NOVO NORDISK A S
Form 6-K
February 05, 2015
UNITED STATES

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER

Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934

February 5, 2015

NOVO NORDISK A/S
(Exact name of Registrant as specified in its charter)

Novo Allé
DK- 2880, Bagsvaerd
Denmark
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F

Form 20-F [X] Form 40-F [ ]

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes [ ] No [X]

If “Yes” is marked, indicate below the file number assigned to the registrant in connection with Rule 12g-32(b):82-_____

n o v o n o r d i s k a n n ua l r e p o r t 2 0 1 4 CITIES NEED TO FIGHT DIABETES – bu t how? THE STRUGGLE TO LOSE WEIGHT – obesity is a major public health issue S T A Y FOCUSED, THINK LONG - TERM – Novo No r disk ’ s business strategy A CURE FOR TYPE 1 DIABETES – d r eam or potential r eality?

1 LETTER FROM THE CHAIRMAN In my letter in last year's annual report, I expressed the Board of Directors' confidence that Novo Nordisk would continue to do very well despite having been faced with several challenges in 2013. Today, writing this year's letter, I feel we have even more reason to be confident. 2014 has shown that Novo Nordisk responds well to challenges. The Product Supply and Quality organisations have done an excellent job in addressing the findings raised by the US Food and Drug Administration (FDA) in 2012 in connection with the inspection of a production plant in Denmark, while at the same time expanding output to meet the increasing demand for Novo Nordisk's products. Well ahead of the original timeline, the Global Development organisation has recruited all the patients needed for the DEVOTE study which was initiated in response to a request from the FDA in February 2013 for more data regarding Tresiba®. As a result, Novo Nordisk would potentially be able to resubmit an application for approval as early as 2015. Novo Nordisk's US organisation responded quickly and professionally to what was a very tough start to 2014 when the effect of a major contract loss in 2013 in particular meant that sales in the first quarters fell short of expectations. The Global Research organisation has swiftly aligned itself with our decision to discontinue research within inflammatory disorders. As a result, Novo Nordisk is able to increase its research within diabetes prevention and treatment, obesity and diabetes complications. The above four cases are just examples, but important ones, that show me and the rest of the Board that Novo Nordisk has retained the agility to deal effectively with both challenges and opportunities, despite having grown into a large, global company over the past 10 years. Like we do every year, the Board has reviewed the company's long-term strategy, and we have found it to be sound – ambitious, yet realistic and a solid basis for future growth. We have also evaluated the strength of the company's executive leadership and senior management. Together with the executive team we have assessed the company's organisational strengths and weaknesses. Whenever we have identified issues that could become a significant obstacle to meeting the company's long-term goals, we have agreed on a plan of action. We are confident that with Chief Executive Officer Lars Rebien Sørensen and his management team, we have the leadership needed to execute Novo Nordisk's strategy effectively. In 2014, I had the pleasure of working more closely with Chief Operating Officer Kåre Schultz, who was appointed President in January 2014 as a reflection of the importance and complexity of his organisation and his successful management of it. The two newest members of the team, Lars Fruergaard Jørgensen and Jakob Riis, have both been given greater responsibilities in recognition of the strong leadership they have shown of their organisations. This, unfortunately, meant that Lise Kingo, whose remit became narrower as a result, decided to leave after a long and successful career at Novo Nordisk. I wish her all the best. Göran Ando Chairman of the Board of Directors Chairman of the Board of Directors Göran Ando at Novo Nordisk's Annual General Meeting, March 2014. The Board intends to set up a Remuneration Committee in 2015 to ensure that Novo Nordisk's incentive schemes are appropriate for recruiting, motivating and retaining senior executives with the competences needed to drive the company's strategy successfully. In 2014, sales grew by 8% and operating profit by 13%, both in local currencies. At the same time, significant progress was made on the key development projects. Of special note is FDA's approval of Saxenda® for weight management on 23 December. Against this background, the Board will propose an 11% increase in dividend to 5.00 Danish kroner per share at the Annual General Meeting. The Board has further decided to initiate a new share repurchase programme of up to 15 billion kroner. On behalf of the Board of Directors, I would like to express my appreciation for the leadership shown by Lars Rebien Sørensen and his management team, and the hard work and dedication of the entire Novo Nor

d i s k o r g a ni s a t io n .

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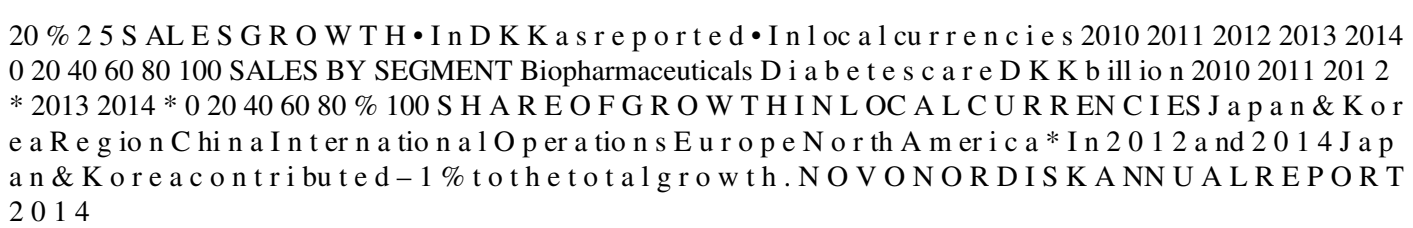
milestones in 2014 and that 2015 will bring an unprecedented news flow from our pipeline. You will find much more on this later in this annual report. The space available here only allows me to highlight a few important events: • In September 2014, the European Commission granted marketing authorisation for Xultophy® for the treatment of type 2 diabetes in adults. Xultophy® is a fixed combination of insulin degludec (Tresiba®) and liraglutide (Victoza®) offering a new way to intensify treatment and improve blood glucose control. In January 2015, Switzerland was the first country to launch Xultophy®, and more countries will follow during the year. • By the end of 2014, all the patients needed for the Tresiba® DEVOTE study had been recruited. Based on interim results from this study, Novo Nordisk would potentially be able to resubmit an application for approval as early as 2015. The decision whether to do so will be taken in the first half of the year. • 2015 will also bring very important study results for other key development projects within diabetes: the remaining phase 3a data for faster-acting insulin aspart; all phase 3a results for the use of Victoza® in people with type 1 diabetes; the first phase 3a results for semaglutide, a once-weekly GLP-1 analogue; and phase 2 results for an oral (tablet) formulation of GLP-1. • Our new treatment for people with obesity, liraglutide 3 mg (Saxenda®), was approved in the US in December 2014 and received a positive opinion from the European Medicines Agency's expert committee in January 2015. We expect to launch Saxenda® in the US in the first half of 2015. • Within our haemophilia area, we launched recombinant factor VIII (NovoEight®) in Japan and some European countries for the treatment of people with haemophilia A. The product has been very well received and will be launched in the US in 2015. To ensure sufficient production capacity for our haemophilia products in the coming years, we acquired a plant in New Hampshire in August 2014, which will commence operation during 2015. In September 2014, we decided to discontinue our research and development activities within inflammatory disorders. The decision was made after our most advanced compound, anti-IL-20 for the LETTER FROM THE CEO

3 treatment of rheumatoid arthritis, had failed to show effectiveness in a phase 2 trial. Without it we could not expect to launch a product in this area before the late 2020s. In this light, we concluded that it would serve the company and its shareholders best to reallocate the resources we were spending within inflammation to other areas, especially within diabetes, where we have a greater chance of success. 2015 will be one of the most exciting and challenging years in Novo Nordisk's 92-year history. As always, I take great pleasure in working with my Executive Management team, our Senior Management Board and the Board of Directors on making the most of the opportunities and dealing with the challenges ahead. Special thanks from me go to Lise Kingo, executive vice president of Corporate Relations, who decided to leave the company following a reorganisation in November. She pioneered many important initiatives at Novo Nordisk, and I wish her all the best in her future endeavours. I would like to thank everyone in the Novo Nordisk organisation for their contribution to our results in 2014, the people who use our products for their confidence in us, our stakeholders and partners for their collaboration and our shareholders for their continued support. Lars Rebien Sørensen Chief executive officer Chief Executive Officer Lars Rebien Sørensen at Novo Nordisk's Annual General Meeting, March 2014.

THE NOVO NORDISK WAY In 1923, our Danish founders began a journey to change diabetes. Today, we are thousands of employees across the world with the passion, the skills and the commitment to continue this journey to prevent, treat and ultimately cure diabetes. • Our ambition is to strengthen our leadership in diabetes. • We aspire to change possibilities in haemophilia and other serious chronic conditions where we can make a difference. • Our key contribution is to discover and develop innovative biological medicines and make them accessible to patients throughout the world. • Growing our business and delivering competitive financial results is what allows us to help patients live better lives, offer an attractive return to our shareholders and contribute to our communities. • We never compromise on quality and business ethics. • Our business philosophy is one of balancing financial, social and environmental considerations – we call it the Triple Bottom Line. • We are open and honest, ambitious and accountable, and treat everyone with respect. • We offer opportunities for our people to realise their potential. Every day we must make difficult choices, always keeping in mind what is best for patients, our employees and our shareholders in the long run. It' s the Novo Nordisk Way. COUNTRIES COUNTRIES PRODUCTS MARKETED IN 75 180 EMPLOYEES IN NOVO NORDISK ATAGLANCE THE PEOPLE WE FOCUS ON DIABETES 387 million people live with diabetes 1* HAEMOPHILIA 0.4 million people live with haemophilia 3 OBESITY 600 million people live with obesity 2 GROWTH DISORDERS 2 million people live with growth disorders 4* All footnotes can be found on p 113.

