

ESG

CMD22
CAPITAL MARKETS DAY

3 MARCH



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RANJITH S.
Ranjith lives with type 1 diabetes
India

Forward-looking statements

Novo Nordisk's reports filed with or furnished to the US Securities and Exchange Commission (SEC), including the statutory Annual Report 2021 and Form 20-F, which both were filed with the SEC in February 2022 in continuation of the publication of this Annual Report 2021, this presentation, and written information released, or oral statements made, to the public in the future by or on behalf of Novo Nordisk, may contain forward-looking statements. Words such as 'believe', 'expect', 'may', 'will', 'plan', 'strategy', 'prospect', 'foresee', 'estimate', 'project', 'anticipate', 'can', 'intend', 'target' and other words and terms of similar meaning in connection with any discussion of future operating or financial performance identify forward-looking statements. Examples of such forward-looking statements include, but are not limited to:

- Statements of targets, plans, objectives or goals for future operations, including those related to Novo Nordisk's products, product research, product development, product introductions and product approvals as well as cooperation in relation thereto,
- Statements containing projections of or targets for revenues, costs, income (or loss), earnings per share, capital expenditures, dividends, capital structure, net financials and other financial measures,
- Statements regarding future economic performance, future actions and outcome of contingencies such as legal proceedings, and
- Statements regarding the assumptions underlying or relating to such statements.

These statements are based on current plans, estimates and projections. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific. Novo Nordisk cautions that a number of important factors, including those described in this presentation, could cause actual results to differ materially from those contemplated in any forward-looking statements.

Factors that may affect future results include, but are not limited to, global as well as local political and economic conditions, including interest rate and currency exchange rate fluctuations, delay or failure of projects related to research and/or development, unplanned loss of patents, interruptions of supplies and production, including as a result of interruptions or delays affecting supply chains on which Novo Nordisk relies, product recalls, unexpected contract breaches or terminations, government- mandated or market-driven price decreases for Novo Nordisk's products, introduction of competing products, reliance on information technology including the risk of cybersecurity breaches, Novo Nordisk's ability to successfully market current and new products, exposure to product liability and legal proceedings and investigations, changes in governmental laws and related interpretation thereof, including on reimbursement, intellectual property protection and regulatory controls on testing, approval, manufacturing and marketing, perceived or actual failure to adhere to ethical marketing practices, investments in and divestitures of domestic and foreign companies, unexpected growth in costs and expenses, failure to recruit and retain the right employees, failure to maintain a culture of compliance, epidemics, pandemics or other public health crises, and factors related to the foregoing matters and other factors not specifically identified herein.


For an overview of some, but not all, of the risks that could adversely affect Novo Nordisk's results or the accuracy of forward-looking statements in this Annual Report 2021, reference is made to the overview of risk factors in 'Risk management' of this Annual Report 2021.

Unless required by law, Novo Nordisk is under no duty and undertakes no obligation to update or revise any forward-looking statement after the distribution of this Annual Report 2021, whether as a result of new information, future events, or otherwise.

Important drug information

Victoza® and Ozempic® are approved for the management of type 2 diabetes only
Saxenda® and Wegovy® are approved in the USA and the EU for the treatment of obesity only

Strategic aspirations 2025




Purpose and Sustainability (ESG)

- **Progress towards zero environmental impact**
- **Being respected for adding value to society**
- **Ensure distinct core capabilities and evolve culture**




Commercial execution

- Strengthen Diabetes leadership - aim at global value market share of more than 1/3
- Strengthen Obesity leadership and double current sales¹
- Secure a sustained growth outlook for Rare disease



Innovation and therapeutic focus

- Further raise the innovation-bar for diabetes treatment
- Develop a leading portfolio of superior treatment solutions for obesity
- Strengthen and progress the Rare disease pipeline
- Establish presence in Other serious chronic diseases focusing on CVD, NASH and CKD



