



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	991 814 183
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	OTNORTOPCO AS
Forretningsadresse:	Silurveien 2 0380 OSLO

Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023
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Konsern

Mørselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Michael Kocher
Dato for fastsettelse av årsregnskapet:	21.06.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 10.07.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Kostnader			
Other operating expenses		131 000	119 000
Sum kostnader		131 000	119 000
Driftsresultat		-131 000	-119 000
Impairment losses on investments in subsidiaries		2 081 253 000	0
Financial expenses	6	25 000	11 000
Sum finanskostnader		2 081 278 000	11 000
Netto finans		-2 081 278 000	-11 000
Ordinært resultat før skattekostnad		-2 081 409 000	-130 000
Ordinært resultat etter skattekostnad		-2 081 409 000	-130 000
Årsresultat		-2 081 409 000	-130 000



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	8	0	2 081 253 000
Sum finansielle anleggsmidler		0	2 081 253 000
Sum anleggsmidler		0	2 081 253 000
Omløpsmidler			
Varer			
Sum omløpsmidler		0	0
SUM EIENDELER		0	2 081 253 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	9	163 149 000	163 149 000
Annen innskutt egenkapital		-163 883 000	1 917 526 000
Sum innskutt egenkapital		-734 000	2 080 675 000
Sum egenkapital		-734 000	2 080 675 000
Sum langsiktig gjeld		0	0
Kortsiktig gjeld			
Kortsiktig konserngjeld	11	619 000	492 000
Other payables	12	115 000	86 000
Sum kortsiktig gjeld		734 000	578 000
Sum gjeld		734 000	578 000



Balanse

Beløp i: NOK	Note	2023	2022
SUM EGENKAPITAL OG GJELD		0	2 081 253 000



Konsernets resultatregnskap

Beløp i: DKK	Note	2023	2022
RESULTATREGNSKAP			
Kostnader			
Employee costs	2	245 000 000	184 000 000
Other costs	3	149 000 000	188 000 000
Sum kostnader		394 000 000	372 000 000
Driftsresultat		-394 000 000	-372 000 000
Finansinntekter og finanskostnader			
Dividend from Novo Holdings A/S		0	38 000 000 000
Net financial items	4	4 893 000 000	-2 965 000 000
Sum finansinntekter		4 893 000 000	35 035 000 000
Netto finans		4 893 000 000	35 035 000 000
Ordinært resultat før skattekostnad		4 499 000 000	34 663 000 000
Tax on prift for the year		-1 000 000	-1 000 000
Ordinært resultat etter skattekostnad		4 500 000 000	34 664 000 000
Årsresultat		4 500 000 000	34 664 000 000



Konsernets balanse

Beløp i: DKK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Intangible assets		30 000 000	20 000 000
Sum immaterielle eiendeler		30 000 000	20 000 000
Varige driftsmidler			
Tangible assets		39 000 000	4 000 000
Sum varige driftsmidler		39 000 000	4 000 000
Finansielle anleggsmidler			
Investering i datterselskap	6	2 425 000 000	2 143 000 000
Lån til foretak i samme konsern		21 684 000 000	22 644 000 000
Other securities and investments	7	13 000 000	14 000 000
Deposits		2 000 000	2 000 000
Sum finansielle anleggsmidler		24 124 000 000	24 803 000 000
Sum anleggsmidler		24 193 000 000	24 827 000 000
Omløpsmidler			
Varer			
Fordringer			
Other receivables		35 000 000	8 000 000
Konsernfordringer		1 900 000 000	7 400 000 000
Sum fordringer		1 935 000 000	7 408 000 000
Investeringer			
Aksjer og andeler i foretak i samme konsern		31 490 000 000	26 657 000 000
Sum investeringer		31 490 000 000	26 657 000 000
Bankinnskudd, kontanter og lignende			
Cash at bank		41 000 000	22 000 000
Sum bankinnskudd, kontanter og lignende		41 000 000	22 000 000
Sum omløpsmidler		33 466 000 000	34 087 000 000



Konsernets balanse

Beløp i: DKK	Note	2023	2022
SUM EIENDELER		57 659 000 000	58 914 000 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Capital base		22 000 000	22 000 000
Annen innskutt egenkapital		35 025 000 000	38 119 000 000
Sum innskutt egenkapital		35 047 000 000	38 141 000 000
Sum egenkapital		35 047 000 000	38 141 000 000
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Grants payables	5	22 522 000 000	20 702 000 000
Sum annen langsiktig gjeld		22 522 000 000	20 702 000 000
Sum langsiktig gjeld		22 522 000 000	20 702 000 000
Kortsiktig gjeld			
Leverandørgjeld		18 000 000	7 000 000
Amounts owed to group companies		20 000 000	19 000 000
Other liabilities		52 000 000	45 000 000
Sum kortsiktig gjeld		90 000 000	71 000 000
Sum gjeld		22 612 000 000	20 773 000 000
SUM EGENKAPITAL OG GJELD		57 659 000 000	58 914 000 000



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer: 2024 724043

Enheten

Organisasjonsnummer: 991 814 183
Organisasjonsform: Aksjeselskap
Foretaksnavn: OTNORTOPCO AS
Forretningsadresse: Silurveien 2
0380 OSLO

Regnskapsår

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Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

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årsregnskapet til selskapet: Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av
årsregnskapet til konsernet: IFRS

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Michael Kocher
Dato for fastsettelse av årsregnskapet: 21.06.2024

Revisjon

Ekstern autorisert regnskapsfører har i løpet av regnskapsåret bistått ved den løpende regnskapsføringen eller utført andre tjenester for selskapet enn å utarbeide årsregnskapet: Ja

Grunnlag for avgivelse

År 2023: Årsregnskap er elektronisk innlevert.
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023.

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Brønnøysundregistrene, 20.08.2024

Brønnøysundregistrene
Postadresse: Postboks 900, 8910 Brønnøysund
Telefon: 75 00 75 00
E-post: firmapost@brreg.no Internett: www.brreg.no
Organisasjonsnummer: 974 760 673



Organisasjonsnr: 991 814 183
OTNORTOPCO AS

RESULTATREGNSKAP

Beløp i: NOK **Note** **2023** **2022**

RESULTATREGNSKAP

Kostnader			
Other operating expenses		131 000	119 000
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Organisasjonsnr: 991 814 183
OTNORTOPCO AS

BALANSE

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap 8		0	2 081 253 000
Sum finansielle anleggsmidler		0	2 081 253 000
Sum anleggsmidler		0	2 081 253 000
Omløpsmidler			
Varer			
Sum omløpsmidler		0	0
SUM EIENDELER		0	2 081 253 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	9	163 149 000	163 149 000
Annen innskutt egenkapital		-163 883 000	1 917 526 000
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Sum egenkapital		-734 000	2 080 675 000
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Kortsiktig gjeld			
Kortsiktig konserngjeld	11	619 000	492 000
Other payables	12	115 000	86 000
Sum kortsiktig gjeld		734 000	578 000
Sum gjeld		734 000	578 000
SUM EGENKAPITAL OG GJELD		0	2 081 253 000



Organisasjonsnr: 991 814 183
OTNORTOPCO AS

KONSERNRESULTATREGNSKAP

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Organisasjonsnr: 991 814 183
OTNORTOPCO AS

KONSERNBALANSE

Beløp i: DKK	Note	2023	2022
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Immaterielle eiendeler			
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SUM EIENDELER		57 659 000 000	58 914 000 000
BALANSE - EGENKAPITAL OG GJELD			



Egenkapital		
Innskutt egenkapital		
Capital base	22 000 000	22 000 000
Annen innskutt egenkapital	35 025 000 000	38 119 000 000
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Gjeld		
Langsiktig gjeld		
Annen langsiktig gjeld		
Grants payables	22 522 000 000	20 702 000 000
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Sum kortsiktig gjeld	90 000 000	71 000 000
Sum gjeld	22 612 000 000	20 773 000 000
SUM EGENKAPITAL OG GJELD	57 659 000 000	58 914 000 000



Organisasjonsnr: 991 814 183
OTNORTOPCO AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
4

Antall årsverk i regnskapsåret
0.00

<u>Sum</u>	<u>Beløp</u>
<u>Balanseført verdi 31.12.</u>	<u>Varige driftsmidler Immaterielle eiend.</u>

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

<u>Samlet beløp - tilknyttet selskap</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Samlet beløp - felles kontrollert virksomhet</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Pantstillelse</u>	<u>Beløp</u>
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<u>Beholdning av egne aksjer</u>	<u>Antall</u>	<u>Pålydende</u>	<u>Andel av aksjek.</u>
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Organisasjonsnr: 991 814 183
OTNORTOPCO AS

NOTEOPPLYSNINGER - KONSERN - alle poster oppgitt i hele tall

Note
2

Antall årsverk i regnskapsåret
200.00

<u>Sum</u>	<u>Beløp</u>
Balanseført verdi 31.12.	Varige driftsmidler Immaterielle eiend.

Konsernregnskap
Virksomheten inngår i konsolideringen til morselskapets konsernregnsk.: Nei

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

<u>Samlet beløp - tilknyttet selskap</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Samlet beløp - foretak i samme konsern</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Samlet beløp - felles kontrollert virksomhet</u>	<u>Årets</u>	<u>Fjorårets</u>
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<u>Pantstillelse</u>	<u>Beløp</u>
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Note

Fordringer



Fordringer som forfaller senere enn ett år etter regnskapsårets slutt

Mer om fordringer

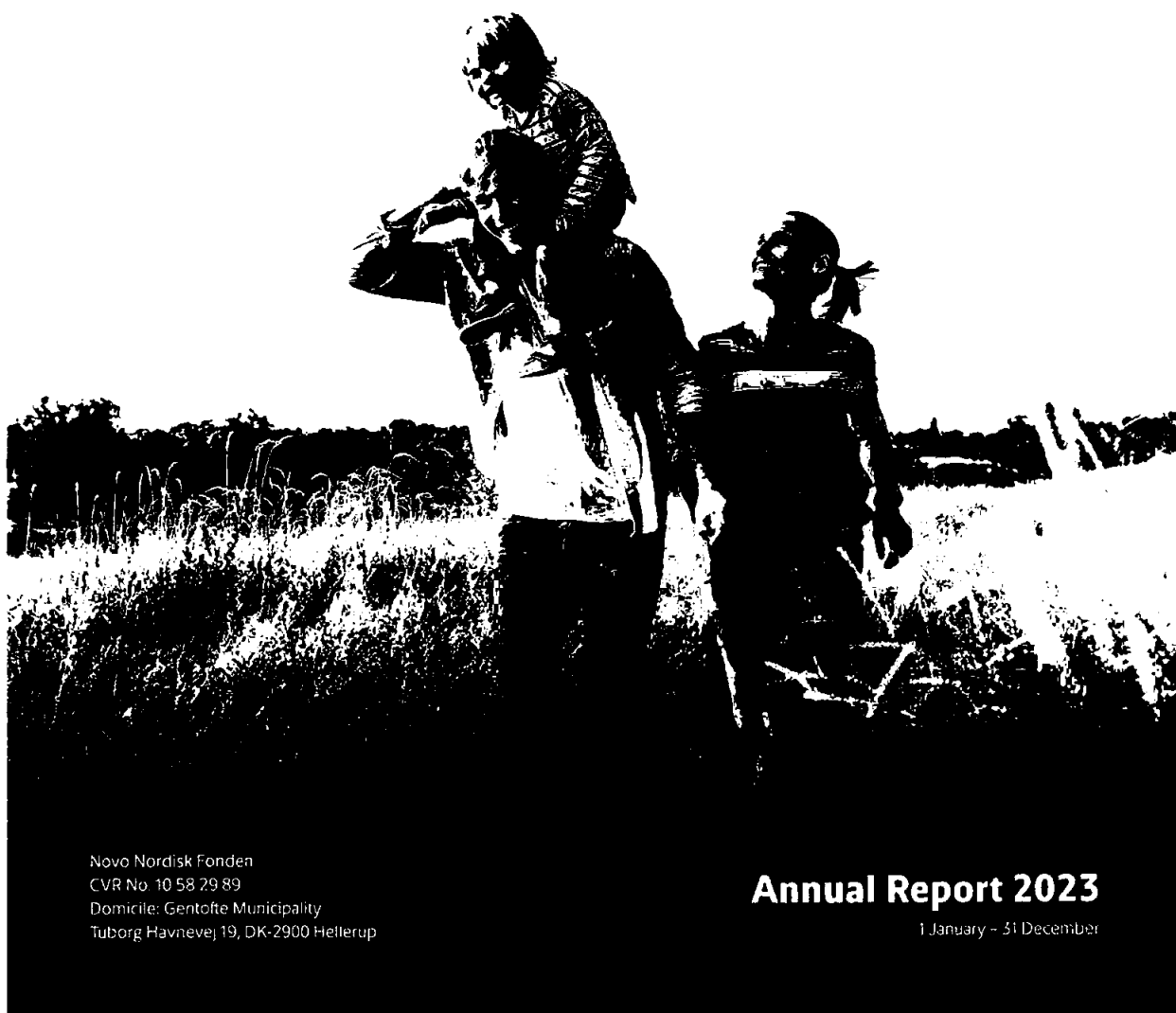
<u>Beholdning av egne aksjer</u>	<u>Antall</u>	<u>Pålydende</u>	<u>Andel av aksjek.</u>
----------------------------------	---------------	------------------	-------------------------



novo nordisk
foundation



Our **vision** is to improve people's
health and the sustainability
of society and the planet



Novo Nordisk Fonden
CVR No. 10 58 29 89
Domicile: Gentofte Municipality
Tuborg Havnevej 19, DK-2900 Hellerup

Annual Report 2023

1 January – 31 December



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Letter from the Chairman-ship

Benefitting people and society

On behalf of the Board of the Novo Nordisk Foundation, we are pleased to present this Annual Report for 2023, which reports on the activities across the entire Group.

The Novo Nordisk Foundation is categorised as an enterprise foundation, being a non-profit organisation that supports philanthropic activities using funds that derive from its ownership of and investment in companies and other financial assets.

Thus, the Foundation's annual level of grant giving is determined by the financial results of our subsidiary holding and investment company, Novo Holdings A/S. Novo Holdings is the controlling shareholder of the companies in the Novo Group, Novo Nordisk A/S and Novozymes A/S (now Novonosis), while managing an investment portfolio with a long-term return perspective.

The Foundation's vision is to contribute to research and development that improves the lives of people and the sustainability of society and the planet.

Points of focus in 2023

In 2023, we continued to execute on our plan for philanthropic activities towards 2030. The plan provides a clear thematic framework and direction for our grant activities, which revolve around three focus areas: improving people's health, advancing the sustainability of society and the planet, and strengthening Denmark's life science ecosystem. During 2023, we have supported scientific research and development efforts in all three areas – through open calls and through initiatives launched in partnership with others.

Within health, we continue to have a focus on cardiometabolic diseases, which constitute a growing challenge globally. The activities we support span research, prevention, treatment and education.

In addition to this, we are supporting efforts to combat infectious diseases. Thus, besides the Pandemic Antiviral Discovery initiative, which we started in collaboration with the Bill & Melinda Gates Foundation and Open Philanthropy in the wake of the COVID-19 pandemic, we launched the ambitious Novo Nordisk Foundation Initiative for Vaccines and Immunity (NIVI) in 2023.

Another growing health threat is anti-microbial resistance, which studies suggest will lead to as many deaths as cancer by 2050. Both the Foundation and Novo Holdings have for a number of years been engaged in a range of activities, from supporting early drug development to advocating for payment models that can help rejuvenate the market for antimicrobials.

Health challenges like these are adding to the wider problem of inequality in health, which is something the Foundation is seeking to address, both through our support of medical research and through social and humanitarian development projects.

As human health and planetary health are closely interlinked, advancing sustainability is high on our agenda. Contributing to the green transition of society, the Foundation supports the development of innovative and scalable technologies that are based on biological solutions and can help us to tackle climate change and lead to sustainable agriculture and food production.

Seeking to advance knowledge as well as innovation and solutions that may benefit people and society, we continue to support the entire life science value chain from fundamental research to initiatives that bridge the gap between basic discoveries and their clinical or industrial application.

2024 and beyond

2024 is a special year, as the Novo Nordisk Foundation is celebrating its 100th anniversary. Our legacy – including August Krogh's strong sense of scientific and societal responsibility – is something we will continue to honour in the years to come. While the level of grant giving was limited in the beginning, our philanthropic activities as a foundation have continued to expand in Denmark as well as internationally.

The increase in our grant giving is made possible by the financial results of Novo Holdings. In 2023, especially the strong results delivered by Novo Nordisk A/S have contributed to the continued growth within the Group. But looking at the entire portfolio of assets and investments, we feel there is reason to be optimistic about the coming years.



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We would like to take this opportunity to thank the Novo Group's Boards of Directors, committee members as well as managements and employees across the entire Novo Nordisk Foundation Group for their contributions in 2023.

On behalf of the Board of Directors,

Lars Rebien Sørensen
Chair

Lars Henrik Munch
Vice Chair



Letter from the CEO

Activities in 2023

2023 was another busy year for the Foundation. We reached DKK 7.7 billion in grants and a further DKK 1.4 billion was approved for philanthropic investments through our balance sheet. A total of DKK 9.1 billion.

Grants in open competition

The Foundation received an impressive number of high-quality applications for ambitious and innovative projects in 2023. A total of 3,109 applications were submitted, of which 751 received a grant.

Among our grants given in open competition are grants under the recurrent Challenge Programme, targeted research projects that address major societal challenges. This year, we funded seven projects at a total of DKK 378.7 million within themes relating to human health, climate change mitigation and sustainability.

Through our Pioneer Innovator and Distinguished Innovator Programmes, we aim to nurture innovation from basic scientific ideas to maturation of discoveries with commercial potential. From focusing exclusively on health, the scope of both programmes was extended in 2023 to also include sustainability and, for Pioneer Innovator grants, AI. The Foundation supported a total of 38 grants under these two programmes, at an amount of DKK 73 million.

Another way in which the Foundation seeks to advance innovation in research is through our Interdisciplinary Synergy Programme. The purpose is to support interdisciplinary high-risk and high-gain projects at various stages, while helping to build bridges across national borders and scientific fields. In 2023, we supported 16 grants at a total of DKK 128.5 million.

Under the Research Leader Programme – one of our most ambitious programmes in open competition – 37 researchers from Denmark and other countries received a total of DKK 361 million in grants. The programme targets the best and most talented researchers at different stages of their careers and aims to generate new knowledge and solutions related to societal challenges within health, disease and sustainability. Research themes in 2023 covered endocrinology and metabolism, clinical and translational research, bioscience and biomedicine, biotechnology as well as data science.

Seeking to boost Danish life science and strengthening Danish universities in the international competition, the Foundation continually offers grants for research infrastructures and for the recruitment of talented and leading researchers from abroad. In 2023, we gave out DKK 158 million for the establishment of world-class research infrastructure

under our Research Infrastructure Programme, while DKK 97 million was awarded under the RECRUIT Programme, targeted researchers within the natural and technical sciences. In 2024, we will extend the scope of RECRUIT to also include biotechnology and sustainability, allocating a total of up to DKK 200 million.

The Foundation also continues to offer a range of other grants in open competition, both within our focus areas health, sustainability and the life science ecosystem, but also covering education, social and humanitarian efforts as well as art and art history.

Major initiatives within human and planetary health

The fight against cardiometabolic diseases such as diabetes, obesity and cardiovascular disease is central to our efforts within human health. In 2023, we continued our support for the Novo Nordisk Foundation Center for Basic Metabolic Research (CBMR) at the University of Copenhagen, with a grant of up to DKK 1 billion.

Another key area for the Foundation is to contribute to the development of vaccines to combat serious infectious diseases. One of our biggest initiatives last year was the launch of the Novo Nordisk Foundation Initiative for Vaccines and Immunity (NIVI), to which we committed up to DKK 1.8 billion. Focusing on understanding how to generate immunity in the airway itself, the aim is to develop a means to block infections and prevent respiratory diseases such as tuberculosis and influenza from spreading between humans.

We also continued our support of efforts to drive innovation in the fight against drug-resistant infections, which is turning into a global health crisis. Among other things, the Foundation committed up to USD 25 million to CARB-X, a global non-profit partnership that supports product developers in moving promising drug candidates to early clinical trials.

Innovation within cell therapy is an area of medicine with vast potential. In 2023, we committed up to DKK 950 million towards the establishment of The Novo Nordisk Foundation Cellerator, a world-class facility for the development and upscaling of cell therapies for testing in humans. A key partner in the initiative is the Novo Nordisk Foundation Center for Stem Cell Medicine (reNEW), a research consortium established in 2021, to which Cellerator will be a natural extension, focusing on translating breakthroughs in cell therapy research into real-world treatments for people with chronic diseases.

To advance sustainability, the Foundation joined forces with the Bill & Melinda Gates Foundation to set up a consortium of companies and universities for creating a sustainable source of proteins for food



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production without involving agricultural land use. Exploring the possibility of converting CO₂ into acetate that can be used to produce proteins, the project addresses two global challenges: supplying nutritious food to a growing world population and mitigation of climate changes.

Social and humanitarian initiatives

In line with the Foundation's plan for our philanthropic activities until 2030, our various social and humanitarian initiatives revolve around equity in health and fighting non-communicable diseases. One of our most ambitious development projects in 2023 was the launch of Partnership for Education of health Professionals (PEP), which focuses on strengthening the education of health professionals in low- and middle-income countries through global partnerships. PEP was initiated in India but will also be implemented in Kenya and East Africa.

Partnerships

Common to many of the societal challenges we are seeking to address is that they require collaboration on an international level, given their scale and complexity. Thus, an increasing number of our activities these years involve partnerships with research institutions, governments, other foundations as well as local and global organisations.

Mads Krosgaard Thomsen
CEO

Management's review

The Foundation's purpose and vision

The Novo Nordisk Foundation is an independent Danish enterprise foundation. It supports philanthropic purposes with the aim of improving people's health and the sustainability of society and the planet, using funds deriving from its ownership of and investment in companies and other financial assets. Its history dates back to 1922, when Nobel Laureate August Krogh was awarded the rights to produce insulin in Scandinavia by the Insulin Committee in Toronto.

Under its Articles of Association, the Foundation has the following philanthropic objectives:

- » To support physiological, endocrinological, metabolic and other medical research
- » To support research hospital activities within diabetes in Denmark
- » To support other scientific, humanitarian and social purposes.

Mission and strategic goals for the Foundation's activities

To fulfil its vision, the Foundation pursues a two-pronged mission relating to its corporate as well as its philanthropic activities.

Corporate mission

- » To be an engaged owner of Novo Nordisk A/S and Novozymes A/S
- » To generate attractive investment returns on the Foundation's assets
- » To make strategic investments with the main goal of supporting the Foundation's strategy

Philanthropic mission

The Foundation's philanthropic mission is manifested in the Foundation's 2030 Strategy, which was adopted by the Board of Directors in 2022 and sets the direction for how the Foundation wishes to contribute to society towards 2030.

The 2030 Strategy contains three focus areas for the Foundation's philanthropic activities: Health, Sustainability and the Life Science Ecosystem, each containing a number of underlying strategic themes.

- » Within Health, the Foundation aims to progress research and innovation in the prevention and treatment of cardiometabolic and infectious diseases, regenerative medicine and equitable health outcomes. In addition to strengthening prevention and

management of cardiometabolic diseases, the Foundation will focus on decreasing the burden and threat of infectious diseases, on advancing and applying regenerative medicine and reducing inequity in health.

- » Within Sustainability, the Foundation aims to advance knowledge and solutions to support the green transition in society. Strategic themes include the development of sustainable and high-yield agriculture, sustainable food for healthy diets, high-impact climate change mitigation technologies as well as supporting society in the green transition.
- » Within the Life Science Ecosystem, the Foundation's mission is to invest in scientific research, education and innovation to enable a world class life science ecosystem. Strategic themes include advancing fundamental research, enabling research infrastructures and technologies, strengthening the translational capacity and societal impact of life science and furthering education and science capital.

While maintaining Denmark as its centre of gravity, the Foundation is engaging in an increasing number of philanthropic activities with an international scope.

Grants awarded

In the period 2019-2023, the Novo Nordisk Foundation has awarded DKK 34.4 billion through more than 3,440 grants.

Of these, 42% (DKK 14.4 billion) were awarded for physiological, endocrinological, metabolic and other medical research, while 2% (DKK 0.6 billion) and 56% (DKK 19.4 billion) have been awarded for research hospital activities within diabetes and other scientific, humanitarian and social purposes, respectively.

For further information, please see the Novo Nordisk Foundation's reporting on its grant-awarding policy, categories, grants and initiatives in "Benefitting people, society and the planet – Novo Nordisk Foundation Grant Report 2023", <https://www.novonordiskfonden.dk/eng/About-Us/Doing-good/Grant-report-2023>, provided in accordance with Section 77b of the Danish Financial Statements Act.

Organisation and governance of the Novo Nordisk Foundation Group

The Novo Nordisk Foundation Group is comprised of the Novo Nordisk Foundation (the Parent Foundation), the companies in the Novo Group as well as the life science companies in which Novo Holdings A/S has invested and holds majority ownership. The Foundation receives dividends from Novo Holdings A/S, which are used to award grants to society.

Novo Holdings A/S' income stems from:

- » Dividends from Novo Nordisk A/S and Novozymes A/S as well as participation in their share buy-back programmes
- » Returns on its Life Science and Capital Investment Portfolios

In organisational terms, the commercial activities and the grant-awarding activities are managed separately. In organisational terms, the commercial activities and the grant-awarding activities are managed separately.

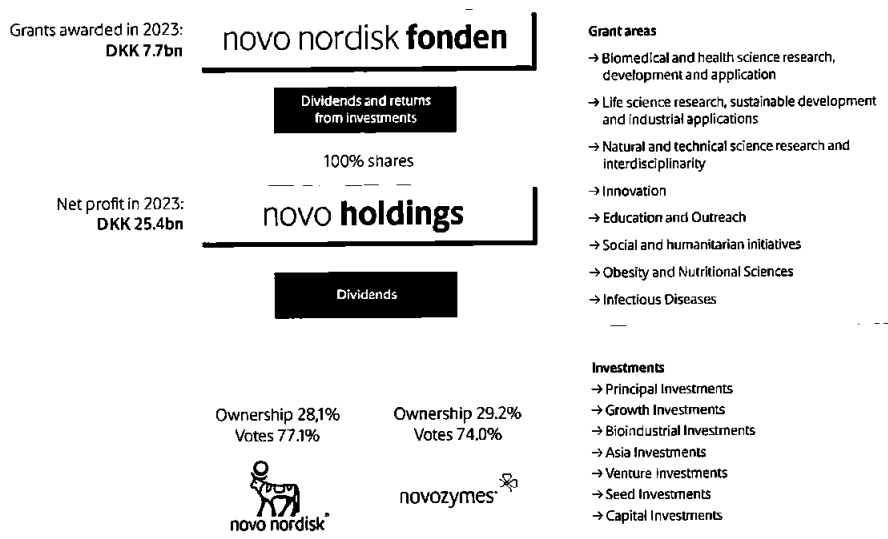
The Foundation's Board of Directors draws up the charter for the Novo Group and determines the overall financial strategy and investment framework.

Novo Holdings A/S manages the Foundation's commercial activities within the framework defined by the Foundation's Board of Directors. The Novo Group is comprised of Novo Holdings A/S, Novo Nordisk A/S and Novozymes A/S. The Foundation's Board of Directors constitutes the Annual General Meeting of Novo Holdings A/S and thereby approves Novo Holdings' Annual Report as well as elects the Board members of Novo Holdings A/S.

Through its majority ownership in Novo Nordisk A/S and Novozymes A/S, the Foundation maintains – via Novo Holdings A/S – a controlling interest in these companies. The Foundation's Board of Directors has formulated clear principles for the Foundation's engaged ownership in the Novo Group. These principles have been codified into a document together with Novo Nordisk A/S and Novozymes A/S.

The Novo Nordisk Foundation manages the grant-awarding activities, for which the Board of Directors determines the grant-awarding strategy, just as the Board makes the grant decisions.

Figure 1 - Organisation and cash flows in the Novo Nordisk Foundation Group in 2023



Note: Novo Nordisk A/S, Novozymes A/S and Novo Holdings A/S make up the Novo Group and are among the most significant research-based companies in Denmark's life science cluster



The Novo Nordisk Foundation finances its grants through returns from Novo Holdings A/S. The Foundation's Board is required to ensure a reasonable consolidation through appropriate allocations, so that, among other things, the Foundation can participate – to the extent the Board deems this necessary – in future capital increases in Novo Nordisk A/S and Novozymes A/S or other companies in which Novo Holdings has substantial ownership.

The Foundation's Board has implemented a Code of Conduct containing a set of principles that describe the conduct expected of employees, Board members, committee members, persons financed by the Foundation's grants as well as persons and organisations that collaborate with the Foundation and Novo Holdings A/S.

The Code of Conduct covers areas such as discrimination, data security, abuse of funds and general working conditions. The Code of Conduct is supplemented by a whistleblower scheme. For further information on these, see <https://novo-nordiskfoundation.dk/da/bronnnoysoy-sundregistret> and <https://novo-nordiskfoundation.dk/en/whistleblower>.

Novo Holdings A/S

Novo Holdings is a holding and investment company that manages the assets and wealth of the Novo Nordisk Foundation, one of the world's largest enterprise foundations. The purpose of Novo Holdings is to improve people's health and the sustainability of society and the planet by generating attractive long-term returns on the assets of the Novo Nordisk Foundation.

Novo Holdings is the controlling shareholder of Novo Nordisk and Novozymes* (the Novo Group companies) and manages an investment portfolio with a long-term return perspective. Novo Holdings invests in life science companies at all stages of development and, in addition, manages a broad portfolio of equities, bonds, real estate and infrastructure assets as well as private equity investments.

Novo Nordisk A/S

Novo Nordisk has for more than 100 years been translating the unmet medical needs of people living with a serious chronic disease into innovative medicines and delivery systems, like insulin pens. With their treatments, millions of people living with diabetes, obesity, and rare blood and endocrine diseases are benefiting.

The purpose is to drive change to defeat serious chronic diseases, built upon their heritage in diabetes, done by pioneering scientific breakthroughs, expanding access to medicines and working to prevent and ultimately cure the diseases they treat.

Novo Nordisk is headquartered in Denmark and employs more than 64,000 people in 80 offices around the world, and market products in 170 countries.

Novozymes A/S

Novozymes is the world leader in biosolutions, producing a wide range of enzymes, microorganisms, technical and digital solutions, which among other things help their customers add new features to their products and produce more from less. To fulfil its objective – to find biological answers for better lives in a growing world –

Novozymes A/S uses and delivers innovation to the market and launches new, significant platforms that create value for the customers, helping them to improve their performance while saving resources, energy and reducing their environmental impact.

The company has its headquarters in Denmark and by the end of 2023, it employed 6,756 people.

On 29 January 2024, it was announced that the combination of Novozymes and Chr. Hansen was successfully completed with the continuing name Novonesis.

These documents do not form part of the Management's review

Novo Nordisk Foundation: Financial results, grants and payouts

Financial results

The Foundation's financial results for 2023 showed a profit of DKK 4,500 million, compared to DKK 34,664 million in 2022. The decrease is due to dividends from Novo Holdings, which decreased from DKK 38,000 million in 2022 to DKK 0 in 2023. Proceeds from the joint investment portfolio was up from DKK -3,014 million in 2022 to DKK 3,950 million in 2023.

Total equity amounted to DKK 35,047 million in 2023, of which DKK 15,000 million can be committed to grant-awarding in 2024.

The rate of cost also includes a service level agreement with Novo Holdings A/S, which provides services to the Novo Nordisk Foundation on accounting, facility management, IT and financial activities. In return, the Novo Nordisk Foundation provides Legal, P&O and Communication services to Novo Holdings A/S.

Salaries and fees in 2023 amounted to 4.2% of grant payouts and 4.9% of grant awards. The corresponding figures for 2022 were 3.5% and 2.6%.

Table 1. Key figures and financial ratios for the Novo Nordisk Foundation (DKK million)

	2023	2022
Dividend from Novo Holdings A/S	0	38,000
Profit for the year	4,500	34,664
Grants, net	7,594	7,144
Share capital Novo Holdings A/S *)	2,142	2,142
Joint investment portfolio with Novo Holdings A/S	31,490	26,657
Loan to Novo Holdings A/S	23,584	30,044
Total assets	57,659	58,914
Total equity	35,047	38,141
Grants payable	22,522	20,702
Equity ratio	60.8%	64.7%

) Novo Holdings' is valued at historical cost.

The Novo Nordisk Foundation's financial activities are carried out and administered by Novo Holdings A/S, which has an investment portfolio valued at DKK 201 billion as of 31 December 2023. The market value of the shares in Novo Nordisk A/S and Novozymes A/S amounts to DKK 913 billion as of 31 December 2023, as stated in the Management's review in Novo Holdings' Annual Report for 2023.

The ratio of cost was 6.8% relative to the Foundation's payouts and 4.9% relative to grants, net. The corresponding figures for 2022 were 7.1% and 5.2%, respectively. The rate of cost is calculated based on the Foundation's administrative costs (see notes 1 and 2 in the parent foundation's Annual Report) and includes, among other things, employee salaries, equipment, rent, consultancy fees, travel expenses and fees for committee and board members.

Grants and payouts

Figure 2 shows the development in the Foundation's grants and payouts in the period 2019-2023.

The Foundation's grant-awarding has increased from DKK 4,893 million in 2019 to DKK 7,691 million in 2023. In 2023, grant adjustments amounted to DKK 97 million. 2023 net grant-awarding from the Foundation amounts to DKK 7,594 million.

