%** of the world's insulin
R&D facilities in **5** countries	More than **64,000** employees

(As of 31 December 2023)

Roshni has type 1 diabetes and lives in India

Embedding Respect for Human Rights

Governance

Our human rights commitment and its implementation are overseen by the Business Ethics Committee, comprising the Chief Executive Officer, Chief Compliance Officer and the Chief Legal Officer among others. Implementation of our human rights commitment is integrated into global Ethics & Compliance in all its key elements (i.e. governance, training, risk management, monitoring, tracking and effectiveness reviews).

The Audit Committee (including representation from the Board of Directors) assists the Board of Directors with several oversight responsibilities, including Ethics & Compliance and the process for handling complaints including human rights complaints reported through the Compliance Hotline (whistleblowing).

Responsibility

The responsibility for day-to-day human rights management across relevant departments is assigned to the Ethics & Compliance Office, which reports to the Chief Compliance Officer. The Ethics & Compliance Office is led by Corporate Vice President and is resourced with expertise on business and human rights.

In Operations, the day-to-day human rights implementation including management of human rights issues is assigned to the global Ethics & Compliance organisation.

Embedding from the top

Executive management including our CEO regularly communicates to employees and managers the importance of respect for human rights as part of ethics & compliance, company values, and the Novo Nordisk Way.

Corporate human rights requirements

Novo Nordisk's human rights expectations to employees are stated in the Corporate Human Rights Requirements. All employees and managers are required to exercise respect for human rights in daily decisions and actions.

Novo Nordisk Corporate Human Rights Requirements

1. **Avoid causing or contributing** to negative human rights impacts in all business activities
2. **Set human rights expectations** to our business partners according to the UN Guiding Principles on Business and Human Rights, with a focus on high-risk activities
3. **Report human rights concerns** to the Novo Nordisk Compliance Hotline
4. **Prevent and mitigate recurrence** of actual negative human rights impacts and **provide for remedy** where necessary

Training and awareness building

To continuously develop human rights awareness, the Ethics & Compliance Office and ethics and compliance managers throughout the company regularly conduct human rights training to managers and employees.

Our Responsible Sourcing e-learning promotes awareness not only about human rights risks in supply chain but also about Novo Nordisk's responsibility to avoid causing or contributing to adverse impacts in our supply chain.

Annual ethics & compliance training

Respect for human rights is part of the annual ethics training and it is mandatory for all employees. In 2023, 99% of employees completed and documented their training, with the remaining 1% missing mainly due to employees being on leave.

Other human rights awareness and training activities

- Human Rights Day awareness campaign
- Human Rights workshops for local management teams
- Human Rights workshops for employees
- Human Rights e-learning
- Ethics and Compliance Academy (incl. dedicated human rights training)
- Ethics and Compliance webinars
- Ethics and Compliance newsletters

ESG reporting

In 2023, we have had a strong focus on ESG with the intention of strengthening reporting on progress in regard to our human rights commitment. We conducted an initial double materiality assessment that guides our implementation of the Corporate Sustainability Reporting Directive – for which our human rights due diligence processes are essential.

Human Rights Due Diligence

Over the past years we have been continuously developing and improving human rights risk management capabilities and due diligence systems to manage human rights risks and impacts throughout our own operations and business relationships, including the following.

Integration into corporate policies

Every 2-3 years we conduct human rights mapping and assessment of corporate activities across Novo Nordisk's value chain, from early research to production and support functions such as human resources. Once we identify and assess potential and actual impacts, we analyse relevant corporate policies and processes. Based on risks of potential severity of impacts, we prioritise actions to integrate human rights due diligence into relevant corporate policies and processes.

We continuously work on closing any identified gaps through the priorities outlined in our Human Rights Roadmap towards 2026. For example, we expanded our existing anti-bribery & anti-corruption due diligence process for third-party representatives in June 2023 to fully embed a human rights risk lens as one of the key actions of the roadmap.*

Human rights risk management

Our ongoing human rights risk management, which has been integrated into the global Enterprise Risk Management structure since 2020, is the backbone of Novo Nordisk's human rights due diligence framework.