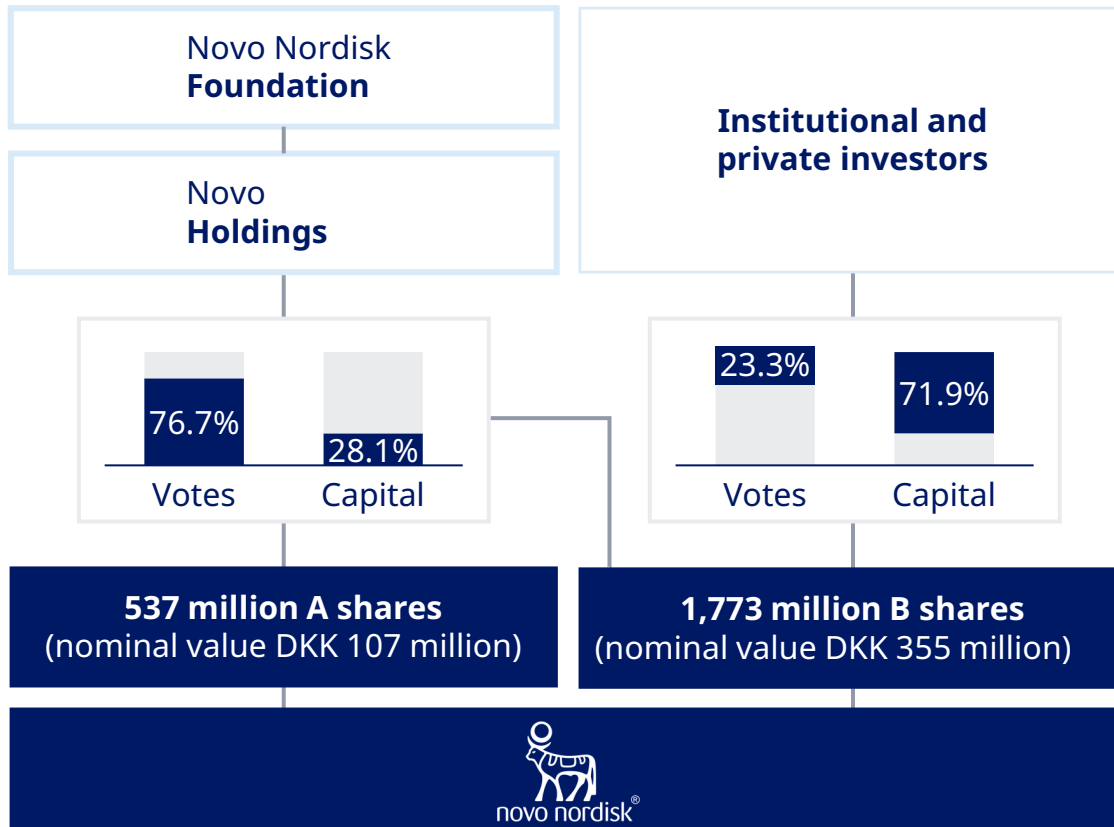
Financials

- Deliver solid sales and operating profit growth
 - Deliver 6-10% sales growth in IO
 - Transform 70% of sales in the US²
- Drive operational efficiencies across the value chain to enable investments in future growth assets
- Deliver free cash flow to enable attractive capital allocation to shareholders

¹ Based on reported sales in 2019, ² From 2015 to 2022, 70% of sales to come from products launched from 2015. IO: International Operations; CVD: Cardiovascular disease; NASH: Non-alcoholic steatohepatitis; CKD: Chronic kidney disease. Note: The strategic aspirations are not a projection of Novo Nordisk's financial outlook or expected growth.

ESG is an integrated part of Novo Nordisk

Foundation ownership enables long-term focus on shared value creation



ESG¹ responsibility has been anchored in Articles of Associations since 2004



¹ Known as the Triple Bottom Line at time of implementation
ESG: Environmental, Social and Governance

With the Circular for Zero strategy launched in 2019, Novo Nordisk aspires to have zero environmental impact



