

# Competency Profile of the Board of Directors of Novo Nordisk A/S

## Introduction

This Competency Profile describes the competencies that the members of the Novo Nordisk Board of Directors (“the Board”) should possess, collectively and individually, to perform their duties and ensure continued fulfilment of Novo Nordisk’s purpose and the *Novo Nordisk Way*.

When considering candidates for election and re-election for the Board, the People & Governance Committee and the Board consider this Competency Profile in addition to other relevant criteria. Further, the People & Governance Committee annually evaluates whether the actual composition of the Board reflects the desired composition based on this Competency Profile and reports its findings to the Board. The Board annually reviews the Competency Profile facilitated by input and recommendations from the People & Governance Committee.

## Competencies of the shareholder-elected Board members

*Each shareholder-elected Board member should possess the following personal characteristics:*

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

Further, each shareholder-elected Board member must spend as much time as is required to carry out their duties as a Board member. Each Board member continuously assesses, and when relevant discuss with the Chair e.g. in connection with the annual board evaluation, how much time is required to perform the board duties, also with a view to ensuring that the individual members do not take on more duties so as to allow the board member in question to perform her/his duties for Novo Nordisk in a satisfactory manner.

*The collective competencies of the shareholder-elected Board members should include experience within (cf. appendix 1):*

- 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)

### **Diversity**

The Board believes that diversity in respect of experience and competencies will be achieved through the nomination of individuals who collectively fulfil the competencies set out above. In addition, the Board recognises the benefits of a diverse board with respect to perspectives, style, culture, gender and nationality. The Board has defined the following aspirations for the diversity of the shareholder-elected Board members:

- The Board should consist of at least two shareholder-elected Board members with Nordic nationality and at least two shareholder-elected Board members with another nationality than Nordic.
- By 2025, the Board should consist of at least three shareholder-elected Board members who are women and three who are men.

### **Continuity, renewal and independence**

In nominating candidates for election or re-election, the Board seeks to achieve a balance between renewal and continuity. Further, the Board seeks to achieve a balance between the number of Board members representing the majority shareholder of the company and other Board members. It is an aspiration that at least half of its shareholder-elected Board members should be independent in accordance with the Danish Corporate Governance Recommendations.

### **Competencies of employee-elected Board members**

*The competencies of the employee-elected Board members should 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.

## **Appendix 1: Definition of competencies**

### ***Global corporate leadership***

Global corporate leadership as a competency means having significant experience from executive management positions in a major international corporation.

### ***Healthcare & pharma industry***

Healthcare & pharma industry as a competency means having significant experience from or insights into the health care sector and/or the pharmaceutical industry.

### ***Medicine & science***

Medicine & science as a competency means having significant experience from functional areas such as research/discovery, development/clinical, regulatory, drug safety or production development.

### ***Technology, data & digital***

Technology, data & digital as a competency means having significant insights into or practical experience working with transformative technologies, data and/or digitalisation in the operation of a global corporation.

### ***Finance & accounting***

Finance & accounting as a competency means having experience from a position as chief financial officer in a global corporation or having significant experience with financial and accounting practices such as general accepted accounting principles (GAAP/IFRS), accounting, auditing, risk-management, financial statements and internal control systems.

### ***Business development, M&A and external innovation sourcing***

Business development, M&A and external innovation sourcing as a competency means having significant experience within business development, M&A and external innovation sourcing, including experience from selling and/or acquiring companies and/or material assets, post transaction integration, in-or our-licensing transactions, management of partnerships and joint ventures and alliance management.

### ***Human capital management***

Human capital management as competency means having extensive experience with organizational and leadership development, including recruitment, management and development of talents in a global corporation.

### ***Environmental, social & governance (ESG)***

Environmental, social and governance (ESG) as a competency means having experience from executive management or non-executive board positions in another corporation than Novo Nordisk in working with and defining the approach to ESG matters.