T H E T R I P L E B O T T O M L I N E 4 1 , 4 50 e m p l oy e e s w o r l d w i d e (+ 8 %) 2 4 . 4 m ill io n p a ti e n t s u s e o u r d i a b e t e s c a r e p r o d u c t s (+ 0 . 4 %) 8 8 .8 D K K b ill io n in s a l e s (+6 %) 2 6 . 5 D K K b ill io n in n e t p r o fi t (+ 5 %) 1 2 0 t h o u s a n d t o n s of C O 2 e m i s s io n s (– 4 %) S O C I A L LY R E S P O N S I B L E EN V I R O N M E N T A L L Y R E S P O N S I B L E P A T I EN T S F I NA N C I A L L Y R E S P O N S I B L E 2 , 9 5 9 t h o u s a n d m 3 w a t e r c o n s u m p t io n (+ 1 0 %) 5 2 0 1 4 P R O G R E S S ON S T R A T E G I C F O C U S A R E A S MI L E S T O NE S S A L E S DKK billion G L O B AL M A RK E T S H A R E value D I A B E T ES • T r e si b a ® laun c h e d in a d d it io n a l 1 4 c o u n t r i e s . • R y z o d e g ® laun c h e d in M e x i c o a s t h e f i r s t c o u n t r y . • P a t i e n t r e c r u i t m e n t f i n a l i s e d f o r D E V O T E , a c a r d i o va s c ula r o u t c o m e s t r i a l d e si g n e d t o p r o v i d e t h e d a t a f o r T r e si b a ® r e q u e s t e d b y t h e F D A . • X u l t o p h y ® a p p r ov e d in E u r o p e . 27% (– 1%) O BES I T Y • S a x e n d a ® a p p r ov e d in t h e US in D e c e m b e r 2 0 1 4 a n d r e c e i v e d a p o si t i v e o p ini o n f r o m t h e E u r o p e a n M e d i c i n e s A g e n c y ’ s e x p e r t c o mm i t t e e (C H M P) in J a n ua r y 2 0 1 5. • N ov o E ig h t ® lau n c h e d in e ig h t c o u n t r i e s . • M a n u f a c t u r in g f a cil i t y a c qu ir e d in N e w H a mp shir e , U S . G R O W T H D I S O RD E R S • NN 8 6 4 0 (a o n c e - w e e k l y h u m a n g r o w t h h o r m o n e) e n t e r e d i n t o p h a s e 3 d e v e l o p m e n t . 34% (+3%) 9 . 3 9 .1 (– 1 %) N ov o S e v e n ® 6 .1 6 . 5 (+6 %) N o r d it r o p in ® 2 0 1 3 2 0 14 2 0 1 3 2 0 14 7 0 . 0 (+ 7 %) 6 5 . 5 M o d e r n ins u lins (+ 9 %) H u m a n ins u lins (– 5 %) N e w - g e n e r a t io n ins u li n (+ 3 6 0 %) O r a l a n tid i a b e t i c p r o d u c t s (– 2 3 %) P r o t e in - r e l a t e d p r o d u c t s (– 3 %) V i c t o z a ® (+ 1 5 %) HA E M O P HILIA • N 8 - GP (a l o n g - a c t in g r e c omb in a n t c o a gula t io n f a c t o r VII I d eri va t i v e) c omple t e d f i r s t p h a s e 3 tr ia l , w h e r e a s f ilin g w a s p o s t p on e d t o 2 0 1 8. 2 0 1 3 2 0 14

6 ACCOMPLISHMENTS AND RESULTS 2014 FINANCIAL PERFORMANCE Novo Nordisk's 2014 performance on operating profit and free cash flow exceeded both the outlook for the year provided in January and the latest guidance from October. Sales growth, capital expenditure and other results are in line with the latest guidance provided in October. * SALES DEVELOPMENT Sales increased by 8% measured in local currencies and by 6% in Danish kroner. North America was the main contributor with 61% share of growth measured in local currencies, followed by International Operations and Region China. Sales growth was realised within both diabetes care and biopharma-ceuticals, with the majority of growth originating from modern insulin and Victoza®. Sales growth has been negatively impacted by around 4 percentage points, primarily due to events in North America, notably the partial loss of reimbursement with a large pharmacy benefit manager, generic competition to Prandin® as well as expanded Medicaid and Medicare Part D utilisation. In the following sections, unless otherwise noted, market data are based on moving annual total (MAT) from November 2014 and November 2013 provided by the independent data provider IMS Health. DIABETES CARE SALES DEVELOPMENT Sales of diabetes care products increased by 9% measured in local currencies and by 7% in Danish kroner to DKK 69,980 million. Novo Nordisk is the world leader in diabetes care and now holds a global value market share of 27% compared to 28% at the same time last year. INSULIN AND PROTEIN-RELATED PRODUCTS Sales of insulin and protein-related products increased by 8% in local currencies and by 6% in Danish kroner to DKK 54,826 million. Measured in local currencies, sales growth was driven by North America, International Operations and Region China. Novo Nordisk is the global leader with 47% of the total insulin market and 46% of the market for modern insulin and new-generation insulin, both measured in volume. Sales of new-generation insulin reached DKK 65 8 million compared with DKK 143 million in 2013. The roll-out of Tresiba® (insulin degludec), the once-daily new-generation insulin with an ultra-long duration of action, continues and the product has now been launched in 23 countries, most recently in Italy. In Japan, where Tresiba® was launched in March 2013 with the same level of reimbursement as insulin glargine, its share of the basal insulin market has grown steadily and Tresiba® has now captured 26% of the basal insulin market measured in monthly value market share. Similarly, Tresiba® has shown solid penetration in other markets with reimburse-ment at a similar level to insulin glargine, whereas penetration remains modest in markets with restricted market access compared to insulin glargine. Ryzodeg®, a soluble formulation of insulin degludec and insulin aspart, has in addition to Mexico now also been launched in India. Launch activities in both countries are progressing as planned and early feedback from patients and prescribers is encouraging. Sales of modern insulin increased by 11% in local currencies and by 9% in Danish kroner to DKK 41,537 million. North America accounted for 63% of the growth, followed by International Operations and Region China. Sales of modern insulin and new-generation insulin now constitute 80% of Novo Nordisk's sales of insulin. VICTOZA® (GLP-1 THERAPY FOR TYPE 2 DIABETES) Victoza® sales increased by 16% in local currencies and by 15% in Danish kroner to DKK 13,426 million. Sales growth is driven by North America and reflects a lower GLP-1 volume growth and the impact of the partial loss of reimbursement with a large pharmacy benefit manager in the US. Despite the lower volume growth, the GLP-1 segment's value share of the total diabetes care market has increased to 7.0% compared to 6.7% in 2013. Victoza® is market leader in the GLP-1 segment with a 71% value market share, which is comparable to the share in 2013. 2014 PERFORMANCE AND 2015 OUTLOOK * Please refer to the company announcement of 30 January 2015 for explanation of results compared with the latest expectations. 2010 2011 2012 2013 2014 0 5 10 15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ACCOMPLISHMENTS AND RESULTS 2014 7 CONTINUED NOVO NORDISK ANNUAL REPORT 2014 NOVONORM®/PRANDIN®/PRANDIMET® (ORAL ANTIDIABETIC PRODUCTS) Sales of oral antidiabetic products decreased by 22% in local currencies and by 23% in Danish kroner to DKK 1,728 million. The negative sales development reflects an impact from generic competition in the US since August 2013. BIOPHARMACEUTICALS SALES DEVELOPMENT Sales of biopharmaceutical products increased by 6% measured in local currencies and by 4% in Danish kroner to DKK 18,826 million. Sales growth was primarily driven by North America and International Operations. NOVOSEVEN® (BLEEDING DISORDERS THERAPY) Sales of NovoSeven® remained unchanged in local currencies and decreased by 1% in Danish kroner to DKK 9,142 million. The stagnant sales development reflects growth in International Operations, which is being offset by lower sales in Europe, Japan and North America. The market for NovoSeven® remains volatile as it depends on the number of critical bleeding episodes and surgical procedures undertaken on haemophiliapatients with inhibitors. NORDITROPIN® (GROWTH HORMONE THERAPY) Sales of Norditropin® increased by 10% in local currencies and by 6% in Danish kroner at DKK 6,506 million. The sales growth is primarily derived from North America and is driven by contractual wins, increased demand driven by the prefilled FlexPro® device as well as the support programmes that Novo Nordisk offers healthcare professionals and patients. Novo Nordisk is the leading com-pany in the global growth hormone market with a 33% market share measured in volume. OTHER BIOPHARMACEUTICALS Sales of other products within biopharma-ceuticals, which predominantly consist of hormone replacement therapy-related (HRT) products, increased by 17% in local currencies and by 16% in Danish kroner to DKK 3,178 million. Sales growth is primarily driven by a positive impact from pricing of Vagifem® in the US and the launch of NovoEight® in Europe and Japan. DEVELOPMENT IN COSTS AND OPERATING PROFIT The cost of goods sold increased by 3% to DKK 14,562 million, resulting in a gross margin of 83.6% compared to 83.1% in 2013. This development reflects an under-lying improvement driven by favourable price development in North America and a positive impact from product mix, primarily due to increased sales of modern insulin and Victoza®. Sales and distribution costs increased by 1% in local currencies and decreased by 1% in Danish kroner to DKK 23,223 million. The modest increase in costs reflects sales force investments in the US, China and selected countries in International Operations, which is being partly offset by lower promotional spend in the US and Europe. Research and development costs increased by 18% in local currencies and by 17% in Danish kroner to DKK 13,762 million. The significant increase in costs reflects the progression of the late-stage diabetes care portfolio and the associated increase in headcount as well as the discontinuation of activities within inflammatory disorders announced in September 2014. Within the late-stage diabetes care portfolio, costs are primarily driven by the phase 3a programme SUSTAIN® for the once-weekly GLP-1 analogue semaglutide, clinical trials with Tresiba®, including the cardiovascular out-come trial DEVOTE, the phase 3a programme onset® for faster-acting insulin aspart as well as the ongoing phase 2 trial for the oral formulation of semaglutide. Administration costs increased by 2% in local currencies and by 1% in Danish kroner to DKK 3,537 million. Other operating income (net) was DKK 770 million compared to DKK 682 million in 2013. Operating profit increased by 10% in Danish kroner to DKK 34,492 million. In local currencies the growth was 13%. NET FINANCIALS AND TAX Net financials showed a net loss of DKK 396 million compared to a net income of DKK 1,046 million in 2013. In line with Novo Nordisk's treasury policy, the most significant foreign exchange risks for the Gr