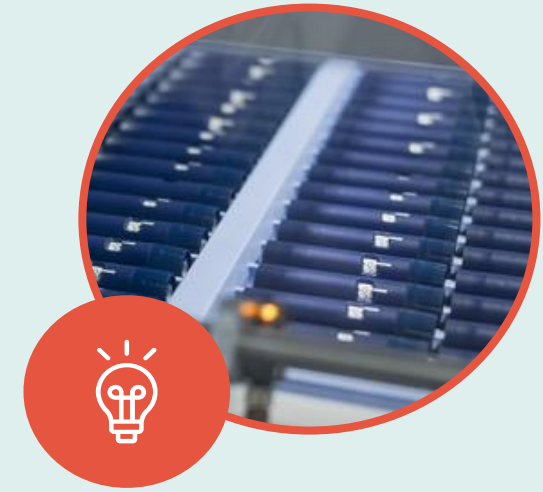
CIRCULAR SUPPLY

Collaboration with suppliers to switch to circular sourcing and procurement



CIRCULAR COMPANY

Eliminate environmental footprint from operations



CIRCULAR PRODUCTS

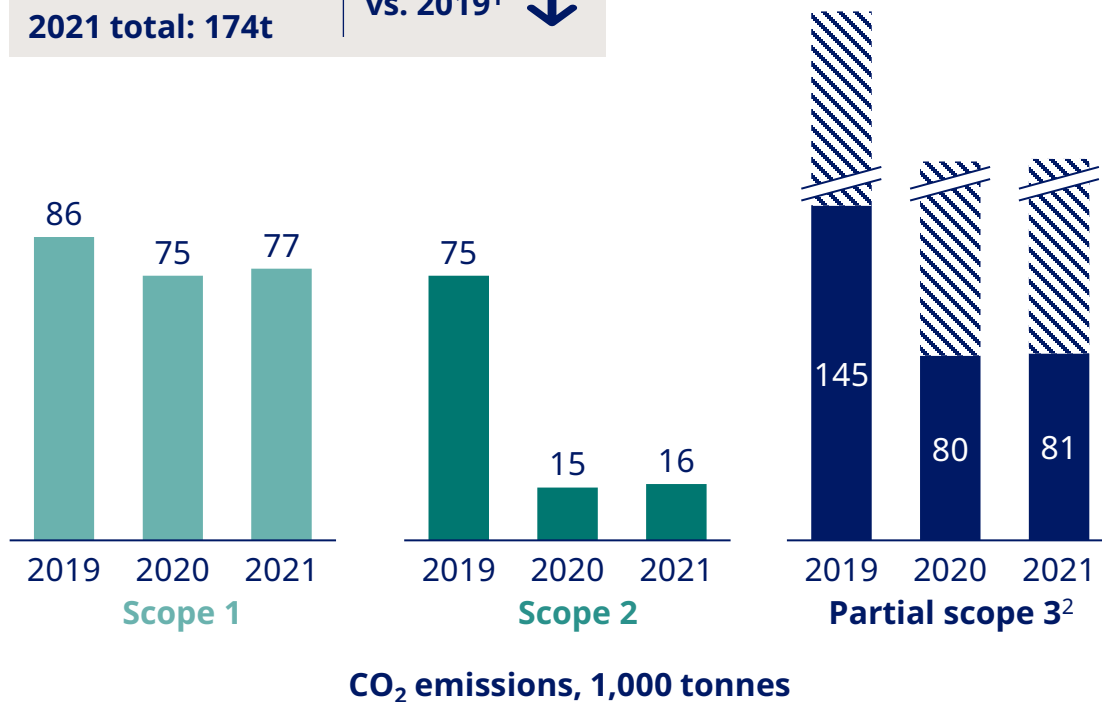
Upgrade existing and design new products based on circular principles

Novo Nordisk pledges to reach net-zero emissions across the entire value chain by 2045

Reporting CO₂ emissions across scopes in the Annual Report 2021

2019 total: 306t
2020 total: 170t
2021 total: 174t

43%
vs. 2019¹ ↓



Key initiatives to reduce CO₂ emissions across all three scopes

Scope 1 - Direct emissions from own sources (10% reduction¹)

- **Company cars:** Target of 100% electric or plug-in hybrid electric cars by 2030

Scope 2 - Indirect emissions from purchased energy (79% reduction¹)

- **Production:** Sourcing 100% of renewable power at sites since 2020

Partial scope 3 - Other emissions across value chain (44% reduction¹)

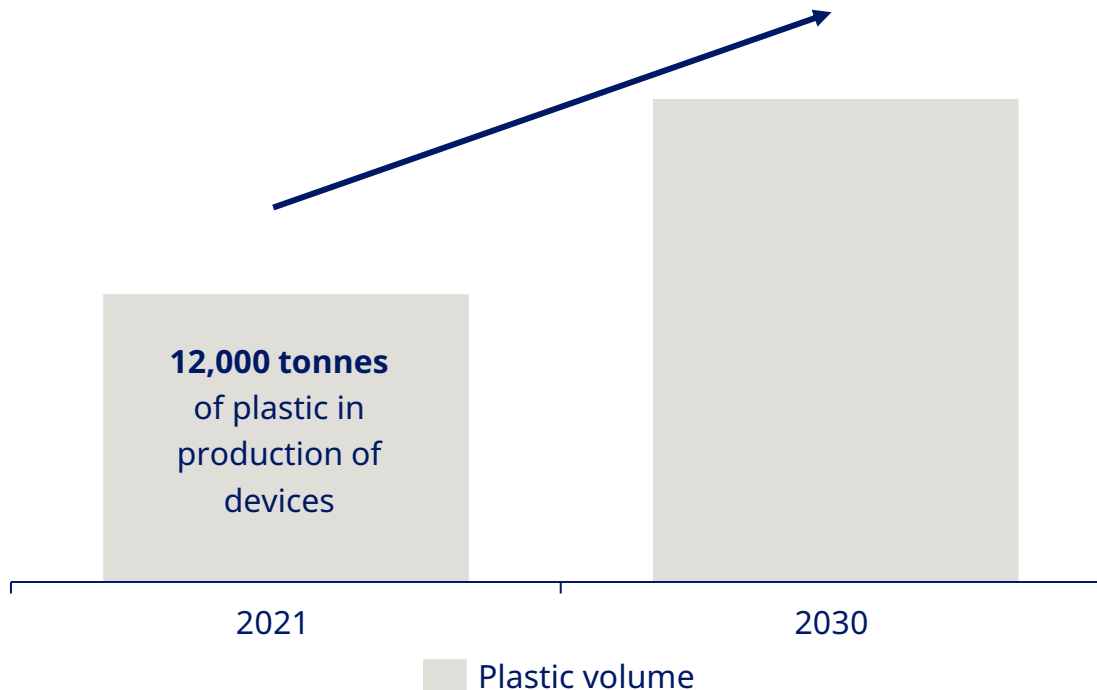
- **Suppliers:** Commitment from direct suppliers to use renewable power
- **Business flights:** Emissions reduced by 85%
- **Product distribution:** Partnership with Mærsk using biofuel and partnership with SkyNRG using Sustainable Aviation Fuel when transporting Novo Nordisk products

¹2019 used as baseline across the scopes given the impact of COVID-19 in 2020. ²Novo Nordisk's reporting of Scope 3 emissions is currently limited to product distribution and business flights implying that the data shown do not include a significant proportion of Scope 3 emissions from Novo Nordisk's supply chain.