Global process and system

Every six months all Novo Nordisk regions and headquarter functions are required to report their ethics & compliance risks including human rights risks to the Ethics & Compliance Office.

A global business architecture platform for risk management documents information on each risk in detail (including affected people, severity of impact and likelihood, mitigating actions, effectiveness of the actions, etc.). It also documents review comments from internal human rights resources and other reviewers and enables tracking over time. Throughout the process, ethics & compliance and human rights experts in Ethics & Compliance Office conduct a series of training sessions and hold dialogues to continuously develop human rights risk awareness and capabilities throughout the company.

Risk reviews and reporting

Top ethics & compliance risks are elevated for a review by the Global Compliance Forum (GCF) with representation from the Ethics & Compliance Office and regional and local ethics and compliance representatives. GCF makes a recommendation on effective risk mitigations to the Business Ethics Committee, which then discusses how to anchor these recommendations in the Ethics & Compliance Strategy and Programme. Consolidated findings of Ethics & Compliance reviews and top 10 risks are reported to the Executive Management and the Audit Committee annually.

*For further reference, please consult Novo Nordisk's case study in the report on due diligence in the downstream value chain, published by the Danish Institute for Human Rights here.

Identification of human rights risks

Each business unit risk owner is responsible for identifying and assessing both materialised and emerging human rights risks, by gathering relevant data on risk drivers and risk indicators from internal and external data sources in dialogue with relevant lines of business and human rights experts.

Scope of human rights risk management

All human rights At a minimum, rights stated in the International Bill of Human Rights, ILO Declaration on Principles and Rights at Work, Convention on the Rights of the Child	**Potential & actual adverse impacts** Novo Nordisk can cause, contribute to and be directly linked to through it operations, products or services
Any affected persons patients, employees, external workers, communities and other individuals	**Own operations & business relationships** throughout Novo Nordisk's value chain, including supply chain and downstream customer distribution chains

New situations, new business relationships and/or new human rights challenges should trigger identification of 'emerging human rights risks'. For example, the past years' emphasis on complementing our in-house expertise with external innovation through acquisitions of biotechs expands our use of human data. This triggers an increased need to ensure proper review and approval of human biosample organisations, for example through onsite visits to clinics in high risk countries. Please read more about our approach to working with human biosamples and health data here.

Assessment of human rights risks

Once materialised and emerging human rights risks are identified, they are assessed based on the 'severity of impact on people' if an event occurs, along with the likelihood of the event occurring. Relevant risk drivers, such as economic, social and geographical factors in operating contexts and presence of vulnerable groups, inform the risk assessment. These are taken into account by performing relevant research such as whether there is a high-level attention by government agencies, government investigations or audits of peer companies or an ongoing armed conflict, and so on.

The focus on 'impact on people' is integrated into the Ethics & Compliance Risk Methodology, including risk assessment scales. Risk assessment leads to prioritisation of risks and determination of salient issues through the review and report processes (please refer to page 5).

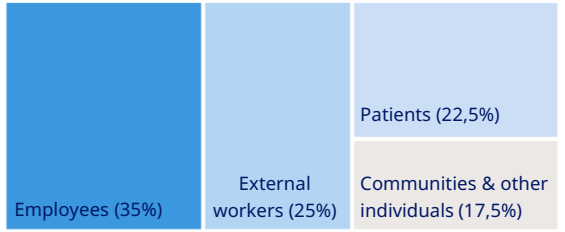
Human rights risk assessment scales	
critical	Irremediable significant harms to people
major	Hard to remediate or systemic harms to people
moderate	Moderately remediable or medium-scale harms to people
minor	Easy to remediate or small-scale harms to people

Human rights risks reported and managed

As a result of the risk process we conduct every 6 months, a range of human rights risks is currently managed by business units throughout Novo Nordisk. The largest number of human rights risks is related to employees' rights, followed by external workers' rights (workers in our value chains), patients' rights (end-users) and communities and other individuals' rights.