o u p w e r e h e d g e d , p r i m a r i l y t h r o u g h f o r e i g n e x c h a n g e f o r w a r d c o n t r a c t s . T h e f o r e i g n e x c h a n g e r e s u l t w a s a n e x p e n s e o f D K K 3 8 1 m i l l i o n c o m p a r e d t o a n i n c o m e o f D K K 1 , 1 4 6 m i l l i o n i n 2 0 1 3 . T h i s d e v e l o p - m e n t p r i m a r i l y r e f l e c t s l o s s e s o n n o n - h e d g e d c o m m e r c i a l b a l a n c e s , f o l l o w i n g e s p e c i a l l y t h e d e p r e c i a t i o n o f t h e R u s s i a n r o u b l e a n d t h e 2010 2011 2012 2013 2014 0 10 20 30 % 4 0 D EV E L O P M EN T I N CO S T S C o s t s i n % o f s a l e s • Sa l e s an d d i s t r i bu tio n • C o s t o f g oo d s so l d • R e s ea r c h an d d e v e l o p m e n t • A d m i n i s t r at io n 2010 2011 2012 2013 2014 0 0 10 20 30 40 10 20 30 % 4 0 D K K b ill io n N ET P R O F I T N e t p r o fi t (l e f t) • N e t p r o fi t m a r g i n (r i g ht) 2010 2011 2012 2013 2014 0 10 20 30 40 0 10 20 30 % 4 0 O P E R A T I N G P R O F I T O p e r a t i n g p r o fi t (l e f t) • O p e r a t i n g p r o fi t m a r g i n (r i g h t) D K K b ill io n

2010 2011 2012 2013 2014 0 1 2 3 4 0 2 4 6 % 8 C A P I T A L E X P EN D I T U R E , N ET C a p i t a l e x p e n d i t u r e , n e t (l e f t) • C a p i t a l e x p e n d i t u r e , n e t t o s a l e s (r i g h t) D K K b ill io n 20 15 10 5 0 2010 2011 2012 2013 2014 * USD used as p r oxy when hedging Novo Nor disk ' s CNY cur r ency exposu r e. N O V O N O R D I S K A NN U A L R E P O R T 2 0 1 4 25 30 F R E E C A S H F L O W F r e e c a s h f l o w D K K b ill io n C A P I T A L E X PE N D I T U R E A N D F R E E C A S H F L OW N e t c a p i t a l e x p e n d i t u r e f o r p r o p e r t y , p l a n t a n d e q u i p m e n t w a s D K K 4 . 0 b ill io n c o m - p a r e d t o D K K 3 . 2 b ill io n in 2 0 1 3 . N e t c a p i t a l e x p e n d i t u r e w a s p r i m a r i l y r e l a t e d t o i n v e s t - m e n t s in f ill in g c a p a c i t y in t h e US a n d R u s s ia, e x p a n s io n o f a p i l o t p l a n t f a c i l i t y , p r e f i l l e d d e v i c e p r o d u c t i o n f a c i l i t i e s i n t h e US a n d D e n m a r k a s w e l l a s a d d i t i o n a l G L P - 1 m a n u - f a c t u r i n g c a p a c i t y . F r e e c a s h f l o w w a s D K K 2 7 . 4 b ill io n c o m p a r e d t o D K K 2 2 . 4 b ill io n in 2 0 1 3 . T h e in c r e a s e o f 2 3 % c o m p a r e d t o 2 0 1 3 p r i m a r i l y r e f l e c t s t h e i m p a c t o f n o n - r e c u r r i n g t a x p a y m e n t s in 2 0 1 3 r e l a t e d t o t r a n s f e r p r i c i n g d i s p u t e s a n d t h e u n d e r l y i n g g r o w t h in n e t p r o f i t . S a l e s g r o w t h f o r 2 0 1 5 i s e x p e c t e d t o b e 6 – 9 % m e a s u r e d in l o c a l c u r r e n c i e s . T h i s r e f l e c t s e x p e c t a t i o n s f o r c o n t i n u e d r o b u s t p e r f o r m a n c e f o r t h e p o r t f o l i o o f m o d e r n in s u l in , V i c t o z a ® a n d T r e s i b a ® a s w e l l a s a m o d e s t s a l e s c o n t r i b u t i o n f r o m t h e l a u n c h e s o f S a x e n d a ® a n d X u l t o p h y ® . T h e s e s a l e s d r i v e r s a r e e x p e c t e d t o b e p a r t l y c o u n t e r e d b y a n i m p a c t f r o m in c r e a s e d r e b a t e l e v e l s in t h e U S , in t e n s i f y i n g c o m p e t i t i o n w i t h in d i a b e t e s a n d b i o p h a r m a c e u t i c a l s a s w e l l a s m a c r o e c o n o m i c c o n d i t i o n s in a n u m b e r o f m a r k e t s in I n t e r n a t i o n a l O p e r a t i o n s . G i v e n t h e c u r r e n t l e v e l o f e x c h a n g e r a t e s v e r s u s t h e D a n i s h k r o n e , t h e r e p o r t e d s a l e s g r o w t h is n o w e x p e c t e d t o b e a r o u n d 1 2 p e r c e n t a g e p o in t s h i g h e r t h a n g r o w t h m e a s u r e d in l o c a l c u r r e n c i e s . F o r 2 0 1 5 , o p e r a t i n g p r o f i t g r o w t h is e x p e c t e d t o b e a r o u n d 1 0 % m e a s u r e d in l o c a l c u r r e n c i e s . T h e e x p e c t a t i o n s f o r o p e r a t i n g p r o f i t g r o w t h a b o v e t h e l e v e l o f s a l e s g r o w t h r e f l e c t e x p e c t a t i o n s f o r m o d e s t g r o w t h in s e l l i n g , d i s t r i b u t i o n a n d a d m in is t r a t i o n c o s t s a s w e l l a s d e c l in in g r e s e a r c h a n d d e v e l o p m e n t c o s t s r e f l e c t in g t h e 2 0 1 4 c o s t i m p a c t o f t h e d e c i s io n t o d i s c o n t i n u e a l l a c t i v i t i e s w i t h in in f l a m m a t o r y d i s o r d e r s . G i v e n t h e c u r r e n t l e v e l o f e x c h a n g e r a t e s v e r s u s t h e D a n i s h k r o n e , t h e r e p o r t e d o p e r a t i n g p r o f i t g r o w t h is n o w e x p e c t e d t o b e a r o u n d 1 9 p e r c e n t a g e p o in t s h i g h e r t h a n g r o w t h m e a s u r e d in l o c a l c u r r e n c i e s e q u i v a l e n t t o a r e p o r t e d o p e r a t i n g p r o f i t g r o w t h o f a r o u n d 2 9 % . F o r 2 0 1 5 , N o v o N o r d i s k e x p e c t s a n e t f in a n c i a l l o s s o f a r o u n d D KK 5 b ill io n . T h e c u r r e n t e x p e c t a t i o n p r i m a r i l y r e f l e c t s l o s s e s a s s o c i a t e d w i t h f o r e i g n e x c h a n g e h e d g i n g c o n t r a c t s , p a r t i c u l a r l y f o l l o w i n g t h e a p p r e - c i a t i o n o f t h e U S d o l l a r v e r s u s t h e D a n i s h k r o n e c o m p a r e d t o t h e a v e r a g e p r e v a i l i n g e x c h a n g e r a t e s in 2 0 1 4 . A s a c o n s e q u e n c e o f t h e s e s i g n i f i c a n t h e d g i n g l o s s e s , t h e r e p o r t e d p r e - t a x p r o f i t is e x p e c t e d t o g r o w a p p r o x - im a t e l y 1 6 % . T h e e f f e c t i v e t a x r a t e f o r 2 0 1 5 is e x p e c t e d t o b e a r o u n d 2 2 % . C a p i t a l e x p e n d i t u r e is e x p e c t e d t o b e a r o u n d D KK 5 . 0 b ill io n in 2 0 1 5 , p r i m a r i l y r e l a t e d t o in v e s t m e n t s in a n e x p a n s io n o f t h e m a n u - f a c t u r i n g c a p a c i t y f o r b io p h a r m a c e u t i c a l p r o d u c t s , a d d i t i o n a l c a p a c i t y f o r in s u l in a c t i v e p h a r m a c e u t i c a l in g r e d i e n t p r o d u c t i o n , c o n s t r u c t i o n o f n e w r e s e a r c h f a c i l i t i e s a n d a n e x p a n s io n o f t h e in s u l in f ill in g c a p a c i t y . D e p r e c i a t i o n , a m o r t i s a t i o n a n d i m p a i r m e n t l o s s e s a r e e x p e c t e d t o b e a r o u n d D KK 3 . 0 b ill io n . F r e e c a s h f l o w is e x p e c t e d t o b e D KK 2 9 – 3 1 b ill io n . A l l o f t h e a b o v e e x p e c t a t i o n s a r e b a s e d o n t h e a s s u m p t i o n t h a t t h e g l o b a l e c o n o m i c e n v i r o n m e n t w i l l n o t s i g n i f i c a n t l y c h a n g e b u s i n e s s c o n d i t i o n s f o r N o v o N o r d i s k d u r i n g 2 0 1 5 , a n d t h a t c u r r e n c y e x c h a n g e r a t e s , e s p e c i a l l y t h e U S d o l l a r , w i l l r e m a i n a t t h e c u r r e n t l e v e l v e r s u s t h e D a n i s h k r o n e . N o v o N o r d i s k h a s h e d g e d e x p e c t e d n e t c a s h f l o w s in a n u m b e r o f in v o i c i n g c u r r e n c i e s a n d , a l l o t h e r t h in g s b e in g e q u a l , m o v e m e n t s in k e y in v o i c i n g c u r r e n c i e s w i l l i m p a c t N o v o N o r d i s k ' s o p e r a t i n g p r o f i t a s o u t l i n e d in t h e t a b l e b e l o w . T h e f in a n c i a l i m p a c t f r o m f o r e i g n e x c h a n g e h e d g i n g i s in c l u d e d in ' N e t f in a n c i a l s ' . 8 A C C O M P L I S H M E N T S A N D R E S U L T S 2 0 1 4 A r g e n t in i a n p e s o d u r i n g 2 0 1 4 . A s o f 3 1 D e c e m b e r 2 0 1 4 , f o r e i g n e x c h a n g e h e d g i n g l o s s e s o f a r