Reaching more patients will increase the plastic footprint, which Novo Nordisk has started to address

Growing volumes impact Novo Nordisk's plastic footprint

ILLUSTRATIVE



Change to sustainable plastic

- Engage with suppliers to pursue shift to **sustainable plastic**
- Drive innovation via **partnerships** to e.g. re-purpose medical waste



Reduce plastic consumption

- Drive **portfolio decisions** towards lower plastic consumption
- Drive switch towards **durable devices** in relevant markets



Avoid plastic waste on landfill

- **Take-back**¹ pilot in Denmark with partners leading to >20% device return
- **Take-back** expansion to UK, Brazil and France with ambition to establish industry solution for scaling



¹ More information on the pilot called "Returpen™" can be found here: [Returpen.dk](https://www.novonordisk.com/returpen)

Defeat Diabetes is the cornerstone of Novo Nordisk's social responsibility



Bend the curve of Diabetes through **prevention** efforts with partners



Provide **access to affordable** care for vulnerable patients in every country



Innovate to improve lives

Defeating diabetes by pursuing initiatives within early prevention

Bending the curve in obesity starts with addressing childhood obesity

- **UNICEF partnership** aims to prevent childhood overweight and obesity in Latin America
- >10% of the world's population live with obesity, including ~125 million children¹
- Childhood obesity is increasing and associated with increased risk of developing type 2 Diabetes



in support of



Two-thirds of people with diabetes globally live in cities

41 cities included,
home to more than +220 million citizens

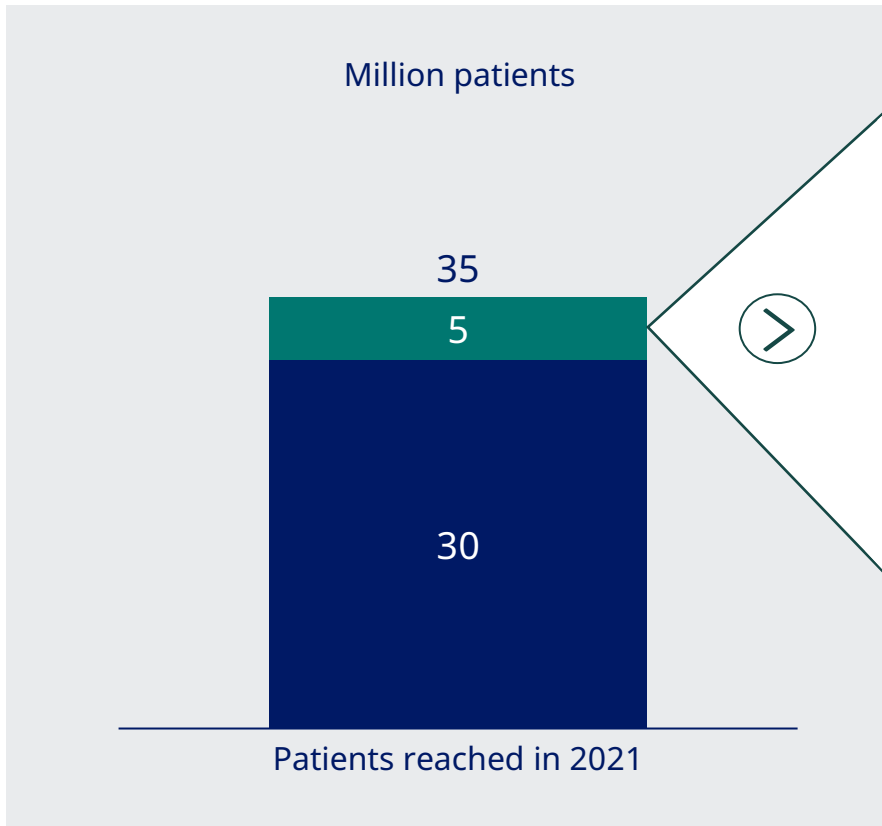


- **Cities Changing Diabetes:** Expanding reach with already engaged cities as well as identifying new cities to be enrolled
- Working to design healthy food systems and engage community organisations in prevention of chronic disease

¹Children defined as children and adolescents aged 5-19, source: <https://www.who.int/news-room/fact-sheets/detail/obesity-and-overweight>;
UNICEF does not endorse any company, product, brand or service. An extensive overview of specific actions taken within Cities Changing Diabetes can be found here: <https://www.citieschangingdiabetes.com/>

In 2021, more than 5 million people with diabetes were reached with affordability programmes