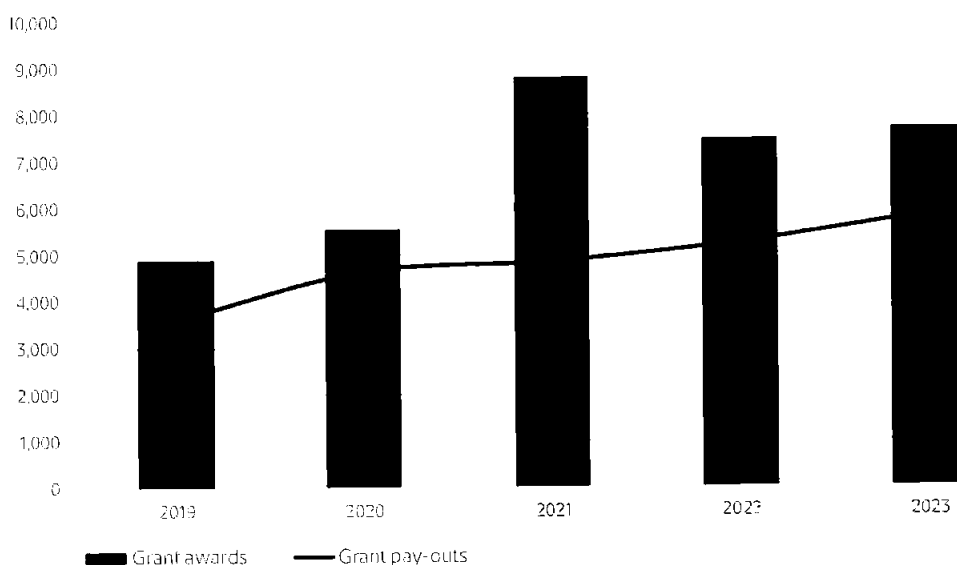
During the period, the Foundation's annual grant payouts have grown from DKK 3,611 million in 2019 to DKK 5,834 million in 2023. In 2024, the Foundation expects grant awarding to increase to around DKK 10,150 million, while grant payouts could reach up to DKK 7,700 million. The Foundation's grant awards in 2023 went primarily to universities, hospitals and other research institutions in Denmark and the Nordic region, to new research, as well as humanitarian and social purposes.

In 2023, the DKK 7,691 million that was granted for purposes in accordance with the Foundation's Articles of Association has been distributed as follows:

- » 43% (DKK 3,299 million) for physiological, endocrine, metabolic and other medical research;
- » 57% (DKK 4,392 billion) for other scientific, humanitarian and social causes.

For further information on awarded grants, please see the list of grant recipients for 2023. The list provides the names of recipients as well as awarded amounts and is submitted to the Danish Business Authority simultaneously with this Annual Report.

Figure 2 – Grants and pay-outs of the Novo Nordisk Foundation, 2019-2023 (DKK million)



Highlights and financial results within the Novo Nordisk Foundation Group

The key figures and financial ratios for the Foundation must be seen in context of the financial development within Novo Holdings A/S, Novo Nordisk A/S and Novozymes A/S.

The Novo Nordisk Foundation Group

Highlights

Operating profit within the Novo Nordisk Foundation Group increased by 87% in 2023, from DKK 61 billion in 2022 to DKK 114 billion in 2023. The Group's total assets increased by DKK 91 billion to DKK 573 billion in 2023, and its total equity increased by DKK 39 billion to DKK 283 billion. The number of employees within the group rose from 74,196 in 2022 to 81,652 in 2023.

In conclusion, the financial performance in 2023 had strong performance from Novo Nordisk, Novozymes and Novo Holdings. The result is above the initial expectations for 2023.

Novo Holdings A/S

Financial results

Since 2000, where Novo Holdings A/S began to establish its portfolio, mainly by investing in Danish companies, the investment activities have accelerated considerably. Today, Novo Holdings A/S is an international investor within the area of life sciences, with investments in more than 170 companies, mainly in Europe and the United States. In addition to its life science investments, Novo Holdings A/S also has capital investment activities, in order to ensure adequate cash resources with competitive returns and a suitable risk profile.

Life science investments

Novo Holdings A/S carries out its life science investments in companies within six areas:

- » Principal Investments carries out investments in well-established and profit-making companies with leading positions in attractive market segments and strong underlying growth drivers. The objective is to ensure long-term value creation and diversity in the investment portfolio
- » Growth Investments carried out its first investment in 2019 and invests in companies that have recently reached, or are close to reaching the commercial stage, and that exhibit a high growth potential.
- Bioindustrial Investments was established as a distinct investment vertical at the end of 2022, and invests in areas where biotechnology can deliver returns and improve planetary health.
- Asia Investments was established as in 2021, and is working closely with the other investment verticals at Novo Holdings in the Asia Region
- » Venture Investments is an active international partner in the life sciences venture industry.

- » Seed Investments develops and finances innovative biotech and life science companies in the Nordic countries through direct investments, and also assists the Novo Nordisk Foundation in connection with its awarding of Pre-Seed Grants. Investments under the Pre-Seed Programme are made on commercial terms, i.e. in return for ownership in the companies.

The value of life science investments increased from DKK 98 billion in 2022 to 103 billion in 2023.

Capital investment activities

Concurrently with its investment activities in life science companies, Novo Holdings A/S has for more than 10 years expanded its capital investment activities, building a broad global portfolio. The main objective of the capital investments is to build a solid liquidity reserve that generates high returns and mitigates the risk by diversifying the Foundation's assets. The investment portfolio comprises listed and unlisted securities in the form of shares, bonds, real estate and infrastructure assets. By the end of 2023, the value of capital investments was DKK 98 billion. The Novo Nordisk Foundation's share amounted to DKK 31 billion.

Financial key figures and ratios

Net profit for the year in Novo Holdings A/S amounted to DKK 25 billion in 2023, against DKK 7 billion in 2022.

Table 2. Key figures and financial ratios for Novo Holdings A/S* (DKK million)

	2023	2022
Dividends Novo Nordisk A/S and Novozymes A/S	9,831	7,603
Gain from sale of shares in Novo Nordisk A/S	8,776	6,948
Return from Life Science Investments	5,075	-6,424
Return from Capital Investments*	7,560	-5,057
Share capital in Novo Group Companies	6,844	3,332
Life Science Investments	102,770	97,699
Capital Investments †	98,257	83,128
Total equity	152,734	127,303
Total assets	210,521	186,248
Net profit for the year	25,431	6,642
Equity ratio	73%	68%

For more information, see Novo Holdings A/S' Annual Report 2023: <https://www.novoholdings.com/~/media/2023/07/Annual-Report-2023.pdf>

* Including the Foundation's share of return of joint investment portfolio.

† The Foundation's share amounted to DKK 31.5 billion



Novo Nordisk A/S

Financial results

Operating profit increased by 37% measured in DKK and by 44% measured in local currencies, to DKK 102.6 billion, within the range of the most recent expectation of a 40-46% increase for 2023 (measured in local currencies).

Sales of products for the treatment of diabetes and obesity rose by 38% measured in DKK to DKK 215.1 billion. Novo Nordisk A/S is the world's leading company in the field of diabetes treatment, with a global value market share of 33.8% – the corresponding value market share was 31.9% this time last year. Sales of Rare Disease products decreased by 19.7% measured in DKK and amounted to DKK 17.2 billion.

Read more about Novo Nordisk A/S' financial results in Novo Nordisk's Annual Report 2023, pp. 34-36.

Financial key figures and ratios

Table 3. Key figures and financial ratios for Novo Nordisk A/S (DKK million)

	2023	2022
Net sales Diabetes and Obesity care	215,098	156,412
Net sales Rare Disease	17,163	20,542
Net sales total	232,261	176,954
Net profit	83,683	55,525
Total equity	106,561	83,486
Total assets	314,486	241,257
Operating margin	43%	42%
Equity ratio	34%	35%

For more information, see Novo Nordisk A/S' Annual Report 2023: [www.novonordisk.com/annual-report-2023](#)

Novo Nordisk A/S Annual Report. Note that the consolidated revenue within the Novo Group is not eliminated above.

Novozymes A/S

Financial results

In 2023, sales amounted to DKK 17.9 billion, corresponding to a 2% increase measured in DKK and a 5% organic growth. Organic sales growth in 2023 was led by strong double-digit growth in Bioenergy driven by innovation and supported by expansion of cornbased ethanol production in Latin America and growth in solutions for biodiesel production and biomass conversion. Growth was further supported by a solid development in Household Care driven by innovation and penetration of enzymatic solutions in emerging markets. The macroeconomic situation in 2023 with higher inflation and rising interest rates impacted consumer demand and led to inventory adjustments many food-related industries, having a negative impact on the food-related parts of Food, Beverages & Human Health, Grain & Tech Processing and Agriculture, Animal Health & Nutrition.

EBIT before special items of DKK 4.6 billion in 2023 was on par with 2022, while the EBIT margin ended at 25%, down from 26% in 2022, corresponding to the most recent expectations of an EBIT margin at 25-26%.

Read more about Novozymes A/S' financial results in Novozymes' Annual Report 2023, pp. 53-64.

Financial key figures and ratios

Table 4. Key figures and financial ratios for Novozymes A/S (DKK million)

	2023	2022
Revenue	17,899	17,553
Net profit	3,039	3,686
Total equity	14,351	14,228
Total assets	28,391	27,983
EBIT margin	25%	26%
Equity ratio	51%	51%

For more information, see Novozymes A/S' Annual Report 2023: [Annual Report 2023](#) and [Annual Report 2022](#).

Novozymes A/S Annual Report. Note that the consolidated revenue within the Novo Group is not eliminated above.

Outlook for the Novo Nordisk Foundation Group

The outlook for the Novo Nordisk Foundation Group is closely linked to the outlook for the subsidiaries in the Novo Group as well as the developments in the international financial markets. The outlook for the subsidiaries in the Novo Group is described in more detail in the companies' Annual Reports for 2023 – see the links on pp. 11-13.

Business related and financial risks

The most significant risks for the Novo Nordisk Foundation Group are linked to those of the Novo Group. The Foundation follows an overall financial strategy where the policy for managing the Foundation's financial and investment risks is defined.

Within Novo Holdings A/S, the main risks are associated with investments in companies. In addition, there are risks connected to investments in securities which depend on the development in the financial markets.

Novo Nordisk applies a dual-lensed approach to risk management. This means that Novo Nordisk identifies and mitigates both operational risks that pose a threat to the short to medium-term plans, as well as strategic risks that could reduce the ability to achieve the corporate strategy over the long term.

Read more about Novo Nordisk A/S' risk management process on pages 41-42 in the Novo Nordisk Annual Report for 2023.

Novozymes operates in a global environment across many industries, which means that Novozymes' business is exposed to different risks. Novozymes has a risk management framework in place to identify, assess, and mitigate business risks that may impact Novozymes' ability to grow Novozymes' business sustainability and be a reliable partner to Novozymes' customers and the communities Novozymes operates in.

Read more about Novozymes A/S' risk management process on pages 39-45 in the Novozymes Annual Report for 2023.

Prospects for the Novo Nordisk Foundation's and Novo Holdings A/S' results

The Novo Nordisk Foundation's result is contingent on Novo Holdings A/S' result, and this especially includes the results for Novo Nordisk A/S and Novozymes A/S, from which Novo Holdings receives dividends. In addition to this, Novo Holdings A/S expects to participate in any of the two companies' share buy-back programmes, for the purpose of increasing its revenue and facilitating further grant-awarding activities for the Novo Nordisk Foundation.

Novo Holdings A/S expects that in 2024, the long-term economic tendencies within the life sciences area will remain positive, and that this will form a basis for continued consolidation and development of investments within Novo Holdings A/S' focus areas. Novo Holdings A/S expects to deliver returns on par with capital markets. Combined with the expected income from the Novo Group companies as described above, Novo Holdings A/S' expectations are to deliver positive income and returns, as well as operating profit in 2024, on par with 2023.

The Group's results are primarily contingent on the development within Novo Nordisk A/S, which for 2024 expects a 18-26% increase in sales and 21-29% increase in operating profit.



The Novo Nordisk Foundation Group's corporate social responsibility

The Foundation's Board of Directors has a clear focus on societal impact as an integrated part of the Foundation's grant-awarding policy and commercial activities. The Foundation Group defines its corporate social responsibility in terms of initiatives that benefit society, whether economically, scientifically, socially, in terms of health, resources or in relation to the climate or the environment. It also encompasses initiatives that contribute to a healthy and inspiring work environment with development opportunities for employees in the entire Group. In accordance with Section 99a and 99b of the Danish Financial Statements Act, an account of the Novo Nordisk Foundation Group's corporate social responsibility is provided in Annex A.

Annex A contains a section on the Novo Nordisk Foundation's corporate social responsibility as well as a section summarising the social responsibility for the respective companies in the Novo Group. Novo Nordisk A/S and Novozymes A/S publish their own CSR reports, containing, among other things performance measurements and results in accordance with the Danish Financial Statements Act. Novo Nordisk A/S include information on their social as well as environmental responsibility in their Annual Report, and Novozymes A/S provide a supplement to its Annual Report. Novo Holdings A/S include information about its policies in relation to responsible investments and their ESG responsibility in their Annual Report. The three annual reports are available at <https://www.novonordisk.com/engelsk/2023-annual-report> and <https://www.novonordisk.com/engelsk/annual-report> and <https://www.novonordisk.com/engelsk/annual-report>.

Diversity policy in the Novo Nordisk Foundation Group

Section 99b of the Danish Financial Statements Act requires that Danish companies of a certain size report on diversity.

The Novo Nordisk Foundation Group welcomes and promotes diversity among its staff, managements and boards, as diversity in relation to gender, age, education, cultural background and international experience helps to ensure a broad range of skills, which in turn contributes to development, renewal, and quality in work efforts. Furthermore, it lays the foundation for an inclusive culture with respect for individuals, ongoing personal development, health and safety. Diversity is promoted through the recruitment and development processes in the Group.

In 2023, the Board of Directors of the Foundation approved a new version of the 2019 diversity policy for the Novo Nordisk Foundation and Novo Holdings A/S. The Foundation Group's two commercial companies have formulated their own diversity policies in line with the Foundation's policy.

Novo Nordisk Foundation diversity and inclusion policy is available at: <https://www.novonordisk.com/engelsk/diversityand-inclusion-policy>

Novo Nordisk A/S: <https://www.novonordisk.com/engelsk/diversityand-inclusion-policy>

Novozyymes A/S: <https://www.novozymes.com/en/diversity-and-inclusion>

Diversity policy for the Novo Nordisk Foundation and Novo Holdings A/S

The diversity policy reflects the core values of the Novo Nordisk Foundation and Novo Holdings A/S. The policy sets the goals, defines the scope and provides guiding principles for the work with diversity. The Novo Nordisk Foundation and Novo Holdings A/S follow international standards and procedures and in some case take a lead. The diversity policy is an important part of the decision-making process related to recruitments, to ensure diversity across all departments. In 2023, the joint Personnel and Organisation department between the Novo Nordisk Foundation and Novo Holdings A/S were split into two departments with one for each entity. The Foundation's Impact department provides diversity analyses on recruitments and on the grant-giving and commercial activities, including their measured effects. The Novo Nordisk Foundation collaborates with the Danish universities to promote diversity, for example in relation to employees fully or partly funded by the Foundation's grants.

The foundation continuously strives to be an attractive and flexible workplace where all employees can grow, develop, and realise their professional potential in a collaborative and inclusive manner. Our existing workforce represents a rich diversity of educational backgrounds, industry- and sector experiences and differences in nationalities, genders, and ages. This ensures that a variety of perspectives is brought to the table, which is key for future success of the foundation.

During 2023, Novo Nordisk Foundation launched an aspirational target of achieving a balanced gender representation across all managerial levels with a minimum of 40% of the underrepresented gender across our Board and our Executive Leadership Team by the end of 2027. <https://www.novonordisk.com/engelsk/diversityand-inclusion-policy>

By the end of 2023, our gender distribution amongst the Foundation's employees is considered gender balanced with 60% females and 40% males. Our leaders directly referring to C-level (CEO) consist of 37 % female leaders and 63% males, which means that we at this level already now live up to our target. The gender distribution in our Board of Directors is currently at 29% females and 71% male. The composition of the Board of Directors met the gender diversity requirements set out in Danish legislation.

Efforts are being made continuously to be able attract more female talent. Based on the guiding principle in the diversity policy adopted by the Board of Directors of the Novo Nordisk Foundation, the Foundation will in 2024 continue the work that supports the development towards more diversity.

Beyond gender diversity we value and monitor diversity in teams more broadly. When we look at our age and nationality distribution, we have 23 % of colleagues coming from other countries than Denmark and a great representation across four generations.

Table 5. Gender diversity in the Novo Nordisk Foundation

	2019	2020	2021	2022	2023	Target (2027)
Board of Directors						
Total number of individuals	6	6	6	6	7	
Underrepresented gender (pct)	33%	33%	33%	33%	29%	40%
Top management*						
Total number of individuals	1	1	1	1	1	
Underrepresented gender (pct)	0%	0%	0%	0%	0%	40%
Management levels**						
Total number of individuals	15	15	17	17	19	
Underrepresented gender (pct)	40%	40%	29%	29%	37%	40%
All employees						
Total number of individuals	159	187	131	167	202	
Underrepresented gender (pct)	45%	45%	19%	40%	40%	NA

* Top management (CEO), ** Management levels are (C-level and all managers referring to the C-level)

Diversity in Novo Holdings A/S

During 2023, Novo Holdings A/S launched an aspirational target of achieving a balanced gender representation across all managerial levels with a minimum of 40% of the underrepresented gender across the Board and Executive Leadership Team by the end of 2025.

By the end of 2023, the gender distribution amongst Novo Holdings' employees is considered gender balanced with 40% females and 60% male. Our leaders directly referring to C-level consist of 33 % female leaders and 67% males. The gender distribution in Novo Holdings' Board of Directors is currently at 33% females and 67% male. Efforts are being made continuously to be able attract more female talent. Based on the guiding principle in the diversity policy adopted by the Board of Directors of the Novo Nordisk Foundation, Novo Holdings A/S will in 2024 continue the work that supports the development towards more diversity.

Data ethics in the Novo Nordisk Foundation Group

Section 99d of the Danish Financial Statements Act requires that Danish companies of a certain size report on their policy on data ethics.

The Novo Nordisk Foundation Group welcomes and promotes ethical use of data. In 2020, the Novo Nordisk Foundation Group initiated the work on formulating policies on data ethics for each of companies in the group. In 2023, the focus was on training to secure compliance with the principles of the policies.

Novo Nordisk Foundation

The Novo Nordisk Foundation complies with both Danish and EU law on data and privacy protection. In addition, the Foundation recognises that the fast pace of technological development, along with evolving risks and benefits from large scale data use, requires thoughtful and responsible decision-making where existing laws and regulations do not necessarily provide clear ethical guidance. The Foundation has developed a policy on data ethics based on six principles for how to handle data in an ethical way. The rules describe how the Novo Nordisk

Foundation must use and process both personal data and non-identifiable (e.g., anonymised, aggregated, non-personal) data as well as data and information that applicants submit when applying for a grant using the Foundation's application system. Read more at: <https://novonordiskfoundation.dk/en/uploads/Novo-Nordisks-Fundation-2023-Data-Ethics-Principles.pdf>.

Novo Holdings A/S

To cope with the challenges that arise from the fast-moving technological development, along with evolving risks and benefits from large scale data use, Novo Holdings has developed a policy on how to use and handle data in an ethical way. Read more at: <https://novoholdings.com/en/data-ethics.pdf>

Novo Nordisk A/S

In 2021, data ethics principles were enhanced and will be implemented through policies and trainings across the organisation in 2023. The data ethics principles support ethical decision-making when using data across the value chain. The integration of data protection and human rights risks into the business ethics risk management processes has been further strengthened. Read more on: [Data ethics | Novo Nordisk data ethics principles](#).

Novozymes A/S

Novozymes has adopted a policy, which sets the overall principles for the ethical management of data in Novozymes and supplements our general commitment to integrity and compliance. In 2023, the focus has been on how to use Artificial Intelligence (AI) in an ethical way. [Link to data ethics report](#) <https://www.novozymes.com/globalassets/2023-report/data-ethics-report-2023.pdf>

The Foundation's Board of Directors, committees, panels and Executive Management

Board of Directors

The Board in 2023

The Foundation's Board of Directors consists of ten members: Seven members are elected in accordance with the Foundation's Articles of Association, and three members are Group employee representatives, currently from Novo Nordisk A/S and Novozymes A/S. At least two of the members elected under the Articles of Association have a medical or natural science background. Two members elected under the Articles of Association are independent and the Chairmanship is independent in relation to Novo Nordisk A/S and Novozymes A/S. The Chair of the Board also serves as Chair of the Board of Novo Holdings A/S.

Chairmanship

The Chair and the Vice Chair of the Board of Directors constitute the Foundation's Chairmanship. The Board has adopted a charter that sets out the framework for the Chairmanship's work.

Recommendations on good foundation governance

In accordance with Danish law, The Committee on Good Foundation Governance has prepared a set of recommendations on foundation governance, which foundations with corporate interests must address. If there are recommendations that the foundations do not comply with, this must be accounted for in their annual report (the "comply or explain" principle).

The Novo Nordisk Foundation follows all recommendations except the recommendation on the election period for board members. The Committee recommends that board members be elected for a minimum period of two years and a maximum period of four years. In 2004, the Foundation's Board of Directors decided, with the approval of the authorities, to change the election period for members elected under the Articles of Association from three years to one year. The Board deems that an election period of one year better allows for coordinating the succession in the boards of the whole Novo Nordisk Foundation Group.

For a description of the Foundation's degree of compliance with the individual recommendations, see: <https://www.nordisk-fundation.com/eng/2023-annual-report/2023-annual-report-2023-2024>

For Novo Nordisk A/S, Novozymes A/S and Novo Holdings A/S, which are all covered by Section 99b of the Danish Financial Statements Act, key figures have been defined for the respective Boards of Directors.

Diversity

In September 2023, the Board adopted a revised Diversity policy including to set a target of at least 40% of the underrepresented gender across our Board of Directors, our Executive Management and at our Senior Vice President level by the end of 2027.

Nomination Committee

In 2017, the Board of Directors appointed a Nomination Committee consisting of two members from the Board. In September 2023, the Nomination Committee was expanded with one member and consists

now of three members from the Board. The Board of Directors has adopted a charter that sets out the framework for the Committee's work.

The Committee is comprised of Lars Rebien Sørensen (Chair), Lars Henrik Munch and Nana Buie Sejbæk. The Nomination Committee assists the Board of Directors with the task of reviewing the competency profile of the Board, nominating candidates for election to the Board as well as reviewing Novo Holdings A/S' nominations for its Board of Directors. The Nomination Committee further assists the Board of Directors with nominating candidates for entities in which the Foundation has appointment rights.

Scientific Advisory Group

In December 2021, the Scientific Advisory Group (SAG) was decommissioned as a board committee. The two members of the former SAG have had a formal advisory role in relation of the appointment of new committee members until Q1 2023.

Art Committee

In 2022, the Board of Directors appointed an Art Committee with the purpose of building a collection of important artworks over a number of years to inspire employees of the Foundation and visitors alike. The Committee is comprised of two members, of which one is Vice Chair Lars Henrik Munch.

Communications policy

The Board of Directors has adopted a communications policy with guidelines for the Foundation's external communication, including instructions on who can and should act as public spokespersons for the Foundation and in relation to what subject matters. More specifically, it has been decided that the Chair will serve as spokesperson of the Board and speak on behalf of the Foundation in relation to its commercial activities. The CEO will represent the Foundation in relation to grant-giving policies and strategies that have been adopted by the Board, and in connection with all operational matters concerning the Foundation's activities. Employees with leadership responsibilities may serve as public spokespersons on matters that fall within their area of expertise, including grants and publications.

Remuneration

In March 2023, the Board of the Foundation approved to raise the annual fee to DKK 416,000 for board members, DKK 832,000 for the Vice Chair and DKK 1,664,000 for the Chair. The fee for the Chair of the Nomination Committee is DKK 208,000, while the other members of the Nomination Committee will receive DKK 104,000. The fee for members of the Art Committee is DKK 104,000.

In September 2023, the Board approved to implement a travel allowance of EUR 5,000 per Board and/or Board committee meeting, if a member has one to five hours of air travel each way to such meeting; and of EUR 10,000 per Board and/or Board committee meeting, if a member has five or more hours of air travel each way to such meeting.



Table 6. Board fees, Novo Group 2023 (DKK)

Position	Novo Nordisk Fonden	Novo Holdings A/S	Novo Nordisk A/S	Novozymes A/S
Chair	1,664,000	1,794,000	2,265,000	1,566,000
Vice Chair	832,000	1,196,000	1,510,000	1,044,000
Board member	416,000	598,000	755,000	522,000

Table 7. Remuneration to Board members within the Novo Group 2023 (DKK thousand)

Medlem	Novo Nordisk Fonden	Novo Holdings A/S	Novo Nordisk A/S	Novozymes A/S	Committees	Other	Total
Lars Reblen Sørensen	1,664	1,869			208		3,741
Marianne Philip	208						208
Steen Riisgaard	416	1,271				939	2,626
Lars Henrik Munch	728				223		951
Stig Strøbæk*	416						416
Ole Jakob Müller*	416						416
Lars Henrik Fugger	453				125		578
Liselotte Højgaard	416				125		541
Mads Boritz Grøn*	416						416
Nana Bule Sejbæk	416				26		442
Christopher A. Voigt	566						566
	6,115	3,140			707	939	10,901

Note: Lars Reblen Sørensen: Chair of Novo Holdings A/S, Chair of the Nomination Committee. Lars Henrik Munch: Member of the Nomination Committee, the Art Committee and member of the Novo Nordisk Foundation Humanitarian and Development Advisory Panel, HUMANADAP for the first half year of 2023. Steen Riisgaard: Vice Chair of Novo Holdings A/S and Chair of the Board of New Xellia Group A/S. Lars Henrik Fugger: Scientific Advisory Q1, and member of the Novo Nordisk Prize Committee. Liselotte Højgaard: Scientific Advisory Q1, member of the Novo Nordisk Prize Committee.

Lars Reblen Sørensen holds shares in Novo Nordisk A/S, Novozymes A/S and Thermo Fisher. Lars Henrik Munch holds shares in Novo Nordisk A/S and Novozymes A/S. Steen Riisgaard holds shares in Novo Nordisk A/S, Novozymes A/S and Xellia. Lars Henrik Fugger holds shares in Novo Nordisk A/S, Novozymes A/S and Chr. Hansen A/S. Mads Boritz Grøn holds shares in Novo Nordisk A/S. Stig Strøbæk holds shares in Novo Nordisk A/S. Ole Jakob Müller holds shares in Novo Nordisk A/S and Chr. Hansen as well as options in Novozymes A/S.

*Employee-elected members of the boards within the Novo Group donate most of their board fees to the Employees' Honorarium Foundation (the Board members will receive 10% of the gross amount).

Lars Henrik Munch was elected Vice Chair of the Board on 31 March 2023 replacing Marianne Philip who stepped down. Nana Bule Sejbæk and Christopher A. Voigt were elected as new members of the Board on 13 March 2023.

Table 8. Members of the Novo Nordisk Foundation Board of Directors, 2023

Name, position, title, year of birth, gender	Date of accession	End of current term	Managerial and other board assignments Competencies (only for members appointed under the provisions of the Articles of Association)
Lars Rebien Sørensen Chair MSc (Forest and Nature Management) and a HD-IB 1954 Male	16 March 2017	March 2024	Lars Rebien Sørensen serves as Chair of the Board of Novo Holdings A/S, Executive Chair of the Board of Ferring Pharmaceuticals (Switzerland) and Chair of the Advisory Board of Axcel Management A/S. Furthermore, he is a member of the Boards of Thermo Fisher Scientific Inc. (USA), Essity AB (Sweden) and Jungbunzlauer Suisse AG (Switzerland). Lars Rebien Sørensen serves as Adjunct Professor at the Faculty of Life Sciences, University of Copenhagen and Adjunct Professor at the Center for Corporate Governance, Copenhagen Business School (CBS). Board competencies: Managerial experience from a large international company. Extensive knowledge of the Novo Group business standards and practices as well as knowledge of the international pharmaceutical industry. Board work experience. Lars Rebien Sørensen is considered a non-independent board member, as he is Chair of the Board of Novo Holdings A/S.
Lars Henrik Munch Vice Chair MSc (Economics) 1959 Male	5 September 2017	March 2024	Lars Henrik Munch serves as Chair of the Board of The Politiken-Foundation and Politiken Holding A/S and as Chair of the Boards of the Louisiana Museum of Modern Art, Museumsfonden, Louisiana Fonden, BRFFonden, BRFFholding A/S, BRFFinvest a/s, Fonden for Håndværkskollegier, SOS Børnebyerne and GUBI A/S. Furthermore, Lars Henrik Munch is a member of the boards of Utzon Center A/S and the KUNSTEN Museum of Modern Art, Aalborg. Lars Henrik Munch is also a member of the Boards of the European Press Prize (Amsterdam) and the World Association of News Publishers (Paris), as well as Chair of the Advisory Board for Master of Management Development, Copenhagen Business School (CBS) and Vice Chair of the Board of Axcelfuture. Lars Henrik Munch serves as Adjunct Professor at the Department of Organisation, CBS. Board competencies: Experience with society and social conditions, art and culture, media and board work. Lars Henrik Munch is considered an independent board member.
Steen Riisgaard MSc CEO 1951 Male	19 March 2013	March 2024	Steen Riisgaard serves as Chair of the Board of New Xellia Group A/S, and as Vice Chair of the Board of Novo Holdings A/S. Steen Riisgaard is a member of the Board of Corbion and Vice Chair of Fugleværnsfonden. Board competencies: Experience with management in general from a large international company. Knowledge of the Novo Group business standards and practices and extensive knowledge of international biotechnology industry and research within the private sector. Experience with innovation and entrepreneurship. Steen Riisgaard is considered a non-independent board member, as he is Vice Chair of Novo Holdings A/S and Chair of New Xellia Group A/S.
Lars Henrik Fugger Professor, MD, Ph.D., Nuffield Department of Clinical Neurosciences, Division of Clinical Neurology, John Radcliffe Hospital, University of Oxford, United Kingdom MD, Ph.D. and a DMSc 1960 Male	19 March 2013	March 2024	Lars Henrik Fugger is Professor at the Nuffield Department of Clinical Neurosciences, Division of Clinical Neurology, John Radcliffe Hospital, University of Oxford, UK. He serves as member of the Board of the Alfred Benzon Foundation. Board competencies: Experience with medical science research, innovation and research management. Experience with research evaluations/authorisations/counselling as well as politics within medical science. Lars Henrik Fugger is considered a non-independent board member.

Table 8. Members of the Novo Nordisk Foundation Board of Directors, 2023 - continued

Name, position, title, year of birth, gender	Date of accession	End of current term	Managerial and other board assignments Competencies (only for members appointed under the provisions of the Articles of Association)
Liselotte Højgaard Professor, Consultant MD, DMSc 1957 Female	1 April 2018	March 2024	Liselotte Højgaard is Clinical Professor in the fields of medicine and technology at the Faculty of Health and Medical Sciences at the University of Copenhagen. She is a member of the Boards of BRFfonden, Die Robert Bosch Stiftung (Germany), and Arvid Nilsson's Foundation and was member of Kronprins Frederiks og Kronprinsesse Marys Fond. Furthermore, she is a member of the Scientific Council at the European Research Council (ERC). Board competencies: Experience with medical science research, innovation, and research management. Experience with research evaluations/authorisations/counselling as well as politics within medical science. Liselotte Højgaard is considered an independent board member.
Nana Bule Sejbæk BSc (Business Economics and Strategy) 1978 Female	13 March 2023	March 2024	Nana Bule Sejbæk serves as Chair of the National Digital Council and Energy Crisis Staff, and as Chair of the Board of Carblix. Furthermore, Nana Bule Sejbæk is a member of the boards of Arla Foods and Energinet, and works as an Operating Advisor with Goldman Sachs Asset Management. Nana Bule Sejbæk works as an Operating Advisor with Goldman Sachs Asset Management. Board competencies: Senior Executive experience from a large international Tech company with a proven track record of driving transformation and delivering business growth. Board word experience. Nana Bule is considered an independent board member.
Christoffer A. Voigt Professor BSE (chemical engineering) PhD (biochemistry and biophysics) 1976 Male	13 March 2023	March 2024	Christopher A. Voigt is the Daniel I.C. Wang Professor of Advanced Biotechnology and Department Head in Biological Engineering at Massachusetts Institute of Technology (MIT), as well as the co-director of the Synthetic Biology Center at MIT. Christopher A. Voigt is a founding member of the U.S. National Science Foundation-funded Engineering Biology Research Center, former founding Editor-in-Chief of the ACS Synthetic Biology journal, and co-founder of the companies Asimov (therapeutics bio-manufacturing) and Pivot Biotechnologies (agriculture). Board competencies: Extensive scientific advisory experience. Expert knowledge within synthetic biology and genetic engineering as well as the translation of cutting-edge science into innovations and start-up companies. Christopher A. Voigt is considered an independent board member.
Mads Boritz Grøn Quality Auditor MSc (Biology) 1967 Male	23 March 2018	March 2026	Employee representative. Quality Auditor in Novo Nordisk A/S.
Ole Jakob Müller Environmental Consultant 1978 Male	25 March 2022	March 2026	Employee representative. Senior Environmental Specialist in Novozymes A/S.
Stig Strøbæk Electrician 1964 Male	25 March 2022	March 2026	Employee representative. Electrician in Novo Nordisk A/S.

Committees and panels of the Novo Nordisk Foundation

The Foundation supports research, innovation and education in open competition, and has for this purpose appointed 26 committees and panels with external members who receive honoraria for their work. 23 of the appointed committees carry out the task of implementing the Board's decisions concerning assessment and awarding of grants. In addition to this, the Foundation awards grants for strategic and stand-alone projects. The Foundation has appointed various advisory panels which the Board consults before making its grant-awarding decisions in connection with specific applications and projects. Furthermore, the Foundation's Board of Directors makes use of international peer review.

See the Foundation's website for further details and an overview of our committees <https://www.nordiskfond.dk/eng/committees> and Articles of Association <https://www.nordiskfond.dk/eng/about-us/association>. The members of the committees and panels are internationally recognised experts in their field, often supplemented by experience gained as members of research councils and other academic research committees. The Foundation has adopted a set of rules for eligibility to ensure a fair, equal and unbiased assessment of all applications. The rules can be accessed on the Foundation's website: <https://www.nordiskfond.dk/eng/about-us/rules-for-eligibility>.