o u n d D KK 2 , 2 0 0 m ill io n h a v e b e e n d e f e r r e d f o r r e c o g n i tio n i n t h e i n c o m e s t a t e m e n t i n 2 0 1 5 . T h e e f f e c ti v e t a x r a t e f o r 2 0 1 4 w a s 2 2 . 3 % . O U T L O O K 2 0 1 5 T h e c u r r e n t e x p e c t a t io n s f o r 2 0 1 5 a r e s u mm a r i s e d in t h e t a b l e b e l o w : E X P E C T AT I O N S A R E A S RE P O R T E D , IF N O T O T H ER W I S E S T AT E D E X P E C T AT I O N S 3 0 J A N U A R Y 2 0 1 5 S a l e s g r o w th • i n l oc a l c u r r e n c i e s • a s r e p o r t e d O p e r a t i n g p ro fit g r o w t h • i n l oc a l c u r r e n c i e s • a s r e p o r t e d N e t fi n an ci a ls E f f e c t i ve ta x r at e C a p i t a l ex p e n ditu r e D epr e ci a t io n , a mo r t i s a t io n a n d i mp a ir me n t l osse s F r ee c a s h flo w 6 – 9 % A r o u n d 1 2 p e r c e n t a g e p o i n t s h i g h e r A r o u n d 1 0 % A r o u n d 1 9 p e r c e n t a g e p o i n t s h i g h e r L os s o f a r o u n d D K K 5 b ill io n A r o u n d 2 2% A ro u n d D K K 5.0 b ill io n A ro u n d D K K 3.0 b ill io n D K K 2 9 – 3 1 b ill io n KEY INVOICING CURRENCIES ANNUAL IM P ACT ON NOVO NORDISK'S OPER A TING PROFIT OF A 5% MOVEMENT IN CURRENCY HEDGING PERIOD (MONTHS) USD CN Y DKK 1,600 million DKK 260 million 11 1 1 * JPY DKK 115 million 12 GBP DKK 80 million 11 CAD DKK 60 million 11

2010 2011 2012 2013 2014 0 30 60 90 A C C O M P L I S H M E N T S A ND R E S U L T S 2 0 1 4 9 0 2010 2011 2012 2013 2014 O P E R A TI N G M A R G IN • R e a l i s e d T a r g e t % 40 10 20 30 40 G R O W T H I N O P E R A T I N G P R O F I T • R e a l i s e d T a r g e t % 25 30 35 2010 2011 2012 2013 2014 50 75 100 125 2010 2011 2012 2013 2014 O P E R A T I N G P R O F I T A F T E R T A X T O N E T O P E R A T I N G A S S E T S • R e a l i s e d T a r g e t % % 120 C A S H T O E A R NI N G S T h r e e - y e a r a v e r a g e • R e a l i s e d T a r g e t F O R W A R D - L O O K I N G S T A T E M E N T S N o v o N o r d i s k ' s r e p o r t s f i l e d w i t h o r f u r n i s h e d t o t h e U S S e c u r i t i e s a n d E x c h a n g e C o m m i s s i o n (S E C) , i n c l u d i n g t h i s d o c u m e n t a n d F o r m 2 0 - F , b o t h e x p e c t e d t o b e f i l e d w i t h t h e S E C i n F e b r u a r y 2 0 1 5 , a n d w r i t t e n i n f o r m a t i o n r e l e a s e d , o r o r a l s t a t e m e n t s m a d e , t o t h e p u b l i c i n t h e f u t u r e b y o r o n b e h a l f o f N o v o N o r d i s k , m a y c o n t a i n f o r w a r d - l o o k i n g s t a t e m e n t s . W o r d s s u c h a s ' b e l i e v e ' , ' e x p e c t ' , ' m a y ' , ' w i l l ' , ' p l a n ' , ' s t r a t e g y ' , ' p r o s p e c t ' , ' f o r e s e e ' , ' e s t i m a t e ' , ' p r o j e c t ' , ' a n t i c i p a t e ' , ' c a n ' , ' i n d ' , ' t a r g e t ' a n d o t h e r w o r d s a n d t e r m s o f s i m i l a r m e a n i n g i n c o n n e c t i o n w i t h a n y d i s c u s s i o n o f f u t u r e o p e r a t i n g o r f i n a n c i a l p e r f o r m a n c e i d e n t i f y f o r w a r d - l o o k i n g s t a t e m e n t s . E x a m p l e s o f s u c h f o r w a r d - l o o k i n g s t a t e m e n t s i n c l u d e , b u t a r e n o t l i m i t e d t o : • s t a t e m e n t s o f t a r g e t s , p l a n s , o b j e c t i v e s o r g o a l s f o r f u t u r e o p e r a t i o n s , i n c l u d i n g t h o s e r e l a t e d t o N o v o N o r d i s k ' s p r o d u c t s , p r o d u c t r e s e a r c h , p r o d u c t d e v e l o p m e n t , p r o d u c t i n t r o d u c t i o n s a n d p r o d u c t a p p r o v a l s a s w e l l a s c o o p e r a t i o n i n r e l a t i o n t h e r e t o • s t a t e m e n t s c o n t a i n i n g p r o j e c t i o n s o f o r t a r g e t s f o r r e v e n u e s , c o s t s , i n c o m e (o r l o s s) , e a r n i n g s p e r s h a r e , c a p i t a l e x p e n d i t u r e s , d i v i d e n d s , c a p i t a l s t r u c t u r e , n e t f i n a n c i a l s a n d o t h e r f i n a n c i a l m e a s u r e s • s t a t e m e n t s r e g a r d i n g f u t u r e e c o n o m i c p e r f o r m a n c e , f u t u r e a c t i o n s a n d o u t c o m e o f c o n t i n g e n c i e s s u c h a s l e g a l p r o c e e d i n g s • s t a t e m e n t s r e g a r d i n g t h e a s s u m p t i o n s u n d e r l y i n g o r r e l a t i n g t o s u c h s t a t e m e n t s . I n t h i s d o c u m e n t , e x a m p l e s o f f o r w a r d - l o o k i n g s t a t e m e n t s c a n b e f o u n d u n d e r t h e h e a d i n g ' 2 0 1 4 p e r f o r m a n c e a n d 2 0 1 5 o u t l o o k ' a n d e l s e w h e r e . T h e s e s t a t e m e n t s a r e b a s e d o n c u r r e n t p l a n s , e s t i m a t e s a n d p r o j e c t i o n s . B y t h e i r v e r y n a t u r e , f o r w a r d - l o o k i n g s t a t e m e n t s i n v o l v e i n h e r e n t r i s k s a n d u n c e r t a i n t i e s , b o t h g e n e r a l a n d s p e c i f i c . N o v o N o r d i s k c a u t i o n s t h a t a n u m b e r o f i m p o r t a n t f a c t o r s , i n c l u d i n g t h o s e d e s c r i b e d i n t h i s d o c u m e n t , c o u l d c a u s e a c t u a l r e s u l t s t o d i f f e r m a t e r i a l l y f r o m t h o s e c o n t e m p l a t e d i n a n y f o r w a r d - l o o k i n g s t a t e m e n t s . F a c t o r s t h a t m a y a f f e c t f u t u r e r e s u l t s i n c l u d e , b u t a r e n o t l i m i t e d t o , g l o b a l a s w e l l a s l o c a l p o l i t i c a l a n d e c o n o m i c c o n d i t i o n s , i n c l u d i n g i n t e r e s t r a t e a n d c u r r e n c y e x c h a n g e r a t e f l u c t u a t i o n s , d e l a y o r f a i l u r e o f p r o j e c t s r e l a t e d t o r e s e a r c h a n d / o r d e v e l o p m e n t , u n p l a n n e d l o s s o f p a t e n t s , i n t e r r u p t i o n s o f s u p p l i e s a n d p r o d u c t i o n , p r o d u c t r e c a l l s , u n e x p e c t e d c o n t r a c t b r e a c h e s o r t e r m i n a t i o n s , g o v e r n m e n t - m a n d a t e d o r m a r k e t - d r i v e n p r i c e d e c r e a s e s f o r N o v o N o r d i s k ' s p r o d u c t s , i n t r o d u c t i o n o f c o m p e t i n g p r o d u c t s , r e - l i a n c e o n i n f o r m a t i o n t e c h n o l o g y , N o v o N o r d i s k ' s a b i l i t y t o s u c c e s s f u l l y m a r k e t c u r r e n t a n d n e w p r o d u c t s , e x p o s u r e t o p r o d u c t l i a b i l i t y a n d l e g a l p r o c e e d i n g s a n d i n v e s t i g a t i o n s , c h a n g e s i n g o v e r n m e n t a l l a w s a n d r e l a t e d i n t e r p r e t a t i o n t h e r e o f , i n c l u d i n g o n r e i m b u r s e m e n t , i n t e l l e c t u a l p r o p e r t y p r o t e c t i o n a n d r e g u l a t o r y c o n t r o l s o n t e s t i n g , a p p r o v a l , m a n u f a c t u r i n g a n d m a r k e t i n g , p e r c e i v e d o r a c t u a l f a i l u r e t o a d h e r e t o e t h i c a l m a r k e t i n g p r a c t i c e s , i n v e s t m e n t s i n a n d d i v e s t i t u r e s o f d o m e s t i c a n d f o r e i g n c o m p a n i e s , u n e x p e c t e d g r o w t h i n c o s t s a n d e x p e n s e s , f a i l u r e t o r e c r u i t a n d r e t a i n t h e r i g h t e m p l o y e e s , a n d f a i l u r e t o m a i n t a i n a c u l t u r e o f c o m p l i a n c e . P l e a s e a l s o r e f e r t o t h e o v e r v i e w o f r i s k f a c t o r s o n p p 42 – 43 . U n l e s s r e q u i r e d b y l a w , N o v o N o r d i s k i s u n d e r n o d u t y a n d u n d e r t a k e s n o o b l i g a t i o n t o u p d a t e o r r e v i s e a n y f o r w a r d - l o o k i n g s t a t e m e n t a f t e r t h e d i s t r i b u t i o n o f t h i s d o c u m e n t , w h e t h e r a s a r e s u l t o f n e w i n f o r m a t i o n , f u t u r e e v e n t s o r o t h e r w i s e . L O N G - T E R M F I N A N C I A L T A R G E T S N o v o N o r d i s k i n t r o d u c e d f o u r l o n g - t e r m f i n a n c i a l t a r g e t s i n 1 9 9 6 t o b a l a n c e s h o r t - a n d l o n g - t e r m c o n s i d e r a t i o n s , t h e r e b y e n s u r i n g a f o c u s o n s h a r e h o l d e r v a l u e c r e a t i o n . T h e t a r g e t s h a v e s u b s e q u e n t l y b e e n r e v i s e d a n d u p d a t e d o n s e v e r a l o c c a s i o n s , m o s t r e