Examples of risks to employees' rights include non-discrimination and harassment, healthy and safe working conditions including mental well-being. Risks to external workers' rights include sub-standard working conditions in business relationships especially at a sub-contractor level. Risks to patients' rights include potential impacts on right to health, including potential impacts arising from logistical disruptions, supply constraints and other operational challenges. Risks to communities include potential human rights impacts which may arise from business relationships or geopolitical factors. Risks to other individuals' rights include impacts on human bio-sample donors' rights, especially the right to free and informed consent.

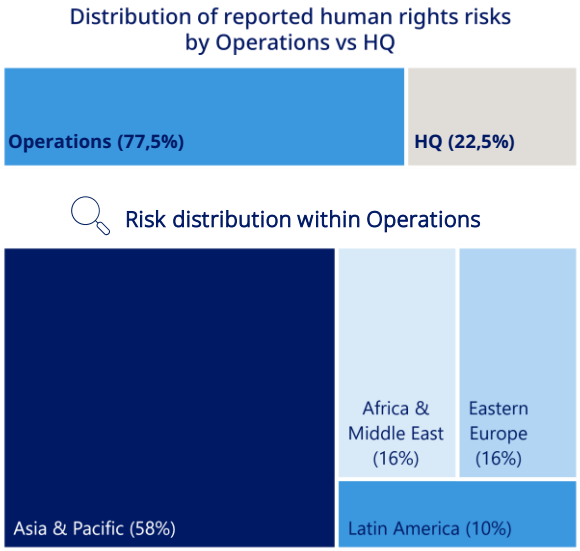
Distribution of reported human rights risks by affected people




Liam Carstens has type 1 diabetes and lives in South Africa

Geographical distribution of reported risks

Among the human rights risks currently managed, 77,5% are anchored in Operations globally, with the Asia and Pacific region having the largest number, followed by the Africa & the Middle East, Eastern Europe and Latin America.



Mitigation actions

Each business unit risk owner is responsible for putting in place and implementing mitigation actions, supported by ethics and compliance risk and human rights experts. The most common mitigation actions taken include:

- strengthen governance and coordination
- reinforce written requirements and guidelines
- conduct training and workshops
- audits and investigations

For example, to address risks of harassment impacting employees' rights, a written framework and guidelines were developed, and training and awareness activities were conducted in a number of business units. Other examples include engagement and training of distributors and service providers to address human rights risks of external workers and other individuals.

Tracking

Mitigation actions and milestones are monitored and tracked by business unit risk owners, Ethics and Compliance managers in regions and ethics & compliance risk and human rights experts. Effectiveness of actions in reducing the severity of the impact and likelihood is assessed and tracked, which includes assessing the relevant mitigating actions as to whether they have been effective and how they have been effective, to share learnings across the organization. Risk owners are obliged to reflect upon and document any changes to the risks on a biannual basis – thereby ensuring that any changes in the nature of each salient human rights issue is captured. Once the risk, both in terms of severity and likelihood, is reduced to an acceptable level, the risk is closed.

Responsible sourcing programme

Novo Nordisk's Responsible Sourcing (RS) programme aims to address responsible business conduct risks including human rights risks in our global supply chain. Our RS Standards form a set of principles and requirements that suppliers are expected to uphold in their business operations, with the purpose of promoting ethical conduct, respect for human rights, and environmental sustainability throughout Novo Nordisk's supply chain.

The RS programme is integrated into our procurement processes. Global Procurement is responsible for its day-to-day management and is supported by RS audits and local RS experts at Novo Nordisk's strategic production sites in mainland China and Brazil. Its annual risk assessment is based on a risk model that builds on severity of potential human rights impacts among other factors. RS contract clauses include human rights expectations based on the UN Guiding Principles on Business and Human Rights. Self-assessment questionnaires and RS audits among selected high-risk suppliers support human rights due diligence.

Third party due diligence process

At Novo Nordisk we have a risk-based ethics & compliance due diligence process for third-party representatives, ranging from customers and distributors to other Novo Nordisk business relationships. We assess the risk level of each third-party representative and conduct enhanced due diligence for high-risk third-party representatives. In contractual agreements with all third-party representatives, it is mandatory to include contractual clauses that set ethics & compliance expectations including compliance with the UN Guiding Principles on Business and Human Rights.