5 out of 35 million people were reached with access and affordability efforts



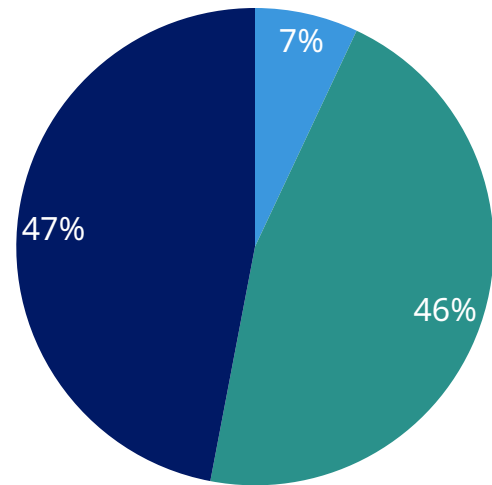
A number of focused programmes

Access to Insulin Commitment	<ul style="list-style-type: none"> • 3 USD ceiling price for human insulin vial offered to 76 low- and middle-income countries, reaching +1.7m patients in 2021 • 2.2m patients reached at or below the ceiling price in countries outside the commitment¹
Changing Diabetes® in Children	<ul style="list-style-type: none"> • Providing care for children living with type 1 diabetes • ~32k children reached across 18 countries with goal of reaching 100,000 in 2030
Vulnerability assessments	<ul style="list-style-type: none"> • Ensure availability of affordable insulin for vulnerable patients • Tailored affordability plans reaching +82k patients as of 2021 based on assessments conducted locally in 67 countries
US affordability offerings	<ul style="list-style-type: none"> • Suite of affordability offerings including unbranded biologics, My \$99 insulin and more • In 2021, ~1m vulnerable patients reached with insulin

¹The access and affordability programmes are not mutually exclusive, implying that the sum of the reach of each programme cannot be interpreted as the total unique number of people with diabetes reached. More info on Novo Nordisk access and affordability programmes can be found at : [Access & affordability \(novonordisk.com\)](https://www.novonordisk.com). An extensive overview of specific actions taken within Cities Changing Diabetes can be found here: <https://www.citieschangingdiabetes.com/>. Changing Diabetes® in Children is a public-private partnership between the International Society for Paediatric and Adolescent Diabetes, the World Diabetes Foundation, Roche and Novo Nordisk. M: Millions; K: thousands

In the US, net prices have declined in the last five years

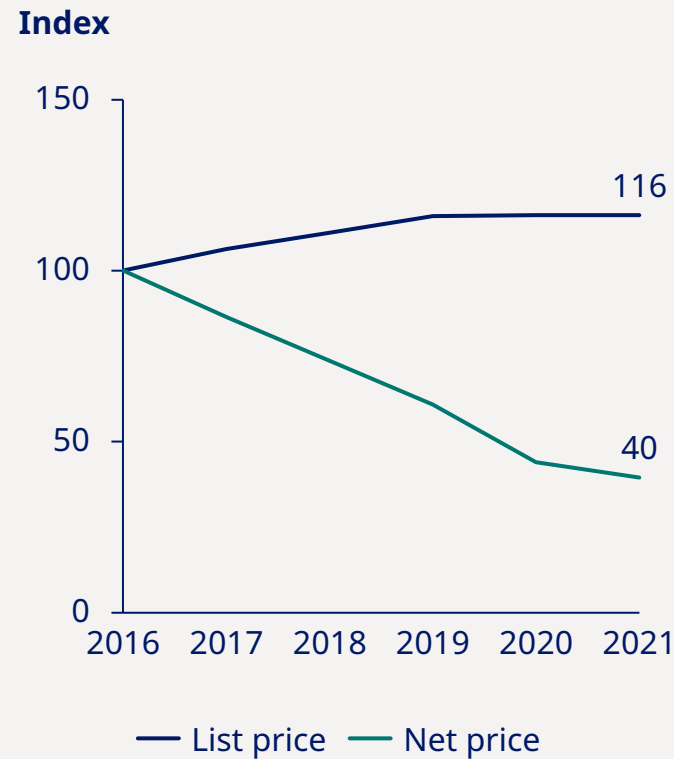
The US population by health insurance coverage