c e n t l y i n c o n n e c t i o n w i t h t h e r e l e a s e o f t h e f i n a n c i a l s t a t e m e n t f o r 2 0 1 2 . T h e t a r g e t s h a v e b e e n s e l e c t e d t o e n s u r e f o c u s o n g r o w t h , p r o f i t - a b i l i t y , e f f i c i e n t u s e o f c a p i t a l a n d c a s h f l o w g e n e r a t i o n . T h e t a r g e t s a r e b a s e d o n a n a s s u m p t i o n o f a c o n t i n u a t i o n o f t h e c u r r e n t b u s i n e s s e n v i r o n m e n t . S i g n i f i c a n t c h a n g e s t o t h e b u s i n e s s e n v i r o n m e n t , i n c l u d i n g t h e s t r u c t u r e o f t h e U S h e a l t h c a r e s y s t e m , r e g u l a t o r y r e q u i r e m e n t s , p r i c i n g a n d c o n t r a c t i n g e n v i r o n m e n t , c o m p e t i t i v e e n v i r o n m e n t , h e a l t h c a r e r e f o r m s a n d e x c h a n g e r a t e s , m a y s i g n i f i c a n t l y i m p a c t t h e t i m e h o r i z o n f o r a c h i e v i n g t h e l o n g - t e r m t a r g e t s o r r e q u i r e t h e m t o b e r e v i s e d . N O V O N O R D I S K A N N U A L R E P O R T 2 0 1 4 L O N G - T ER M F I NA NCI A L T A R G E T R e s u l t 2 0 1 4 T a r g e t Op e r a t i n g p r o f i t g r o w th 1 0 % 1 5 % Op e r at i ng margin 3 9% 4 0% Op e r at i ng p r o f i t a f t e r ta x t o n e t o p e r a t i n g a s s e t s 1 0 1% 1 2 5 % C ash t o ea r nings 1 0 3 % C ash t o ea r nings (t h r e e - year a ve r a g e) 93% 9 0%