Table 9. Fees for committee and panel members in 2023

	DKK thousands	
Committee on Clinical and Translational Medicine	Chair	190
	Members	125
Committee on Bioscience and Basic Biomedicine	Chair	180
	Members	120
Committee on Endocrinology and Metabolism	Chair	165
	Members	110
Committee on Non-Diabetic Endocrinology	Chair	90
	Members	60
Innovation Committee	Chair	90
	Members	60
Committee on the Novo Nordisk Prize*	Chair	150
	Members	100
Committee on the Novozymes Prize	Chair	125
	Members	85
Committee on Research in Art and Art History	Chair	95
	Members	65
Committee on Industrial Biotechnology and Environmental Biotechnology	Chair	125
	Members	85
Committee on Plant Science, Agriculture and Food Biotechnology	Chair	125
	Members	85
Committee for the Natural and Technical Sciences	Chair	135
	Members	90
Humanitarian and Development Advisory Panel*	Chair	0
	Members	15
Committee on Science Education and Outreach	Chair	110
	Members	75
Committee on the Novo Nordisk Foundation Teaching Prizes	Chair	40
	Members	25
Committee on Steno Research Collaboration	Chair	90
	Members	60

Table 9. Fees for committee and panel members in 2023 (continued)		DKK thousands
Committee on Nursing Research	Chair	90
	Members	60
Committee on Interdisciplinary Research	Chair	125
	Members	85
Committee on International Research Leader Grants	Chair	80
	Members	55
Committee on Science Communication and Debate	Chair	45
	Members	30
Committee on Inequity in Health	Chair	43
	Members	29
Committee on STEM Vocational Education and Training	Chair	45
	Members	30
Committee on Coherence in Health Care	Chair	60
	Members	40
Committee on Data Science 2023	Chair	155
	Members	105
Committee on Novo Nordisk Fondens Challenge Programme 2023 – RNA- and Oligonucleotide-based Therapeutics	Chair	60
	Members	45
Committee on Novo Nordisk Fondens Challenge Programme 2023 – Prediction of Climate Change and Effect of Mitigating Solutions	Chair	65
	Members	45
Committee on Novo Nordisk Fondens Challenge Programme 2023 – Future Agri-food systems	Chair	60
	Members	45

* CEO Mads Krogsgaard Thomsen serves as member of the Committee on the Novo Nordisk Prize, for which he receives no fee. Board members Liselotte Højgaard and Lars Henrik Fugger also serve as members of the Committee on the Novo Nordisk Prize

In addition to the above, the Foundation has four internal committees (Committee for Research Infrastructure, NNF Symposium Committee, Committee for RECRUIT and Committee for Start Package Grants, which are comprised of employees from the Novo Nordisk Foundation). None of these internal members receive fees for their work.

Executive Management

In 2023 the CEO Office, which undertakes the daily management of the Novo Nordisk Foundation, was comprised of the Foundation's CEO Mads Krogsgaard Thomsen. The CEO Office is responsible for all operational matters and for the implementation of the strategy and policies that have been decided by the Board of Directors. The Board approves the appointment of the CEO based on the recommendations of the Chairmanship, which also assesses the CEO's performance every year. In 2023, the Foundation paid DKK 9,651,000 in ordinary salary, short term incentives and pension to CEO Mads Krogsgaard Thomsen.



Table 10. Key figures and financial ratios in the Novo Nordisk Foundation Group

DKK million	2023	2022	2021	2020	2019
Net sales	269,066	208,240	163,063	146,331	142,175
Operating profit	113,784	60,995	87,002	71,450	67,229
Net financials	661	-3,141	1,824	3,702	-3,835
Profit before income taxes	114,445	57,854	88,826	75,152	63,394
Net profit including non-controlling interest	93,345	44,644	76,785	63,483	52,941
Parent foundation's share of the total comprehensive income	31,763	3,353	39,826	30,951	22,971
Equity including non-controlling interest	283,233	243,985	226,861	187,118	155,663
Parent foundation's share of equity	185,102	162,743	166,246	132,928	105,135
Total assets	572,744	481,679	396,473	300,362	254,015
Investment in tangible assets	34,501	18,380	8,786	7,739	10,687
Cash flow					
Cash flow from operating activities	113,653	83,891	59,181	55,601	50,902
Cash flow from investing activities	-56,520	-37,523	-44,102	-31,006	-20,742
Net cash flow used financing activities	-53,768	-43,264	-17,078	-26,746	-30,899
Financial ratios					
Gross margin	42.3%	29.3%	53.4%	48.8%	47.3%
Profit ratio (net profit for the year including non-controlling interests)	34.7%	21.4%	47.1%	43.4%	37.2%
Equity (including non-controlling interest)	49.5%	50.7%	57.2%	62.3%	61.3%
Average number of employees	81,652	74,196	66,387	61,055	60,306

Management's statement

The Board of Directors and Executive Management have today considered and adopted the Annual Report of Novo Nordisk Fonden for the financial year 1 January - 31 December 2023.


The Annual Report is prepared in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and Financial Statements give a true and fair account of the Group's and the Parent Foundation's assets and liabilities as well as financial position as per 31 December 2023, as well as of the Group's and the Parent Foundation's operations and cash flows for the financial year 2023.

In our opinion, the Management's review includes a true and fair account of the development in the Group's and the Parent Foundation's operations and financial circumstances, as well as a description of the most significant risks and elements of uncertainty facing the Group and the Parent Foundation.

Hellerup, 16 May 2024

Executive Management:



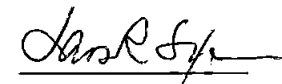
Mads Krogsgaard Thomsen
(CEO)



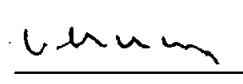
Erika Söderberg Johnsson
(CFO)

Søren Nedergaard
(COO)

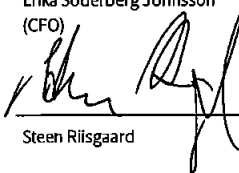
Board of Directors:



Lars Rebién Sørensen
(Chair)



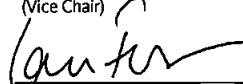
Lars Henrik Munch
(Vice Chair)



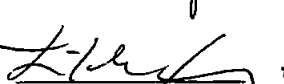
Steen Riisgaard



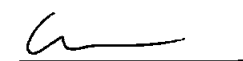
Nana Bule Sejbaek



Lars Henrik Fugger



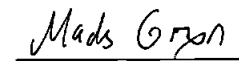
Liselotte Højgaard



Christopher A. Voigt



Ole Jakob Müller



Mads Boritz Grøn



Stig Strøbæk



Independent auditor's Report

To the Board of Directors of Novo Nordisk Fonden

Opinion

In our opinion, the Consolidated Financial Statements and the Parent Foundation's Financial Statements give a true and fair view of the Group's and the Parent Foundation's financial position at 31 December 2023 and of the results of the Group's and the Parent Foundation's operations and cash flows for the financial year 1 January to 31 December 2023 in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Foundation's Financial Statements of Novo Nordisk Fonden for the financial year 1 January - 31 December 2023, pp 28-95, which comprise income statement and statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement and notes, including material accounting policy information, for both the Group and the Parent Foundation ("financial statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review, pp 2-26 and pp 96-107.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Foundation's Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statement

Management is responsible for the preparation of Consolidated Financial Statements and Parent Foundation's Financial Statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, Management is responsible for assessing the Group's and the Parent Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Foundation's or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

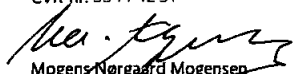
As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:


- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Foundation's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 16 May 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
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Annual Report 2023

Financial statements of the Parent Foundation



Income statement and statement of comprehensive income for the year 1 January – 31 December

DKK million	Note	2023	2022
Dividend from Novo Holdings A/S		0	38,000
Administration costs			
Employee costs	2	-245	-184
Other costs	3	-149	-188
Result of primary activities		-394	37,628
Net financial items	4	4,893	-2,965
Profit before tax		4,499	34,663
Tax on profit for the year		1	1
Profit for the year		4,500	34,664
Proposed distribution of profit			
Grants, net	5	7,594	7,144
Reserve for future grants		0	4,401
Retained earnings		-3,094	23,119
		4,500	34,664



Balance sheet at 31 December

DKK million	Note	2023	2022
Assets			
Intangible assets		30	20
Tangible assets		39	4
Investments in subsidiaries	6	2,425	2,143
Other securities and investments	7	13	14
Amounts owed by Novo Holdings A/S		21,684	22,644
Deposits		2	2
Total non-current assets		24,193	24,827
Joint investment portfolio with Novo Holdings A/S		31,490	26,657
Amounts owed by Novo Holdings A/S		1,900	7,400
Other receivables		35	8
Cash at bank		41	22
Total current assets		33,466	34,087
Total assets		57,659	58,914
Equity and liabilities			
Capital base		22	22
Retained earnings		20,025	23,119
Reserve for future grants		15,000	15,000
Total equity		35,047	38,141
Grants payable	5	15,820	15,205
Total non-current liabilities		15,820	15,205
Grants payable	5	6,702	5,497
Amounts owed to group companies		20	19
Trade payables		18	7
Other liabilities		52	45
Total current liabilities		6,792	5,568
Total liabilities		22,612	20,773
Total equity and liabilities		57,659	58,914
Contingent liabilities	7		
Related party transactions	3		
Other disclosures	9		



Statement of changes in equity at 31 December

DKK million	Note	Capital base	Retained earnings	Reserve for future grants	Total
2022					
Equity as of 1 January		22	0	10,599	10,621
Comprehensive income for the year		0	23,119	11,545	34,664
Grants, net	5	0	0	-7,144	-7,144
Equity as of 31 December		22	23,119	15,000	38,141
2023					
Equity as of 1 January		22	23,119	15,000	38,141
Comprehensive income for the year		0	-3,094	7,594	4,500
Grants, net	5	0	0	-7,594	-7,594
Equity as of 31 December		22	20,025	15,000	35,047



Cash flow statement for the year ended 31 December

DKK million	2023	2022
Profit for the year	4,500	34,664
Reversal of items with no effect on cash flow:		
Income from the joint investment portfolio with Novo Holdings A/S	-3,950	3,014
Value adjustments of other securities and investments	-2	-6
Other adjustments	-938	1
Cash flow before changes to working capital	-390	37,673
Increase/decrease in other receivables	-27	1
Increase/decrease in payables to group companies	1	6
Increase/decrease in other payables	18	7
Cash flow from operating activities	-398	37,687
Increase/decrease in amounts owed by Novo Holdings A/S	7,400	-30,044
Contribution to the joint investment portfolio with Novo Holdings A/S	-7,400	-8,000
Repayments from the joint investment portfolio with Novo Holdings A/S	6,517	5,619
Investments in subsidiaries	-282	-1
Investments in other securities and investments, net	3	1
Purchase of intangible assets	-53	-11
Sale of intangible assets	42	0
Purchase of tangible assets	-36	-4
Cash flow from investing activities	6,191	-32,440
Grant payments	-5,834	-5,244
Refunds from grant recipients	60	10
Cash flow from grants	-5,774	-5,234
Net cash flow	19	13
Cash and cash equivalents at the beginning of the year	22	9
Cash and cash equivalents at the end of the year	41	22



Notes

Note 1 Accounting policies

The accounting policies are the same as for the consolidated financial statements with the adjustments described below. For a description of the accounting policies of the Group, please refer to the consolidated financial statements.

Investments in subsidiaries

Investments in subsidiaries are recognised at cost price and the dividends received from the subsidiaries are included in the profit and loss.

Gain and losses on sale of shares in subsidiaries are included in the profit and loss.

Grants

Grants are recognised as deductions once the Foundation is obligated towards the grant recipient. From that point in time and until the grant has been paid out, the grant is included in grants payable.

Note 2 Employee costs

DKK million	2023	2022
Salaries	211	158
Pensions - defined contribution plans	29	24
Social security	3	2
Fees to committees	15	15
Other employee costs	2	7
	260	206
Allocated as follows:		
Hereof salaries included as internal grants etc.	-15	-22
Total salaries and fees	245	184
Remuneration of Executive Management and Board of Directors		
Salary and short-term incentives	3	6
Pension	2	2
Executive Management in total	10	8
Fee to Board of Directors	6	5
Total	16	13
Salary, short-term incentives, pension to CEO, Mads Krogsgaard Thomsen	10	8
The Executive Management and the Board of Directors of the Novo Nordisk Foundation are not covered by any share-based payment incentive schemes. The Executive Management constitutes the Key Management Personnel.		
Average number of full-time employees	200	160

Note 3 Fees to statutory auditors

DKK million	2023	2022
Statutory audit	1.1	0.9
Audit related services	0.1	0.1
Tax assurance services	0.0	0.0
Other services	0.6	0.1
Fees to statutory auditors	1.8	1.1

Note 4 Net financial items

DKK million	2023	2022
Proceeds from the joint investment portfolio with Novo Holdings A/S	3,950	-3,014
Interest on amounts owed by Novo Holdings A/S	940	44
Other financial income	3	5
Net financial items	4,893	-2,965

Note 5 Grants

DKK million	2023	2022
Grants awarded in the year:		
Natural and Technical Science Research and Interdisciplinarity	903	1,922
Medical Sciences	2,552	1,600
Obesity and Nutritional Sciences	10	1,346
Biotechnology	674	841
Social, Humanitarian and Development Aid	396	618
Innovation	920	553
Education and Outreach	572	541
Infectious Diseases	1,664	43
Total grants awarded in the year	7,691	7,464
Adjustment of grants awarded	-97	-319
FX adjustments of grants awarded	0	-1
Grants awarded in the year after adjustments	7,594	7,144
Grant liability at the beginning of year	20,702	18,792
Grants paid out during the year	-5,834	-5,244
Refunds from grant recipients	60	10
Grant liability at the end of year	22,522	20,702
Expected pay out of the Grant liability		
Within 1 year	6,702	5,497
1-5 years	13,178	12,146
More than 5 years	2,642	3,059
	22,522	20,702

Note 6 Investments in subsidiaries

DKK million	2023	2022
Cost at the beginning of year	2,143	2,142
Additions during the year	282	1
Carrying amount at the end of the year	2,425	2,143

Novo Holdings A/S is a 100% owned subsidiary of Novo Nordisk Foundation. The shares in Novo Holdings A/S consist of DKK 115.400.000 A-shares and DKK 384.600.000 B-shares.

Additions during the year of DKK 282 million relates to Quantum Foundry P/S, Novo Nordisk Foundation Cellerator P/S and NVAC P/S (2022: DKK 1 million relates to NNF India A/S, Quantum Foundry P/S and NNF General Partner ApS).

Note 7 Contingent liabilities

In 2017, the Novo Nordisk Foundation committed to an investment of DKK 25 million in Den Sociale Kapitalfond Invest 1 K/S, for the purpose of supporting social efforts, which is a main area of support under the Foundation's Articles of Association. In 2023, DKK 5 million has been paid out to Den Sociale Kapitalfond Invest 1 K/S, DKK 2 million has been received as distributions and DKK 2 million has been made as revaluation. Thus, DKK 13 million remains of the original commitment.

Note 8 Related party transactions

DKK million	2023	2022
-------------	------	------

Novo Holdings A/S, the Novo Nordisk Group, the Novozymes Group, the NNIT Group, the Xellia Group, the Sonion Group, the BBI Group, the Altasciencias Group, the Ritedose Group, the Medical Knowledge Group, the KabaFusion Group, the Ellab Group, the Dades Group, other subsidiaries, associated companies and the Boards and Executive Managements of these companies, including the Novo Nordisk Foundation, are considered to be related parties. Fees to the Executive Management are stated in note 3 in the consolidated financial statements. All agreements have been negotiated on market-based terms, and the majority of the agreements are valid for one year.

In 2023 and 2022, the Novo Nordisk Foundation had the following transactions with related parties:

Novo Holdings A/S		
Purchase of services	81	123
Sale of services	15	16
Interest income on loan to Novo Holdings A/S	940	44
Dividend payment received	0	38,000
Long term portion of loan to Novo Holdings A/S	21,684	22,644
Short term portion of loan to Novo Holdings A/S	1,900	7,400
Share of joint investment portfolio	31,490	26,657
Share of result of joint investment portfolio	3,950	-3,014
Rent obligation	14	13
NNF India A/S		
Purchase of services delivered by NNF India A/S	4	0
Sale of services to Novo Nordisk Foundation Cellerator P/S	23	0
The Novo Nordisk Group		
Purchase of services delivered by Novo Nordisk A/S	7	8
Purchase of services delivered by NNE A/S	1	3



The Novozymes Group

Purchase of services delivered by Novozymes A/S 1 0

No transactions have taken place with the management in the Novo Nordisk Foundation, Novo Holdings A/S, the Novo Nordisk Group, Novozymes Group and other subsidiaries.

Besides the above stated related party transactions, regulated grants and ordinary compensation to management, there have been no transactions with the Board of Directors, Executive Management or other related parties.

Note 9 – Other disclosures

Novo Nordisk Foundation subsidiaries

Company name	Country	Ownership(%) / voting rights
Novo Holdings A/S	Denmark	100
NNF India A/S	Denmark	100
Quantum Foundry P/S	Denmark	100
NNF General Partner ApS	Denmark	100
Novo Nordisk Foundation Cellerator P/S	Denmark	100
NVAC P/S	Denmark	100

Group companies are listed in note 31 to the consolidated financial statements.

Tax

From 1 January 2024 the Novo Nordisk Foundation will be subject to Global Minimum Tax (OECD BEPS Pillar 2 rules) due to the ownership of the Novo Group. The rules are not expected to have an impact on the tax position of the Novo Nordisk Foundation in 2024.



Annual Report 2023

Consolidated financial statements Novo Nordisk Foundation Group



Income statement and statement of comprehensive income for the year 1 January - 31 December

DKK million	Note	2023	2022
Income statement			
Net sales	2	269,066	208,240
Cost of goods sold	3,5	-57,288	-46,082
Gross profit		211,778	162,158
Sales and distribution costs	3,5	-60,477	-49,470
Research and development costs	3,5	-34,582	-26,417
Administrative costs	3,4,5	-8,725	-6,836
Return on investment activities and other operating income	6	14,025	-15,353
Other operating expenses	3,5	-8,135	-3,087
Operating profit		113,784	60,995
Income from associated companies		458	3,345
Financial income	7	3,484	950
Financial expenses	7	-3,281	-7,436
Profit before income taxes		114,445	57,854
Income taxes	8	-21,100	-13,210
Net profit		93,345	44,644
Net profit for the year is specified as follows:			
Non-controlling interests		61,245	42,510
Controlling interests		32,100	2,134
Net profit		93,345	44,644
Statement of comprehensive income			
Net profit		93,345	44,644
Other comprehensive income:			
Items that will not be reclassified subsequently to the income statement:			
Remeasurement of retirement benefit obligations		12	630
Items that will be reclassified subsequently to the income statement:			
Exchange rate adjustments of investments in subsidiaries and associated companies		-1,888	2,361
Cash flow hedges, realisation of previously deferred gains/losses		-1,026	1,740
Cash flow hedges, deferred gains/losses incurred during the period		1,593	1,218
Other items		257	-36
Tax on other comprehensive income, income/expense		-377	-940
Other comprehensive income, net of tax		-1,429	4,973
Total comprehensive income		91,916	49,617
Total comprehensive income for the year is specified as follows:			
Non-controlling interests	28	60,153	46,264
Controlling interests		31,763	3,353
Total comprehensive income		91,916	49,617



Balance sheet at 31 December

DKK million	Note	2023	2022
Assets			
Intangible assets	9	104,361	90,289
Tangible assets	10,11	107,223	84,439
Investment property	12	25,085	27,088
Investments in associated companies	14	10,086	9,777
Financial assets	15	146,309	125,887
Deferred tax assets	8	18,146	16,205
Total non-current assets		411,210	353,685
Inventories	16	38,190	30,586
Trade receivables	17	71,940	57,092
Contractual assets		474	417
Tax receivables		3,124	1,480
Derivative financial instruments	23	2,449	2,860
Other receivables and prepayments		10,102	7,638
Marketable securities		15,838	10,921
Cash at bank		19,085	15,949
Assets held for sale	29	332	1,051
Total current assets		161,534	127,994
Total assets		572,744	481,679



Balance sheet at 31 December

	DKK million	Note	2023	2022
Equity and liabilities				
Capital base			22	22
Retained earnings			170,505	147,238
Reserve for future grants			15,000	15,000
Other reserves			-425	483
Total equity parent foundation			185,102	162,743
Non-controlling interests		28	98,131	81,242
Total equity			283,233	243,985
Grants payable		31	15,820	15,205
Borrowings		19	60,581	57,411
Deferred income tax liability		8	12,449	13,594
Other provisions		18	7,524	5,471
Other liabilities		20	1,047	3,024
Total non-current liabilities			97,421	94,705
Borrowings		19	10,109	7,538
Trade payables			28,920	18,900
Tax payables			7,384	7,002
Other liabilities		20	36,650	30,075
Derivative financial instruments		23	1,345	3,011
Contractual obligations			67	146
Grants payable		31	6,702	5,497
Other provisions		18	100,915	70,621
Liabilities related to assets held for sale		29	0	199
Total current liabilities			192,090	142,989
Total liabilities			289,511	237,694
Total equity and liabilities			572,744	481,679
Commitments and contingent liabilities		24		
Share-based payments schemes		25		
Financial risks		26		
Related party transactions		27		
Subsidiaries with significant non-controlling interests		28		
Events after the reporting date		30		
Group companies		52		



Statement of changes in equity at 31 December

DKK million									
	Capital base	Retained earnings	Reserve for future grants	Currency adjustments	Cash flow hedges	Other adjustments	Total other comprehensive income	Minority interests	Total
2023									
Balance at the beginning of the year	22	147,238	15,000	6	301	176	483	81,242	243,985
Currency adjustments of subsidiaries	0	0	0	-511	0	0	-511	-222	-733
Change in effective ownership	0	-2,907	0	0	0	0	0	-455	-3,362
	22	144,331	15,000	-505	301	176	-28	80,565	239,890
Net profit	0	24,506	7,594	0	0	0	0	61,245	93,345
Other comprehensive income	0	60	0	-496	163	-64	-397	-1,092	-1,429
Total comprehensive income	0	24,566	7,594	-496	163	-64	-397	60,153	91,916
Share-based payments	0	659	0	0	0	0	0	1,643	2,302
Tax related to equity postings	0	28	0	0	0	0	0	70	98
Purchase of treasury shares	0	238	0	0	0	0	0	-21,464	-21,226
Sale of treasury shares	0	102	0	0	0	0	0	118	220
Dividends	0	0	0	0	0	0	0	-24,837	-24,837
Grants, net	0	0	-7,594	0	0	0	0	0	-7,594
Business acquisitions and other adjustments	0	581	0	0	0	0	0	1,883	2,464
Balance at the end of the year	22	170,505	15,000	-1,001	464	112	-425	98,131	283,233
2022									
Balance at the beginning of the year	22	156,326	10,599	-411	-601	311	-701	60,615	226,861
Currency adjustments of subsidiaries	0	0	0	-30	0	0	-30	20	-10
Change in effective ownership	0	12	0	0	0	0	0	-12	0
	22	156,338	10,599	-441	-601	311	-731	60,623	226,851
Net profit	0	-9,411	11,545	0	0	0	0	42,510	44,644
Other comprehensive income	0	5	0	447	902	-135	1,214	3,754	4,973
Total comprehensive income	0	-9,406	11,545	447	902	-135	1,214	46,264	49,617
Share-based payments	0	487	0	0	0	0	0	1,193	1,680
Tax related to equity postings	0	44	0	0	0	0	0	101	145
Purchase of treasury shares	0	-8	0	0	0	0	0	-17,612	-17,620
Sale of treasury shares	0	49	0	0	0	0	0	125	174
Dividends	0	0	0	0	0	0	0	-19,318	-19,318
Grants, net	0	0	-7,144	0	0	0	0	0	-7,144
Business acquisitions and other adjustments	0	-266	0	0	0	0	0	9,866	9,600
Balance at the end of the year	22	147,238	15,000	6	301	176	483	81,242	243,985



Cash flow statement

DKK million	Note	2023	2022
Operating profit		113,784	60,995
Adjustment of non-cash items:			
Depreciations, amortisation and impairment losses	5	15,578	10,435
Other non-cash items	21	23,511	39,436
Income taxes paid		-26,999	-14,696
Interest received and other financial income		3,340	396
Interest paid and other financial expenses		-2,586	-7,248
Cash flow before changes to working capital		126,628	89,318
Increase/decrease in receivables		-19,297	-12,697
Increase/decrease in inventory		-7,613	-6,040
Increase/decrease trade in payables and other debt		15,168	11,970
Currency adjustments		-1,233	1,340
Cash flow from operating activities		113,653	83,891
Purchase of subsidiaries		-3,195	-15,354
Sale of subsidiaries and activities		920	0
Sale of associated companies		0	3,949
Purchase of financial assets - Life Science Investments		-10,123	-10,894
Sale of financial assets - Life Science Investments		11,004	5,293
Purchase of financial assets - other		-44,676	-65,558
Sale of financial assets - other		35,997	66,239
Purchase of intangible assets		-13,457	-3,087
Purchase of tangible assets including investment property		-29,065	-15,716
Sale of tangible assets		427	30
Payments for marketable securities		-13,018	-9,566
Proceeds from sale of marketable securities		8,261	6,770
Received dividend		405	371
Cash flow from investing activities		-56,520	-37,523
Proceeds from borrowing		6,347	16,169
Repayment of borrowings		-4,728	-17,293
Purchase of treasury shares		-21,226	-17,620
Sale of treasury shares		248	174
Repayment leasing		-247	-142
Paid dividend to non-controlling interests		-24,837	-19,318
Purchase of non-controlling interests		-3,551	0
Paid grant Novo Nordisk Foundation, net		-5,774	-5,234
Net cash flow used in financing activities		-53,768	-43,264
Net cash generated from activities		3,365	3,104
Cash and cash equivalents at the beginning of the year		15,925	13,068
Exchange gains/(losses) on cash and cash equivalents		-207	-247
Cash and cash equivalents at the end of the year	22	19,083	15,925



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Note 1 Accounting policies

Principal accounting policies and key accounting estimates

The consolidated financial statements included in this Annual Report have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

Measurement basis

The consolidated financial statements have been prepared on the historical cost basis except for derivative financial instruments, equity investments and trade receivables in a factoring portfolio, which are measured at fair value.

The principal accounting policies set out below have been applied consistently in the preparation of the consolidated financial statements for all the years presented.

Principal accounting policies

Novo Nordisk Foundation's accounting policies are described in each of the individual notes to the consolidated financial statements. Accounting policies listed below are regarded as the principal accounting policies applied by Management:

Net sales (note 2)

Income taxes and deferred income taxes (note 8)

Intangible assets (note 9)

Financial assets (note 15)

Provisions and contingent liabilities (note 18)

Acquisitions of businesses (note 13)

Applying materiality

The consolidated financial statements are a result of processing large numbers of transactions and aggregating those transactions into classes according to their nature or function. The transactions are presented in classes of similar items in the consolidated financial statements. If a line item is not individually material, it is aggregated with other items of a similar nature in the consolidated financial statements or in the notes. Management provides specific disclosures required by IFRS unless the information is not applicable or is considered immaterial to the decision making of the primary users of these financial statements.

Key accounting estimates and judgements

The use of reasonable estimates and judgements is an essential part of the preparation of the parent and consolidated financial statements. Given the uncertainties inherent in Novo Nordisk Foundation Group business activities, Management must make certain estimates regarding valuation and make judgements on the reported amounts of assets, liabilities, net sales, expenses and related disclosures.

The key accounting estimates identified are those that have a significant risk of resulting in a material adjustment to the measurement of assets and liabilities in the following reporting period. Management bases its estimates on historical experience and various other assumptions that are held to be reasonable under the circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis. If necessary, changes are recognised in the period in which the estimate is revised. Management considers the key accounting estimates to be reasonable and appropriate based on currently available information. The actual amounts may differ from the amounts estimated as more detailed information becomes available.

In addition, Management makes judgements in the process of applying the entity's accounting policies, for example classification of a transaction as an asset acquisition or a business combination.

The estimates are made by Management in Novo Nordisk, Novozymes and Novo Holdings and subsequently evaluated by Management in Novo Nordisk Foundation. The Foundation regards the following as the key accounting estimates and judgements used in preparation of the consolidated financial statements:

Estimate of US sales deduction and provisions for sales rebates (note 2 and 18)

Estimate in determining the fair value of intangible assets when acquiring assets in a business combination (note 13)

Judgment and estimate regarding deferred income tax assets and provision for uncertain tax positions (note 8)

Estimate regarding impairment of assets and judgement of whether a transaction is an asset acquisition or a business combination (note 9 and 13)

Fair value measurement and valuation of unquoted investments (note 15)

Estimate of ongoing legal disputes, litigation and investigations (note 18)

The estimates are described in the notes to the consolidated financial statements.

Changes in accounting policies and disclosures

Adoption of new or amended IFRS

Management has assessed the impact of new or amended and revised accounting standards and interpretations (IFRS) issued by the IASB and IFRSs endorsed by the European Union effective on or after 1 January 2023.

It is assessed that the application of amendments effective 1 January 2023 has not had a material impact on the consolidated financial statements for 2023. Furthermore, Management does not anticipate any significant impact in future years from adoption of these amendments.

General policies

Principles of consolidation

The consolidated financial statements incorporate the financial statements of the parent foundation Novo Nordisk Foundation and entities controlled by the Novo Nordisk Foundation. Control exists when the Novo Nordisk Foundation has effective power over the entity and has the right to variable returns from the entity.

Where necessary, adjustments are made to bring the financial statements of subsidiaries in line with the Novo Nordisk Foundation Group's accounting policies. All intra-Group transactions, balances, income and expenses are eliminated in full when consolidated.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition and up to the effective date of disposal.

Entities in which the Group directly or indirectly controls at least 20% but not more than 50% of the voting power are accounted for as associates and measured using the equity method.

The consolidated financial statements are prepared by combining items of a uniform nature and subsequently eliminating intercompany transactions, internal stockholdings and balances, and unrealised inter-company profits and losses.

Translation of foreign currencies

Functional and presentation currency

Items included in the financial statements of Novo Nordisk Foundation's entities are measured using the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Danish kroner (DKK), which is also the functional and presentation currency of the parent company.

Translation of transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the transaction dates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities are recognised in the income statement.

Foreign currency differences arising from the translation of effective qualifying cash flow hedges are recognised in other comprehensive income.

Translation of Group companies

Financial statements of foreign subsidiaries are translated into DKK at the exchange rates prevailing at the end of the reporting period for balance sheet items, and at average exchange rates for income statement items.

All effects of exchange rate adjustments are recognised in other comprehensive income, i.e.:

the translation of foreign subsidiaries' net assets at the beginning of the year to the exchange rates at the end of the reporting period;

the translation of foreign subsidiaries' statements of comprehensive income at average to year-end exchange rates.

Other Accounting policies

Research and development costs

The Group expenses all research costs related to Novo Nordisk. In line with industry practice, internal and subcontracted development costs are also expensed as they are incurred, due to significant regulatory uncertainties and other uncertainties inherent in the development of new products. This means that they do not qualify for capitalisation as intangible assets until marketing approval by a regulatory authority is obtained or considered highly probable. Costs for post-approval activities that are required by authorities as a condition for obtaining regulatory approval are recognised as research and development costs.

Research and development costs primarily comprise employee costs, and internal and external costs related to execution of studies, including manufacturing costs and facility costs of the research centres. The costs also comprise amortisation, depreciation and impairment losses related to software and property, plant and equipment used in the research and development activities. Impairment losses recognised on intangible assets not yet available for use related to research and development projects are presented in research and development costs.

For acquired research and development projects, patents and licences, the likelihood of obtaining future commercial sales is reflected in the cost of the asset, and thus the probability recognition criteria are always considered to be satisfied. As the cost of acquired research and development projects can often be measured reliably, these projects fulfil the capitalisation criteria as intangible assets on acquisition. Subsequent milestone payments payable on achievement of a contingent event (e.g. commencement of phase 3 trials) are accrued and capitalised into the cost of the intangible asset when the achievement of the event is probable. Development costs incurred subsequent to acquisition are treated consistently with internal project development costs.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

If the carrying amount of intangible assets exceeds the recoverable amount based on the existence of one or more of the above indicators of impairment, any impairment is measured based on discounted projected cash flows. Impairments are reviewed at each reporting date for possible reversal.

Financial assets and liabilities

Depending on purpose, the Group classifies investments into the following categories:

- Financial assets at fair value through the income statement
- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income

Management determines the classification of its financial assets on initial recognition and re-evaluates this at the end of every reporting period to the extent that such a classification is permitted or required.

Recognition and measurement

Purchases and sales of financial assets are recognised on the settlement date. These are initially recognised at fair value.

Fair value disclosures are made separately for each class of financial instruments at the end of the reporting period.

Financial assets are removed from the balance sheet when the rights to receive cash flows have expired or have been transferred, and the Group has transferred substantially all the risks and rewards of ownership.

Financial assets 'at fair value through the income statement'

Financial assets at fair value through the income statement consist of equity investments and forward exchange contracts. Equity investments are included in other financial assets unless management intends to dispose of the investment within 12 months of the end of the reporting period. In that case, the current part is included in assets held for sale.

Net gains and losses arising from changes in the fair value of financial assets are recognised in the income statement as financial income or expenses. The fair values of quoted investments are based on current bid prices at the end of the reporting period. Financial assets for which no active market exists are carried at fair value based on a valuation methodology.

Financial assets 'at amortised cost'

Financial assets at amortised cost are cash at bank and non-derivative financial assets solely with payments of principal and interest. The Group normally 'holds-to-collect' the financial assets to attain the contractual cash flows. If collection is expected within one year (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are initially recognised at transaction price and other receivables are recognised initially at fair value. Subsequently, they are measured at amortised cost using the effective interest method, less allowance for doubtful receivables.

Financial assets 'at fair value through other comprehensive income'

Financial assets at fair value through other comprehensive income are trade receivables that are held to collect or to sell in factoring agreements.

Financial liabilities 'at fair value through the income statement'

Financial liabilities at fair value through the income statement consist of forward exchange contracts.

Financial liabilities 'at amortised cost'

Financial liabilities at amortised cost consist of bank overdrafts, trade payables and other liabilities.

Financial assets (Investments)

The Group divides the financial assets into two main types: Life Science Investments and securities, and two minor types: other financial assets and contract assets.

Life Science Investments are defined as direct or indirect investments in financial assets that are primarily related to either healthcare or bio-industrial segments.

Investments that do not meet the definition of the above category are defined as securities.

Financial assets that fall into the category of either life science or securities are recognised in accordance with IFRS 9 at fair value through profit or loss. Investments are initially recognised at fair value and subsequently adjusted to fair value. For more information, please refer to note 14.