Salient Human Rights Issues

Based on the above-mentioned human rights due diligence processes scoping in all human rights and informed by insights gained through stakeholder engagement, we determine our salient human rights issues.

1 Patients' right to health: Access and affordability

2 Patient safety

3 Human rights in Research & Development

4 Right to privacy and data protection

Salient Human Rights Issues

5 Safe & healthy working conditions

6 Employees' rights

7 Human rights in business relationships

8 Asia and Pacific region (Focal geography)

	Salient human rights issues	Mitigation actions
1. Patients' right to health: Access and affordability	As a healthcare company, one of our most significant human rights impacts, both positive and potentially negative, lies in the right to health and related rights (such as right to non-discrimination), with potential impacts on millions of patients. As of January 2024 over 40,5 million people use our diabetes care products globally.	We are committed to respecting and supporting the right to health. We have taken measures to manage our impacts, and we track effectiveness of our actions. Our ambition is to provide access to the medicines we have available to the greatest number of people living with diabetes, rare blood diseases and rare endocrine disorders, while addressing varying levels of affordability, e.g. offering a broad portfolio of products. Please refer to our Access and affordability programme here for further information.
2. Patient safety	All medicines have potential side effects as well as benefits. Failures in quality and safety management could adversely impact on delivering high quality, safe and efficacious products to patients, with potential adverse impacts on the right to life, right to health, among other related rights. A growing problem of counterfeit medicines and medical devices pose a public health risk.	We are committed to patient safety. We have in place a global Quality Management System and pharmacovigilance system. For every product we establish safety committees that report any adverse events on a global level to health authorities and take appropriate action when required. Please see here for further information. We also take measures to combat the growing problem of counterfeit medicines and medical devices. Please see here for further information.
3. Human rights in Research & Development	Our research and development activities are carried out mainly in Denmark, US, UK, mainland China and India. During early research phases, use of human biosamples involves risk to donors' rights. Clinical trials and clinical research activities have a direct impact on a number of human rights of trial participants and patients. In addition, we identify cell therapy and use of AI in research activities as potential severe human rights impacts where human rights due diligence is required.	Our bioethics policy sets our general guidelines. Bioethics Expert Groups keep track of emerging issues, re-evaluate risks and act upon findings. Our human biosamples evaluation of partners has integrated human rights due diligence. Please see here. In sponsoring and supporting clinical trials we adhere to our global standard of ensuring rights and well-being of each participant, e.g. free and informed consent. Please see here for further information. We have established Data & AI Ethics principles.
4. Right to privacy and data protection	As a healthcare company, we handle large volumes of personal data, including information on participants in clinical trials, human bio-sample donors, patients and healthcare providers reporting safety concerns, and our employees. We store and transfer personal data in and across different jurisdictions on a global level. In addition, we are currently working on compliance with the EU AI Act and other relevant EU AI legislation.	Our OneCode and Ethics & Compliance programme are the basis for our global Privacy & Data Ethics compliance. Together, they set the minimum global standards for how we handle and protect personal data. Where there is a conflict between the national law and the internationally recognised human rights principle of privacy, we always seek to make a responsible decision about how to handle personal data. Please see here for further information.
5. Safe and healthy working conditions	Novo Nordisk has potential impacts on the right to safe and healthy working conditions not only on our over 64,000 employees worldwide but also on a large number of external workers with whom we engage. Risks to the right to safe and healthy working conditions include occupational accidents, work-related pain, negative impacts on mental well-being among other aspects.	We offer a healthy and engaging work environment, supported by a comprehensive Health & Safety programme. To this end, we have implemented our Health & Safety management system across our entire global organisation to ensure such conditions for all employees and contractors. For example, we work with a zero-injury mindset, promote a safety culture, encourage a healthy and balanced lifestyle and have a long-term commitment to continuous improvements. Please read here for further information.
6. Employees' rights	Novo Nordisk employs more than 64,000 people in 80 countries. We recognise our potential and actual impacts on a range of human rights, including but not limited to labour rights, e.g. right to non-discrimination, non-harassment and equality, freedom of association and collective bargaining, grievance mechanisms and non-retaliation policy etc.	Novo Nordisk's Labour Code of Conduct set the minimum global standards for how we handle and ensure respect for rights at work focused on labour rights of employees. For external workers the Novo Nordisk Responsible Sourcing Standards describes Novo Nordisk's minimum standards for suppliers within anti-corruption and ethics, human rights and labour, health and safety and environmental management. Novo Nordisk follows these standards and expects all suppliers to apply these, or equivalent standards, in their own supply chain. Please see here for further information.
7. Human rights in business relationships	Novo Nordisk's business relationships range from suppliers, vendors, customers and distributors to research organisations, manufacturing partners and patient organisations among others. Novo Nordisk has over 60,000 first-tier suppliers and over 30,000 first-tier customers globally. We recognise potential human rights impacts in our business relationships in our broad global value chain.	In 2021, we mapped Novo Nordisk's business relationships across our value chains (beyond supply chain), and in June 2023 we fully integrated human rights risks into our global Third party representative due diligence process. Our Responsible Sourcing programme is aimed at addressing supply chain human rights risks. For modern slavery due diligence, please refer to our Modern Slavery statements. For conflict minerals due diligence, please refer to our Conflict Minerals Disclosure.
8. Asia and Pacific region (Focal Geography)	In terms of focal geography, the Asia and the Pacific region is where we currently gain most experience in advancing human rights risk management. The Asia and Pacific region is where the size and impact of our operations and human rights risks are both significant. Currently 58 percent of our reported human rights risks is in the region. Human rights risk drivers in the region include conflict, systemic discrimination, economic crisis, etc.	Since 2020 we have conducted regional human rights risk workshops on a regular basis to continuously develop internal human rights risk capabilities both at affiliate and region levels, along with other high-risk regions. In addition to internal training, our Ethics and Compliance managers in the region and the Ethics & Compliance Office engage with external stakeholders including business and human rights experts to continuously improve human rights risk understanding and mitigation actions.