2010 2011 2012 2013 2014 0 5 10 15 20 25 30 10 A C C O M P L I S H M E N T S A N D R E S U L T S 2 0 1 4 P AT I E N T Y E A R S I N C L I N I C A L T R I A L S * J a p a n & K o r e a R e g i o n C h i n a I n t e r n a t i o n a l O p e r a t i o n s E u r o p e N o r t h A m e r i c a T h o u s a n d * A p a t i e n t y e a r i s m e a s u r e d a s t h e t o t a l n u m b e r o f m o n t h s a p a t i e n t i s e n r o l l e d i n a c l i n i c a l t r i a l d i v i d e d b y 1 2 . R E S E A R C H A N D D E V E L O P M E N T I n 2 0 1 4 , N o v o N o r d i s k m a d e i m p o r t a n t a d v a n c e s i n i t s p r o d u c t d e v e l o p m e n t p i p e l i n e . T h e h i g h l e v e l o f a c t i v i t y i n 2 0 1 4 i s u n d e r s c o r e d b y t h e n u m b e r o f p a t i e n t s i n c l i n i c a l t r i a l s w i t h N o v o N o r d i s k p r o d u c t s . A s s e e n f r o m t h e g r a p h , t h e t o t a l n u m b e r o f p a t i e n t y e a r s i n c r e a s e d f r o m 1 6 , 0 0 0 i n 2 0 1 3 t o m o r e t h a n 2 6 , 0 0 0 i n 2 0 1 4 . B e l o w a r e h i g h l i g h t s f r o m k e y l a t e - s t a g e d e v e l o p m e n t p r o j e c t s . T h e p i p e l i n e o v e r v i e w o n p p 2 6 – 2 7 s h o w s a l l c o m p o u n d s i n c l i n i c a l d e v e l o p m e n t , a n d f u r t h e r d e t a i l s o n c l i n i c a l t r i a l r e s u l t s c a n b e f o u n d i n t h e c o m p a n y a n n o u n c e m e n t s a n d p r e s s r e l e a s e s p u b l i s h e d b y N o v o N o r d i s k d u r i n g 2 0 1 4 , w h i c h a r e a v a i l a b l e o n n o v o n o r d i s k . c o m . D I A B E T E S T h e c a r d i o v a s c u l a r o u t c o m e s t r i a l f o r T r e s i b a ® (i n s u l i n d e g l u d e c) , D E V O T E , w a s i n i t i a t e d i n O c t o b e r 2 0 1 3 i n r e s p o n s e t o a r e q u e s t f r o m t h e F D A . R e c r u i t m e n t o f t h e 7 , 5 0 0 t r i a l p a r t i c i p a n t s w i t h t y p e 2 d i a b e t e s w h o h a v e e x i s t i n g , o r h i g h r i s k o f , c a r d i o v a s c u l a r d i s e a s e w a s c o m p l e t e d b y t h e e n d o f 2 0 1 4 a n d b y t h e e n d o f J a n u a r y 2 0 1 5 t h e r e q u i r e d n u m b e r o f m a j o r a d v e r s e c a r d i o v a s c u l a r e v e n t s (M A C E) f o r t h e p r e s p e c i f i e d i n t e r i m a n a l y s i s h a d b e e n a c c u m u l a t e d . N o v o N o r d i s k e x p e c t s t o d e c i d e d u r i n g t h e f i r s t h a l f o f 2 0 1 5 w h e t h e r t o s u b m i t t h e r e s u l t o f t h i s i n t e r i m a n a l y s i s t o t h e F D A o r t o a w a i t c o m p l e t i o n o f t h e D E V O T E t r i a l . T h e r e s u l t o r w h o a r e o v e r w e i g h t (B M I ≥ 2 7) w i t h a t l e a s t o n e w e i g h t - r e l a t e d c o m o r b i d i t y s u c h a s t y p e 2 d i a b e t e s a n d c a r d i o v a s c u l a r d i s e a s e . N o v o N o r d i s k e x p e c t s t o l a u n c h S a x e n d a ® i n t h e U S i n t h e f i r s t h a l f o f 2 0 1 5 . I n J a n u a r y 2 0 1 5 , S a x e n d a ® r e c e i v e d a p o s i t i v e o p i n i o n f r o m t h e E u r o p e a n M e d i c i n e s A g e n c y ’ s e x p e r t c o m m i t t e e . T h e f i n a l m a r k e t i n g a u t h o r i s a t i o n f r o m t h e E u r o p e a n C o m m i s s i o n i s e x p e c t e d w i t h i n a p p r o x i m a t e l y t h r e e m o n t h s . H A E M O P H I L I A D u r i n g 2 0 1 4 , N o v o N o r d i s k c o m p l e t e d 3 o f 4 p h a s e 3 a t r i a l s w i t h l o n g - a c t i n g r e c o m b i n a n t f a c t o r V I I I , N 8 - G P (t u r o c t o c o g a l f a p e g o l) , f o r h a e m o p h i l i a A p a t i e n t s , i n v e s t i g a t i n g N 8 - G P a s a t r e a t m e n t f o r a d u l t s , c h i l d r e n , d u r i n g s u r g i c a l p r o c e d u r e s a n d a s p r o p h y l a c t i c t r e a t m e n t . T h e d a t a r e p o r t e d s o f a r c o n f i r m t h e e f f i c a c y o f N 8 - G P , w h i c h a l s o a p p e a r e d s a f e a n d w e l l t o l e r a t e d i n t h e t r i a l s . N e w d a t a w e r e r e p o r t e d f r o m p h a s e 3 a t r i a l s w i t h a g l y c o P E G y l a t e d l o n g - a c t i n g r e c o m b i n a n t f a c t o r I X , N 9 - G P , f o r p e o p l e w i t h h a e m o p h i l i a B . T h e d a t a r e p o r t e d s o f a r c o n f i r m t h e e f f i c a c y o f N 9 - G P , w h i c h a l s o a p p e a r e d s a f e a n d w e l l t o l e r a t e d i n t h e t r i a l s . N o v o N o r d i s k e x p e c t s t o s u b m i t N 9 - G P f o r a p p r o v a l t o t h e r e g u l a t o r y a u t h o r i t i e s i n t h e s e c o n d h a l f o f 2 0 1 5 . G R O W T H H O R M O N E I n N o v e m b e r 2 0 1 4 , p a t i e n t s w i t h A d u l t G r o w t h H o r m o n e D e f i c i e n c y (A G H D) w e r e t r e a t e d i n t h e f i r s t p h a s e 3 a t r i a l w i t h a o n c e - w e e k l y h u m a n g r o w t h h o r m o n e , N N 8 6 4 0 . I N F L A M M A T O R Y D I S O R D E R S I n S e p t e m b e r 2 0 1 4 , N o v o N o r d i s k d e c i d e d t o d i s c o n t i n u e a l l i t s r e s e a r c h a n d d e v e l o p m e n t a c t i v i t i e s w i t h i n i n f l a m m a t o r y d i s o r d e r s a n d i n s t e a d i n c r e a s e i t s e f f o r t s w i t h i n d i a b e t e s p r e v e n t i o n a n d t r e a t m e n t , o b e s i t y a n d d i a - b e t e s c o m p l i c a t i o n s . T h e d e c i s i o n f o l l o w e d a r e v i e w o f N o v o N o r d i s k ’ s s t r a t e g i c p o s i t i o n w i t h i n i n f l a m m a t o r y d i s o r d e r s a f t e r t h e c o m p a n y ’ s m o s t a d v a n c e d c o m p o u n d , a n t i - I L - 2 0 f o r t h e t r e a t m e n t o f r h e u m a t o i d a r t h r i t i s , f a i l e d t o s h o w e f f i c a c y i n a p h a s e 2 t r i a l . W i t h o u t t h i s p r o d u c t , N o v o N o r d i s k ’ s e a r l i e s t p o s s i b l e e n t r a n c e i n t o t h e m a r k e t f o r a n t i - i n f l a m m a t o r y t h e r a p e u t i c s w o u l d b e d e l a y e d t o t h e l a t e 2 0 2 0 s . o f a n i n t e r i m a n a l y s i s c a r r i e s a h i g h e r l e v e l o f u n c e r t a i n t y t h a n t h e f i n a l s t u d y r e s u l t s a s t h i s p r e l i m i n a r y e s t i m a t e i s b u i l t o n a l o w e r n u m b e r o f o b s e r v a t i o n s . A c c o r d i n g l y , a r e l a t i v e r i s k e s t i m a t e t h a t i s d e r i v e d f r o m a n i n t e r i m a n a l y s i s m a y o r m a y n o t s u p p o r t r e s u b m i s s i o n r e g a r d l e s s o f t h e f i n a l t r i a l r e s u l t . A p o s s i b l e d e c i s i o n n o t t o s u b m i t t h e i n t e r i m a n a l y s i s t o t h e F D A w i l l n o t i n i t s e l f i n d i c a t e a c a r d i o v a s c u l a r s a f e t y i s s u e r e

lated to the use of Tresiba®. Safety of patients in the DEVOTE trial is overseen by an independent Data Monitoring Committee, which would recommend that the trial is stopped should a safety concern arise. At present, the DEVOTE trial remains blinded to regulatory authorities. In Novo Nordisk only a small team will have access to the data. This team will interact with FDA and will decide whether to resubmit the degludec file including the interim data. Novo Nordisk management will not have access to the unblinded results of the interim analysis, and the result of the interim analysis will not be communicated when the decision whether to submit the interim analysis to the FDA is taken. The full DEVOTE trial is now expected to be completed in the second half of 2016. In September 2014, the European Commis- sion granted marketing authorisation for Xultophy®, a once-daily single-injection com- bination of insulin degludec (Tresiba®) and liraglutide (Victoza®). Xultophy® is indicated for the treatment of adults with type 2 diabetes to improve glycaemic control in combination with oral glucose-lowering medicinal products when these alone or combined with basal insulin do not provide adequate glycaemic control. Xultophy® is administered independently of meals and has shown consistent results in strongly improving glycaemic control in both insulin-naïve people and people with type 2 diabetes that are uncontrolled on basal insulin. Xultophy® was launched in Switzerland in January 2015 and will be launched in other European countries during 2015. OBESITY In December 2014, the US Food and Drug Administration (FDA) approved the New Drug Application (NDA) for Saxenda® (liraglutide 3 mg), the first once-daily human glucagon-like peptide-1 (GLP-1) analogue for the treat- ment of obesity. Saxenda® is indicated as an adjunct to a reduced-calorie diet and increased physical activity for chronic weight management in adults with obesity (BMI ≥ 30) NOVO NORDISK ANNUAL REPORT 2014

CONTINUED ACCOMPLISHMENTS AND RESULTS 2014 11 SOCIAL PERFORMANCE Social performance has three dimensions: improving access to medical treatment and quality of care for patients, offering a healthy and engaging working environment, and providing assurance that responsible business practices are in place, with the aim of contributing to the communities in which the company operates. PATIENTS Of the 387 million people living with diabetes 1 it is known that just over half of them are diagnosed and many of those diagnosed do not receive medical treatment. 5 As part of Novo Nordisk's strategy for global access to diabetes care, the company has set a long-term target to reach 40 million people in 2020 with its diabetes care products, a doubling from the baseline number in 2010. The aim is to enable more people with diabetes to receive medical treatment. In 2014, Novo Nordisk provided medical treatments to an estimated 24.4 million people with diabetes worldwide, compared with 24.3 million in 2013. The estimated number is calculated based on WHO's recommended daily doses for diabetes medicines. The number reflects an increase in the number of people treated with modern and new-generation insulins, counter-balanced by a decline in the number of people treated with human insulin, following the loss of a large tender contract. Novo Nordisk is committed to expanding access to medical treatment and care for people with diabetes throughout the world and has several pro-grammes specifically targeting people in low-income settings, while also focusing on enhancing quality of care through product innovation. Novo Nordisk sold human insulin according to the company's differential pricing policy in 32 of the world's 48 poorest countries, compared to 35 countries in 2013. According to this policy the price should not exceed 20% of the average insulin price in the western world (defined as the EU, Norway, Switzerland, the US, Canada and Japan). The pricing policy is offered through government tenders or private market distributors to all of the countries listed by the UN as Least Developed Countries (LDC). In 2014 the LDC ceiling price for insulin treatment per patient per day was USD 0.24, while the average realised price for insulin sold under the programme was USD 0.16. By the end of 2014, important progress had been achieved on Changing Diabetes® programmes reaching people with dia-betes and building capacity. The Changing Diabetes® in Children programme has been rolled out in nine countries since launch in 2009, reaching more than 13,000 children. By now, 108 clinics have been established and more than 5,700 healthcare professionals have been trained. The Changing Diabetes® in Pregnancy pro-gramme, also launched in 2009, has screened 27,700 women for gestational diabetes mellitus and 2,700 women have been diagnosed and subsequently treated. The Base of the Pyramid programme has, since launch in 2011, established seven Diabetes Support Centres in Nigeria and four in Ghana. The programme has been scaled up in Kenya in terms of capacity-building and ensuring supply. Donations through the World Diabetes Foundation (WDF) amounted to DKK 66 million in 2014. The WDF is an independent non-profit organisation established in 2002 by Novo Nordisk to help expand access to diabetes care. The foundation invests in sustainable initiatives to build healthcare capacity with the aim to improve prevention and treatment of diabetes in developing countries. In 2014 the WDF supported 38 new projects. Among these are projects with a focus on avoiding diabetes complications and others aimed at reaching people in the most remote rural areas. Read more on worlddiabetesfoundation.org. Novo Nordisk also provides financial sup-port to improve global access to haemo-philia care. In 2014 the company donated DKK 18 million to the Novo Nordisk Haemophilia Foundation, established in 2005. The foundation supports projects and fellowships in developing and emerging economies. Initiatives focus on capacity-building, awareness, diagnosis and regis-tries. Read more on nnhf.org. In 2014 Novo