Financial definitions

Operating profit

Operating profit as percentage of sales.

Net profit margin (incl. non-controlling interests)

Net profit margin as percentage of sales.

Equity ratio

Total shareholders' equity (incl. non-controlling interests) as a percentage of total assets at year-end.

Supplementary accounting policies for the parent foundation

Investments in subsidiaries

In the financial statements of the parent foundation, investments in subsidiaries are recognised at cost price and dividend received from the subsidiaries are included in the profit and loss.

Gain and losses on sale of shares in subsidiaries are included in the profit and loss.

Grants

Grants are recognised as deductions once the parent foundation is obligated towards the grant recipient. From that point in time and until the grant has been paid out, the grant is included in grants payable.

Note 2 Net sales – business areas

DKK million	2023	2022
Net sales by subgroups:		
Novo Nordisk Group	232,213	176,877
Novozymes Group	17,737	17,553
NNIT Group	2,048	2,300
Sonion Group	1,539	1,597
Xellia Group	2,155	2,315
BBI Group	689	672
Altasciences Group	2,576	3,017
Ritedose Group	1,599	1,278
Medical Knowledge Group (MKG)	2,146	1,706
KabaFusion Group	6,008	925
Ellab Group	306	0
Total net sales	269,066	208,240
Net sales geographical areas:		
Region EMEA	60,269	53,771
Region China	17,144	16,668
Region North America	157,113	105,861
Rest of the world	34,540	31,940
Total net sales by geographical area	269,066	208,240

Revenue from sale of goods is recognised when the control of products sold has been transferred to the buyer and it is probable that the Group will collect the considerations to which it is entitled for transferring the products. Transfer of control of products to the buyer is effectuated at a single point in time, typically on delivery. The amount of sale to be recognised is based on the consideration the Group expects to receive in exchange for its goods.

When sales are recognised, the Group also records estimates for a variety of sales deductions, including product returns as well as rebates and discounts to government agencies, wholesalers, health insurance companies, managed healthcare organisations and retail customers. Sales deductions are recognised as a reduction of gross sales to arrive at net sales, by assessing the expected value of the sales deductions (variable consideration). Where contracts contain customer acceptance criteria, the Group recognises sales when the acceptance criteria are satisfied.

In some markets, the Group sells products on a sale-or-return basis. Where there is historical experience or a reasonably accurate estimate of future returns, estimated product returns are recorded as a reduction in sales. Where shipments of new products are made on a sale-or-return basis, without sufficient historical experience for estimating sales returns, revenue is recorded based on estimated demand and acceptance rates for well-established products with similar market characteristics. If similar market characteristics do not exist, revenue is recorded when there is evidence of consumption or when the right of return has expired.

Unsettled rebates are recognised as provisions when the timing or amount is uncertain. Where absolute amounts are known, the rebates are recognised as other liabilities.

Key accounting estimates and judgements

Estimate of sales deductions and provisions for sales rebates

Sales deductions are estimated and provided for at the time the related sales are recorded. These estimates of unsettled rebate, discount and product return obligations require use of significant judgement, as not all conditions are known at the time of the sale, for example total sales

volume to a given customer. The estimates are based on analyses of existing contractual obligations and historical experience. Provisions are calculated on the basis of a percentage of sales for each product as defined by the contracts with the various customer groups. Provisions for sales rebates are adjusted to actual amounts as rebates, discounts and returns are processed.

The main sales discounts and sales rebates are issued in the US and include US Managed Care, Medicare, Medicaid and other minor US rebate types.

Revenue related to the 340B Drug Pricing Program can only be recognised to the extent that it is highly probable that a significant reversal of the recognised revenue will not occur. Significant estimation is required to determine the amount of revenue to recognise. Management has considered interpretations of applicable laws, whether the consideration is highly susceptible to factors outside Novo Nordisk's influence, as well as the experience of historical claims. Refer to note 18 and 24 for information on the ongoing litigation related to the 340B Drug Pricing Program.

The Group considers the provisions established for sales rebates to be reasonable and appropriate based on currently available information. However, the actual number of rebates and discounts may differ from the amounts estimated by Management as more detailed information becomes available.

Note 3 Employee costs

DKK million	Note	2023	2022
Wages and salaries		53,398	43,905
Share-based payments costs	24	2,911	2,025
Pensions - defined contribution plans		3,882	3,081
Pensions - defined benefit plans		140	198
Other social security contributions		3,478	3,107
Other employee costs		4,719	3,714
Total employee costs for the year		68,528	56,030
Employee costs capitalised as intangible assets and property, plant and equipment		-2,397	-1,467
Change in employee costs capitalised as inventories		-470	-114
Total employee costs in the income statement		65,661	54,449
Included in the income statement:			
Cost of goods sold		21,486	17,424
Sales and distribution costs		22,402	19,289
Research and development costs		13,801	11,325
Administrative costs		7,489	6,098
Other operating income/expenses, net		483	313
Total employee costs in the income statement		65,661	54,449
Salary and short-term incentives		8	6
Pension		2	2
Benefits		0	0
Executive Management in total		10	8
Fee to Board of Directors		6	5
Total		16	13
Salary, short-term incentives, pension to CEO, Mads Krogsgaard Thomsen		10	8

The Executive Management constitutes the Key Management Personnel.



DKK thousands	Novo Nordisk Foundation		Other Group companies		Total
	Board of Directors	Committees	Boards	Committees and other fees	
Lars Rebién Sørensen	1,664	208	1,794	75	3,741
Marianne Philip	208				208
Steen Riisgaard	416		2,135	75	2,626
Lars Henrik Munch	728	223			951
Christopher Ashby Voigt	416			150	566
Nana Bule Sejbaek	416	26			442
Lars Fugger	416	125		37	578
Liselotte Højgaard	416	125			541
Mads Grøn	416				416
Stig Strøbæk*	416				416
Ole Jakob Müller*	416				416
	5,928	707	3,929	337	10,901

Number	2023	2022
Average number of full-time employees within the Novo Nordisk Foundation Group	81,652	74,196

Wages, salaries, social security contributions, paid annual leave and sick leave, bonuses, and non-monetary benefits are recognised in the year in which the employees render the associated services. Where the Group provides long-term employee benefits, the costs are accrued to match the rendering of the services.

Note 4 Fees to statutory auditors

DKK million	2023	2022
Statutory audit	26	26
Audit-related services	8	1
Tax advisory services	22	20
Other services	65	43
Fees to statutory auditors	121	90
Statutory audit	35	43
Audit related services	3	3
Tax advisory services	14	7
Other services	19	38
Fees to other auditors	71	91

Note 5 Amortisation, depreciation and impairment losses

DKK million	2023	2022
Included in the income statement under the following headings:		
Cost of goods sold	6,382	5,720
Research and development costs	3,392	2,670
Sales and distribution costs	1,009	855
Administration costs	815	642
Other operating expenses	3,980	548
Total amortisation and impairment losses	15,578	10,435

Note 6 Return on investment activities and other operating income

DKK million	2023	2022
Result of Life Science Investments and securities	13,314	-17,692
Other operating income	711	2,339
Return on investment activities and other operating income	14,025	-15,353

Note 7 Financial income and expenses
Financial income

DKK million	2023	2022
Interest income	1,308	283
Foreign exchange gain	458	130
Financial gain on financial instruments	1,371	22
Other financial income	347	515
Total financial income	3,484	950

Financial expenses

DKK million	2023	2022
Interest expenses	2,474	1,215
Leases	22	26
Loss on foreign exchange	293	3,192
Financial loss on forward contracts net	60	2,081
Other financial costs	432	922
Total financial expenses	3,281	7,436



Financial items primarily relate to foreign exchange elements and are mainly impacted by the cumulative value adjustment of cash flow hedged transferred from other comprehensive income to the income statement when the hedged transaction is recognised in the income statement.

In addition, value adjustments of fair value hedges are recognised in financial income and financial expenses along with any value adjustments of the hedged asset or liability that are attributable to the hedged risk. Finally, value adjustments of foreign currency assets and liabilities in non-hedged currencies will impact financial income and financial expenses.

Note 8 Income taxes

DKK million	2023	2022
Current tax on profit for the year	26,611	17,509
Deferred tax on profit for the year	-5,098	-3,787
Tax on profit for the year	21,513	13,722
Adjustment tax recognised for prior years	-413	-512
Income taxes in the income statement	21,100	13,210
Current and deferred tax on other equity postings for the year	-98	-145
Current and deferred tax on other comprehensive income for the year	377	940

Adjustments to previous periods include adjustments that relate to events in the current year in relation to current tax and deferred tax for prior periods. They mainly include tax payments in connection with transfer price tax cases and reversal of the tax commitment recognised in previous periods related to these tax cases.

From 1 January 2024 the Novo Nordisk Foundation Group will be subject to Global Minimum Tax (OECD BEPS Pillar 2 rules). The rules are not expected to have a material impact on the tax position of the Novo Nordisk Foundation in 2024.

Computation of effective tax rate:

Statutory corporate income tax rate in Denmark	22.0%	22.0%
Deviation in foreign subsidiaries' tax rate compared to the Danish tax rate (net)	-0.8%	-1.3%
Non-taxable income less non-tax-deductible expenses (net)	-2.3%	1.8%
Other adjustments (net)	-0.4%	0.4%
Effective tax rate	18.5%	22.9%

The tax expense for the period comprises current and deferred tax. It also includes adjustments to previous years and changes in provisions for uncertain tax positions. Tax is recognised in the income statement except to the extent that it relates to items recognised in equity or other comprehensive income.

Provisions for ongoing tax disputes are included as part of deferred tax assets, tax receivables and tax payables.

Deferred income taxes arise from temporary differences between the accounting and tax values of the individual consolidated companies and from realisable tax loss carry forwards. The tax value of tax loss carry forwards is included in deferred tax assets to the extent that these are expected to be utilised in future taxable income. The deferred income taxes are measured according to current tax rules and at the tax rates assumed in the year in which the assets are expected to be utilised.

Deferred tax is not calculated for investments in subsidiaries, branches or associated companies, as these are permanent deviations. Deferred tax is only calculated if the deviations are tax deductible. In general, the Danish tax rules related to dividends from group companies provide exemption from tax for most repatriated profits. A provision for withholding tax is only recognised if a concrete distribution of dividends is planned.

The value of future tax deductions in relation to share programs is recognised as deferred tax, until the shares are paid out to the employees. Any estimated excess tax deduction compared to the costs realised in the income statement is charged to equity.

Key accounting estimates and judgements

The Group is subject to income taxes around the world. Significant judgement and estimates are required in determining the worldwide accrual for income taxes, deferred income tax assets and liabilities, and provisions for uncertain tax positions. The Group recognises deferred income tax assets if it is probable that sufficient taxable income will be available in the future, against which the temporary differences and unused tax losses can be utilised. Management has considered future taxable income and applied its judgement in assessing whether deferred income tax assets should be recognised. In the course of conducting business globally, tax and transfer pricing disputes with tax authorities may occur. Management judgement is applied to assess the possible outcome of such disputes. The 'most probable outcome' method is applied when making provisions for uncertain tax positions, and Novo Nordisk foundation considers the provisions made to be adequate. However, the actual obligation may deviate and depends on the result of litigation and settlements with the relevant tax authorities

Development in deferred income tax assets and liabilities

DKK million	2023	2022
Net deferred tax asset/(liability) at the beginning of the year	2,611	3,042
Income/(charge) to the income statement	5,098	4,315
Additions during the year from acquisitions of companies	-777	-3,169
Adjustment to prior year	-477	-397
Income/(charge) to other comprehensive income	-425	-880
Income/(charge) to equity	-120	36
Effect of exchange rate adjustments	-213	-336
Net deferred tax asset/(liability) at the end of the year	5,697	2,611
Deferred tax asset at 31 December	18,146	16,205
Deferred tax liability at 31 December	-12,449	-13,594
	5,697	2,611

2023	Assets	Liabilities	Total
Tangible assets	0	-5,177	-5,177
Intangible assets	194	-11,286	-11,092
Inventories	2,060	-237	1,823



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Provisions	14,899	-361	14,538
Share options	277	-633	-356
Tax loss carryforward	75	0	75
Other	4,095	1,791	5,886
	21,600	15,903	5,697
Offset within countries	-3,454	3,454	0
	18,146	12,449	5,697
2022			
Tangible assets	0	-7,415	-7,415
Intangible assets	196	-8,407	-8,211
Inventories	2,935	-186	2,749
Provisions	11,064	-20	11,044
Share options	67	0	67
Tax loss carryforward	636	-395	241
Other	6,423	-2,287	4,136
	21,321	-18,710	2,611
Offset within countries	-5,116	5,116	0
	16,205	-13,594	2,611

Note 9 Intangible assets

DKK million	Goodwill	Patents, licenses and know how	Other intangibles	Total
2023				
Costs at the beginning of year	31,340	61,316	14,076	106,732
Effect of exchange rate adjustments	-611	-101	-158	-870
Additions during the year from acquisition of companies	4,114	36	3,198	7,348
Additions during the year	79	12,573	815	13,467
Disposals during the year	0	-1,790	-609	-2,399
Transfer and reclassifications	0	113	-113	0
Transferred to assets classified as held for sale	0	0	0	0
Cost at the end of the year	34,922	72,147	17,209	124,278
Amortisation/depreciations and impairment losses at the beginning of the year	175	10,976	5,292	16,443
Effect of exchange rate adjustments	6	79	-37	48
Amortisation/depreciations for the year	0	2,194	971	3,165
Impairment losses for the year	824	1,936	65	2,825
Impairment losses reversed during the year	0	-382	0	-382
Amortisation/depreciation and impairment losses reversed on disposals during the year	0	-1,783	-399	-2,182
Transfer and reclassifications	0	108	-108	0
Amortisation/depreciation and impairment losses at the end of the year	1,005	13,128	5,784	19,917
Carrying amount at the end of the year	33,917	59,019	11,425	104,361



2022

Costs at the beginning of year	18,225	48,744	9,085	76,054
Effect of exchange rate adjustments	242	979	-3	1,218
Additions during the year from acquisition of companies	13,826	10,370	3,585	27,781
Additions during the year	232	1,377	1,619	3,228
Disposals during the year	-1,185	-155	-64	-1,404
Transfer and reclassifications	0	1	-1	0
Transferred to assets classified as held for sale	0	0	-145	-145
Cost at the end of the year	31,340	61,316	14,076	106,732
Amortisation/depreciations and impairment losses at the beginning of the year	175	8,389	4,514	13,078
Effect of exchange rate adjustments	0	80	19	99
Amortisation/depreciations for the year	0	1,872	845	2,717
Impairment losses for the year	0	788	2	790
Amortisation/depreciation and impairment losses reversed on disposals during the year	0	-153	-29	-182
Transfer and reclassifications	0	0	0	0
Transferred to assets classified as held for sale	0	0	-59	-59
Amortisation/depreciation and impairment losses at the end of the year	175	10,976	5,292	16,443
Carrying amount at the end of the year	31,165	50,340	8,784	90,289

When performing the impairment tests, the value of each cash-generating unit's discounted cash flow is compared to the booked value of the unit. The Group has applied a discount rate of 7 - 12% to calculate the discounted cash flow. Cash flow projections are based on budgets approved by Management.

In 2023, an impairment loss of DKK 2,825 million on intangible assets was recognised. The impairment was related to Novo Nordisk and the Xellia Group.

Goodwill is specified on a CGU level below.

DKK million	2023	2022
Novo Nordisk Group	4,464	4,615
Novozymes Group	1,975	2,007
NNIT Group	686	696
Altasciences Group	3,438	3,525
BBI Group	3,026	2,956
KabaFusion Group	3,745	3,818
Medical Knowledge Group	7,238	7,399
Ritedose Group	2,840	2,671
Ellab Group	3,867	0
Sonion Group	2,638	2,643
Xellia Group	0	835
Carrying amount at the end of the year	33,917	31,165



Goodwill

Goodwill arising from business combinations is recognised and measured as the difference between the total of the fair value of the consideration transferred compared to the fair value of identifiable net assets on the date of acquisition.

Goodwill is not amortised, but the carrying amount is tested at relevant cash generating unit level (CGU-level) for impairment once a year. Goodwill is written down to its recoverable amount through the income statement if lower than the carrying amount.

Patents, licenses and other intangible assets

Patents and licences, including patents and licences acquired for research and development projects, are carried at historical cost less accumulated amortisation and any impairment loss. Upfront fees and acquisition costs are capitalised and subsequent milestone payments payable on achievement of a contingent event will be capitalised on the contingent event being probable of being achieved.

Amortisation is based on the straight-line method over the estimated useful life. This means the legal duration or the economic useful life depending on which is shorter, and not exceeding 15 years. The amortisation of patents and licences begins after regulatory approval has been obtained.

Internal development of software for internal use are recognised as intangible assets if the recognition criteria are met, for example a significant business system where the expenditure leads to the creation of a durable asset. Amortisation is based on the straight-line method over the estimated useful life of 3-15 years. The amortisation begins when the asset is in the location and condition necessary for it to be capable of operating in the manner intended by Management.

Acquisition of entities

On acquisition of companies, the identifiable assets acquired, and the liabilities and contingent liabilities assumed are recognised at their fair values at the acquisition date. The consideration transferred includes the fair value at the acquisition date of any contingent consideration arrangement.

Goodwill may subsequently be adjusted for changes in the fair value of the consideration transferred and/or changes in the fair value of the identifiable net assets acquired until 12 months after the acquisition date, to the extent such changes relate to facts and circumstances present at the acquisition date. Acquired companies are consolidated from the date of acquisition.

Research and development projects

Internal and subcontracted research costs are fully charged to the consolidated income statement in the period in which they are incurred. Consistent with industry practice, development costs are also expensed until regulatory approval is obtained or is probable.

Payments to third parties under collaboration and licence agreements are assessed for the substance of their nature. Payments which represent subcontracted research and development work are expensed as the services are received. Payments which represent rights to the transfer of intellectual property, developed at risk by the third party, are capitalised.

For acquired research and development projects, patents and licences, the likelihood of obtaining future commercial sales is reflected in the cost of the asset, and thus the probability recognition criteria are always considered to be satisfied. As the cost of acquired research and development projects can often be measured reliably, these projects fulfil the capitalisation criteria as intangible assets on acquisition. Subsequent milestone payments payable on achievement of a contingent event (e.g. commencement of phase 3 trials) are accrued and capitalised into the cost of the intangible asset when the achievement of the event is probable. Development costs incurred subsequent to acquisition are treated consistently with internal project development costs.

Key accounting estimates and judgements

Management assesses the risk of impairment of the Group's intangible assets. This requires judgment in relation to the identification of cash-generating units (CGUs) and the underlying assumptions in the Group's impairment models. Intangible assets with indefinite useful life and intangible assets not yet available for use are not subject to amortization. They are tested annually for impairment, irrespective of whether there is any indication that they may be impaired.

If there is any indication of impairment, value in use is estimated and compared with the carrying amount. The calculation of value in use is based on the discounted cash flow method using estimates of future cash flows from the continuing use. The key parameters are the expected revenue streams and the rate used to discount the cash flows.

Management makes judgements related to intangible assets when assessing whether a transaction is a business combination or an asset acquisition. An asset acquisition will arise when substantially all the transaction value is concentrated in a single asset or when there are no substantive business processes in the acquired entity. Judgements are also made in evaluating whether payments under collaboration arrangements are acquisition of assets or prepayments of R&D services.

Note 10 Tangible assets

DKK million	Land and buildings	Plant and machinery	Other equipments	Assets under construction	Total
2023					
Cost at the beginning of the year	54,384	53,776	11,688	26,667	146,515
Effect of exchange rate adjustments	-878	-724	-165	-409	-2,176
Additions during the year from acquisition of companies	61	1	87	0	149
Additions during the year	3,052	468	1,210	29,771	34,501
Disposals during the year	-1,185	-1,105	-820	-621	-3,731
Transfer and reclassifications	5,056	6,138	903	-12,840	-743
Cost at the end of the year	60,490	58,554	12,903	42,568	174,515
Amortisation/depreciation and impairment losses at the beginning of the year	21,556	33,114	7,239	167	62,076
Effect of exchange rate adjustments	-351	-417	-132	9	-891
Amortisation/depreciation for the year	2,920	2,839	1,449	0	7,208
Impairment losses for the year	524	1,210	96	932	2,762
Amortisation/depreciation and impairment losses reversed on disposals during the year	-1,040	-1,074	-776	-562	-3,452
Transfer and reclassifications	-134	-278	2	-1	-411
Amortisation/depreciation and impairment losses at the end of the year	23,475	35,394	7,878	545	67,292
Carrying amount at the end of the year	37,015	23,160	5,025	42,023	107,223
Leased assets included in the end of the year	5,450	82	850	0	6,382

In 2023, an impairment loss of DKK 2,762 million on tangible assets was recognised. The impairment was related to Novo Nordisk and the Xellia Group.



2022

Cost at the beginning of the year	51,986	50,954	11,758	12,932	127,630
Effect of exchange rate adjustments	516	708	48	690	1,962
Additions during the year from acquisition of companies	720	385	79	80	1,264
Additions during the year	907	364	966	16,143	18,380
Disposals during the year	-486	-275	-804	-40	-1,605
Transfer and reclassifications	1,134	1,640	345	-3,119	0
Transferred to assets classified as held for sale	-393	0	-704	-19	-1,116
Cost at the end of the year	54,384	53,776	11,688	26,667	146,515
Amortisation/depreciation and impairment losses at the beginning of the year	19,430	30,411	7,112	78	57,031
Effect of exchange rate adjustments	-49	248	78	3	280
Amortisation/depreciation for the year	2,746	2,681	1,345	0	6,772
Impairment losses for the year	16	17	3	119	155
Amortisation/depreciation and impairment losses reversed on disposals during the year	-445	-253	-790	-33	-1,521
Transfer and reclassifications	0	10	-10	0	0
Transferred to assets classified as held for sale	-142	0	-499	0	-641
Amortisation/depreciation and impairment losses at the end of the year	21,556	33,114	7,239	167	62,076
Carrying amount at the end of the year	32,828	20,662	4,449	26,500	84,439
Leased assets included in the end of the year	3,914	87	681	0	4,682

Property, plant and equipment is measured at historical cost less accumulated depreciation and any impairment loss. The cost of self-constructed assets includes costs directly and indirectly attributable to the construction of the assets.

Any subsequent cost is included in the asset's carrying amount or recognised as a separate asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Depreciation is based on the straight-line method over the estimated useful lives of the assets:

Buildings, 12-50 years

Plant and machinery: 5-25 years

Other equipment: 3-18 years

Land is not depreciated.

The depreciation commences when the asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by Management.

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period. If an asset's carrying amount is higher than its estimated recoverable amount, it is written down to the recoverable amount.

Plant and equipment with no alternative use developed as part of a research and development project are expensed. However, plant and equipment with an alternative use or used for general research and development purposes are capitalised and depreciated over the estimated useful life as research and development costs.

Note 11 Leases

DKK million	2023	2022			
Amounts recognised in the income statement					
Total amounts recognised in the income statement	2,127	1,663			
Total paid amount related to leases	2,197	1,613			
	Within 1 year	1-3 year	3-5 year	More than 5 year	Total
Undiscounted lease commitments	1,613	2,277	1,363	1,758	7,011

The Group mainly leases office buildings, warehouses, laboratories and vehicles. The right-of-use asset is presented in property, plant and equipment and the lease liability in borrowings.

For contracts which are or contain a lease, the Group recognises a right-of-use asset and a lease liability. The right-of-use asset is initially measured at cost, being the initial amount of the lease liability. The right-of-use asset is subsequently depreciated using the straight-line method over the lease term. The right-of-use asset is periodically adjusted for certain remeasurements of the lease liability and reduced by any impairment losses.

The lease term determined by the Group is the non-cancellable period of a lease, together with extension/termination option if these are reasonably certain to be exercised.

When determining the term, Management considers multiple factors that create economic incentives to exercise an option to extend the lease or not to terminate the lease, including termination penalties, potential relocation costs and whether significant leasehold improvements have been capitalised on the lease, with a remaining useful life which exceeds the fixed minimum duration of the lease.

For contracts with a rolling term (evergreen leases), the Group estimates the leasing period to be equal to the termination period if no probable scenario exists for estimating the leasing period.

The lease liability is initially measured at the present value of the lease payments outstanding at the commencement date, discounted using the incremental borrowing rate. The lease liability is measured using the effective interest method. Variable lease payments not based on an index or a rate are recognised as an expense in the income statement as incurred. Residual value guarantees that are expected to be paid are included in the initial measurement of the lease liability.

The lease liability is remeasured when there is a change in future lease payments, typically due to a change in index or rate (e.g. inflation) on property leases, or if there is a reassessment of whether an extension or termination option will be exercised. A corresponding adjustment is made to the right-of-use asset, or in the income statement when the right-of-use asset has been fully depreciated.

New lease contracts with a lease term of 12 months or less and lease of low value assets are not recognised on the balance sheet. These are expensed on a straight-line basis over the lease term or another systematic basis. Lease of low value assets include personal computers, telephones and small items of office equipment.

Note 12 Investment property

Investment properties are measured upon initial recognition at cost price, which includes the purchase price of the property and any directly associated costs. Investment properties are subsequently measured at estimated fair value. The measurement is made by using a 10-annual discounted cash flow model (DCF model), where the future cash flows from ownership of the investment properties are discounted back to present value. The return requirement (discounting factors) is determined property by property.

Costs that add to an investment property, in the form of new or improved features compared to the time of acquisition and thereby improve or ensure the property's future return, are added as an improvement. Costs that do not add new or improved features to an investment property are



expensed in the income statement. Housing projects are also measured at fair value from the expected value at the time of commissioning weighted by assessed degree of completion. Investment properties have like other tangible assets, except for reasons, a limited life. The impairment that takes place as an investment property becomes obsolete, is reflected in the investment property's ongoing valuation at fair value. Systematic depreciation is therefore not carried out over the useful life of the investment properties.

Value adjustments are entered via the income statement.

DKK million	2023	2022
Cost at the beginning of the year	27,508	0
Additions during the year from acquisition of companies	0	27,738
Additions during the year	467	399
Disposals during the year	-158	-629
Cost at the end of the year	27,817	27,508
Value adjustments at the beginning of the year	-420	0
Value adjustments during the year	-2,059	-420
Value adjustments on disposals during the year	-253	0
Value adjustments at the end of the year	-2,732	-420
Fair value at the end of the year	25,085	27,088

Investment property relates to the Dades Group.

The properties' average weighted return requirement	2023	2022
Investment properties, Dades Group	5.28	4.82

Changes in yield requirements are a significant element that affects property value. The sensitivity and the connection between net worth in the group and various requirements for the property's return:

Change in required return and property value

Change	Change in Average return in %	Carrying amount
-0.50	4.78	27,848
-0.25	5.03	26,407
Basis	5.28	25,085
0.25	5.53	23,944
0.50	5.78	22,882

The distribution of applied rates of return on the entire portfolio as well as the average price per m².

Interval	Share of portfolio	Average rate of return	Average price per m ² in DKK
Rate of return: 7.50% - 9.00%	1%	7.50%	6,738
Rate of return: 7.00% - 7.49%	5%	7.19%	10,982



Rate of return: 6.50% - 6.99%	13%	6.71%	18,422
Rate of return: 6.00% - 6.49%	15%	6.29%	17,755
Rate of return: 5.50% - 5.99%	7%	5.79%	18,237
Rate of return: 5.00% - 5.49%	10%	5.19%	26,258
Rate of return: 4.50% - 4.99%	26%	4.63%	28,906
Rate of return: 4.00% - 4.49%	15%	4.25%	37,228
Rate of return: 3.50% - 3.99%	8%	3.84%	39,432

Most significant unobservable assumptions used when calculating the fair value

	Rent per m2 per year in DKK	Rental percentage %	Average rate of return in %
31 December 2023	1,381	94	5.28
31 December 2022	1,357	95	4.82

Note 13 Business acquisitions

DKK million	Novo Holdings	Others	Total
	Ellab	Others	
2023			
Intangible assets excluding goodwill	3,177	57	3,234
Tangible assets	149	0	149
Financial assets	3	0	3
Inventories	96	0	96
Trade and other receivables	208	0	208
Cash at bank and cash equivalents	115	0	115
Current and deferred tax liabilities, net	-722	0	-722
Financial and other liabilities	-1,780	-304	-2,084
Other net assets	0	0	0
Acquired net assets	1,246	-247	999
Non-controlling interest	-1,803	0	-1,803
Group's share	-557	-247	-804
Goodwill	3,867	247	4,114
	3,310	0	3,310
Purchase price:			
Cash	3,310	0	3,310
Settlement of pre-existing relationships	0	0	0
Fair value of existing shareholdings	0	0	0
Contingent considerations	0	0	0
Deferred considerations	0	0	0
Total purchase price	3,310	0	3,310



Cash flow for acquisitions:

Cash payment	3,310	0	3,310
Less cash and cash equivalents in acquired business	-115	0	-115
Cash outflow for acquisitions	3,195	0	3,195

When accounting for business combinations, the acquisition method is applied in accordance with IFRS 3.

Upon acquisition of new entities, the acquired assets, liabilities, and contingent liabilities are measured at fair value at the date when control was achieved.

The consideration transferred as payment for the acquiree consist of the fair value of assets transferred, liabilities incurred to former owners of the acquiree, and equity instruments issued. Contingent considerations dependent on future events or the performance of contractual obligations are also recognised at fair value and form part of the total consideration transferred. Fair value changes in contingent considerations are recognised in the income statement until final settlement.

Identifiable intangible assets are recognised if they arise from a contractual right or can otherwise be separately identified.

Deferred tax is recognised for identifiable tax benefits existing at the date of acquisition and from the perspective of the new combined Group in compliance with local tax legislation.

The differences between the fair value of the acquisition cost and the fair value of the acquired identifiable net assets is recognised as goodwill.

Transaction costs are recognised as operating costs as they are incurred. If measurement of the identifiable net assets is uncertain at the date of acquisition, initial recognition is done based on provisional amounts. Measurement period adjustments to the provisional amounts may be done up to 12 months following the date of acquisition.

Business acquisitions in 2023

Business acquisitions in 2023 in Novo Nordisk

No transactions completed during 2023 were classified as acquisitions of businesses.

Business acquisitions in 2023 in Novozymes

No acquisitions were made in 2023. On 29 January 2024 the final regulatory approvals were obtained and the final registration of the statutory merger between Novozymes and Chr. Hansen successfully completed with the Danish Business Authority. The merger will be accounted for as a business combination using the acquisition method under IFRS 3 where Novozymes was identified as the acquirer and Chr. Hansen was identified as the acquiree. An initial purchase price allocation is still under preparation.

Business acquisitions in 2023 in Novo Holdings

Ellab

In September 2023, the Group acquired Ellab, a global leader in validation and monitoring solutions primarily for the pharmaceutical industry. In October 2023 the Group sold a non-controlling interest of 34% in Ellab to the Lundbeck Foundation.

About Ellab

Headquartered in Hillerød, Denmark, Ellab provides mission-critical validation- and monitoring solutions used for measuring and documenting critical parameters such as temperature, pressure and CO₂ in mainly biotech and pharma processes. The Company serves all of the top 20 biotech companies and all of the top 40 pharma companies globally helping them ensure consumer safety and regulatory compliance, while reducing time to market and the risk of product loss.



Strategic rationale and synergies

Ellab is an innovative company with a high-quality offering that positions the company to benefit from a growing underlying sector exposed to increasing quality requirements. Ellab is expected to benefit from the Group's extensive expertise in pharmaceutical manufacturing and industry relationships.

Transaction costs of DKK 68 million have been recognised as expenses in 2023.

The accounting for the Ellab acquisition is considered provisional at 31 December 2023.

Earnings impact

From the acquisition date to 31 December 2023, Ellab contributed net sales of DKK 306 million and a net loss of DKK 145 million. If the acquisition had occurred on 1 January 2023, the full year impact on the Group's net sales and net loss would have been DKK 963 million and DKK 145 million respectively.

Business acquisitions in 2022

For a description of business acquisitions in 2022, please refer to note 13 in the 2022 Annual Report.

Business acquisitions in 2022 in Novo Nordisk

On 14 October 2022, Novo Nordisk acquired all outstanding shares of the publicly held US company Forma Therapeutics Holdings, Inc. at a price of USD 20 per share via a cash tender offer, equal to a total purchase price of DKK 8,102 million. At end of 2022, the initial accounting for goodwill, intellectual property rights, other intangible assets and deferred tax assets and liabilities remained provisional. The valuation of these were finalised in 2023 with the result that net deferred tax liabilities were reduced retrospectively by DKK 524 million to a total of DKK 709 million. The reduction was offset by a corresponding amount to goodwill. The valuation of intellectual property rights and other intangible assets remain unchanged.

Business acquisitions in 2022 in Novozymes

No acquisitions were made in 2022.

Business acquisitions in 2022 in Novo Holdings

Adjustment to prior-year business acquisitions

The fair value and allocation of acquired assets, liabilities and non-controlling interests in Medical Knowledge Group, Ritedose, KabaFusion and Dades were finalised in 2023, which did not lead to any adjustments.

Note 14 Associated companies

DKK million	2023	2022
Cost at the beginning of the year	11,559	12,865
Effect of exchange rate adjustments	2	2
Additions during the year from acquisition of companies	0	271
Additions during the year	86	0
Disposals during the year	-4	-1,579
Transferred to investments	0	0
Cost at the end of the year	11,643	11,559
Value adjustment at the beginning of the year	-1,782	-2,075
Effect of exchange rate adjustment	-66	-89
Share of result for the year	458	582
Received dividend	-405	-371
Disposals during the year	0	362
Other adjustments	238	-191
Value adjustments end of year	-1,557	-1,782
Carrying amount at the end of the year	10,086	9,777



Fair value of shares in listed stocks in associated companies

Chr. Hansen Holding A/S	16,410	14,483
ConvaTec Group PLC	8,814	8,197

Investments in associated companies are recorded under the equity method, using the respective share of the net values in the associated companies using the Group accounting principles. Goodwill related to associated companies is included in the value of investments in associated companies.