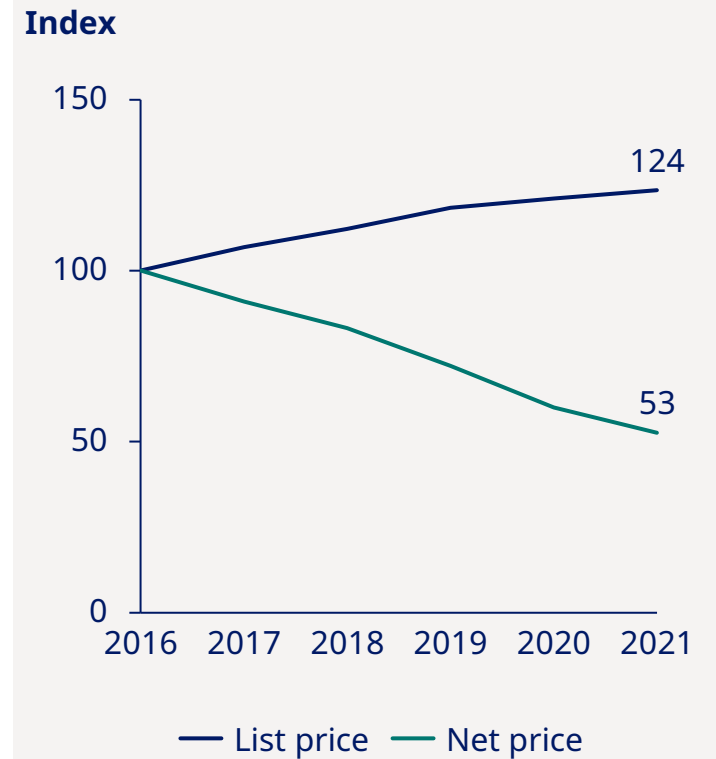
333 million people

- Uninsured
- Private insurance schemes
- Government insurance schemes

Insulin net prices¹ have declined



Net prices¹ across the full Novo Nordisk portfolio² declined



¹Percentage change represents a sales weighted average list and net price for the respective calendar year compared to the sales weighted average list and net price for the prior year and is not reflective of the magnitude of individual list price actions ²NN US Product Portfolio is inclusive of Diabetes, Obesity and Rare disease products
 Government insurance schemes cover Medicare, Medicaid and public exchanges, some of these with high deductibles.
 Source: Centres for Medicare and Medicaid services, office of the actuary, National Health expenditures Projections

Barriers to access go beyond price

Diabetes Compass launched with World Diabetes Foundation

- Many healthcare systems in LMICs are overburdened
- Aims to reduce vulnerabilities through **innovative digital solutions** to support health workers and people with diabetes
- **Sri Lanka** and **Tanzania** as pilot countries
- Roll-out expected to begin in Q1 2023



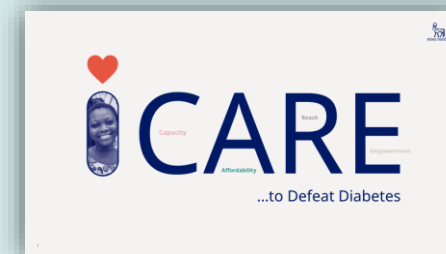
Thermal solution for human insulin can address one key access to care barrier

- Strict **insulin storage recommendations** are hard to meet in humanitarian settings and where access to refrigeration is low
- Aims to update cold storage recommendations by **extending non-refrigeration** time
- Submitted documentation to EMA for a scientific opinion



iCare initiative towards strengthening health infrastructure in Middle Africa

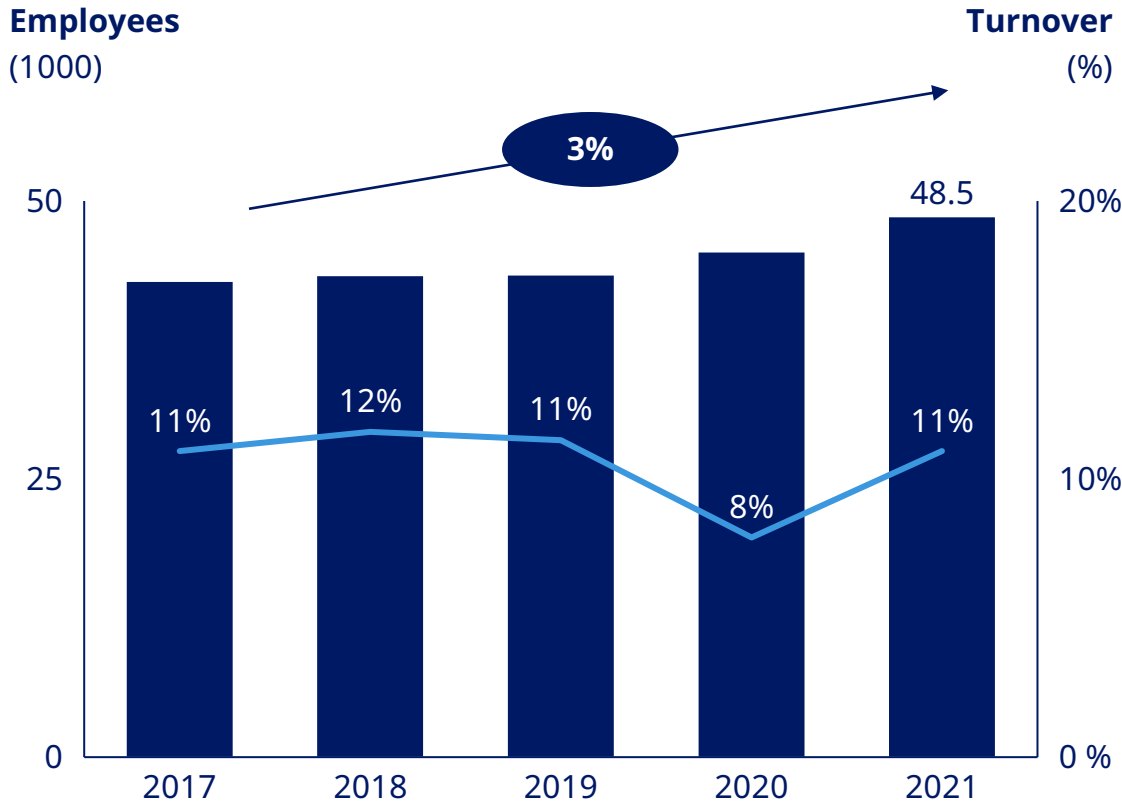
- A business-integrated model improving access to treatment and care
- **Capacity:** 2,400 HCPs trained
- **Affordability:** 12,000 vulnerable patients reached
- **Reach:** Onboarded new distributors to reduce mark-ups
- **Empowerment:** 2,400 people with diabetes in patient programme