Nordisk was ranked second in the Access to Medicine Index, climbing four places since the 2012 Index. Novo Nordisk's ranking is a reflection of the company's consideration of access to medicine within its core business, including equitable pri-cing strategies, local capability-building and integrating donations into business activities. EMPLOYEES At the end of 2014, the total number of employees was 41,450, corresponding to 40,957 full-time positions, which is an 8% increase compared with 2013. This growth is primarily driven by expansion within International Operations and in Denmark, primarily within research & development and production. Employee turnover increased from 8.1% in 2013 to 9.0%. This level is in line with recent years, with turnover rates of 8–10%. The consolidated score in the annual employee survey, eVoice, was 4.3, measured on a scale of 1 to 5, with 5 being the best score. The survey measures the extent to which the organisation is working in accordance with the Novo Nordisk Way. The 2014 result reflects a strong culture and commitment to the company's values, despite a slight decrease compared with the 4.4 score in 2013. By the end of 2014 a total of 76% of the 33 senior management teams were composed of a diverse group, with members of both genders and different nationalities, compared with 70% in 2013. As a result of targeted efforts, 32 of the senior manage-ment teams now have gender diversity, while diversity of nationalities in some management teams has proven more diffi-cult to achieve. The aspiration was to reach 100% by the end of 2014, but this has not yet been achievable. This reflects that while diversity is a priority in the selection of candidates for recruitment and promotions, it is also a principle to always choose the best person for the job. To ensure a robust pipeline of talent for management positions, a new aspiration has been set that requires all management teams, including entry-level and middle management, to enhance diversity in terms of both gender and nationality. In 2014, the average frequency rate of occupational accidents with absence de-creased to 3.2 per million working hours, compared with 3.5 in 2013, as a result of continued roll-out in the global organisation of uniform occupational health and safety management procedures. NOVO NORDISK ANNUAL REPORT 2014

2010 2011 2012 2013 2014 0 10 20 30 40 50 P AT I EN TS R E A CH E D W I T H D I A B E TE S C A R E P R O D U C T S E s t i mat e • R e a l i s e d T a r g e t (2 0 2 0) M ill io n 2010 2011 2012 2013 2014 1 2 3 4 5 W O R KI N G T H E N O V O N O R D I S K W A Y A v e r a g e s c o r e i n a n n u a l e m p l o y e e s u r v e y • R e a l i s e d T a r g e t 2010 2011 2012 2013 2014 0 20 40 60 80 % 100 12 A C C O M P L I S H M E N T S A N D R E S U L T S 2 0 1 4 * A l l s e n i o r m a n a g e m e n t t e a m s m u s t c o m p l y w i t h t h e t a r g e t t o b e d i v e r s e i n t e r m s o f g e n d e r a n d n a t i o n a l i t y o r e x p l a i n w h y t h i s h a s n o t y e t b e e n a c h i e v a b l e . S c a l e D I VER S E S E N I OR M AN A G E M E N T T E A M S • R e a l i s e d T a r g e t (2 0 1 4) * A SS U R A N C E T r a i n i n g i n b u s i n e s s e t h i c s i s m a n d a t o r y a n d a h i g h p r i o r i t y . A n n u a l b u s i n e s s e t h i c s t r a i n i n g i s r e q u i r e d f o r a l l e m p l o y e e s , i n c l u d - i n g n e w h i r e s . B u s i n e s s e t h i c s t r a i n i n g i s a l s o a k e y e l e m e n t i n t h e o n b o a r d i n g p r o g r a m m e s . I n 2 0 1 4 , 9 8 % o f a l l r e l e v a n t e m p l o y e e s c o m p l e t e d a n d d o c u m e n t e d t h e i r t r a i n i n g a n d p a s s e d t h e r e l a t e d t e s t s . T h i s i s a s l i g h t i n c r e a s e f r o m 9 7 % i n 2 0 1 3 . T h e h i g h l e v e l i s a t t r i b u t e d t o t h e c o n s t a n t f o c u s a n d c o m m u n i c a t i o n b y s e n i o r m a n a g e - m e n t o n t h e i m p o r t a n c e o f b u s i n e s s e t h i c s c o m p l i a n c e . A d h e r e n c e t o t h e c o m p a n y ’ s g l o b a l s t a n - d a r d s f o r e t h i c a l b e h a v i o u r m u s t b e o b s e r v e d a n d i s m o n i t o r e d . I n t e r n a l b u s i n e s s e t h i c s a s s u r a n c e a c t i v i t i e s a r e c o n d u c t e d u s i n g o n - s i t e i n t e r v i e w s a n d d o c u m e n t a t i o n r e v i e w s t o a s s e s s c o m p l i a n c e w i t h l e g a l r e q u i r e m e n t s a n d i n t e r n a l p r o c e d u r e s . D u r i n g 2 0 1 4 , 4 2 b u s i n e s s e t h i c s a s s u r a n c e r e v i e w s w e r e c o n d u c t e d , c o m p a r e d w i t h 4 5 i n 2 0 1 3 . D u r i n g t h e y e a r , t h e g l o b a l f a c i l i t a t o r t e a m c o n d u c t e d 6 9 a u d i t s o f u n i t s ’ a d h e r - e n c e t o t h e N o v o N o r d i s k W a y , s o - c a l l e d f a c i l i t a t i o n s , c o v e r i n g a p p r o x i m a t e l y 1 6 , 5 0 0 e m p l o y e e s , w h i c h i s c l o s e t o 4 0 % o f t h e e n t i r e w o r k f o r c e . T h e f a c i l i t a t i o n s c o n - d u c t e d i n 2 0 1 4 s h o w e d a h i g h l e v e l o f c o m p l i a n c e w i t h t h e N o v o N o r d i s k W a y . A f a c i l i t a t i o n c o n s i s t s o f d o c u m e n t r e v i e w a n d i n t e r v i e w s w i t h l o c a l m a n a g e m e n t , e m p l o y e e s a n d s t a k e h o l d e r s t o d e t e r m i n e t h e l e v e l o f a d h e r e n c e t o c o r p o r a t e v a l u e s a n d e x p e c t e d b e h a v i o u r s s p e l l e d o u t i n t h e N o v o N o r d i s k W a y . B e s t p r a c t i c e s a r e s h a r e d i n t e r n a l l y w h i l e f i n d i n g s o f n o n - c o m p l i a n c e a r e r e p o r t e d t o l o c a l m a n a g e m e n t , w h i c h m u s t s u b s e - q u e n t l y i m p l e m e n t c o r r e c t i v e a c t i o n s . I n 2 0 1 4 , 9 5 % o f a c t i o n s w e r e c l o s e d o n t i m e . A s u m m a r y r e p o r t , p r e s e n t e d t o t h e B o a r d o f D i r e c t o r s , o u t l i n e s k e y o b s e r v a t i o n s a n d t r e n d s a c r o s s a l l f a c i l i t a t i o n s , a n d t h e c o n c l u s i o n i s t h a t t h e r e i s a h i g h l e v e l o f c o m p l i a n c e i n 2 0 1 4 w i t h t h e N o v o N o r d i s k W a y a c r o s s t h e o r g a n i s a t i o n . A t o t a l o f 2 2 4 s u p p l i e r a u d i t s w e r e c o n d u c t e d t o a s s e s s t h e i r l e v e l o f c o m p l i a n c e w i t h t h e c o m p a n y ’ s s t a n d a r d s f o r s u p p l i e r s . T h e s e r e l a t e t o q u a l i t y a s w e l l a s e n v i r o n m e n t , l a b o u r , h u m a n r i g h t s a n d b u s i n e s s e t h i c s , i n l i n e w i t h N o v o N o r d i s k ’ s r e s p o n s i b l e s o u r c - i n g p o l i c y . T h e s e a u d i t s a r e u n d e r t a k e n b y N o v o N o r d i s k ’ s g l o b a l q u a l i t y o r g a n i s a t i o n . T h e l e v e l o f a u d i t a c t i v i t y w a s o n p a r w i t h 2 0 1 3 . O f t h e a u d i t s i n 2 0 1 4 , 2 5 w e r e f o c u s e d o n r e s p o n s i b l e s o u r c i n g c r i t e r i a , w h i c h i s t h e s a m e l e v e l a s i n 2 0 1 3 . O n l y h i g h - r i s k s u p p l i e r s , i d e n t i f i e d t h r o u g h a r o b u s t r i s k a s s e s s m e n t , a r e s e l e c t e d f o r r e s p o n s i b l e s o u r c i n g a u d i t s . I n 2 0 1 4 , n o c r i t i c a l f i n d i n g s w e r e i d e n t i f i e d . I n 2 0 1 4 , N o v o N o r d i s k h a d t w o p r o d u c t r e c a l l s f r o m t h e m a r k e t c o m p a r e d w i t h s i x i n 2 0 1 3 . O n e r e c a l l w a s d u e t o i n a p p r o p r i a t e p r o d u c t s t o r a g e i n t h e e x t e r n a l d i s t r i b u t i o n c h a i n . T h e o t h e r c o n c e r n e d a p a c k a g i n g i s s u e . L o c a l h e a l t h a u t h o r i t i e s w e r e i n f o r m e d i n b o t h i n s t a n c e s t o e n s u r e t h a t d i s t r i b u t o r s , p h a r m a c i e s , d o c t o r s a n d p a t i e n t s r e c e i v e d a p p r o p r i a t e i n f o r m a t i o n . I n 2 0 1 4 n o W a r n i n g L e t t e r s w e r e i s s u e d t o N o v o N o r d i s k a n d t h e r e w e r e n o r e - i n s p e c t i o n s . A t o t a l o f 1 1 2 i n s p e c t i o n s w e r e c o n d u c t e d b y r e g u l a t o r y a u t h o r i t i e s o r c e r t i f i e d b o d i e s a t N o v o N o r d i s k s i t e s , a t c l i n i c s c o n d u c t i n g i n v e s t i g a t i o n s f o r N o v o N o r d i s k o r f o r v o l u n t a r y I S O 9 0 0 1 c e r t i f i c a t i o n c o m p a r e d w i t h 8 4 i n s p e c t i o n s i n 2 0 1 3 . O f t h e 1 1 2 i n s p e c t i o n s , 5 9 w e r e e i t h e r I S O i n s p e c t i o n s o r i n s p e c t i o n s b y t h e U S F o o d & D r u g A d m i n i s t r a t i o n (F D A) , b y t h e J a p a n e s e P M D A o r b y m e m b e r s o f t h e E u r o p e a n E M A , o f w h i c h 3 2 w e r e p a s s e d a n d 2 7 w e r e u n r e s o l v e d a t y e a r - e n d . L O N G - T E R M S O C I A L T A R G E T S N o v o N o r d i s k h a s c h o s e n t h r e e l o n g - t e r m s o c i a l t a r g e t s t o s u p p o r t l o n g - t e r m f i n a n