Note 15 Financial assets

DKK million	2023				2022			
	Life science investments	Securities	Other financial assets	Total	Life science investments	Securities	Other financial assets	Total
Investments								
Cost at the beginning of the year	42,187	63,149	2,784	108,120	36,818	64,160	1,288	102,266
Transferred from associated companies	0	0	-1	-1	0	0	0	0
Additions from acquisition of companies	0	0	3	3	0	-3,100	15	-3,085
Additions during the year, net	-1,217	9,460	-530	7,713	5,369	2,089	1,481	8,939
Cost at the end of the year	40,970	72,609	2,256	115,835	42,187	63,149	2,784	108,120
Value adjustments at the beginning of the year	3,988	14,414	-635	17,767	17,006	23,938	-592	40,352
Effect of foreign exchange adjustments	0	0	0	0	0	-4	0	-4
Transferred from associated companies	0	0	0	0	0	437	0	437
Appreciations to fair value, net	4,913	6,587	1,207	12,707	-13,018	-9,957	-43	-23,018
Value adjustments at the end of the year	8,901	21,001	572	30,474	3,988	14,414	-635	17,767
Fair value at the end of the year	49,871	93,610	2,828	146,309	46,175	77,563	2,149	125,887
Split on asset classes								
Public Equity	7,704	41,656	0	49,360	9,966	35,579	0	45,545
Private Equity	25,266	4,660	0	29,926	22,148	3,621	0	25,769
Venture capital	16,703	1,931	0	18,634	14,059	2,364	0	16,423
Credit	198	13,060	0	13,258	2	12,192	0	12,194
Real assets	0	11,431	2,828	14,259	0	6,731	2,149	8,880
Bonds	0	20,872	0	20,872	0	17,076	0	17,076
Financial assets	49,871	93,610	2,828	146,309	46,175	77,563	2,149	125,887

Fair value measurement by hierarchy

Level 1	9,174	56,276	0	65,450	14,252	46,055	0	60,307
Level 2	0	17,720	0	17,720	0	17,019	0	17,019
Level 3	40,697	19,614	2,828	63,139	31,923	14,489	2,149	48,561
	49,871	93,610	2,828	146,309	46,175	77,563	2,149	125,887

Change in the value not based on observable market data (level 3)

At the beginning of the year	31,923	14,489	2,149	48,561	32,276	13,919	696	46,891
Additions during the year	11,057	6,464	4	17,525	5,268	4,138	1,608	11,014
Disposals during the year	-5,056	-426	-532	-6,014	-2,069	-226	-127	-2,422
Gains through profit and loss	3,950	-913	1,205	4,242	-2,456	599	-43	-1,900
Change in hierarchy due to investments that completed an IPO during the year	-1,177	0	0	-1,177	-1,096	0	0	-1,096
Transferred	0	0	2	2	0	-3,941	15	-3,926
	40,697	19,614	2,829	63,139	31,923	14,489	2,149	48,561

The Group divides the financial assets into two main types: Life Science Investments and securities, and two minor types: other financial assets and contract assets.

Life Science Investments are defined as direct or indirect investments in financial assets that are primarily related to either healthcare or bioindustrial segments.

Investments that do not meet the definition of the above category are defined as securities.

Financial assets that fall into the category of either Life Science Investments or securities are recognised in accordance with IFRS 9 at fair value through profit and loss. Investments are initially recognised at fair value and subsequently adjusted to fair value.

Key accounting estimates and judgements

Life Science Investments and Securities

Life Science Investments and Securities are valued at fair value if this can be determined with a sufficient degree of reliability. By nature, uncertainties exist regarding fair value assessment of investments not based on observable market data. Consequently, preparation of the financial statements requires the application of certain estimates and judgements. Management reviews and assesses the value of the individual investments on an ongoing basis with specific and planned reviews of the total investment portfolio on a quarterly basis. Investments are initially recognised at fair value and subsequently adjusted to fair value.

Fair value estimation

Fair value is the price that would be received by selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Group has implemented fair value guidelines and procedures which ensure a consistent fair value measurement of each individual investment over time. Moreover, the fair value guidelines provide a framework for reasonable, consistent and transparent selection of valuation methodologies for valuing the investments. The selection criteria are in line with the value hierarchy in IFRS 13.

Hierarchy of fair value inputs

Investments measured at fair value are classified according to a fair value hierarchy depending on the inputs used in the valuation method. The fair value hierarchy distinguishes between observable and unobservable inputs, which are classified at one of the following levels:

Level 1: Unadjusted quoted market prices for identical assets in an active market.

Level 2: Inputs other than quoted market prices included within level 1, which are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). Quoted prices for similar assets are level 2 inputs.

Level 3: Inputs for the asset that are not based on observable market data.

Securities traded on active markets are classified at level 1. Securities traded on inactive markets are generally classified at level 2. Securities in private unlisted operating companies are generally classified at level 3.

Investments in private investment companies are classified at level 2 or level 3, depending on the nature of their investment portfolios, their ability to liquidate their underlying investments and any other restrictions on the disposition of the investments. If the investment can be redeemed at the reported net asset value on the measurement date or in the near future, the investment is classified at level 2. Otherwise, the investment is classified at level 3.

Policy for determining when transfers between levels are deemed to have occurred

Transfers to level 3 occur when quoted market prices (level 1) or other observable inputs (level 2) are no longer available. Transfers out of level 3 occur if quoted market prices (level 1) or other observable inputs (level 2) become available (e.g. when a private company goes public through an IPO.) equity investments in the company transfers from level 3 to level 1 as the shares can be valued using the quoted market price (level 1).

Valuation method and inputs

The general principle applied in the selection of valuation approach maximises the use of observable inputs and minimises the use of unobservable inputs.

If a security trades in an active market, the closing price is applied. An active market is defined as one in which transactions for the security occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Should a security not trade in an active market, it is initially booked and held at cost in the first twelve months succeeding the investment, unless any material events occur within this timeframe. Beyond the twelve months window, the valuation methodology follows the following hierarchy:

When independent broker quotes representing contemporaneous trades exist, these will be applied in estimating the fair value of the security. If a portfolio company has carried out any financing rounds within the last twelve months and the pricing in the financing round is likely to represent a fair value, the fair value estimate is based on the price obtained in the financing round.

If neither independent broker quotes nor pricing from financing rounds are available, the fair value will be based on application of a modelling approach, which again follows a strict hierarchy:

1. If the company runs an established business with an identifiable stream of continuing earnings or cash flows that are considered to be maintainable, and it is possible to identify comparable companies in terms of risk attributes and earnings growth prospects, the fair value shall be based on application of the market approach (i.e. relevant multiples based on a set of comparable companies);
2. If no comparable companies in terms of risk attributes and earnings growth prospects can be identified, the fair value shall be based on application of an income approach (i.e. a discounted cash flow model);
3. If the company does not run an established business with an identifiable stream of continuing earnings or cash flows that are maintainable, the fair value shall be based on a value trigger approach, by which the fair value changes based on the occurrence of value triggering events.

Fair value measurement by hierarchy

Overview of investments by category at 31 December 2023:

DKK million	Level 1	Level 2	Level 3	Total
Public Equity	41,905	4,617	2,838	49,360
Private Equity	21	0	29,905	29,926
Venture capital	4,308	0	14,326	18,634
Credit	4,074	7,373	1,811	13,258
Real assets	0	0	14,259	14,259



Bonds	15,142	5,730	0	20,872
Total investments	65,450	17,720	63,139	146,309
Total Life Science Investments	9,174	0	40,697	49,871
Total securities	56,276	17,720	19,614	93,610
Total other financial assets	0	0	2,828	2,828
Total	65,450	17,720	63,139	146,309

Overview of investments by category at 31 December 2022:

DKK million	Level 1	Level 2	Level 3	Total
Public Equity	39,946	5,599	0	45,545
Private Equity	19	0	25,750	25,769
Venture capital	4,287	0	12,136	16,423
Credit	4,258	6,141	1,795	12,194
Real assets	0	0	8,880	8,880
Bonds	11,797	5,279	0	17,076
Total investments	60,307	17,019	48,561	125,887
Total Life Science Investments	14,252	0	31,923	46,175
Total securities	46,055	17,019	14,489	77,563
Total other financial assets	0	0	2,149	2,149
Total	60,307	17,019	48,561	125,887

For the investments in unquoted equities, estimations of fair value rely substantially on non-observable input (level 3) such as pro forma adjusted operating income multiplied by relevant multiples (e.g. EV/EBITDA) for a set of comparable companies less net interest-bearing debt. If comparable companies are not available or applicable, fair value estimation will rely on other inputs such as projected cash flows discounted with a weighted average cost of capital (WACC).

Valuation approach	Valuation methodology	Estimation and assumptions	Value DKK million 2023	Value DKK million 2022
Income-based approaches	Discounted cash flows	Cash flows and discount rates	7,045	4,496
Market-based approaches	Trading multiples	Selection of comparable companies, trading multiples, sales and profit forecast	11,877	7,203
Value trigger approach	Relative adjustments based on pre-defined value triggers	Relative adjustment to previous valuation	9,732	6,262
Financing round approach	Price at recent financing round	N/A	3,113	3,976
LP approach	Adjusted reported NAV	Latest reported NAV adjusted for capital calls, capital returns and pricing development (if relevant)	27,267	23,284
Cost approach	Cost at recent transaction	N/A	4,105	3,340
Total			63,139	48,561

Management reviews and assesses the value of the individual investments on an ongoing basis with specific and planned reviews of the total Investment Portfolio on a quarterly basis.

The discount rates used range from 5% to 18% whereas the EV/EBITDA multiples are in the range from 16x to 22x. These ranges should be seen as a result of our diversified investment portfolio.

The following table details the applied valuation methods for determination of fair value for each asset class:



Asset class	Valuation methodology used	Unobservable input used	Sensitivity in fair value in case of changes in unobservable input
Public Equity	<ul style="list-style-type: none"> Closing prices according to exchange markets Estimated market price based on observable input* 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A
Private Equity (direct)	<ul style="list-style-type: none"> Discounted cash flows Trading multiples Cost at recent transaction 	<ul style="list-style-type: none"> Cash flows and discount rates Trading multiples Cost at recent transaction 	<ul style="list-style-type: none"> If trading multiples decreased by 10%, the fair value would decrease by DKK 1,319 million (2022: DKK 1,142 million) If the WACC increased by 0.25pp, the fair value would decrease by DKK 131 million (2022: DKK 3 million)
Private Equity (LP)	<ul style="list-style-type: none"> Adjusted reported NAV 	<ul style="list-style-type: none"> Latest reported NAV adjusted for capital calls, capital returns and pricing development (if relevant) 	<ul style="list-style-type: none"> N/A
Venture Capital (Public)	<ul style="list-style-type: none"> Closing prices according to exchange markets Discounted cash flows Trading multiples Relative adjustment based on pre-defined value triggers Cost at recent transaction Financing round 	<ul style="list-style-type: none"> N/A Cash flows and discount rates Trading multiples Value trigger assumptions Cost at recent transaction Price at financing round 	<ul style="list-style-type: none"> N/A If trading multiples decreased by 10%, the fair value would decrease by DKK 21 million (2022: DKK 17 million) If the WACC increased by 0.25pp, the fair value would decrease by DKK 0 (2022: DKK 0)
Venture Capital (Private - direct)	<ul style="list-style-type: none"> Adjusted reported NAV 	<ul style="list-style-type: none"> Latest reported NAV adjusted for capital calls, capital returns and pricing development (if relevant) 	<ul style="list-style-type: none"> N/A
Venture Capital (Private - LP)	<ul style="list-style-type: none"> Closing prices according to exchange markets Estimated market price based on observable input 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A
Credit	<ul style="list-style-type: none"> Adjusted reported NAV 	<ul style="list-style-type: none"> Latest reported NAV adjusted for capital calls, capital returns and pricing development (if relevant) 	<ul style="list-style-type: none"> N/A
Credit (Private - LP)	<ul style="list-style-type: none"> Closing prices according to exchange markets Estimated market price based on observable input 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A
EM debt	<ul style="list-style-type: none"> Discounted cash flows Cost at recent 	<ul style="list-style-type: none"> Cash flows and discount rates Price at financing round 	<ul style="list-style-type: none"> If the WACC increased by 0.25pp, the fair value would decrease by DKK 35 million (2022: DKK 142 million)
Real Assets (Private - Direct)	<ul style="list-style-type: none"> Adjusted reported NAV 	<ul style="list-style-type: none"> Latest reported NAV adjusted for capital calls, capital returns and pricing development (if relevant) 	<ul style="list-style-type: none"> N/A
Real Assets (Private - LP)	<ul style="list-style-type: none"> Closing prices according to exchange markets Estimated market price based on observable input 	<ul style="list-style-type: none"> N/A 	<ul style="list-style-type: none"> N/A

* The fair value of certain total return swaps and bonds included as collateral under Public Equity is estimated based on observable input



Note 16 Inventories

DKK million	2023	2022
Raw materials	10,870	7,816
Work in progress	19,373	15,387
Finished goods	10,750	9,340
Write-downs at year-end	-2,803	-1,957
Total inventories	38,190	30,586
Write-down at the beginning of the year	1,957	2,453
Write-downs during the year	1,996	1,242
Utilisation of write-downs	-805	-1,523
Reversal of write-downs	-349	-215
Write-downs at the end of the year	2,799	1,957
Indirect production costs included in the work in progress and finished goods	14,238	11,716

All write-downs in both 2023 and 2022 mainly relate to fully impaired inventory.

A part of the reversal of write-downs is attributable to written-down inventory being reused in production.

Inventories are stated at cost or net realisable value, whichever is lower.

Cost is determined using the first-in, first-out method. Cost comprises direct production costs such as raw materials, consumables and labour as well as indirect production costs.

Production costs for work in progress and finished goods include indirect production costs such as employee costs, depreciation, maintenance, etc. If the expected sales price less completion costs to execute sales (net realisable value) is lower than the carrying amount, a write-down is recognised for the amount by which the carrying amount exceeds its net realisable value.

Inventory manufactured prior to regulatory approval (prelaunch inventory) is capitalised but immediately provided for, until there is a high probability of regulatory approval for the product. A write-down is made against inventory, and the cost is recognised in the income statement as research and development costs. Once there is a high probability of regulatory approval being obtained, the write-down is reversed, up to no more than the original cost.

Key accounting estimates and judgements

Inventories are stated at cost or net realisable value, whichever is lower. Cost is determined using the first-in, first-out method. Cost comprises direct production costs such as raw materials, consumables and labour as well as indirect production costs. Production costs for work in progress and finished goods include indirect production costs such as employee costs, depreciation, maintenance, etc.

Indirect production costs are measured using a standard cost method. This is reviewed regularly to ensure relevant measures of capacity utilisation, production lead time, cost base and other relevant factors, hence inventory is valued at actual cost. When calculating total inventory, Management must make judgements about cost of production, standard cost variances and idle capacity in estimating indirect production costs for capitalisation. Changes in the parameters for calculation of indirect production costs could have an impact on the gross margin and the overall valuation of inventories.

Note 17 Trade receivables

DKK million	2023	2022
Gross carrying amount	74,140	59,116
Loss allowance	-2,200	-2,024
Carrying amount at the end of the year	71,940	57,092
Movements in allowance for doubtful trade receivables		
Carrying amount at the beginning of the year	2,024	1,609
Reversal of allowance on realised losses	-185	-59
Change of allowance during the year	495	310
Effect of exchange rate adjustments	-109	-111
Realised loss	-28	-35
Additions from acquisition of companies	3	310
Allowance at the end of the year	2,200	2,024
Not yet due	69,333	55,330
Due between 1-90 days	2,107	1,213
More than 90 days due	500	549
Carrying amount at the end of the year	71,940	57,092

Trade receivables are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method, less allowance for doubtful trade receivables. The allocation of trade receivables and allowance for trade receivables is based on the location of the customer.

Allowance for expected credit loss for trade receivables

Trade receivables are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method, less allowance for doubtful trade receivables. The allocation of trade receivables and allowance for trade receivables is based on the location of the customer.

The allowance for expected credit losses for trade receivables and contract assets is based on historical credit loss experience combined with forward-looking information on macroeconomic factors affecting the credit risk. The expected loss rates are updated at each reporting date.

Note 18 Other provisions

DKK million						2023	2022
	Provisions for sales rebates	Provisions for product returns	Retirement benefit obligations	Provisions for legal disputes	Other provisions	Total	Total
At the beginning of the year	69,559	1,039	820	2,408	2,266	76,092	57,720
Additional provisions, including increases to existing provisions	285,283	1,010	2	1,961	814	289,070	207,886
Amount used during the year	-250,316	-532	-8	-230	-267	-251,353	-190,348
Adjustments, including unused amounts reversed during the year	-2,379	12	-20	-261	-436	-3,084	-2,209
Effect of exchange rate adjustment	-2,208	11	0	-62	-27	-2,286	3,043
At the end of the year	99,939	1,540	794	3,816	2,350	108,439	76,092



Non-current liabilities	451	613	749	3,816	1,895	7,524	5,471
Current liabilities	99,488	927	45	0	455	100,915	70,621
At the end of the year	99,939	1,540	794	3,816	2,350	108,439	76,092

For non-current liabilities, provisions for sales rebates are expected to be settled after one year, provisions for product returns will be utilised in 2024 and 2025. In the case of provisions for legal disputes, the timing of settlement cannot be determined.

Provisions for sales rebates

Provisions for sales rebates are related to US Managed Care, Medicare, Medicaid, 340B Drug Pricing Program and other types of US rebates, as well as rebates in a number of European countries and Canada.

Provision for retirement benefit obligations

The Group operates a number of defined contribution plans throughout the world. Group companies' contributions to the defined contribution plans are charged to the income statement in the year to which they relate. The yearly costs for defined benefit plans are determined using the projected unit credit method. This reflects services rendered by employees to the valuation dates and is based on actuarial assumptions primarily regarding discount rates used in determining the present value of benefits and projected rates of remuneration growth. Discount rates are based on the market yields of high-rated corporate bonds in the country concerned.

The net obligation recognised in the balance sheet is reported as non-current liabilities.

Other provisions

Other provisions consist of various types of provisions, including obligations in relation to employee benefits such as jubilee benefits, company-owned life insurance, etc.

Provision for sales rebates

Provisions for sales rebates and discounts granted to government agencies, wholesalers, retail pharmacies, Managed Care and other customers are recorded at the time the related revenues are recorded or when the incentives are offered. Provisions are calculated based on historical experience and the specific terms in the individual agreements. Unsettled rebates are recognised as provisions when the timing or amount is uncertain. Where absolute amounts are known, the rebates are recognised as other liabilities.

Provision for product returns

The Group issues credit notes for expired goods as a part of normal business. Where there is historical experience or a reasonably accurate estimate of expected future returns can otherwise be made, a provision for estimated product returns is recorded. The provision is measured at gross sales value.

Retirement benefit obligations

The Group operates a number of defined contribution plans throughout the world.

The costs for the year for defined benefit plans are determined using the projected unit credit method. This reflects services rendered by employees to the valuation dates and is based on actuarial assumptions primarily regarding discount rates used in determining the present value of benefits and projected rates of remuneration growth. Discount rates are based on the market yields of high-rated corporate bonds in the country concerned.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Past service costs are recognised immediately in the income statement. Pension plan assets are only recognised to the extent that the Group can derive future economic benefits such as refunds from the plan or reductions of future contributions.

Costs recognised for retirement benefits are included in cost of goods sold, sales and distribution costs, research and development costs, and administrative costs. The net obligation recognised in the balance sheet is reported as non-current liabilities.

Actuarial valuations are performed annually for all major defined benefit plans. Assumptions regarding future mortality are based on actuarial advice in accordance with published statistics and experience in each country. Other assumptions such as medical cost trend rate and inflation are also considered in the calculation. Significant actuarial assumptions for the determination of the retirement benefit obligation (not considering plan assets) are discount rate and expected future remuneration increases. The sensitivity analysis has been determined based on reasonably likely changes in the assumptions occurring at the end of the period.

The net obligation recognised in the balance sheet is reported as non-current liabilities.



Provision for legal disputes

Provisions for legal disputes are recognised where a legal or constructive obligation has been incurred because of past events and it is probable that there will be an outflow of resources that can be reliably estimated. In this case, the Group arrives at an estimate based on an evaluation of the most likely outcome. Disputes for which no reliable estimate can be made are disclosed as contingent liabilities.

Provisions are measured at the present value of the anticipated expenditure for settlement. This is calculated using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision for interest is recognised as a financial expense

Key accounting estimates and judgements

Provisions for legal disputes consist of various types of provision linked to ongoing legal disputes. Management makes estimates regarding provisions and contingencies, including the probability of pending and potential future litigation outcomes. These are by nature dependent on inherently uncertain future events. When determining likely outcomes of litigation etc., Management considers the input of external counsels on each case as well as known outcomes in case law.

Although Management believes that the total provisions for legal proceedings are adequate based on currently available information, there can be no assurance that there will not be any changes in facts or matters, or that any future lawsuits, claims, proceedings or investigations will not be material.

Note 19 Borrowings

	DKK million	2023	2022
Within 1 year		11,218	9,150
1-5 years		37,270	31,240
More than 5 years		33,104	37,838
Total		81,592	78,228
Carrying amount at the end of the year		70,690	64,949
Non-current liabilities		60,581	57,411
Current liabilities		10,109	7,538
Carrying amount at the end of the year		70,690	64,949
Fair value of borrowings at the end of the year		70,343	62,874
Reconciliation of liabilities from financing activities			
Liabilities from financing activities 1 January		64,949	41,241
Additions from acquisition of companies		1,663	22,911
Financing cash flows		1,372	-1,266
Currency translation adjustments		-67	153
Other changes		2,773	1,910
Liabilities from financing activities 31 December		70,690	64,949



Note 20 Other liabilities

Other liabilities primarily comprise employee cost payables, payables related to non-current assets, and sales rebates.

Note 21 Other non-cash items

DKK million	2023	2022
Unrealised (gain)/loss on securities	-9,143	17,586
Unrealised (gain)/loss on currency	-136	0
Increase(decrease) in provisions	32,228	19,076
Share-based payment costs	2,353	1,666
Other	-1,791	1,108
Total other non-cash items	23,511	39,436

Note 22 Cash and cash equivalents

DKK million	2023	2022
Cash and cash equivalents at the end of the year	19,085	15,949
Credit facility at the end of the year (overdrafts)	-2	-24
Cash and cash equivalents at the end of the year in the cash flow statement	19,083	15,925

The cash flow statement is presented in accordance with the indirect method commencing with net profit for the year. Cash flows in foreign currencies are translated to DKK at the average exchange rate for the respective year.

Cash from operating activities converts income statement items from the accrual basis of accounting to cash basis. As such, starting with net profit, non-cash items are reversed, and actual payments included. The change in working capital is also considered, as this shows the development in money tied up in the balance sheet.

Cash from investing activities shows payments related to the purchase and sale of long-term investments. This includes fixed assets such as construction of new production sites, intangible assets such as patents and licenses, and financial assets.

Cash and cash equivalents consist of cash offset by short-term bank overdrafts. Where short-term bank overdrafts are consistently overdrawn, they are excluded from cash and cash equivalents. The movement in such facilities is presented under financing activities in the cash flow statement.

Financial reserves comprise the sum of cash and cash equivalents at the end of the year and undrawn committed credit and loan facilities, with a maturity of more than 12 months, less loans and bank overdrafts classified as liabilities arising from financing activities contractually obliged for repayment within 12 months of the balance sheet date.

Note 23 Derivative financial instruments

DKK million	2023			2022		
	Contract amount at year-end	Positive fair value at year-end	Negative fair value at year-end	Contract amount at year-end	Positive fair value at year-end	Negative fair value at year-end
Forward contracts, cash flow hedges						
Forward contracts, net:						
USD	106,623	1,633	198	63,293	1,648	949
JPY, GBP, CHN and other	20,318	295	120	10,762	373	62
	126,941	1,928	318	74,055	2,021	1,011
Currency and interest rate swaps:						
EUR/EUR	0	0	0	174	16	0
DKK/DKK	596	2	0	0	0	0
USD/USD	300	0	3	924	32	0
	896	2	0	1,098	48	0
Forward contracts, fair value hedges						
Forward contracts:						
USD	66,580	335	946	38,660	639	1,962
Other	28,241	128	56	4,169	152	38
	94,821	463	1,002	42,829	791	2,000
Total derivative financial instruments	222,658	2,393	1,323	117,982	2,860	3,011
Recognised in the income statement		463	1,002		797	2,000
Recognised in other comprehensive income		1,930	321		2,063	1,011
Included in the balance sheet as:						
Derivative financial instruments		2,393	1,323		2,860	3,011

The Group uses financial instruments to reduce the impact of foreign exchange on financial results. The derivative financial instruments are used to manage the exposure to market risk. None of the derivatives are held for trading. The Group uses forward exchange contracts and to a lesser extent, currency options to hedge forecast transactions, asset and liabilities. The overall policy is to hedge the majority of total currency exposure. Net investments in foreign subsidiaries are currently not hedged.

The table above states the fair value of the Group's derivative financial instruments divided into types of hedges and main currencies.

On initiation of the contract, the Group designates each derivative financial contract that qualifies for hedge accounting as either hedges of fair value of a recognised asset or liability (fair value hedge) or hedges of the fair value of a forecast financial transaction (cash flow hedge). All contracts are initially recognised at fair value and subsequently remeasured at fair value at the end of the reporting period.

The Group uses financial instruments to reduce the impact of foreign exchange on financial results.

Use of derivative financial instruments

The derivative financial instruments are used to manage the exposure to market risk. None of the derivatives are held for trading.

The Group uses forward exchange contracts and, to a lesser extent, currency options to hedge forecast transactions, assets and liabilities. The overall policy is to hedge the majority of total currency exposure.

Net investments in foreign subsidiaries are currently not hedged.

Initial recognition and measurement

On initiation of the contract, the Group designates each derivative financial contract that qualifies for hedge accounting as one of:

hedges of the fair value of a recognised asset or liability (fair value hedge);

hedges of the fair value of a forecast financial transaction (cash flow hedge).

All contracts are initially recognised at fair value and subsequently remeasured at fair value at the end of the reporting period.

Fair value hedges

Value adjustments of fair value hedges are recognised in the income statement along with any value adjustments of the hedged asset or liability that are attributable to the hedged risk.

Cash flow hedges

Value adjustments of the effective part of cash flow hedges are recognised directly in other comprehensive income. The cumulative value adjustment of these contracts is transferred from other comprehensive income to the income statement when the hedged transaction is recognised in the income statement.

For cash flow hedges of foreign currency risk on highly probable non-financial asset purchases, the cumulative value adjustments are transferred directly from the cash flow hedge reserve to the initial cost of the asset when recognised.

Discontinuation of cash flow hedging

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement under financial income or financial expenses.

Fair value determination

The fair value of derivative financial instruments is measured on the basis of quoted market prices of financial instruments traded in active markets. If an active market exists, the fair value is based on the most recently observed market price at the end of the reporting period.

If a financial instrument is quoted in a market that is not active, the Group bases its valuation on the most recent transaction price.

Adjustment is made for subsequent changes in market conditions, for instance by including transactions in similar financial instruments assumed to be motivated by normal business considerations. If an active market does not exist, the fair value of standard and simple financial instruments, such as foreign exchange forward contracts, interest rate swaps, currency swaps and unlisted bonds, is measured according to generally accepted valuation techniques. Market-based parameters are used to measure the fair value.

Note 24 Commitments and contingent liabilities

Contractual obligations

DKK million	2023	2022
Purchase obligations, tangible assets	6,216	4,065
The purchase obligations primarily relate to purchase agreements regarding tangible assets. The Group expects to fund these commitments with existing cash and cash flow from operations.		
Purchase obligations, financial assets	20,395	21,193
The purchase obligations primarily concern purchase agreements in connection with investments in financial fixed assets. The Group expects to fund these commitments through cash flow from operations.		



Purchase obligation medical equipment and consumer goods	51,941	37,217
The purchase obligations concern purchase agreements regarding medical equipment and consumer goods. The Group expects to fund these commitments with existing cash and cash flow from operations.		
Purchase obligation research and development	63,410	26,555
The Group is engaged in research and development projects with external companies.		
Other guarantees	1,878	1,829
Other guarantees primarily relate to performance guarantees.		
Collateral	429	436
Booked value of property, plant and equipment.		

Contingent liabilities

The Group is currently involved in pending litigations, claims and investigations arising out of the normal conduct of its business. While provisions that Management deems to be reasonable and appropriate have been made for probable losses, there are uncertainties connected with these estimates.

In connection with the proposed merger of Novozymes and Chr. Hansen, the Group had made certain commitments under given terms and conditions in support of the merger. The merger was completed end January 2024.

Pending litigation against Novo Nordisk

Since January 2021, Novo Nordisk has made a number of changes to its policy in the US related to facilitating delivery of its discounted medicines to commercial pharmacies that contract with covered entities participating in the 340B Drug Pricing Program. On 30 January 2023, the US Court of Appeals for the Third Circuit issued a ruling holding that Novo Nordisk's drug distribution policy was consistent with the 340B statute. However, rulings in similar cases involving other manufacturers are pending before the US Courts of Appeals for the Seventh and DC Circuits, and such cases may be subject to further discretionary appellate review before the US Supreme Court. Depending on the outcome of any subsequent rulings and appeals in these matters, there may be a material impact on Novo Nordisk's financial position, net sales and cash flow.

Mosaic Health Inc. and Central Virginia Health Services, Inc. (both 340B covered entities) filed a putative class action lawsuit in Federal Court in New York against Novo Nordisk, Eli Lilly and Company, Sanofi and AstraZeneca alleging a conspiracy among the manufacturers to artificially fix prices of diabetes medications through changes to their policies relating to the distribution of 340B drugs. The lawsuit was subsequently dismissed by the Court on 2 September 2022. Plaintiffs have filed an amended complaint. Novo Nordisk does not expect this matter to have a material impact on Novo Nordisk's financial position, operating profit or cash flow.

Novo Nordisk is currently defending several lawsuits, including putative class actions, relating to the pricing of diabetes medicines in the US. The first lawsuit was filed in 2017 and in August 2023 a multi-district litigation was created in the United States District court for the District of New Jersey. Nearly all pending matters also name Eli Lilly and Company and Sanofi as defendants, while certain matters also name Pharmacy Benefit Managers (PBMs) and related entities. Plaintiffs generally allege that the manufacturers and PBMs colluded to artificially inflate list prices paid by consumers for diabetes products, while offering reduced prices to PBMs through rebates used to secure formulary access. Novo Nordisk does not expect the lawsuits to have a material impact on Novo Nordisk's financial position, operating profit or cash flow.

In 2016, Novo Nordisk received a Civil Investigative Demand (CID) from the US Department of Justice (DOJ) relating to potential off-label marketing of NovoSeven[®] (including high dose and for prophylactic use) and interactions with physicians and patients. The DOJ investigation was likely prompted by a lawsuit filed in 2015 by a former Novo Nordisk employee, who alleged Novo Nordisk caused the submission of false claims to Medicare, Medicaid, Federal Employees Health Benefits Program and private insurers in California as a result of the same conduct that was the subject of the DOJ CID. In May 2023, at the Plaintiffs' request, the case was transferred to the United States District Court for the Western District of Washington. Following transfer, in July 2023, Plaintiffs filed a motion to revive their nationwide Medicare claims and their Delaware Medicaid claims. Novo Nordisk filed a motion to dismiss these claims. Novo Nordisk does not expect the lawsuits to have a material impact on Novo Nordisk's financial position, operating profit or cash flow.

Novo Nordisk, along with Eli Lilly, are defendants in numerous product liability lawsuits (including in the US) related to the use of GLP-1-based treatments. Plaintiffs have alleged that the use of these treatments, including Ozempic[®], Wegovy[®] and Rybelsus[®], have caused various gastrointestinal and other injuries. Novo Nordisk is taking actions to address the lawsuits. Novo Nordisk does not expect these lawsuits to have a material impact on Novo Nordisk's financial position, operating profit or cash flow. Pending claims against Novo Nordisk and Investigations involving Novo Nordisk Novo Nordisk has received Civil Investigative Demands (CIDs) or subpoenas from several US authorities including Attorneys General

from the states of Minnesota, New Mexico, Washington, Colorado, Vermont, Texas and the US Federal Trade Commission that call for the production of documents and information relating to, among other things, the company's trade practices relating to its insulin and GLP-1-based products. Novo Nordisk is cooperating with the relevant government authorities in each of these investigative matters and does not expect these matters to have a material impact on Novo Nordisk's financial position, operating profit or cash flow.

In December 2021, Novo Nordisk received a CID from the DOJ relating to the company's financial relationships with healthcare professional and prescriptions for Ozempic[®] and Rybelsus[®] during the period of 1 January 2016 to present. Novo Nordisk is cooperating with the DOJ in this investigation and does not expect this matter to have a material impact on Novo Nordisk's financial position, operating profit or cash flow.

Other contingent liabilities

In addition to the above, the Group is engaged in certain litigation proceedings and various ongoing audits and investigations. In the opinion of Management, neither settlement or continuation of such proceedings, nor such pending audits and investigations, are expected to have a material effect on the Group's financial position, operating profit or cash flow.

Note 25 Share-based payment schemes

Novo Nordisk Foundation Group operates share-based payment schemes in Novo Nordisk, Novozymes, NNIT, Sonion, Xellia and other sub-groups to motivate and retain a qualified management and to ensure common goals for management and shareholders. The sharebased payment schemes in Sonion, Xellia and other sub-groups are not material for the Group as a whole.

The allocation of share options/restricted stock units under the Group's share-based payment schemes is conditional on the fulfilment of shareholder value targets, as defined by the Boards in accordance with the companies' long-term financial targets. The exercise price for options in the listed companies corresponds to the market share price at the time of issue/establishment of the scheme.

The schemes are primarily equity-settled, share-based compensation plans. The fair value of the employee services received in exchange for the grant of shares is recognised as an expense and allocated over the vesting period.

Long-term share-based incentive programme

Novo Nordisk, Novozymes and NNIT.

There are schemes for management board and management group.