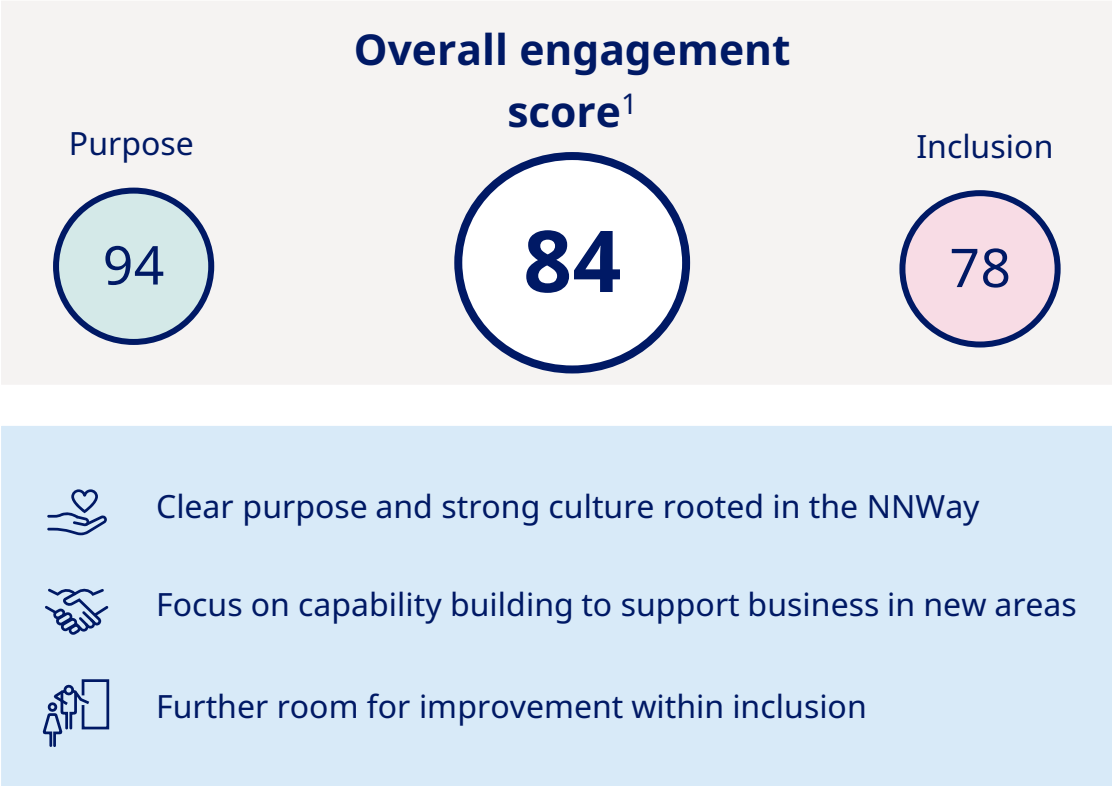
Note: The Diabetes Compass was launched by the World Diabetes Foundation with more information on [Diabetes Compass | World diabetes foundation](#). Diabetes Compass is funded by a 100 million DKK joint donation from Novo Nordisk A/S and the Novo Nordisk Foundation. HCP: Health care professional; LMIC: Low- and middle-incomes countries

High engagement among growing number of Novo Nordisk employees

Total employee number growing coupled with a stable turnover rate




Engagement score high but indicating some improvement points




¹Engagement score is a measure from 1-100, with 1 being the lowest. Engagement survey was redesigned to support Novo Nordisk's strategic goals in 2021, why comparison to previous years is not included. NNWay: Novo Nordisk Way

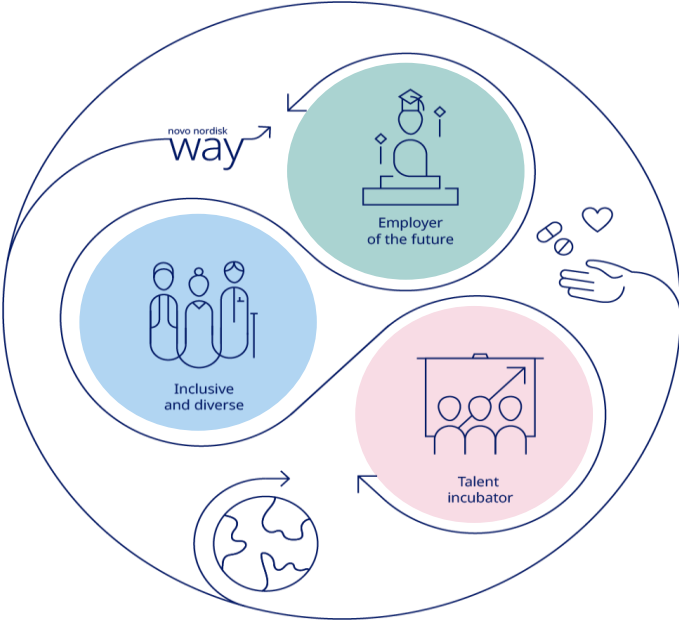
Being a sustainable employer is key for attracting and retaining top talents