Rebecca Commanda has type 2 diabetes and lives in Canada

Grievance Mechanism and Remediation

Novo Nordisk requires all employees to report concerns of all potential and actual severe human rights impacts to the Novo Nordisk Compliance Hotline, and encourages them to report all their human rights concerns anyway. This is part of our Corporate Human Rights Requirements, for which employees receive training and awareness activities. The Novo Nordisk Compliance Hotline receives complains and concerns about human rights in more than 60 languages from third parties and any individuals.

Customer complaints, side effects, misuse or abuse of products or falsified products should be reported to Report a side effect (novonordisk.com).

At Novo Nordisk we are committed to meeting the responsibility for remedy according to the UN Guiding Principles on Business and Human Rights (please refer to our Human Rights Commitment). If actual negative human rights impacts are caused or contributed by Novo Nordisk's activities or decisions, we will ensure remedy for affected people. This is also part of the Novo Nordisk Corporate Human Rights Requirements applicable to all business units.

In 2023, we did not identify any cases where it was relevant for Novo Nordisk to provide access to remedy due to causing or contributing to adverse impacts on human rights.

Engagement and Collaboration

We engage with peers and experts to seek continuous improvements in our human rights implementation approach. We also engage in collective actions to increase leverage towards addressing human rights impacts. We have regular engagement with the following collaborative efforts:

- Novo Nordisk Sustainability Advisory Council, including a Business & Human Rights expert
- The Global Business Initiative on Human Rights (GBI)
- The Nordic Business Network for Human Rights (NBNHR)
- The UN Global Compact
- The Pharmaceutical Supply Chain Initiative (PSCI)
- The Danish Ethical Trading Initiative (Etisk Handel Danmark)

We learn from stakeholders as we make progress. At Novo Nordisk we are committed to continuously improving our implementation of respect for human rights.