DKK million	2023	2022
Fair market value share options - conditions Novo Nordisk		
The fair value is fixed at the grant date and adjusted for expected dividends during the vesting period. Adjustments relating to prior years are included in the income statement in the year of adjustment.		
Expensed in the income statement, DKK million	2,149	1,539
Fair market value share options - conditions Novozymes		
The fair value is measured using the Black-Scholes option-pricing model.		
Expensed in the income statement, DKK million	151	127
Fair market value share options - conditions NNIT		
Shares are recognised over the four-year vesting period at the market value at the grant date.		
Expensed in the income statement, DKK million	1	1



Number of outstanding share options/restricted stock units(RSU)	Novo Nordisk A/S (RSU) million	Novozymes A/S (share options)	NNIT A/S (RSU) thousand
Outstanding at the beginning of the year 2023	21.4	7,276,257	141
Outstanding at the end of the year 2023	18.9	7,482,830	209
Outstanding at the beginning of the year 2022	19.8	7,010,328	190
Outstanding at the end of the year 2022	21.4	7,276,257	141

Number of awarded and outstanding shares

Novo Nordisk

	Employees' 100 year anniversary programme		Shares for Management Board		Shares for Management Group below Management Board		Shares allocated to individual employees	
	2023	2023	2022	2023	2022	2023	2022	
Preliminary number of shares to be allocated (million)	3.0	0.6	0.7	3.1	3.3	0.3	0.8	
Fair value per restricted stock unit at grant date (DKK)	446	456	320	456	320	544	371	
Performance and vesting period	2023 to 2026	2023 to 2025	2022 to 2024	2023 to 2025	2022 to 2024	2023 to 2026	2022 to 2025	
Allocation date	Aug 2026	Feb 2026	Feb 2025	Feb 2026	Feb 2025	2026	2025	
Amortisation period	3.5 years	3 years	3 years	3 years	3 years	3 years	3 years	

Novo Nordisk operates equity-settled, share-based compensation plans. The fair value of the employee services received in exchange for the grant of shares is recognised as an expense and allocated over the vesting period.

The total amount to be expensed over the vesting period is determined by reference to the fair value of the shares granted, excluding the impact of any non-market vesting conditions. The fair value is fixed at the grant date and adjusted for expected dividends during the vesting period. Non-market vesting conditions are included in assumptions about the number of shares that are expected to vest. At the end of each reporting period, the Group revises its estimates of the number of shares expected to vest. The Group recognises the impact of the revision of the original estimates, if any, in the income statement and in a corresponding adjustment to equity (change in proceeds) over the remaining vesting period. Adjustments relating to prior years are included in the income.

Note 26 Financial risks

Due to its global activities, several financial risk factors affect the Novo Nordisk Foundation Group's income and balance. The Group has centralised the control of its financial risks in Novo Nordisk A/S, Novozymes A/S and Novo Holdings A/S. The respective boards of these companies have established and approved the general framework for the financial risk management described in the companies' financial and investment policies.

Foreign exchange risk

Currency risk arises due to imbalances between income and costs in each individual currency and because the Group has more assets than liabilities in foreign currencies in connection with global operations. The overall objective of foreign exchange risk management is to reduce the

short-term negative impact of exchange rate fluctuations on earnings and cash flow, thereby contributing to the predictability of the financial results.

The Group hedges existing assets and liabilities in key currencies as well as future expected cash flows up to a maximum of 24 months forward. Hedging is managed by entering derivatives like forward contracts, currency options and swaps. Hedge effectiveness is assessed regularly.

The foreign exchange risk is most significant in USD, GBP and CNY, while the EUR exchange rate risk is regarded as low because of Denmark's fixed exchange rate policy towards EUR.

The sensitivity analysis below shows the impact on net profit of a 5% change in DKK versus the key currencies to which the Group was exposed at end of year:

	2023	2022
USD	9,833	7,203
GBP	983	921
CNY	500	500

For all other currencies together, a change of 5% would impact the net profit by less than DKK 1,000 million.

Average hedge rate

The average hedge rate for USD cash flow hedges is 676 at the end of 2023 (699 at the end of 2022).

Interest rate risk

Interest rate exposure arises in relation to interest-bearing investments and there is the risk of financial loss from a change in interest rates.

The Group's policy is to allocate most of the interest-bearing asset exposure to Danish government bonds and domestic mortgage credit bonds, and a minority to high yield debt. The interest rate risk is not hedged through derivatives, but the duration of the portfolio is adjusted to a desired exposure.

Credit risk

Credit risk occurs in relation to bonds and other contractual obligations and is the risk of financial loss from the failure of a counterparty to meet the contractual obligations.

The Group's policy is to limit the risk of financial loss from counterparty default by having most of the interest-bearing investments in Danish government bonds and domestic mortgage credit bonds with low credit risk and a minor share in high yield debt with lower credit rating. Credit ratings are considered and monitored by the investment teams to evaluate the risk of loss from default. Investments are made across a variety of issuers to reduce the concentration of credit risk. Based on individual consideration of each asset, it is decided whether the credit risk should be hedged through derivatives.

The Group has no significant concentration of credit risk related to trade receivables or other receivables and prepayments, as the exposure is spread over many counterparties and customers.

Liquidity risk

The liquidity risk is considered low. The Group ensures the availability of the required liquidity through a combination of cash management, highly liquid investment portfolios and both uncommitted and committed credit facilities.

Price risk

Price risk is the risk that the value of the investment portfolio will fluctuate due to changes in the market price, caused by factors specific to the individual investment, the sector in which the investment operates or factors generally affecting all similar investments traded in the market. To minimise the price risk while still achieving an attractive return, the investment portfolio is allocated to a predefined set of risk tolerances levels with specific risk measures. The defined risk measures and portfolio allocation are monitored monthly.

Note 27 Related party transactions

Novo Holdings A/S, the Novo Nordisk Group, the Novozymes Group, the NNIT Group, the Xellia Group, the Sonion Group, the Altasciences Group, the BBI Group, the Ritedose Group, the Medical Knowledge Group, the KabaFusion Group, the Ellab Group, the Dades Group, other subsidiaries, associated companies and the boards and executive managements of these companies, including the Novo Nordisk Foundation, are considered to be related parties. There have not been any significant transactions with related parties. Fees to the executive management are



stated in note 3 of the Group Annual Report. All agreements have been negotiated on market-based terms, and most of the agreements are valid for one year.

Note 28 Subsidiaries with significant non-controlling interest

2023	Novo Nordisk A/S	Novozymes A/S	Other non-controlling interests	Total
Non-controlling interest	71.6%	70.4%		
Total comprehensive income:				
Net sales	232,261	17,899		
Net profit for the year	83,683	3,039		
Other comprehensive income	-1,160	-554		
Total comprehensive income	82,523	2,485		
Non-controlling share of total comprehensive income	59,103	1,749	-699	60,153
Balance				
Non-current assets	174,840	18,929		
Current assets	139,646	9,462		
Non-current liabilities	38,270	6,778		
Current liabilities	169,655	7,262		
Non-controlling share of equity	76,319	10,211	11,601	98,131
Dividends				
Dividends	31,767	2,856		
Non-controlling share of dividends	22,752	2,010	75	24,837
Cash flow				
Cash flow from operating activities	108,908	4,152		
Cash flow from investing activities	-43,892	-2,133		
Cash flow from financing activities	-63,158	-1,889		
2022	Novo Nordisk A/S	Novozymes A/S	Other non-controlling interest	Total
Non-controlling interest	71.6%	74.0%		
Total comprehensive income:				
Net sales	176,954	17,553		
Net profit for the year	55,525	3,686		
Other comprehensive income	4,778	253		
Total comprehensive income	60,303	3,939		
Non-controlling share of total comprehensive income	43,159	2,907	198	46,264
Balance				
Non-current assets	133,063	18,742		
Current assets	108,194	9,241		
Non-current liabilities	36,831	6,792		
Current liabilities	120,940	6,963		
Non-controlling share of equity	59,751	10,630	10,861	81,242
Dividends				
Dividends	25,303	1,525		
Non-controlling share of dividends	18,096	1,129	93	19,318



Cash flow

Cash flow from operating activities	78,887	4,006
Cash flow from investing activities	-24,918	-2,672
Cash flow from financing activities	-51,797	-1,250

Note 29 Assets held for sale

DKK million	2023	2022
Intangibles assets	0	86
Tangible assets	332	475
Deferred taxes	0	19
Deposits	0	7
Transition cost	0	80
Trade receivables	0	234
Work in progress	0	82
Prepayments	0	68
Cost at the end of the year	332	1,051
Employee benefit obligations	0	1
Prepayments received, transition cost	0	46
Prepayments received, work in progress	0	30
Employee costs payables	0	85
Tax payables	0	22
Other current liabilities	0	15
Liabilities directly associated with the assets classified as held for sale	0	199
Net assets classified as held for sale	332	852

Assets and liabilities directly associated with assets classified as held for sale relates to Novozymes in 2023 and NNIT in 2022.

Assets classified as held for sale comprise assets and liabilities for which it is highly likely that the value will be recovered through a sale within 12 months rather than through continued use. Assets and liabilities classified as held for sale are measured at the lower of the carrying amount and fair value less cost to sell at the classification date as "held for sale". Assets held for sale are not depreciated. Impairment losses arising on first classification as "held for sale" and gains and losses from the subsequent measurement is recognized in the income statement under the items they concern.

Note 30 Events after the reporting date

The merger of Novozymes and Chr. Hansen was completed on 29 January 2024.

The Group has entered into an agreement to acquire Catalent Inc. in an all-cash transaction. The transaction is subject to customary closing conditions. The total transaction is valuing Catalent at USD 16.5 billion.

No other events of importance to the consolidated financial statements have occurred after the reporting date.



Note 31 Grants payable

DKK million	2023	2022
Non-current liabilities	15,820	15,205
Current liabilities	6,702	5,497
Carrying amount at the end of the year	22,522	20,702
Expected pay out of the Grant liability		
Within 1 year	6,702	5,497
1-5 years	13,178	12,146
More than 5 years	2,642	3,059
	22,522	20,702



Note 32 Group companies

Company name	Country	Ownership(%)/votings rights
Novo Nordisk Foundation subsidiaries		
Novo Holdings A/S	Denmark	100
NNF India A/S	Denmark	100
Quantum Foundry P/S	Denmark	100
NNF General Partner ApS	Denmark	100
Novo Nordisk Foundation Cellerator P/S	Denmark	100
NVAC P/S	Denmark	100
Novo Holdings A/S subsidiaries		
Novo Nordisk A/S	Denmark	28.1/77.1
Novozymes A/S	Denmark	29.2/74.0
NNIT A/S	Denmark	33.5
21st.Bio A/S	Denmark	52
Acesion Pharma ApS	Denmark	57
Aloop Therapeutics ApS	Denmark	100
Altasciences HoldCo A/S	Denmark	100
Antraka ApS	Denmark	100
Arya BidCo Ltd.	UK	100
Availity HoldCo A/S	Denmark	100
Avilex Pharma ApS	Denmark	56
BBI HoldCo A/S	Denmark	100
BiOrigin ApS	Denmark	100
Claris Biotherapeutics, Inc.	USA	53
Dades A/S	Denmark	58
Echo Top Co A/S	Denmark	64
Ejendomsselskabet Novo Holdings P/S	Denmark	100
Ejendomsselskabet Novo Holdings Komplementar ApS	Denmark	100
ENV HoldCo A/S i likvidation	Denmark	100
ERT HoldCo A/S	Denmark	100
HyperBio Therapeutics ApS	Denmark	100
Indkøbselskabet Novo Holdings A/S	Denmark	100
Komplementarselskabet Novo Capital Investors ApS	Denmark	100
NH Capital Investors US Inc.	USA	100
NH Kronos GP, LLC	USA	100
NH Kronos Ultimate Holdings, LP	USA	89
Novo 1999 Advisory Shanghai Ltd.	China	100
Novo Capital Investors P/S	Denmark	100
Novo DP2, Inc.	USA	100
Novo Holdings Equity Asia Pte. Ltd.	Singapore	100
Novo Holdings Invest Asia A/S	Denmark	100
Novo Holdings US Inc.	USA	100

(continues)



Company name	Country	Ownership(%)/votings rights
Novo Invest 1 A/S	Denmark	100
Novo Invest 2A A/S	Denmark	100
Novo Invest 2E A/S	Denmark	100
Novo Maia, LP	USA	77
Novo Ventures (US), Inc.	USA	100
Novo Ventures 1 P/S	Denmark	100
Obis Medicines ApS	Denmark	98
Ritedose HoldCo A/S	Denmark	100
Rive Therapeutics, Inc.	USA	83
Sonion HoldCo A/S	Denmark	100
Xellia HoldCo A/S	Denmark	100
Life Science Investments and Capital Investments		
Allievex Corporation	USA	46
Antag Therapeutics ApS	Denmark	40
Asgard Therapeutics AB	Sweden	25
Bactolife ApS	Denmark	26
Biomason Inc.	USA	30
Biosyntia ApS	Denmark	34
Breye Therapeutics ApS	Denmark	50
Centauri Therapeutics Ltd.	UK	21
Chr. Hansen Holding A/S	Denmark	22
Chromologics ApS	Denmark	27
Commit Biologics ApS	Denmark	24
Convatec Group Plc.	UK	20
Draupnir Bio ApS, Denmark	Denmark	28
Engimmune Therapeutics AG	Switzerland	31
Evosep ApS	Denmark	20
F2G Limited	UK	25
Glentra Holding P/S	Denmark	20
Glentra GP ApS	Denmark	20
Glycomine, Inc.	USA	33
Hemab ApS	Denmark	33
Heparegenix GmbH	Germany	24
Hoba Therapeutics ApS	Denmark	36
Inspirna, Inc.	USA	23
Karus Therapeutics Ltd.	UK	25
Muna Therapeutics ApS	Denmark	20
NIP Norway Gardermoen Logistikkbygg Holding AS	Norway	27
Nuvig Therapeutics Inc.	USA	28
Orexo AB	Sweden	28
Revagenix, Inc.	USA	45
Renewable Energy Partnership P/S	Denmark	33

(continues)



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Company name	Country	Ownership(%)/votings rights
Renewable Energy Partnership 1 GP ApS	Denmark	33
STipe Therapeutics ApS	Denmark	29
Tarveda Therapeutics, Inc.	USA	37
The Protein Brewery BV	Netherlands	22
Tribune Therapeutics AB	Sweden	33
Urban Partners A/S	Denmark	25
Vestaron Corporation	USA	25



Company name	Country	Ownership(%) /votings rights
Novo Nordisk Group subsidiaries		
North America Operations		
Inversago Pharma Inc.	Canada	100
Novo Nordisk Canada Inc.	Canada	100
Novo Nordisk Inc.	USA	100
Novo Nordisk North America Operations A/S	Denmark	100
Novo Nordisk Pharmaceutical Industries LP	USA	100
Novo Nordisk Pharmatech US, Inc.	USA	100
Novo Nordisk Pharma, Inc.	USA	100
Novo Nordisk Research Center Indianapolis, Inc.	USA	100
Novo Nordisk Research Center Seattle, Inc.	USA	100
Novo Nordisk US Bio Production, Inc.	USA	100
Novo Nordisk US Commercial Holdings, Inc.	USA	100
Novo Nordisk US Holdings Inc.	USA	100
Dicerna Pharmaceuticals, Inc.	USA	100
Emisphere Technologies, Inc.	USA	100
Forma Therapeutics, Inc.	USA	100
Region International Operations		
Novo Nordisk Pharmaceuticals A/S	Denmark	100
Novo Nordisk Pharma Operations A/S	Denmark	100
Novo Nordisk Region AAMEO and LATAM A/S	Denmark	100
Novo Nordisk Region Europe A/S	Denmark	100
Novo Nordisk Region Japan & Korea A/S	Denmark	100
Region EMEA		
Aldaph SpA	Algeria	100
Novo Nordisk Pharma GmbH	Austria	100
S.A. Novo Nordisk Pharma N.V.	Belgium	100
Novo Nordisk Pharma d.o.o.	Bosnia and Herzegovina	100
Novo Nordisk Pharma EAD	Bulgaria	100
Novo Nordisk Hrvatska d.o.o.	Croatia	100
Novo Nordisk s.r.o.	Czech Republic	100
Novo Nordisk Denmark A/S	Denmark	100
Novo Nordisk Pharmatech A/S	Denmark	100
Novo Nordisk Egypt LLC	Egypt	100
Novo Nordisk Egypt Pharmaceuticals Ltd.	Egypt	100
Novo Nordisk Estonia OÜ	Estonia	100
Novo Nordisk Farma OY	Finland	100
Biocorp Production S.A.	France	100

(continues)



Company name	Country	Ownership(%)/votings rights
Novo Nordisk	France	100
Novo Nordisk Production SAS	France	100
Novo Nordisk Pharma GmbH	Germany	100
Novo Nordisk Hellas Epe.	Greece	100
Novo Nordisk Hungária Kft.	Hungary	100
Novo Nordisk Limited	Ireland	100
Novo Nordisk Ltd.	Israel	100
Novo Nordisk S.P.A.	Italy	100
Novo Nordisk Kazakhstan LLP	Kazakhstan	100
Novo Nordisk Kenya Ltd.	Kenya	100
Novo Nordisk Latvia SIA	Latvia	100
Novo Nordisk Pharma SARL	Lebanon	100
UAB Novo Nordisk Pharma	Lithuania	100
Novo Nordisk Farma dooel	North Macedonia	100
Novo Nordisk Pharma SAS	Morocco	100
Novo Nordisk B.V.	Netherlands	100
Novo Nordisk Finance (Netherlands) B.V.	Netherlands	100
Novo Nordisk Pharma Limited	Nigeria	100
Novo Nordisk Norway AS	Norway	100
Novo Nordisk Pharmaceutical Services Sp. z.o.o.	Poland	100
Novo Nordisk Pharma Sp.z.o.o.	Poland	100
Novo Nordisk Portugal Lda.	Portugal	100
Novo Nordisk Farma S.R.L.	Romania	100
Novo Nordisk Limited Liability Company	Russia	100
Novo Nordisk Production Support LLC	Russia	100
Novo Nordisk Saudi for Trading	Saudi Arabia	100
Novo Nordisk Pharma d.o.o. Belgrade (Serbia)	Serbia	100
Novo Nordisk Slovakia s.r.o.	Slovakia	100
Novo Nordisk d.o.o.	Slovenia	100
Novo Nordisk (Pty) Limited	South Africa	100
Novo Nordisk Pharma S.A.	Spain	100
Novo Nordisk Scandinavia AB	Sweden	100
Novo Nordisk Health Care AG	Switzerland	100
Novo Nordisk Pharma AG	Switzerland	100
Novo Nordisk Tunisie SARL	Tunisia	100
Novo Nordisk Sağlık Ürünleri Tic. Ltd. Sti.	Turkey	100
Novo Nordisk Ukraine LLC	Ukraine	100
Novo Nordisk Pharma Gulf FZE	United Arab Emirates	100
Novo Nordisk Holding Limited	UK	100
Novo Nordisk Limited	UK	100
Novo Nordisk Research Centre Oxford Limited	UK	100

(continues)



Company name	Country	Ownership(%)/votings rights
Region China		
Novo Nordisk (China) Pharmaceuticals Co. Ltd.	China	100
Novo Nordisk (Shanghai) Pharma Trading Co. Ltd	China	100
Novo Nordisk Region China A/S	Denmark	100
Novo Nordisk Hong Kong Limited	Hong Kong	100
Novo Nordisk Pharma (Taiwan) Ltd.	Taiwan	100
Beijing Novo Nordisk Pharmaceuticals Science & Technology Co. Ltd	China	100
Region Rest of World		
Novo Nordisk Pharma Argentina S.A.	Argentina	100
Novo Nordisk Pharmaceuticals Pty. Ltd.	Australia	100
Novo Nordisk Pharma (Private) Limited	Bangladesh	100
Novo Nordisk Produção Farmacêutica do Brasil Ltda.	Brazil	100
Novo Nordisk Farmacêutica do Brasil Ltda.	Brazil	100
Novo Nordisk Farmacêutica Limitada	Chile	100
Novo Nordisk Colombia SAS	Colombia	100
Novo Nordisk India Private Limited	India	100
Novo Nordisk Service Centre (India) Pvt. Ltd.	India	100
PT. Novo Nordisk Indonesia	Indonesia	100
Novo Nordisk Pars	Iran	100
Novo Nordisk Pharma Ltd.	Japan	100
Novo Nordisk Pharma (Malaysia) Sdn Bhd	Malaysia	100
Novo Nordisk Pharma Operations Sdn Bhd	Malaysia	100
Novo Nordisk Mexico S.A. de C.V.	Mexico	100
Novo Nordisk Pharmaceuticals Ltd.	New Zealand	100
Novo Nordisk Pharma (Private) Limited	Pakistan	100
Novo Nordisk Panama S.A.	Panama	100
Novo Nordisk Peru S.A.C.	Peru	100
Novo Nordisk Pharmaceuticals (Philippines) Inc.	Philippines	100
Novo Nordisk Pharma (Singapore) Pte Ltd.	Singapore	100
Novo Nordisk India Holding Pte Ltd.	Singapore	100
Novo Nordisk Pharma Korea Ltd.	South Korea	100
Novo Nordisk Lanka (PVT) Ltd	Sri Lanka	100
Novo Nordisk Pharma (Thailand) Ltd.	Thailand	100
Novo Nordisk Vietnam Ltd.	Vietnam	100
Other subsidiaries and associated companies		
NNE A/S	Denmark	100
NNIT A/S	Denmark	18
CS Solar Fund XIV LLC	USA	99

Companies without significant activities are not included in the list. NNE A/S subsidiaries are not included in the list.



Company name	Country	Ownership(%) /votings rights
Novozymes Group subsidiaries		
Novozymes BioAg S.A.	Argentina	100
Novozymes Australia Pty. Ltd.	Australia	100
Novozymes Belgium BV	Belgium	100
Novozymes Latin America Ltda.	Brazil	100
Novozymes BioAg Productos Para Agricultura Ltda.	Brazil	100
Novozymes BioAg Limited	Canada	100
Novozymes Canada Limited	Canada	100
Nuocheng Trillion Food (Tianjin) Co., Ltd.	China	100
Novozymes (China) Biotechnology Co. Ltd.	China	100
Novozymes (China) Investment Co. Ltd.	China	100
Novozymes (Shenyang) Biologicals Co. Ltd.	China	100
Suzhou Hongda Enzyme Co. Ltd.	China	96
Novozymes OneHealth Biotechnology (Shanghai) Co. Ltd	China	100
Novozymes Bioindustrial A/S	Denmark	100
Novozymes Bioindustrial China A/S	Denmark	100
Novozymes Biopharma DK A/S	Denmark	100
Novozymes BioAg A/S	Denmark	100
Novozymes EG SSC	Egypt	100
Novozymes France S.A.S.	France	100
Novozymes Deutschland GmbH	Germany	100
Novozymes Berlin GmbH	Germany	100
Novozymes Greece Single Member SA	Greece	100
Novozymes Hong Kong Ltd.	Hong Kong	100
Novozymes South Asia Pvt. Ltd.	India	100
Riata Life Sciences Pvt. Ltd.	India	60
Synergia Life Sciences Pvt. Ltd.	India	60
PT Novozymes Indonesia Biotechnology	Indonesia	100
PrecisionBiotics Group Ltd.	Ireland	100
Novozymes Italia S.r.l.	Italy	100
Novozymes Japan Ltd.	Japan	100
Novozymes Kenya Ltd.	Kenya	100
Novozymes Malaysia Sdn. Bhd.	Malaysia	100
Novozymes Mexicana, S.A. de C.V.	Mexico	100
Novozymes Mexico, S.A. de C.V.	Mexico	100
Novozymes Nederland B.V.	Netherlands	100
Novozymes RUS LLC	Russia*	100
Novozymes Singapore Pte. Ltd.	Singapore	100
Novozymes South Africa (Pty) Ltd.	South Africa	100
Novozymes Korea Limited	South Korea	100
Novozymes Spain S.A.	Spain	100
Novozymes Switzerland AG	Switzerland	100

(continues)



Company name	Country	Ownership(%)/votings rights
Novozymes (Thailand) Ltd.	Thailand	100
Novozymes Enzim Dis Ticaret Ltd. Sirketi	Turkey	100
Novozymes UK Ltd.	UK	100
Novozymes BioAg, Inc.	USA	100
Novozymes Biologicals, Inc.	USA	100
Novozymes Blair, Inc.	USA	100
Novozymes, Inc.	USA	100
Physicians Exclusive LLC (d.b.a) Microbiome Labs	USA	100
Novozymes North America, Inc.	USA	100
Novozymes US, Inc.	USA	100

*Sales to Russia have been discontinued and the sales office in Russia has been closed.

Joint operations/associates

Grundejerforeningen Smørosen	Denmark	
Grundejerforeningen Hallas Park	Denmark	
21st.BIO A/S	Denmark	40,6
Microbiogen PTY Ltd.	Australia	23,1
Tecnol s.r.l. in liquidazione (formerly Beta Renewables S.p.A.)	Italy	9,95
MagnaBioAnalytics LLC	USA	19,35

NNIT Group subsidiaries

NNIT (Tianjin) Technology Co.Ltd	China	100
NNIT Digital & Life Sciences Philippines Inc	Philippines	100
NNIT Switzerland AG	Switzerland	100
NNIT Germany GMBH	Germany	100
NNIT Inc.	USA	100
NNIT Czech Republic s.r.o.	Czech Republic	100
NNIT UK Ltd	UK	100
SCALES A/S	Denmark	100
NNIT Ireland Ltd.	Ireland	100
NNIT Poland Sp. Z.o.o.	Poland	100
NNIT Singapore Holdings Pte. Ltd.	Singapore	100
NNIT Singapore Pte. Ltd.	Singapore	100
Excellis Health Solutions LLC	USA	100
Excellis Europe Ltd.	UK	100
SL Controls Limited	Ireland	100
SL Controls USA Inc	USA	100
NNIT Italy S.r.l.	Italy	100
Prime4Services ESP S.L.	Spain	100



Company name	Country	Ownership(%) / voting rights
Xellia Group subsidiaries		
New Xellia Group A/S	Denmark	100
Otnortopco AS	Norway	100
Xellia Group AS	Norway	100
Xellia Pharmaceuticals AS	Norway	100
Xellia Pharmaceuticals AS Shanghai Rep. Office	Norway	100
Xellia Group ApS	Denmark	100
Xellia Pharmaceuticals ApS	Denmark	100
Xellia Pharmaceuticals ApS (Dubai Branch)	Denmark	100
Xellia Pharmaceuticals ApS (Panama Branch)	Denmark	100
Xellia Pharmaceuticals Ltd.	Hungary	100
Xellia Pharmaceuticals Inc.	USA	100
Nippon Axellia Co. Ltd.	Japan	100
Xellia Hong Kong Ltd.	Hong Kong	100
Xellia d.o.o.	Croatia	100
Xellia Pharmaceuticals Private Limited	India	100
Xellia Pharmaceuticals USA LLC	USA	100
Crane Pharmaceuticals LLC	USA	100
Xellia Pharmaceuticals Shanghai Co. Ltd.	China	100
Xellia (Taizhou) Pharmaceuticals Company Ltd.	China	51

Sonion Group subsidiaries

Sonion InvestCo A/S	Denmark	100
Sonion Holding A/S	Denmark	100
Sonion A/S	Denmark	100
Sonion Nederland B.V	Nederlands	100
Sonion US, Inc.	USA	100
Sonion Polska S.P.zoo	Poland	100
Sonion Vietnam Ltd, Inc.	Vietnam	100
Sonion Vietnam II Ltd, Inc.	Vietnam	100
Sonion Philippines, Inc.	Philippines	100
Xilco (CH) AG	Switzerland	100



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Company name	Country	Ownership(%)/votings rights
Altasciences Group subsidiaries		
Amalthea GP, LLC	USA	100
Amalthea Acquisition Holdings, LP	USA	90
Amalthea Acquisition Holdings, LP - subsidiaries		
Amalthea Acquisition I, LP	USA	100
Amalthea Acquisition II, LP	USA	100
Amalthea Parent Inc	USA	100
Altasciences Holdings Inc	USA	100
Altasciences US Acquisition Inc	USA	100
Altasciences Clinical Kansas Inc.	USA	100
Altascience Preclinical Seattle LLC	USA	100
Altasciences Clinical Los Angeles, Inc	USA	100
Calvert Laboratories Inc.	USA	100
Altasciences CDMO Phillidelphia, LLA	USA	100
Altasciences USA, LLC	USA	100
9360-1318 Quebec Inc	Canada	100
Altasciences Company Inc.	Canada	100
9186-5328 Quebec Inc	Canada	100
Altasciences Maintenance, LLC	USA	100
Altasciences Real Estate, LLC	USA	100
Altasciences Preclinical Columbia, LLC	USA	100
Altasciences Clinical Fargo, LLC	USA	100
Amalthea UK Ltd.	UK	100
Valley Biosystems	USA	100
Associated companies		
Sindair Bio Parent, LLC	USA	49
Pet Foods Solutions, LLC	USA	49
Sindair Bio Resources, LLC	USA	49
BBI Group subsidiaries		
BBI Solutions Group Ltd.	UK	97
BBI Solutions Group Ltd. - subsidiaries		
Baduhenna Holdco Ltd.	UK	100
Baduhenna BidCo Limited	UK	100
BioTeZ Berlin-Buch GmbH	Germany	100
Steffens Biotechnische Analysen GmbH	Germany	100
BBI Acquisition Limited	UK	100

(continues)



Company name	Country	Ownership(%)/votings rights
BBI Diagnostics Group Limited	UK	100
BBI Detection Limited	UK	100
BBI Resources Limited	UK	100
BBI Solutions OEM Limited	UK	100
BBI Detection LLC	USA	100
BBI Solutions LLC	USA	100
BBI Enzymes (USA) Limited	UK	100
BBI Enzymes SA (Pty) Limited	South Africa	100
Vision Biotech Proprietary Limited	South Africa	100
Novarum DX Limited	UK	100
BBI US Holding LLC	USA	100
BBI US Group LLC	USA	100
Maine Biotechnology Services Inc	USA	100
BBI Biotechnology (Shanghai) Co Limited	China	100
BBI Solutions GmbH	Germany	100
Diarect GmbH	Germany	100
BBI USD Limited	UK	100
BBI GBP Limited	UK	100

KabaFusion Group subsidiaries

NH Kronos Ultimate Holdings, LP	USA	89
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NH Kronos Ultimate Holdings, LP - subsidiaries

NH Kronos Holdings, LP	USA	82
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NH Kronos Holdings, LP - subsidiaries

NH Kronos Parent, Inc.	USA	100
NH Kronos Intermediate I, Inc.	USA	100
NH Kronos Intermediate II, Inc.	USA	100
NH Kronos Intermediate III, Inc.	USA	100
NH Kronos Buyer, Inc.	USA	100
KabaFusion PPC Parent LLC	USA	100
KabaFusion Holdings LLC	USA	100
Pri-Med Infusion Services, Inc.	USA	100
EDCO Holding, Inc.	USA	100
IVEDCO, LLC	USA	100
KabaFusion, LLC	USA	100
KabuFusion, Inc.	USA	100
Home Care Services, Inc.	USA	100
MediLink Homecare, Inc.	USA	100
Stellar Healthcare, Inc.	USA	100
At Home Infusion Services LLC	USA	100

(continues)



Company name	Country	Ownership(%)/votings rights
Private Home Care Unlimited, Inc.	USA	100
KabaFusion of MI, LLC	USA	100
Complete Infusion Services, LLC	USA	100
OCT Pharmacy, L.L.C.	USA	100
KabaFusion IN, LLC	USA	100
KabaFusion NY, LLC	USA	100
Lincare of New York, Inc.	USA	100
KabaFusion KY, LLC	USA	100
Gamma Acquisition Inc.	USA	100
KabaFusion AL, LLC	USA	100
KabaFusion VA, LLC	USA	100
KabaFusion AR, LLC	USA	100
KabaFusion NC, LLC	USA	100
KabaFusion WY, LLC	USA	100
KabaFusion MD, LLC	USA	100
KabaFusion NV, LLC	USA	100
KabaFusion of Colorado, LLC	USA	100
KabaFusion LA, LLC	USA	100
KabaFusion ME, LLC	USA	100
KabaFusion MN, LLC	USA	100
KabaFusion OH, LLC	USA	100
KabaFusion TN, LLC	USA	100
KabaFusion PPC Holdings LLC	USA	100
KabaFusion Inc. PA	USA	100
MKG Group subsidiaries		
Novo Maia, LP	USA	77
Novo Maia, LP - subsidiaries		
Maia Aggregator LP	USA	100
Maia Aggregator LP - subsidiaries		
Maia Blocker Inc.	USA	100
Maia Blocker Inc. - subsidiaries		
Maia Acquisition Holdings LLC	USA	100
Maia Acquisition Holdings LLC - subsidiaries		
Maia Acquisition, LLC	USA	100
CSC MKG TopCo LLC	USA	100
CSC MKG InterCo LLC	USA	100
Medical Knowledge Group, LLC	USA	100

(continues)



Company name	Country	Ownership(%) /votings rights
MKG Philomena Buyer, Inc.	USA	100
MKG Philomena Opco, LLC	USA	100
Synapse Medical Communications, LLC	USA	100
CTLS, LLC	USA	100
Medical Events International, LLC	USA	100
81qd, LLC	USA	100
SciMed, LLC	USA	100
Helathlogix, LLC	USA	100

Ritedose Group subsidiaries

Rhea GP, LLC	USA	100
Novo Rhea Aggregator, LP	USA	63

Novo Rhea Aggregator, LP - subsidiaries

Rhea Acquisition Holdings, LP	USA	96
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Rhea Acquisition Holdings, LP – subsidiaries

Rhea Intermediate, LP	USA	100
Rhea Intermediate II, Inc.	USA	100
Rhea Parent, Inc.	USA	100
The Ritedose Corporation	USA	100
TRC Propco, Inc.	USA	100
Ritedose Pharmaceuticals, LLC	USA	100
Ritedose (Wuhan) Pharmaceuticals Co. Ltd.	China	100

Ellab Group subsidiaries

Echo TopCo A/S	Denmark	64
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Echo TopCo A/S - subsidiaries

Echo BidCo A/S	Denmark	100
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Echo BidCo A/S - subsidiaries

Kelvin HoldCo A/S	Denmark	100
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Kelvin HoldCo A/S - subsidiaries

Kelvin BidCo A/S	Denmark	100
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Kelvin BidCo A/S - subsidiaries

Saballe TopCo ApS (in liquidation)	Denmark	100
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Company name	Country	Ownership(%)/votings rights
Saballe TopCo ApS (in liquidation) - subsidiaries		
Ellab A/S	Denmark	100
Ellab A/S - subsidiaries		
Ellab Inc.	USA	100
Ellab S.A.R.L	France	100
Ellab (UK) Ltd.	UK	100
Ellab Philippines Corp.	Philippines	100
Ellab Benelux B.V.	Netherlands	100
Ellab FZCO	Dubai	100
Ellab GmbH	Germany	100
Ellab Solutions Spain SLU	Spain	100
Ellab Monitoring Solutions Ltd.	UK	100
Ellab S.R.L	Italy	100
Ellab AG	Switzerland	100
Ellab Ireland Ltd.	Ireland	100
Ellab Singapore PTE. LTD.	Singapore	100
Ellab Austria GmbH	Austria	100
Ellab Inc. - subsidiaries		
Integrated Commissioning & Qualification Consultants, LLC	USA	100
Evolution Scientific, Inc.	USA	100
PharmaSys, Inc.	USA	100
Ellab (UK) Ltd. - subsidiaries		
Complete Technical Solutions (CQV) Limited	UK	100
Arena Instrumentation Ltd.	UK	100
Ellab Ireland Ltd. - subsidiaries		
Autocal Ireland Limited	Ireland	100
CalX Instrumentation Services Limited	Ireland	100
Dades Group subsidiaries		
Dades Center/Box Holding ApS	Denmark	100
Dades Erhverv/Bolig Holding ApS	Denmark	100
Dades Center Vest ApS	Denmark	100
Dades Center Øst ApS	Denmark	100
Dades Box ApS	Denmark	100
Dades Erhverv ApS	Denmark	100
Dades Bolig ApS	Denmark	100
Waves ApS	Denmark	100
Fisketorvet 2 Odense ApS	Denmark	100
Rådhuspladsen ApS	Denmark	100

(continues)



Company name	Country	Ownership(%) /votings rights
Køge Kyst I ApS	Denmark	100
Soeborg Ejendomme ApS	Denmark	100
Snedkerhaven Hvidovre ApS	Denmark	100
Bækkeskovvej ApS	Denmark	100
Slotengen Hillerød ApS	Denmark	100
Color 1 ApS	Denmark	100
Kulturporten Farum ApS	Denmark	100
Christiasvej Glostrup ApS	Denmark	100
Dades 4 ApS – Dades 10 ApS*	Denmark	100
* The companies are without any activity		
Associated companies		
Davista A/S	Denmark	49
Davista K/S	Denmark	49

Annex A

Novo Nordisk Foundation Group Corporate Social Responsibility

This appendix is the Novo Nordisk Foundation Group's reporting on corporate social responsibility, cf. section 99a and section 99b of the Danish Financial Statements Act. The statement first reviews the corporate social responsibility for the Novo Nordisk Foundation's grant-awarding activities and then the corporate social responsibility for the Foundation Group's commercial activities. Finally, the diversity policy for the Novo Nordisk Foundation and Novo Holdings A/S is reviewed.