Purpose and sustainability (ESG)

- Being respected for adding value to society
- Progress towards zero environmental impact
- **Being recognised as a sustainable employer**





Employer of the future

- Workplace flexibility as an option
- Physical presence to strengthen company culture, innovation power and beyond
- One size does not fit all

Talent incubator

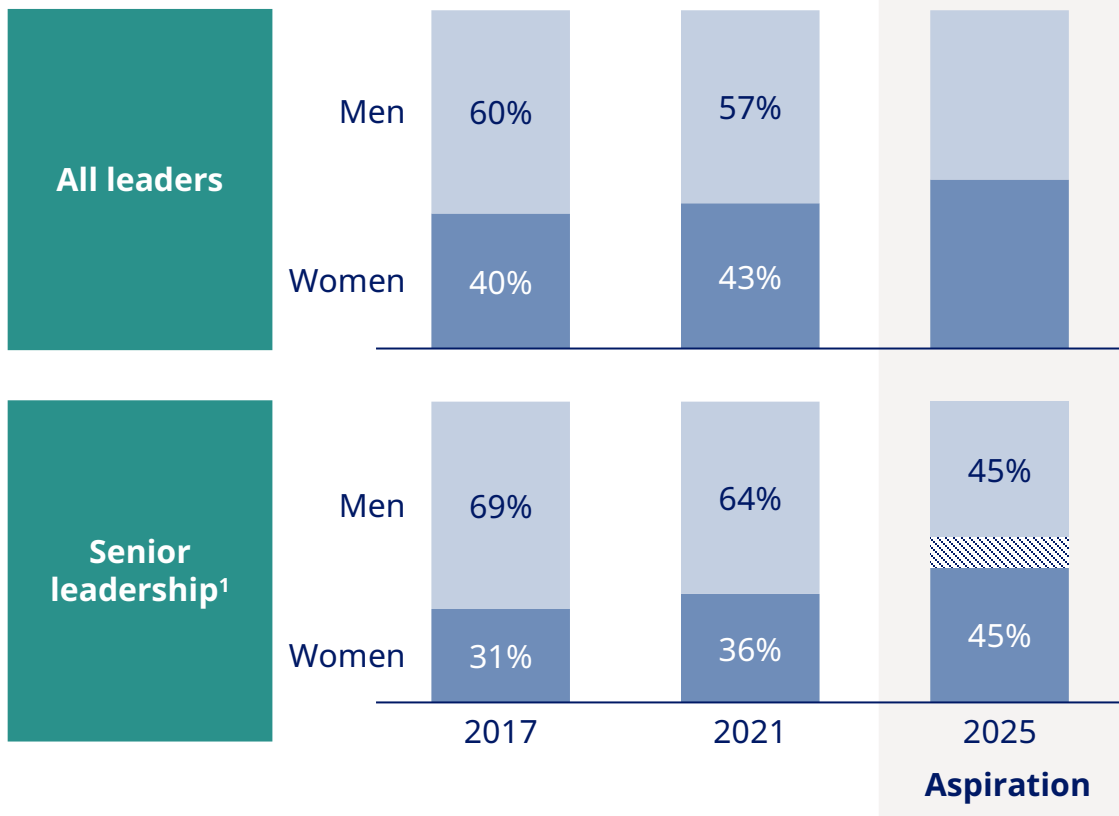
- Seamless employee mobility
- Dedicated talent development programmes
- Strategic workforce planning & systematic talent and succession processes

Inclusive and diverse


- Embed D&I in HR processes and policies
- Local D&I action plans
- Leaders to role-model inclusive leadership


The journey towards being a sustainable employer starts with being inclusive and diverse


2025 aspiration supporting Diversity and Inclusion



Diversity and Inclusion aspirations

- 

Create an inclusive culture where all employees have a sense of belonging and equitable opportunities to realise their potential
- 

Achieve a balanced gender representation across all managerial levels
- 

Achieve a minimum of 45% women and a minimum of 45% men in senior leadership positions by the end of 2025

¹Senior leadership defined as vice presidents, corporate vice presidents, senior vice presidents and executive management

ESG is integrated in reporting and remuneration as well as recognised externally

ESG is included in integrated reporting and short- and long-term remuneration



Reporting ESG performance in accordance with disclosure standards



With Novo Nordisk now fully or partially aligned with 23 of 25 metrics.



Rankings by third-party agencies recognise efforts done by Novo Nordisk

Rating agency



AAA



Top 10% in industry group 'pharmaceuticals'



A (Climate)
B (Water)
CDP Supplier
Engagement Leader



Ranked 10th out of 20 companies

Closing remarks

Purpose and sustainability (ESG) is integrated in Novo Nordisk's business

Progress made for both 'Defeat Diabetes' and 'Circular for Zero'

Out of 35 million people with diabetes treated by Novo Nordisk, more than 5 million were reached with affordability offerings in 2021

New aspiration of being recognised as a sustainable employer