(a part of management's review)

Novo Nordisk Foundation

Risks related to societal responsibility

The main risks of the Novo Nordisk Foundation Group in relation to its economic, social and environmental responsibility are connected to the risks of the companies in the Group and include issues such as climate impact, diversity, human rights and anti-corruption. The economic, social and environmental risks of the Foundation's funding activities are small and limited through observance of the Foundation's article of association and its various policies for acting responsibly and maintaining a responsible role in society (see below). The Novo Nordisk Foundation's philanthropic activities will continue to have Denmark as their centre of gravity, while we at the same time will increase our international reach and activity level, leveraging international collaboration opportunities to build scale and impact and catalyse changes that can benefit people and society globally. The Foundation's corporate activities remain international in accordance with the separate strategies of the companies in the Group.

Code of conduct, including anti-bribery & corruption and the whistleblower scheme

The Novo Nordisk Foundation ("the Foundation") is determined to maintain the highest standards of integrity and ethical behaviour across its activities and maintains a zero-tolerance policy for bribery and corruption in all forms.

The Foundation's Code of Conduct, adopted by the Foundation's Board of Directors in 2020, applies to all individuals affiliated with the

Foundation, including Novo Holdings A/S, members of the Board of Directors and employees of the Foundation and Novo Holdings A/S, all grant recipients and their employees fully or partially funded by the

Foundation, members of the Foundation's committees, as well as individuals, institutions and organisations that collaborate with the Foundation, Novo Holdings A/S, the BII Foundation and the LIFE Foundation. Read more at: <http://www.nordisk-fundation.dk/en/ethics-and-compliance>.

The Foundation and Novo Holdings A/S maintain a confidential whistleblower channel, enabling anonymous reporting of Code of Conduct violations. The whistleblower channel aims to bolster transparency and accountability with regards to Foundation and partner behaviour. Consequences of violations include a letter of reprimand, requiring a grant to be repaid, or referral to law enforcement. Read more at: <http://www.nordisk-fundation.dk/en/whistleblower>.

In 2023, the Foundation received nine reports via the whistleblower channel, all of which were reviewed internally and via external legal counsel. Furthermore, it created a dedicated compliance function this year within the Legal Department. Based on risk assessment conducted by the legal department, current focus is on the Foundations Code of Conduct, including due diligence processes, potential misuse of grants, conflicts of interest, and personal data protection. The Foundation is also working closely with partners to address potential



security risks related to its grant activity, including those linked to unauthorized transfer of knowledge and technology to foreign actors. linked to unauthorized transfer of knowledge and technology to foreign actors.

Going forward we expect to continue working with and promoting our Code of Conduct, anticorruption agenda and Whistleblower Scheme.

Economic and scientific responsibility

In 2023, the Foundation awarded DKK 9.1 billion in grants and philanthropic investments while its payouts amounted to DKK 5,8 billion. The foundation's grant-awarding activities funded, in whole or in part, the employment of around 9,600 people within scientific fields of education, research and innovation, mainly at universities, educational institutions and hospitals in Denmark and the Nordic countries. In addition, Foundation grants helped fund employees in social and humanitarian projects in Denmark and abroad. Grant-awarding activities and payouts are described in more detail in The Novo Nordisk Foundation Grant Report 2023: <https://novonordiskfonden.dk/da/rapport-2023/ny-tilgange-til-og-afvikling-af-2023-arsrapport-2023>. Societal impacts are described in more details in the Novo Nordisk Foundation Impact Report 2023: <https://novonordiskfonden.dk/da/rapport-2023/ny-tilgange-til-og-afvikling-af-2023-arsrapport-2023>.

The Foundation supports free and independent research, primarily within biomedicine, public health, biotechnology, engineering, computer and natural and technical sciences at public research institutions. The institutions contribute to generations of new knowledge, inventions, education and innovation. The research results and any patents belong to the researchers and the public universities and hospitals that employ the researchers. No company in the Novo Nordisk Foundation Group or other privately held companies has preferential access to the research results funded by grants from the Foundation.

The Foundation measures and monitors the effects of its grant-giving activities based on the grant recipients' systematic reporting. For the year 2023 alone, the Foundation's grant recipients reported more than 30,000 activities, of which more than 4,100 were various scientific publications. 90% of publications are articles published in international peer-reviewed scientific journals. Nearly three out of five of the journal articles are published as collaborations between grant holders and international co-authors, over half take place in interdisciplinary collaborations, and every ninth journal article is published together with industry researchers. The proportion of grant recipients' international journal articles that are among the top 10% most cited worldwide was 23% in 2019-2022.

Overall, the Foundation's contributions increase the volume of excellent research and training of researchers in Denmark. In addition, a significant contribution is made to the internationalisation of Danish and Nordic research as well as to the researchers' collaboration with researchers internationally and in the industry.

Read more at:

- Grant Report 2023: <https://novonordiskfonden.dk/da/rapport-2023/ny-tilgange-til-og-afvikling-af-2023-arsrapport-2023>
- 2023 Annual Impact Report: <https://novonordiskfonden.dk/da/rapport-2023/ny-tilgange-til-og-afvikling-af-2023-arsrapport-2023>

- The NNF Dashboard: <https://novonordiskfonden.dk/da/arsrapport-2023>

Social responsibility

The Foundation contributes to the creation and development of dynamic research environments at universities and hospitals. For society, this means strengthening research-based education and increasing the supply of talented university graduates, researchers and clinicians, and attracting highly qualified researchers and graduates from outside Denmark.

The Foundation has funded the establishment of Steno Diabetes Centers in each of the five Danish administrative regions as well as in Greenland and Faroe Islands. Each centre makes an important contribution to research hospital activities in the field of diabetes, including specialised services for diabetic patients within treatment, education, and health promotion. On a quarterly basis the centres treated approximately 29,000 people with diabetes in 2023.

The Foundation wishes to support a sustainable societal development. Sustainability includes climate and environmental issues as well as social, humanitarian and health considerations, including that employees work in a healthy and safe working environment and that people as well as animals are treated in the best possible way and in accordance with current rules. The Novo Nordisk Foundation contributes to social, humanitarian and health initiatives in Denmark by supporting a wide range of activities, including initiatives that focus on education and competence development for vulnerable citizens. The Foundation also supports humanitarian efforts globally. The social and humanitarian grant-giving amounted to DKK 0.4 billion in 2023, and the public health and medical science grant-giving amounted to DKK 4.2 billion in 2023.

In 2023, as an example of the Foundation's support for humanitarian efforts globally, the Foundation agreed to strengthen the strategic partnership with World Diabetes Foundation (WDF) through the establishment of a seven-year Partnership Framework Agreement totalling DKK 289 million. The new agreement is based on the achievements under the first five years of collaboration, and it has as the overall vision to accelerate Non Communicable Diseases prevention and care for vulnerable populations in Low- and Middle-Income Countries (LMICs).

During these first five years the WDF has reached more than 8000 health care professionals with training, enrolled more than 21,000 children in Type 1 diabetes care programmes and trained 117,000 children, parents and teachers in healthy living and prevention.

In 2023, as an example of social efforts, the Foundation supported the GAME project with DKK 3.4 million making the total granted amount for the GAME project DKK 24 million. The initiative is a collaborative effort between GAME, an international non-profit street organization, and Health Promotion Research at Steno Diabetes Center Copenhagen. Together the two organizations strive to address and mitigate the prevalence of obesity and diabetes among vulnerable youth.

In the strategy period 2023-2030, the long-term goal of the Foundation's mission on health is to "Progress research and innovation in the prevention and management of cardiometabolic and infectious diseases, regenerative medicine, and equitable health outcomes" and the focus will be on the following four themes and ambitions:

- *Theme 1. Preventing and managing cardiometabolic diseases*
 - *Ambition: Prevent and manage cardiometabolic diseases through research-based action to reduce their global burden*
- *Theme 2. Decreasing the burden and threat of infectious diseases*
 - *Ambition: Support research into prevention, diagnosis, and treatment of infectious diseases*
- *Theme 3. Advancing and applying regenerative medicine*
 - *Ambition: Facilitate regenerative medicine solutions for disease treatment and research advancement*
- *Theme 4. Reducing inequity in health*
 - *Ambition: Reduce inequities in health with a focus on people in vulnerable positions*

Environmental responsibility

The Foundation helps to build and strengthen Denmark's positions within environmental sustainability. It recognizes that there is an urgent need to tackle climate change and unsustainable food production. In its 2030 strategy, the long-term goal of the sustainability mission is to "Advance knowledge and solutions to support the green transition in society". In the strategy period, the Foundation focuses within its sustainability mission on the following four themes and ambitions to promote environmental sustainability:

- *Theme 1. Sustainable and high yield agriculture*
 - *Ambition: Advance research and innovation in agricultural production by understanding, controlling and utilising ecosystems*
- *Theme 2. Sustainable food for healthy diets*
 - *Support the transformation of our food systems towards improved planetary and human health through research and translation within sustainable production and consumption*
- *Theme 3. High-impact climate change mitigation technologies*
 - *Ambition: Eliminate greenhouse gas emissions from high-carbon production and remove atmospheric CO₂ by supporting and driving research for scalable climate change mitigation technologies*
- *Theme 4. Supporting society in the green transition:*
 - *Ambition: Build knowledge, networks and systems to help support the green transition in society.*

In 2023, the Novo Nordisk Foundation in collaboration with Bill & Melinda Gates Foundation funded a new consortium of companies and university that will utilise CO₂ to produce proteins for human food. This ambitious project addresses two of the biggest global challenges: supplying nutritious food to a growing world population and mitigation of climate change. The two Foundations are supporting the initiative with up to DKK 200 million. The funding is part of the Novo Nordisk Foundation's work to advance the sustainability of society and the planet, one of three focus areas in the Foundation's 2030 strategy.

In 2023, the Novo Nordisk Foundation has awarded a total amount of DKK 674 million for research grants in the field of biotechnical science.

In 2023, the consumption of energy (3,000 GJ) and water (1,000 M3) remained unchanged compared to 2022. As in 2022 100% of the energy consumption in 2023 came from renewable energy. The amount of waste increased by from 30 to 50 tonnes compared to 2022 due to an 25% increase in the number of employees. 99% of the total waste was recycled.

2022 was the first ever year that the Foundation did a comprehensive analysis of emissions from own operations (Scope 1+2). The analysis was repeated in 2023 and showed that the GHG emissions in Scope 1 + 2 were 80 tonnes, which was a decrease of 28 % compared to 110 tons in 2022. For scope 3 emissions the total in 2023 were reduced by 1% compared to the 4,690 tons in 2022. The majority of the Scope 3 emissions come from purchase of goods and services (43%), business travel (54%) and employee commuting (2%).

Table A and B in this annex shows figures for the Novo Nordisk Foundation Group's social and environmental footprint.

The Novo Nordisk Foundation as a workplace

As a workplace, the Novo Nordisk Foundation is rooted in a strong purpose-driven culture with employees dedicated to the mission to improve people's health and sustainability of society and the planet.

The Foundation emphasises diversity among its staff, cf. the section on the Foundation's diversity policy: [https://www.novonordisk-fundation.dk/en/uk/employment](#)



The commercial activities of the Foundation

The following description of Corporate Social Responsibility at group level applies to all the companies in the Novo Nordisk Foundation Group. The Foundation's Board of Directors has adopted a common set of values, "Charter for companies in the Novo Group", which all companies in the Novo Group must demonstrate a willingness, ability and resolve to fulfil.

- Company products and services make a significant difference in improving the way people live and work.
- The company is perceived to be an innovator – in technology, in products, in services and/or in market approach.
- The company is among the best in its business and a challenging place to work.
- The company delivers competitive financial performance.

Companies in the Novo Group commit to:

- Value-based management
- Open and honest dialogue with its stakeholders
- Continuous improvement of
 - financial performance
 - environmental performance
 - social performance
- Reporting in accordance with relevant, internationally approved conventions.

Based on the charter, the companies in the Novo Group have formulated their own policies for social responsibility and publish independent reports of their work with these, e.g., policies for economic, environmental and social responsibility (including anti-corruption), compliance with conventions (e.g., human rights), value-based management and open and honest dialogue with its stakeholders. On the basis of the charter, Novo Holdings A/S has defined its own values, which are the basis for the company's investments in and collaborations with other companies. The values can be found at <https://www.novoholdings.dk>

Risks in relation to societal responsibility

The main risks of the Novo Nordisk Foundation Group in relation to economic, social, and environmental responsibility are related to the risks of the companies in the Group. The risks are minimised through the Charter for the companies in the Group as well as the companies' own policies for responsibility, as described in the companies' independent corporate social responsibility reports. Read more about the Novo Nordisk Foundation's role as a committed owner here: <https://www.novonordisk.com/en/our-activities/foundation-ownership>

The companies' main risks are particularly linked to the international development in the financial and economic markets, including exchange rate uncertainty, uncertainty in international trade policy and thus the development in the global sales markets, uncertainty with share and bond prices, etc. Companies seek to address these risks

through portfolio diversification in the areas of investment, trading and financial transactions, price hedging and investments in innovation and research and development.

Novo Holdings A/S includes information about its policies in relation to responsible investments in the company's annual report. Novo Nordisk A/S includes information about the company's social and environmental responsibility in its annual report, while Novozymes A/S publishes a supplement to its annual report. The three annual reports are available at: <https://assess.novoholdings.dk/novo-holdings-2023-annual-report.pdf>, <https://www.novonordisk.com/ny-store/annual-report.html> and <https://investor.novozymes.com/images/bq-financial-reports-annual-report-default.aspx>.

Anti-corruption

Novo Holdings A/S

Novo Holdings A/S's management approach to handling anti-corruption and business integrity is an integral part of the company's guiding principles and values, which are based on Novo Holdings A/S' mission. Novo Holdings A/S strives to be a respected company and is subject to the Foundation's Code-of-Conduct and Whistleblower scheme.

Novo Nordisk A/S

Novo Nordisk A/S keeps a close eye on compliance with all applicable local and international anti-corruption laws, regulations and standards, such as the US Foreign Corruption Practices Act and the UK Bribery Act. These requirements are spelled out in the company's Business Ethics Compliance Framework. Any suspected breaches of the company's standards can be reported anonymously by employees and external parties through the Compliance Hotline. Breaches are investigated and, if substantiated, action is taken immediately.

Novozymes A/S

Novozymes A/S' management approach to addressing anti-corruption and business integrity is embedded in the company's corporate values and policies. Novozymes A/S has a dedicated compliance function handling business integrity-related matters, including training of employees. Moreover, Novozymes A/S works proactively to prevent, detect and respond to fraud. An internal control system enables the identification of fraud cases and concerns raised, either through Novozymes' whistleblower scheme or other reporting channels.

Economic and scientific responsibility

Novo Holdings A/S

In 2023, the Novo Nordisk Foundation Group paid DKK 16.8 billion in corporation tax in Denmark, of which Novo Nordisk A/S accounted for by far the largest share. A large part of the Foundation's income via Novo Holdings A/S are dividends from Novo Nordisk A/S and Novozymes A/S, which primarily earn their profits outside Denmark. By end of 2023, Novo Holdings A/S had 179 employees.

¹ Companies in which Novo Holdings A/S has a controlling interest either report on their social and environmental responsibility in accordance with the Danish Financial Statements Act or refer to the Novo Nordisk Foundation's annual report.

Novo Holdings A/S' other investments in life-science and biotech companies result in thousands of jobs worldwide. The Novo Group and the life-science portfolio employed 134,000 in 2023, an 25% increase compared to 2020, where 107,000 were employed.

Novo Nordisk A/S

Novo Nordisk A/S had sales of DKK 232 billion in 2023, North America accounted for 59%, Europe, the Middle East and Africa for 22%, China for 7% and the rest of the world for 12% of total revenue. For Novo Nordisk A/S, less than one percent of the revenue is realized in Denmark. In 2023, Novo Nordisk A/S had 64,319 employees worldwide. The number of employees increased in most areas with the highest growth in Product Supply, Quality & IT. The employee turnover rate decreased from 8.2% in 2022 to 5.5% in 2023. The company investment in research and development increased to DKK 32 billion reflecting increased late-stage clinical trial activity and increased early research activities compared to 2022. The acquisition of Forma Therapeutics Inc. in 2022 and Inversago Pharma also increased R&D spending.

In the European Commission's 2023 overview (https://ec.europa.eu/competition/sectors/innovation_en) on the world's 2,500 largest companies' investments in R&D, Novo Nordisk A/S ranks as number 15 in Europe and as number 65 globally.

Novozymes A/S

Novozymes A/S' turnover in 2023 was DKK 17,899 million, 65% from activities outside Europe, the Middle East and Africa, of which the United States alone accounts for 32%. Novozymes A/S realized 98.7% of revenue outside Denmark. The company has 6,756 employees. In 2023, Novozymes A/S invested DKK 2,017 million in R&D, or 11.3 % of the revenue, in R&D. Novozymes A/S is ranked as number 145 in Europe and 769 globally on R&D investments.

Social Responsibility

Novo Holdings A/S

Novo Holdings A/S has a Responsible Investment Process which is anchored in the Environmental, Social and Governance (ESG) policies. The aim is to integrate Environmental, Social and Governance considerations as well as societal impact into the investment strategy, investment processes and engaged ownership activities to provide better investment decisions and returns. Prior to an investment, Novo Holdings A/S examines among other things whether the entity's actions are compliant with the Novo Nordisk Foundation Group's charter. If it is a direct investment, it is Novo Holdings A/S' responsibility to ensure that the entity does not act irresponsibly at the social or environmental level. If an investment is made through a third party, it is also Novo Holdings A/S' task to ensure that the third party is not socially or environmentally irresponsible in its actions. Each investment undergoes this process, and if it is deemed that a company or third party does not meet the criteria, the investment is rejected. As Novo Holdings A/S wishes to act as an active and responsible shareholder, through employees Novo Holdings A/S are represented on the boards of Novo Nordisk A/S, Novozymes A/S, and with a few exceptions in all other portfolio companies.

Novo Nordisk A/S

Novo Nordisk A/S Articles of Association state that the company will "strive to conduct its activities in a financially, environmentally, and socially responsible way," framing Novo Nordisk A/S' long-term strategy of being a sustainable business.

Novo Nordisk A/S' global code of conduct sets out the fundamental principles and required behaviours for its employees and collaborators and is rooted firmly in the Novo Nordisk Way Essentials. The Novo Nordisk Way Essentials are a foundational set of ten guiding principles that shape and inform everything the company does, including balancing financial, environmental and social performance.

The combination of foundation ownership and stock listing enables Novo Nordisk A/S to embark on long-term sustainable strategies while maintaining short-term transparency on performance. The company's foundation ownership supports the overarching imperative to be both commercially successful and responsive to the wider needs of society.

Novo Nordisk A/S supports the UN's Sustainable Development Goals. The company has been an active participant to the UN Global Compact since 2002 and submits the 'Communication on Progress' focusing on governance, human rights, labour, environment and anti-corruption on an annual basis.

The Novo Nordisk Way, the company's Business Code of Ethics "One-Code" and international and local standards for responsible business conduct set the foundation for ethics and compliance in Novo Nordisk A/S. This covers anti-fraud, anti-bribery, anti-off-label promotion, transparency in dealing with healthcare professionals and organisations, protection of personal data and respect to human rights.

Ethics and compliance training is conducted on an annual basis and mandatory for all employees, including all new hires. Business ethics reviews are performed by Group Internal Audit (GIA) in subsidiaries, production sites, vendors and headquarters. Supplier audits conducted by Novo Nordisk's Corporate Quality function consist of responsible sourcing audits and quality audits conducted at suppliers. A compliance hotline enables employees, stakeholders and external parties to report potential violations of the company's policies or applicable laws and regulations.

Novozymes A/S

Novozymes A/S works with transparency and responsibility across all its business activities, and proactively shares information with stakeholders via various platforms and information channels, e.g., by reporting annually on its progress toward implementing the UN Global Compact's Ten Principles in the company's Communication on Progress report.

Novozymes is recognized for its sustainability leadership and performance by many leading rating agencies, including CDP, MSCI, Sustainalytics, Ecovadis and more. In 2023, Novozymes was recognized in CDP's Climate Change A List (leadership ranking) for their commitment to environmental transparency and action on climate change.

Novozymes are committed to high standards and ambitious actions to improve their climate footprint across scopes 1, 2 and 3 with the aim of reaching net-zero by 2050. Novozymes was among the first companies

in the world to receive validation of its net-zero targets by SBTi. Novozymes commit to reach net-zero GHG emissions across the value chain by 2050 from a 2018 base year. To do so Novozymes strives to decouple environmental impact from business growth, and they define targets and metrics that measure and drive their sustainability performance.

Read more about Novozymes' approach to sustainability at: <https://www.novozymes.com/en/about-us/our-sustainability-policies>.

Health responsibility

Novo Nordisk A/S

Novo Nordisk A/S' purpose is to drive change to defeat serious chronic diseases. In 2023, Novo Nordisk A/S delivered medical treatment to more than 40.5 million diabetic patients worldwide, a 12% increase compared to 36.3 million patients 2022. The 12% increase was primarily driven by the GLP-1 franchise, followed by the new-generation insulin and human insulin franchises.

Through the Access to Insulin Commitment programme, Novo Nordisk A/S guarantees supply of low-priced human insulin to the least developed countries and other low-income countries as well as to organisations providing relief in humanitarian settings. The programme guarantees a ceiling price of USD 3 per vial in 77 low- and middle-income countries (LMICs) around the world. Over the past year, Novo Nordisk A/S reached 6.7 million people living with diabetes globally with its insulin medicines through access and affordability initiatives. The company extended support to more than 52,000 children with type 1 diabetes through the Changing Diabetes[®] in Children (CDiC) programme. In the US, the company provided access to affordable insulin for 1.4 million people and supported a further 2.8 million with initiatives relating to its GLP-1-based therapies.

In 2023, the estimated number of patients with diabetes reached with Novo Nordisk A/S' human insulin vials through the Access to Insulin Commitment was 2.4 million, compared to 1.8 million in 2022. Novo Nordisk A/S also sold human insulin vials below the ceiling price of USD 3 in countries outside the commitment, reaching an estimated additional 2.6 million patients in 2023. This equates to a total of 5 million patients with diabetes reached with human insulin in vials below USD 3 per vial globally.

Through the Changing Diabetes[®] in Children programme, Novo Nordisk A/S reached 52,249 children with type 1 diabetes in 29 low-resource countries in 2023, compared to 41,033 in 2022. Almost half of the newly enrolled children were reached through expansion in Asian countries, mainly India, Pakistan, Indonesia, and Vietnam. The children received access to diabetes care in clinics (e.g., patient education) as well as medical supplies if needed.

Novo Nordisk's childhood obesity partnership with UNICEF, launched in 2019 and expanded in 2023, aims to reach 10 million children across the globe. The partnerships focus on risk factors driving the obesity epidemic through policies, programmes and practices that directly impact the nutrition, wellbeing and development of children. Since its launch, the partnership has positively impacted the lives of more than 2.7 million children and caregivers across Latin America and the Caribbean. The expanded partnership will bring a proven approach to new geographies with an increased focus on driving policy change at national level and action at city level. Through local engagement and

cross-sector collaboration, Novo Nordisk and UNICEF are focusing on interventions with demonstrable track records.

The world's vulnerable population groups are in focus in Novo Nordisk A/S' humanitarian programme. Through the Partnering for Change programme with the International Committee of the Red Cross, the Danish Red Cross and other organisations, the company aims to ensure treatment for people with diabetes and other serious chronic diseases in humanitarian crises.

In 2023, Novo Nordisk A/S donated DKK 119 million to humanitarian and social causes via the World Diabetes Foundation (WDF). WDF is an independent fund established by Novo Nordisk A/S in 2002 with the aim of promoting diabetes prevention and treatment in developing countries. WDF provides assistance to sustainable partnerships and acts as a catalyst to help others do more. Read more at www.worlddiabetesfoundation.org

Novo Nordisk A/S provides financial support to improve global access to haemophilia treatment. In 2023, the company donated DKK 19 million to the Novo Nordisk Haemophilia Foundation, established in 2005. Read more at www.nnhf.org

Novozymes A/S

As a UN Global Compact LEAD member, Novozymes A/S is strongly involved in several UN-led initiatives as well as in local UNGC networks in Brazil, China, Denmark, India and the USA. At the UN General Assembly in New York in September 2015, Novozymes A/S joined the rest of the world in welcoming the 17 UN Sustainable Development Goals (World Goals for Sustainable Development). By 2030, countries and multinationals are expected to use these goals to implement policies, allocate funding and drive change that will help build a fair and more sustainable world for all.

Novozymes A/S was among the first to adapt its strategy to the Sustainable Development Goals by applying cutting-edge biotechnological solutions that have the potential to address some of the global challenges. For Novozymes A/S, the goals are a frame of reference for guiding decisions, managing risks, and securing future business opportunities. More information about how Novozymes A/S delivers on the Sustainable Development Goals can be found in the company's CSR reporting, which can be downloaded at: <http://www.novozymes.com/en/our-story/investor-relations/annual-report>

Environmental and climate responsibility

Novo Nordisk A/S

Novo Holdings A/S

In 2023, the consumption of energy decreased by 1 MJ and water consumption remained unchanged compared to 2022 were a total of 1,000 m³. As in 2022 100% of the energy consumption in 2023 came from renewable energy. The amount of waste increased by from 30 to 50 tonnes compared to 2022 due to increase in the number of employees and the opening of new international offices. 99% of the total waste was recycled.



Novo Nordisk A/S

Novo Nordisk A/S has a target of reaching net-zero emissions by 2045. More near term, the company has pledged to reach zero emissions from its operations and transportation by 2030.

Novo Nordisk A/S' Scope 1 and 2 CO₂e¹ emissions remained broadly unchanged from 2022 due to energy savings projects and renewable power initiatives. Scope 3 emissions increased by 55% due to substantial investments in production capacity and increase in supply chain activities to support company growth.

In 2023, production sites consumed 4,150 thousand m³ of water, an increase of 6% compared to 2022 due to higher production volumes and ramp-up activities within production sites. Novo Nordisk continues to focus on ways to be more energy efficient, and energy-saving projects implemented in 2023 within production sites resulted in annual savings of 64,000 GJ. 100% of the electricity consumption at production plants came from renewable sources such as biomass, wind, and hydropower. These efforts could not fully mitigate the increased production volumes, ramp-up activities and impact from adverse local weather conditions, and consequently energy consumption for production increased by 4%.

Reducing water consumption continues to be a focus area for production sites around the world - especially in areas of water scarcity or high seasonal variations, like in France, Brazil, China, US, Iran and Algeria. Through implementation of water conservation projects in water-stressed areas a savings of 14 thousand cubic metres of water was achieved in 2023.

The amount of waste decreased by 11% compared to 2022 due to waste reduction initiatives, reuse of waste and implementation of zero landfill waste strategies. 78% of the total waste was either recycled, used for biogas production, or incinerated at plants where energy is used for heat and power production.

Novozymes A/S

With increasing pressure on global resources, Novozymes A/S is focused on optimizing operations from year to year in order to reduce the consumption of natural resources and reduce the negative environmental consequences of production. Long-term efficiency targets for energy, CO₂ and water have been set to optimize production processes, thereby reducing the consumption of limited resources and reducing costs.

Novozymes strives to decouple environmental impact from business growth. In 2023, the consumption of energy and water decreased by 9% and 11% respectively compared to 2022. The decrease was driven by changes in product mix towards less resource consuming products, lower production volumes and implementation of efficiency-enhancing projects. 51% of energy consumption in 2023 came from renewable energy - an improvement compared to 50% in 2022.

¹ Starting 2023, Novo Nordisk has started reporting in CO₂e, expanding scope of reporting to include all green-house gases. While historic emission related data is still

Climate

Novo Holdings A/S

2022 was the first ever year that Novo Holdings did a comprehensive analysis of emissions from own operations (Scope 1+2). The analysis was repeated in 2023 and showed that the GHG emissions in Scope 1 + 2 were 250 tonnes, which was an increase of 25 % compared to 200 tons in 2022. In 2023 the scope 3 emissions excluding the downstream investments were reduced by 17% compared to 2022. The majority of the Scope 3 emissions are downstream investments (97%). Purchase of goods and services, business travel and employee commuting account for the remaining (3%).

Novo Nordisk A/S

In 2018, Novo Nordisk A/S committed itself to a set of long-term environmental targets for the share of energy derived from renewable energy sources as well as its energy consumption and water consumption. The overall goal is net zero emissions across the company's entire value chain by 2045 and along the way to achieve zero CO₂e emissions from all operations and transport by 2030.

Novo Nordisk A/S has made significant progress in curbing the company's emissions. Since 2020, all of the company's production sites have sourced 100% renewable power and the company aims to reach zero CO₂e emissions from operations and transportation by 2030. However, focusing solely on its own activities is not enough. Novo Nordisk A/S must also ensure its 60,000-plus suppliers play their part in this transformation, since their activities account for the majority of the company's total CO₂e emissions - amounting to 98% in 2023.

Novo Nordisk's target is that all goods and services from suppliers will be based on 100% sourced renewable power by 2030. The company is engaging with suppliers in high-impact areas to understand how they can collectively reduce emissions using novel approaches to decarbonisation. This involves working on innovative Power-to-X solutions that use renewable electricity to produce green fuels and low-carbon chemicals or using organic waste materials to produce biofuels.

Recent examples include Novo Nordisk's membership in the Sustainable Aviation Buyers Alliance (SABA) to support the expansion of sustainable aviation fuel facilities, and the company's partnership with global logistics firm Maersk on low-emission fuels for ocean freight. Both investments are contributing to the global uptake of innovative green technologies.

Novo Nordisk A/S' emissions from production-related Scope 1 and 2 CO₂e emissions increased by 19% in 2023 compared to 2022, due to increase in scope of reporting to also include CO₂e from cooling agents, starting 2023.

Novo Nordisk A/S reduced its CO₂e emissions from operations and transportation by 8% in 2023 versus 2022 through energy-saving projects, renewable power initiatives and procurement of sustainable aviation fuel.

in CO₂, the change impacts 2023 emission reporting as well as all emission related targets which have now been shifted to CO₂e.

Read more about Novo Nordisk's environmental results in the Annual Report: <https://www.novonordisk.com/annual-report.html>

Novozymes A/S

Sustainability plays a central role in the strategy of Novozymes A/S. Many of Novozymes A/S' biological solutions enable the company's customers to reduce their environmental footprint compared to the use of conventional technologies. The solutions create higher quality products with lower costs and allow customers to reduce their CO₂ emissions. For more than 10 years, Novozymes A/S has used life cycle assessments (LCA) to document the environmental consequences of the company's biological solutions. The LCA studies are usually completed in collaboration with customers and based on data from customers' specific applications of Novozymes' technology.

As part of the journey towards becoming a net-zero emission company in 2050, Novozymes aim to achieve a 75% reduction in scopes 1 and 2 GHG emissions from Novozymes' own operations, and a 35% reduction in scope 3 emissions from the full supply chain, all from a 2018 baseline. Novozymes' GHG emissions from own operations (Scope 1+2) in 2023 were 143,000 tonnes, which was a decrease of 12 % compared to 161,000 tons in 2022. For scope 3 emissions the total in 2023 were reduced by 12% compared to 2022. In 2023, Novozymes has achieved a 67% reduction of GHG emissions in own operations (scope 1+2) from a 2018 baseline.

By 2025, Novozymes will exclusively buy electricity from renewable sources. On the way towards that goal, 84% of the company's total electricity consumption in 2023 was derived from renewable sources.

The Novo Group as a workplace

The Novo Nordisk Foundation Group puts emphasis on offering a committed and professional workplace where the employees thrive, are challenged and have opportunities to develop their potential. It involves an inclusive culture with respect for the individual, continuous development, health and safety. And further, development of leadership, people and organisation. This agenda is centred around leadership, people growth, and building an even stronger collaborative and inclusive culture with seamless, digital, and efficient processes.

Novo Nordisk Foundation

In the Novo Nordisk Foundation, a high level of engagement among employees is vital. The Foundation is continuously growing, both in terms of new employees and activities in our programme areas. The number of employees of the Foundation has grown by 25% in 2023 with an internal workforce on 202 employees by the end of the year. Our voluntary turnover remains low on 6%. To support the development goals of the Foundation, it is crucial that the organisation continuously strive to be an inspiring and attractive workplace with highly engaged employees.

The engagement survey, that we run each year, continues to show high engagement amongst our employees with 91% engagement and a 98% respondent rate, above global benchmark. The categories around purpose and inclusion were specifically scored high this year and well-being has improved significantly.

The Novo Nordisk Foundation wishes to promote gender equality in across all people processes and in 2023 we conducted a salary and

promotion gender gap analysis that showed that all promotions and performance payout were equally distributed across genders, and we do not see any pay gap disparity between male and female employees.

Novo Holdings A/S

At Novo Holdings A/S, maintaining a high level of engagement among employees is a key priority. Given the continuous growth, both in terms of additional employees and geographical expansion, it is crucial that Novo Holdings remains an inspiring and attractive workplace. Novo Holdings has grown by 15% in 2023 with an internal workforce on now 179 employees. However, our voluntary turnover remains low on only 5%.

In April 2023, Novo Holdings A/S carried out a survey focused on employee engagement survey, in which 96% of the employees participated. The results were very positive, with a satisfaction score of 94, especially within the categories: Company Culture, Pride in Company, Trust & Respect and Diversity & Inclusion. Novo Holdings A/S will continue to strive to be an excellent workplace, always aiming to achieve our purpose and live out the Novo Holdings Way of Performance, Respect and Responsibility.

Novo Nordisk A/S

The 2023 employee engagement survey "Evolve" revealed an increase in the already high overall engagement, bringing it to 86% favourable compared to 85% favourable in 2022. Novo Nordisk A/S continues to score in the top decile against external organisations when it comes to providing a purpose-driven workplace.

In 2022, Novo Nordisk A/S launched an aspirational target of achieving a balanced gender representation across all managerial levels with a minimum of 45% for both women and men in senior leadership positions by the end of 2025. By the end of 2023, 54% of all leadership positions are held by men and 46% are held by women. Across senior leadership positions, the gender split is 59% men and 41% women. There is still work to be done but Novo Nordisk A/S are making significant progress. At the end of 2023, 41% of senior leadership positions were filled by women, compared to 39% one year earlier.

Novozymes A/S

Novozymes focus on employee development throughout the organization. The focus is supported and driven by management, as a key element in relation to improving employee satisfaction and motivation. The annual engagement survey showed a thrive score of 84, which is three points higher than the industry benchmark. Novozymes is especially proud of this achievement during what was a year of change due to the planned merger with Chr. Hansen. Such a significant event can naturally be a cause of uncertainty for people.

Novozymes' proactive attitude to avoid discrimination and promote equal opportunities is reflected in specific goals for managers and across all professionals in relation to gender. By 2030, Novozymes aim to achieve gender balance by striving for a minimum of 45% women and 45% men across all professionals and in senior management. There is still work to be done but Novozymes A/S are progressing towards its goals. And the end of 2023, 36% of senior management positions were filled by women, compared to 33% one year earlier. In

addition, gender balance across all professionals remained at 43% women and 57% men, as in 2022.

Diversity policy in the Novo Nordisk Foundation Group

Section 99b of the Danish Financial Statements Act requires that Danish companies of a certain size report on diversity.

The Novo Nordisk Foundation Group welcomes and promotes diversity among its staff, managements and boards, as diversity in relation to gender, age, education, cultural background and international experience helps to ensure a broad range of skills, which in turn contributes to development, renewal, and quality in work efforts. Furthermore, it lays the foundation for an inclusive culture with respect for individuals, ongoing personal development, health and safety. Diversity is promoted through the recruitment and development processes in the Group.

In 2023, the Board of Directors of the Foundation approved a new version of the 2019 diversity policy for the Novo Nordisk Foundation and Novo Holdings A/S. The Foundation Group's two commercial companies have formulated their own diversity policies in line with the Foundation's policy.

Novo Nordisk Foundation diversity and inclusion policy is available at <https://www.novonordiskfonden.dk/da/om-fonden/2023-2024-tilvalgte-nyhedsbrev-til-ansatte>

Novo Nordisk A/S: <https://www.novonordisk.com/sustainabledevelopment/eng/our-approach-to-diversity-and-inclusion/2023-diversity-and-inclusion-policy.html>

Novozymes A/S: <https://www.novozymes.com/en/our-approach-to-diversity-and-inclusion/2023-diversity-and-inclusion-policy.html>

Diversity policy for the Novo Nordisk Foundation and Novo Holdings A/S

The diversity policy reflects the core values of the Novo Nordisk Foundation and Novo Holdings A/S. The policy sets the goals, defines the scope and provides guiding principles for the work with diversity. The Novo Nordisk Foundation and Novo Holdings A/S follow international standards and procedures and in some case take a lead. The diversity policy is an important part of the decision-making process related to recruitments, to ensure diversity across all departments. In 2023, the joint Personnel and Organisation department between the Novo

Nordisk Foundation and Novo Holdings A/S were split into two departments with one for each entity. The Foundation's Impact department provides diversity analyses on recruitments and on the grant-giving and commercial activities, including their measured effects. The Novo Nordisk Foundation collaborates with the Danish universities to promote diversity, for example in relation to employees fully or partly funded by the Foundation's grants.

The foundation continuously strives to be an attractive and flexible workplace where all employees can grow, develop, and realise their professional potential in a collaborative and inclusive manner. Our existing workforce represents a rich diversity of educational backgrounds, industry- and sector experiences and differences in nationalities, genders, and ages. This ensures that a variety of perspectives is brought to the table, which is key for future success of the foundation.

During 2023, Novo Nordisk Foundation launched an aspirational target of achieving a balanced gender representation across all managerial levels with a minimum of 40% of the underrepresented gender across our Board and our Executive Leadership Team by the end of 2027. <https://www.novonordiskfonden.dk/da/diversity-policy/>

By the end of 2023, our gender distribution amongst the Foundation's employees is considered gender balanced with 60% females and 40%. Our leaders directly referring to C-level (CEO) consist of 37 % female leaders and 63% males, which means that we at this level already now live up to our target. The gender distribution in our Board of Directors is currently at 29% females and 71% male. The composition of the Board of Directors met the gender diversity requirements set out in Danish legislation.

Efforts are being made continuously to be able attract more female talent. Based on the guiding principle in the diversity policy adopted by the Board of Directors of the Novo Nordisk Foundation, the Foundation will in 2024 continue the work that supports the development towards more diversity.

Beyond gender diversity we value and monitor diversity in teams more broadly. When we look at our age and nationality distribution, we have 23 % of colleagues coming from other countries than Denmark and a great representation across four generations.

Table A. Gender diversity in the Novo Nordisk Foundation

	2019	2020	2021	2022	2023	Target (2027)
Board of Directors						
Total number of individuals	6	6	6	6	7	
Underrepresented gender (pct)	33%	33%	33%	33%	29%	40%
Top management*						
Total number of individuals	1	1	1	1	1	
Underrepresented gender (pct)	0%	0%	0%	0%	0%	40%
Management levels**						
Total number of individuals	15	15	17	17	19	
Underrepresented gender (pct)	40%	40%	29%	29%	37%	40%
All employees						
Total number of individuals	159	187	131	167	202	
Underrepresented gender (pct)	55%	55%	59%	60%	60%	NA

* Top management (CEO), ** Management levels are (C-level and all managers referring to the C-level)

Diversity in Novo Holdings A/S

During 2023, Novo Holdings A/S launched an aspirational target of achieving a balanced gender representation across all managerial levels with a minimum of 40% of the underrepresented gender across the Board and Executive Leadership Team by the end of 2025.

By the end of 2023, the gender distribution amongst Novo Holdings' employees is considered gender balanced with 40% females and 60% male. Our leaders directly referring to C-level consist of 33 % female leaders and 67% males. The gender distribution in Novo Holdings' Board of Directors is currently at 33% females and 67% male. Efforts are being made continuously to be able attract more female talent. Based on the guiding principle in the diversity policy adopted by the Board of Directors of the Novo Nordisk Foundation, Novo Holdings A/S will in 2024 continue the work that supports the development towards more diversity.

Policy on data ethics

Section 99d of the Danish Financial Statements Act requires that Danish companies of a certain size report on their policy on data ethics.

The Novo Nordisk Foundation Group welcomes and promotes ethical use of data. In 2020, the Novo Nordisk Foundation Group initiated the work on formulating policies on data ethics for each of companies in the group. In 2023, the focus was on training to secure compliance with the principles of the policies.

Novo Nordisk Foundation

The Novo Nordisk Foundation complies with both Danish and EU law on data and privacy protection. In addition, the Foundation recognises that the fast pace of technological development, along with evolving risks and benefits from large scale data use, requires thoughtful and responsible decision-making where existing laws and regulations do not necessarily provide clear ethical guidance. The Foundation has developed a policy on data ethics based on six principles for how to handle

data in an ethical way. The rules describe how the Novo Nordisk Foundation must use and process both personal data and non-identifiable (e.g., anonymised, aggregated, non-personal) data as well as data and information that applicants submit when applying for a grant using the Foundation's application system. Read more at: <https://novonordisk-fund.dk/Uploads/NovoNordiskFoundation-2023-Annual-Governance-Report.pdf>.

Novo Holdings A/S

To cope with the challenges that arise from the fast-moving technological development, along with evolving risks and benefits from large scale data use, Novo Holdings has developed a policy on how to use and handle data in an ethical way. Read more at: novoholdings.com/files/2024/04/data-ethic.pdf

Novo Nordisk A/S

In 2021, data ethics principles were enhanced and will be implemented through policies and trainings across the organisation in 2023. The data ethics principles support ethical decision-making when using data across the value chain. The integration of data protection and human rights risks into the business ethics risk management processes has been further strengthened. Read more on: [Data ethics | Novo Nordisk data ethics principles](#).

Novozymes A/S

Novozymes has adopted a policy, which sets the overall principles for the ethical management of data in Novozymes and supplements our general commitment to integrity and compliance. In 2023, the focus has been on how to use Artificial Intelligence (AI) in an ethical way. Link to data ethics report 2023 at: www.novozymes.com/~/media/2024/04/2023-annual-report-2023-2024-ai-ethics-report.pdf

Table B: Sustainability indicators - Social footprints

Indicators	Novo Nordisk Fonden			Novo Holdings A/S			Novo Nordisk A/S			Novozymes A/S		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Employees												
Number of employees 31.12	202	162	131	179	152	132	64,319	55,185	48,478	6,756	6,781	6,527
Average number of employees in the year (FTE) ⁽¹⁾	201	160	131	166	93	89	63,370	51,046	46,171	6,805	6,690	6,240
Gender (Women %)												
- Board of Directors	29	22	33	33	25	14	50	46	33	33	29	29
- Committee members ⁽²⁾	40	42	41	-	-	-	-	-	-	-	-	-
- Management	37	29	38	33	22	29	46	44	43	36	33	33
- All employees	60	60	59	41	36	38	49	49	49	40	39	38
Country of origin (%)												
- Denmark	77	81	89	50	52	61	45	42	35	43	43	43
- European Union other than Denmark	13	11	8	12	9	9	7	8	11	3	2	2
- Outside the European Union	10	7	3	38	39	30	48	50	49	54	55	55
Human capital												
Sick leave (%)	2	2	2	1	1	0	-	-	-	3	3	2
Turnover (%)	9	12	8	5	11	11	6	8	11	11	11	12
Employee satisfaction ⁽³⁾	91	89	91	94	89	96	86	85	84	84	83	82
Research & Development												
Number of journal articles ^{(4),(7)}	4377	4,097	4,130	-	-	-	499	437	427	51	59	67
Number of patents and patent applications ⁽⁵⁾	347	291	229	-	-	-	18,787	18,225	17,827	17,638	16,997	16,496
Number of R&D personnel ⁽⁶⁾	9,654	9,367	6,552	-	-	-	7,924	8,426	6,867	1,208	1,279	1,330
PhD students	1,802	1,701	1,183	-	-	-	-	-	-	-	-	-
Post Doc fellows	1,873	1,657	970	-	-	-	-	-	-	-	-	-

⁽¹⁾ Novo Nordisk Foundation calculates the number of employees as full-time equivalents (FTEs). For Novo Holdings the number of full-time equivalents does not include Global subsidiary companies.

⁽²⁾ Committee members are both internal experts and externals used for peer review.

⁽³⁾ In 2021, the engagement survey conducted in both Novo Nordisk and in the Novo Nordisk Foundation was entirely redesigned to support the strategic goals of the organisations. As a result, comparison to previous surveys is not possible. In 2021, Novo Holdings conducted a company culture survey and not an engagement survey, hence the results cannot be compared with previous results.

⁽⁴⁾ Number of journal and review articles reported by grant recipients of the Novo Nordisk Foundation.

⁽⁵⁾ Number of patents and patent applications reported by grant recipients of the Novo Nordisk Foundation. Counted on NNF and centres from 2013 and onwards. The source Novo Nordisk A/S and Novozymes A/S number of patents and patents applicants has been changed to Digital Science - Dimensions compared to last year increasing the coverage in jurisdictions and the resulting number shown.

⁽⁶⁾ Employees partly or fully financed by grants from the Novo Nordisk Foundation.

⁽⁷⁾ The yearly number of publications includes an estimation of the total number of publications reported in subsequent years.



Table C: Sustainability indicators - Environmental footprints

Indicators	Novo Nordisk Fonden ⁽⁹⁾			Novo Holdings A/S ⁽¹⁰⁾			Novo Nordisk A/S			Novozymes A/S		
	2023	2022	2021	2023	2022	2021	2023	2022	2021	2023	2022	2021
Energy (1,000 GJ)	3	3	3	2	3	2	3,784	3,677	3,387	4,396	4,840	4,475
Renewable energy (%)	100	100	-	100	100	-	100 ⁽¹²⁾	100 ⁽¹²⁾	100 ⁽¹²⁾	51 ⁽¹²⁾	50 ⁽¹²⁾	42 ⁽¹²⁾
CO2 equivalent emission (1,000 tonnes)⁽⁸⁾												
Scope 1 Total	0.01	0.01	-	0.03	0.03	-	78	76	77	40	46	43
Scope 2 Total ⁽¹⁴⁾	0.07	0.10	-	0.24	0.17	-	15	16	16	103	115	175
Purchased goods and services	2.76	2.01	-	3.82	4.74	-	2,067	1,473	-	477	545	510
Fuel and energy related activities	0.04	0.05	-	0.10	0.07	-	56	55	-	100	109	108
Upstream transportation and distribution	-	-	-	-	-	-	113	123	71	53	67	59
Waste generated in operations	0.02	0.02	-	0.02	0.01	-	6	5	-	7	7	6
Business travel	1.72	2.51	-	3.37	3.70	-	83	73	10	7	6	1
Capital goods	-	-	-	-	-	-	1,315	614	-	-	-	-
Employee commuting	0.11	0.10	-	0.09	0.11	-	43	35	-	-	-	-
End-of-life treatment of sold products	-	-	-	-	-	-	3	3	-	-	-	-
Downstream transportation and distribution	-	-	-	-	-	-	52	37	-	-	-	-
Downstream investment ⁽¹⁵⁾	-	-	-	N/A ⁽¹⁶⁾	314.48	-	-	-	-	-	-	-
Scope 3 total	4.65	4.69	-	7.40	323.11	-	3,738	2,418	-	644	734	684
Total scope 1+2+3 emission	4.73	4.80	-	7.67	323.28	-	3,831	2,510	-	787	895	902
Water (1,000 m3)												
Water consumed	1	1	1	1	1	1	4,150	3,918	3,368	7,793	8,720	7,998
Waste												
Waste (1,000 tonnes)	0.05	0.03	0.02	0.05	0.03	0.02	189 ⁽¹⁰⁾	214 ⁽¹⁰⁾	181 ⁽¹⁰⁾	15 ⁽¹⁰⁾	21 ⁽¹⁰⁾	15 ⁽¹⁰⁾
Waste recyclable (%)	99	98	-	99	98	-	78 ⁽¹⁰⁾	84 ⁽¹⁰⁾	-	74 ⁽¹⁰⁾	63 ⁽¹⁰⁾	62 ⁽¹⁰⁾

⁽⁸⁾ Scope 1: Direct GHG emissions that occur from sources controlled or owned by an organisation. Scope 2: indirect GHG emission associated with purchased energy. Scope 3: All other GHG emissions resulting from activities not owned or controlled by the company, but which form part of the value chain.

⁽⁹⁾ Office at Tuborg Havnevej 19, DK-2900 Hellerup. Consumption is based on invoices from suppliers.

⁽¹⁰⁾ Waste from production sites.

⁽¹¹⁾ Solid waste, excluding biomass where 99% is recycled.

⁽¹²⁾ Share of renewable power for production sites.

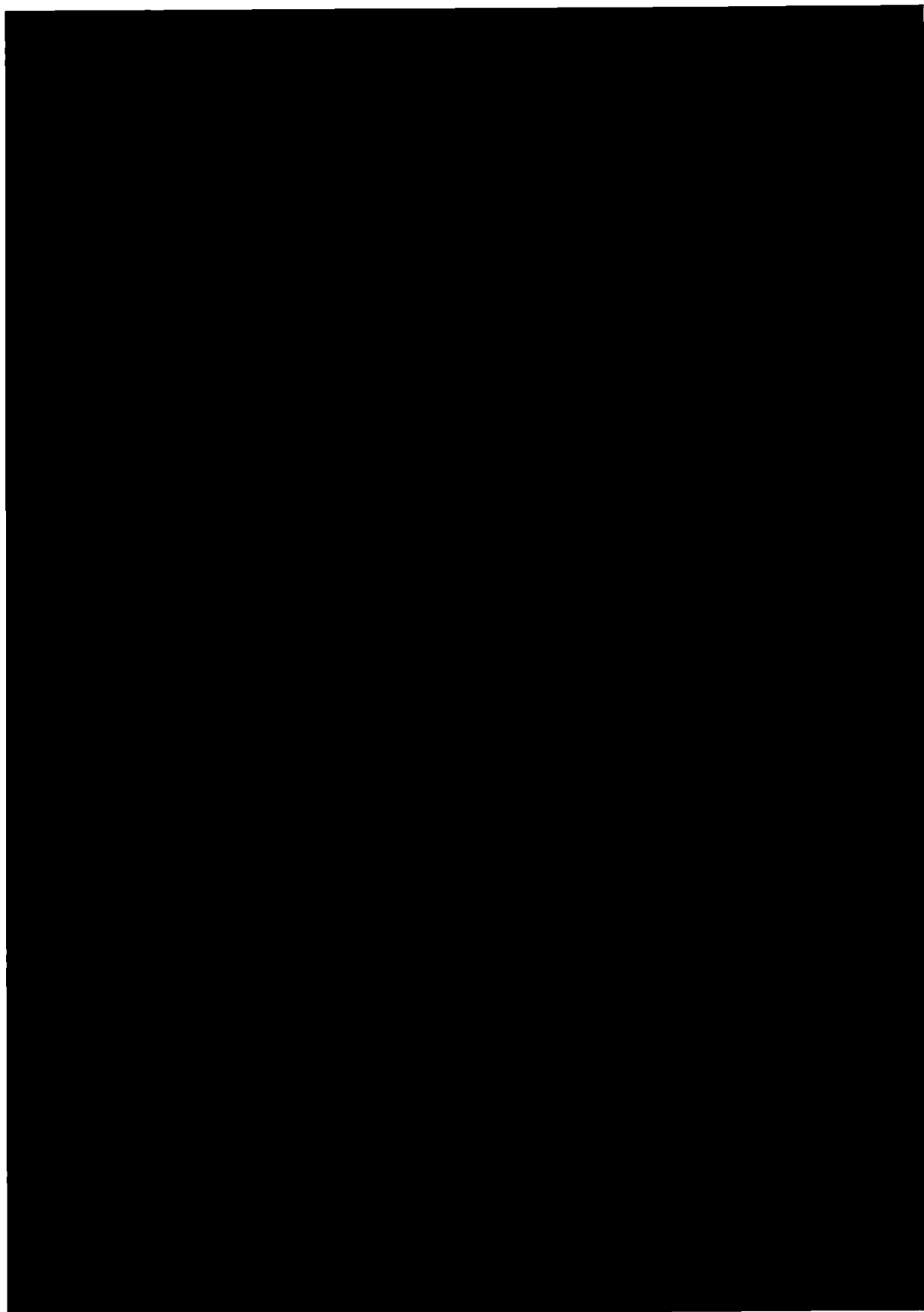
⁽¹³⁾ Percentage of solid waste (non-biomass waste) recycled.

⁽¹⁴⁾ Market based approach.

⁽¹⁵⁾ Energy, water and waste metrics are for Tuborg Havnevej, 19, DK-2900 Hellerup. CO2 emissions cover Novo Holdings locations globally.

⁽¹⁶⁾ Equity share approach. Calculations include Novo Nordisk A/S and Novozymes A/S.

⁽¹⁷⁾ Not available at time of reporting.





To the General Meeting of Otnortopco AS

Independent Auditor's Report

Opinion

We have audited the Annual Report for 2023 of Otnortopco AS (the Company), which comprise the balance sheet as at December 31 2023, the income statement and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable statutory requirements, and the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

PricewaterhouseCoopers AS, Gravane 26, Postboks 447, NO-4664 Kristiansand
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Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revisjonsberetninger>

Kristiansand, 21 June 2024

PricewaterhouseCoopers AS

Reidar Henriksen

State Authorised Public Accountant

(This document is signed electronically)



 Securely signed with Brevio

Revisjonsberetning

Signers:

Name	Method	Date
Henriksen, Reidar	BANKID	2024-06-21 14:34

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Otnortopco AS

Org.no. 991 814 183

Annual report for 2023



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Otnortopco AS

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Otnortopco AS

BOARD OF DIRECTORS' REPORT

ACTIVITIES AND LOCATION

Otnortopco AS is a limited liability company. Its main activities are to hold shares in subsidiaries.

Otnortopco has since July 17, 2013 been owned by New Xellia Group A/S in Denmark.

Otnortopco AS owns the subsidiary Xellia Group AS which is the owner of subsidiaries with operational activities.

The company is domiciled at Silurveien 2, 0380 Oslo.

There are no employees in the company.

A company owned by Novo Holdings A/S has taken out insurance for Otnortopco ASs board members for any potential liability to the company and third parties. The insurance coverage covers liabilities up to DKK 500 million for each individual insurance claim and up to DKK 500 million in aggregate per year. The insurance coverage is subject to the terms of the insurance contract with the respective insurance provides.

Environmental

The company does not pollute the environment.

Currency risk

Otnortopco AS is not exposed to changes in exchange rates.

Credit risk

In 2023, there was no recorded loss / gain on receivables. Current assets at the balance sheet date total TNOK 0, against TNOK 0 in 2022.

Uncertainties relating to going concern

After recognition of the 2023 loss, the Equity is negative and totals -734 TNOK as of December 31, 2023.

The parent company New Xellia Group A/S has issued a Letter of support to which the parent company will provide the liquidity required for Otnortopco AS to fulfil its obligations at least until December 31, 2024.

Based on the circumstances described above, the financial statements are prepared by the Management on the basis that Otnortopco AS is a going concern.



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Otnortopco AS

COMMENTS TO THE FINANCIAL STATEMENTS

The company is a holding company, and the profit and loss statement mainly consist of administrative costs and impairment.

The company's loss for the year is 2.081.409 TNOK (2022: loss 130 TNOK).

No events have occurred after the balance sheet date which may materially affect the Company's financial position.

In accordance with Sections 3-3a of the Norwegian Accounting Act, it is confirmed that the condition on continued operation is present based on the expectations to the earnings.

Oslo, June 21, 2024

Board of Directors

DocuSigned by:
Michael Kocher
C9CA2CE903E34B1...
Michael Kocher

Executive Board and Chairman of the board

DocuSigned by:
Bente Schmidt Nielsen
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Bente Schmidt Nielsen

DocuSigned by:
Søren Hostrup
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Søren Hostrup



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Otnortopco AS

Income Statement	Note	2023 TNOK	2022 TNOK
Other operating expenses	5	(131)	(119)
Total operating expenses		(131)	(119)
Operating profit (loss)		(131)	(119)
Impairment losses on investments in subsidiaries		(2.081.253)	0
Financial expenses	6	(25)	(11)
Profit before tax (loss)		(2.081.409)	(130)
Tax	7	0	0
Profit (loss) for the year		(2.081.409)	(130)



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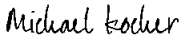
Otnortopco AS

Balance Sheet, December 31

	Note	2023 TNOK	2022 TNOK
ASSETS			
Investment in subsidiary	8	0	2.081.253
Total non-current assets		0	2.081.253
Receivable from group company		0	0
Cash at bank		0	0
Total current assets		0	0
Total assets		0	2.081.253
EQUITY AND LIABILITIES			
Share capital	9	163.149	163.149
Additional paid-in capital		(163.883)	1.917.526
Total equity	10	(734)	2.080.675
Deferred taxes	7	0	0
Total non-current liabilities		0	0
Payable to group company	11	619	492
Other payables	12	115	86
Total current liabilities		734	578
Total equity and liabilities		0	2.081.253

Oslo, June 21, 2024

Board of Directors

DocuSigned by:


Michael Kocher
Executive Board and chairman of the board

DocuSigned by:


Bente Schmidt Nielsen

DocuSigned by:


Søren Hostrup



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Otnortopco AS

Statement of Cash Flows

	Note	2023 TNOK	2022 TNOK
Profit before tax (loss)		(2.081.409)	(130)
Impairments		2.081.253	
Increase in accounts payable and accrued expenses		30	0
Net cash from/(to) operating activities		(126)	(130)
<i>Cashflow to investing activities</i>			
Net cash used in investing activities		0	0
<i>Cashflow from financing activities</i>			
Increase/(decrease) in intercompany payables, net		126	0
Net cash provided by/(to) financing activities		126	0
Increase/(decrease) in cash at bank		0	0
Cash at bank, January 1		0	0
Cash at bank, December 31		0	0
Additional cash flow information			



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Otnortopco AS

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- 8 Investment in subsidiary

- 9 Share capital
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Otnortopco AS

Notes

1 General information

Otnortopco AS ('the company') and its subsidiaries (together 'the group') is a specialty pharmaceutical company and a global leader in providing anti-infective treatments and other critical care therapies for serious and often life-threatening conditions.

2 Accounting policies

Basis of preparation

The financial statements of Otnortopco AS for 2023 have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

In accordance with the Norwegian Accounting Act of 1998 Otnortopco AS has not prepared consolidated financial statements. Reference is made to the consolidated financial statements of Novo Nordisk Fonden, registered office: Tuborg Havnevej 19, 2900 Hellerup, Denmark.

The financial statements have been prepared based on the historical cost principle.

The financial statements are presented in thousands.

Foreign currency translation

Transactions and balances

Transactions in foreign currency are translated at the rate applicable on the transaction date.

Monetary assets and liabilities in foreign currency are translated using the exchange rate applicable at the balance sheet date. Profit or losses are recognised as financial income or expenses in the income statement as they occur during the accounting period.

Taxes

The income tax expense consists of the tax payable and changes to deferred tax. Taxes payable and deferred taxes are recognised directly in equity to the extent that they relate to equity transactions.

The current income tax charge is calculated on the basis of the tax laws at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax liabilities/deferred tax assets are calculated on all differences between the carrying amount and the tax bases of assets and liabilities. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss.

Deferred tax is calculated using current tax rates. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilised.



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Otnortopco AS

Notes

Investment in subsidiary

Investment in subsidiary is recognised and measured according to the purchase price. The purchase price is adjusted with received dividend if this is higher than the accumulated retained earnings since the purchase date.

Declared dividend is included in the income statement.

The carrying amounts are reviewed on an annual basis to determine whether there is any indication of impairment. If so, the asset is written down to its lower recoverable amount. The recoverable amount of the asset is calculated as the higher of net selling price and value in use.

Receivables

Other current receivables are recorded in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less reserve for bad debts. The provision for bad debts is determined on the basis of an individual assessment of each receivable.



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Otnortopco AS

Notes

3 Revenue

The company is a holding company and does not generate revenue.
The company has not given loan to any member of the management.

4 Salaries and wages

There are no employees in the company.

5 Other operating expenses

Auditors' remuneration

Audit fee
Tax assistance

2023	2022
TNOK	TNOK
95	94
20	20
115	114

6 Financial expenses

Interest expenses to group company

2023	2022
TNOK	TNOK
25	11
25	11

7 Taxes

Income tax
Change in deferred tax

2023	2022
TNOK	TNOK
0	0
0	0
0	0

Profit before tax (loss)
Permanent differences
Tax loss carry forward

(2.081.409)	(130)
2.081.253	0
156	130
0	0

Tax loss carry forward
Valuation allowance

(2.821)	(2.787)
2.821	2.787
0	0

Deferred taxes



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Otnortopco AS

Notes

8 Investment in subsidiary

	Registered Office	Ownership/ Votes	Acquisition cost TNOK	Accumulated impairments TNOK	Net value 31.12.2023 TNOK	Equity 2023 TNOK	Net income 2023 TNOK
Xellia Group AS	Oslo	100%	2.081.253	(2.081.253)	0	692.607	(836.004)

9 Share capital

	Shareholding	Number of A-shares	Number of B-shares	Face value NOK	Net value TNOK
New Xellia Group A/S	100,0%	41.418.210	106.898.878	1,10	163.149
Total	100,0%	41.418.210	106.898.878		163.149

10 Equity

	Share capital TNOK	Additional paid-in capital TNOK	Other reserves TNOK	Total TNOK
January 1, 2023	163.149	1.917.526	0	2.080.675
Loss for the year	0	0	(2.081.409)	(2.081.409)
Transfers	0	(2.081.409)	2.081.409	0
December 31, 2023	163.149	(163.883)	0	(734)

11 Payable to group company

	2023 TNOK	2022 TNOK
New Xellia Group A/S	619	492
	619	492

12 Other payables

	2023 TNOK	2022 TNOK
Audit and tax assistance fee	116	86
	116	86

13 Subsequent events

No events have occurred after the balance sheet date which could significantly affect the company's financial position.



Skattedirektoratet

Saksbehandler Jan Hoelstad	Deres dato 10.06.2010	Vår dato 14.06.2010
Telefon 22077325	Deres referanse Bjørn Lund / Fredrik Melle	Vår referanse 2010/614416

PricewaterhouseCoopers AS
Postboks 748 Sentrum
0106 OSLO

Søknad om tillatelse til å unnlate å utarbeide årsregnskap og årsberetning på norsk språk for Otnortopco AS, org. nr: 991 814 183

Det vises til Deres søknad av 10. juni 2010. De søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Otnortopco AS.

Bakgrunn:

Fra Deres brev gjengis:

"Otnortopco AS med datterselskaper (konsernet) (se også www.axellia.com) produserer og selger ulike råvarer (Active Pharmaceutical Ingredients) til legemiddelindustrien. Konsernet produserer og selger også noen ferdig foredlede produkter. Otnortopco AS konsernet produserer sine produkter per i dag i Danmark, Ungarn, Kina og Norge. Konsernets virksomhet foregår dog i det alt vesentligste utenfor Norges grenser. For 2009 utgjorde konsernets omsetning i Norge 1,1 % av det totale salget for konsernet. Forretningsspråket i bransjen er engelsk og kommunikasjonen i konsernet foregår også på engelsk. Det er fremmedspråklige ansatte i øverste konsernledelse samt i organisasjonen for øvrig som bidrar med innspill til årsregnskap og årsberetning. Største eier av konsernet er 3i Group plc and funds managed by 3i Investment plc, som er ett stort internasjonalt "private equity" konsern, med en eierandel på 79 % av aksjene i Otnortopco AS. Øvrige eiere er ledende ansatte og andre utenlandske investorer. Otnortopco AS konsernet er finansiert i form av ett konvertibel lån fra selskapets eiere samt lån fra eksterne banker. Disse eksterne bankene er utenlandske banker hvor all kommunikasjon foregår på engelsk. Interessegruppene til konsern regnskapet og selskapsregnskapet for Otnortopco AS er således alene interessert i et årsregnskap som er avlagt på engelsk.

Ved utarbeidelse av engelsk konsernregnskap, selskapsregnskap og årsberetning, mener vi at alle vesentlige interessegrupper er ivaretatt. En norsk versjon av regnskapene og årsberetning vil etter vår mening ikke tilføre interessegruppene ytterligere informasjon.

Til slutt ønsker vi å presisere at Otnortopco AS konsernets driftsaktivitet i Norge fremgår av det norske datterselskap Xellia Pharmaceuticals AS (org no 971135123) årsregnskap, som avlegges på norsk. Norske interessegrupper er dermed ivaretatt via dette selskapsregnskapet."

Skattedirektoratets vurdering og konklusjon

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

Postadresse	Besøksadresse	Sentralbord
Postboks 9200 Grønland	Fredrik Selmers vei 4	800 80 000
0134 Oslo	Org. nr: 974761076	Telefaks
skattedirektoratet@skatteetaten.no		22 17 08 60



I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet. Offentlige myndigheter må også anses som en sentral regnskapsbruker, idet ulike myndigheter, som lignings- og tilsynsmyndigheter, benytter regnskapene som et verktøy i sin kontrollvirksomhet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir negativt berørt ved en eventuell dispensasjon.


Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. Det framgår av søknaden at selskapet i det vesentlige har utenlandske eiere som foretrekker årsregnskap og årsberetning på engelsk. Selskapene opererer innen en bransje med sterk internasjonal karakter og arbeidsspråket er engelsk. Alle sentrale aktører innen de bransjer selskapene driver, antas å måtte beherske og benytte engelsk språk. Selskapets salg er i liten grad rettet mot Norge.

Skattedirektoratet gir på bakgrunn av en helhetsvurdering Otnortopco AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd.

Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Vennligst oppgi vår referanse ved henvendelser i anledning saken.

Med hilsen


Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet


Jan Hoelstad