cialperformance, balancingresponsibilitywithprofitability, withtheaimofcreating sustainablevalueforshareholdersandotherstakeholders. Thesocialtargetsreflect aspirationsexpressedintheNovoNordiskWay: helpingpeoplelivebetterlives, working theNovoNordiskWayandnurturingadiverseworkingenvironment. Thelong-term patienttargetisexpectedtobereached. Developmentyearonyearwillvary, reflecting gainsandlossesoflargetendersandcontracts. Thediversitytargetexpiredattheend of2014andanewaspirationhasbeensetthatexpandsthescopetofocusonenhancing diversityinallmanagementteams. NOVONORDISKANNUALREPORT2014

0 1 2 3 4 2010 2011 2012 2013 2014 EN ER G Y C ON S U M P T I ON • R e a l i s e d T a r g e t (n ot to e x c ee d) * * F r o m 2 0 0 7 to 2 0 1 1 t h e t a r g e t w a s s e t a s a n a c c u m u l a t e d r e d u c t i o n o v e r f o u r y e a r s f r o m a 2 0 0 7 b a s e l i n e . WA T E R C ON S U M P T I ON • R e a l i s e d 1 , 00 0 , 00 0 G J 2010 2011 2012 2013 2014 0 1 2 3 4 T a r g e t (n ot to e x c ee d) * * F r o m 2 0 0 7 to 2 0 1 1 t h e t a r g e t w a s s e t a s a n a c c u m u l a t e d r e d u c t i o n o v e r f o u r y e a r s f r o m a 2 0 0 7 b a s e l i n e . 1 , 00 0 , 00 0 m 3 0 2010 2011 2012 2013 2014 50 100 150 200 C O 2 E M I S S I O N S FR O M EN ER G Y C ON S U M P T I ON • R e a l i s e d A C C O M P L I S H M E N T S A N D R E S U L T S 2 0 1 4 13 T a r g e t (n ot to e x c ee d b y 2 0 1 4) 1 , 00 0 t o n s N o v o N o r d i s k m e a s u r e s e n v i r o n m e n t a l p e r - f o r m a n c e o n f o u r d i m e n s i o n s : c o n s u m p t i o n o f w a t e r , c o n s u m p t i o n o f e n e r g y , C O 2 e m i s s i o n s f r o m e n e r g y c o n s u m p t i o n a n d w a s t e . E N E R G Y A N D W A T E R I n 2 0 1 4 , 2 , 5 5 6 , 00 0 G J e n e r g y a n d 2 , 9 5 9 , 00 0 m 3 w a t e r w e r e c o n s u m e d a t p r o d u c t i o n s i t e s a r o u n d t h e w o r l d . E n e r g y c o n s u m p t i o n d e c r e a s e d b y 1 % d e s p i t e i n c r e a s e d p r o d u c t i o n a s a r e s u l t o f t h e f o c u s o n o p t i m i s a t i o n s i n t h e p r o d u c t i o n p r o c e s s e s . W a t e r c o n s u m p t i o n i n c r e a s e d b y 1 0 % c o m - p a r e d w i t h 2 0 1 3 . T h i s d e v e l o p m e n t r e f l e c t s t h e i n c r e a s e d p r o d u c t i o n v o l u m e , a s w e l l a s r a i s e d i n t e r n a l r e q u i r e m e n t s r e g a r d i n g t h e q u a l i t y o f w a t e r u s e d i n p r o d u c t i o n . 7 0 % o f t h e w a t e r i s u s e d a t p r o d u c t i o n s i t e s l o c a t e d i n w a t e r - s c a r c e r e g i o n s i n B r a z i l , C h i n a a n d D e n m a r k . T h e s e s i t e s h a v e p a r t i c u l a r f o c u s o n w a t e r s t e w a r d s h i p . C O E M I S S I O N S 2 N o v o N o r d i s k m e t i t s l o n g - t e r m t a r g e t o f r e d u c i n g C O e m i s s i o n s f r o m e n e r g y c o n - 2 s u m p t i o n f o r p r o d u c t i o n b y 1 0 % i n a b s o l u t e m e a s u r e s f r o m 2 0 0 4 t o 2 0 1 4 . I n 2 0 1 4 t h e s e e m i s s i o n s a m o u n t e d t o 1 2 0 , 00 0 t o n s o f C O 2 . T h i s e q u a l s a 4 % d e c r e a s e c o m p a r e d w i t h 2 0 1 3 a n d a 4 5 % r e d u c t i o n c o m p a r e d w i t h 2 0 0 4 . T h e d e c r e a s e i n 2 0 1 4 i s a r e s u l t o f d e c r e a s i n g e n e r g y c o n s u m p t i o n o v e r a l l a n d a c h a n g e a t a f i l l i n g p l a n t t o a s u p p l i e r w i t h l e s s C O 2 - i n t e n s i v e p o w e r p r o d u c t i o n . S i n c e 2 0 0 4 , N o v o N o r d i s k h a s r e d u c e d C O 2 e m i s s i o n s f r o m e n e r g y c o n s u m p t i o n f o r p r o d u c t i o n b y 9 7 , 00 0 t o n s , e q u a l t o 4 5 % , w h i l e i n t h e s a m e p e r i o d t h e c o m p a n y h a s g r o w n b y 2 0 6 % m e a s u r e d i n s a l e s . K e y d r i v e r s h a v e b e e n p r o c e s s o p t i m i s a t i o n s , c o n v e r s i o n t o r e n e w a b l e e n e r g y s u p p l i e s a n d m o r e t h a n 7 0 0 e n e r g y - s a v i n g p r o j e c t s , w h i c h h a v e l e d t o a t o t a l r e d u c t i o n i n C O 2 e m i s s i o n s o f 4 5 , 00 0 t o n s a n n u a l l y . N o v o N o r d i s k i s n o w e x p a n d i n g i t s s c o p e o f r e p o r t i n g t o i n c l u d e C O 2 e m i s s i o n s f r o m b u s i n e s s f l i g h t s a n d l e a s e d c o m p a n y c a r s . I n 2 0 1 4 , b u s i n e s s f l i g h t s r e s u l t e d i n e s t i m a t e d e m i s s i o n s o f C O 2 o f 6 8 , 00 0 t o n s , w h i c h i s 6 % l e s s t h a n i n 2 0 1 3 . T h i s i s t h e r e s u l t o f a f o c u s o n k e e p i n g c o s t s l o w . T h e e s t i m a t e d C O 2 e m i s s i o n s f r o m l e a s e d c o m p a n y c a r s i n c r e a s e d b y 1 % f r o m 7 1 , 00 0 t o n s t o 7 2 , 00 0 t o n s . T h e i n c r e a s e i s d u e t o a g r o w i n g w o r k f o r c e . W A S T E I n 2 0 1 4 , N o v o N o r d i s k g e n e r a t e d 3 0 , 7 2 0 t o n s o f w a s t e , w h i c h i s a n i n c r e a s e o f 5 1 % c o m p a r e d w i t h 2 0 1 3 . T h i s i n c r e a s e r e f l e c t s t h e f a c t t h a t t h e c o m p a n y h a s c h o s e n t o a p p l y t h e p r e c a u t i o n a r y p r i n c i p l e a n d d i s p o s e o f s p e c i f i c w a s t e w a t e r f r a c t i o n s a s h a z a r d o u s w a s t e f o r t r e a t m e n t i n i n c i n e r a t i o n p l a n t s r a t h e r t h a n d i s c h a r g i n g t h e m t o w a s t e w a t e r t r e a t m e n t p l a n t s . M o r e o v e r , n o n - r e c y c l a b l e e t h a n o l w a s t e i n c r e a s e d d u e t o e x t r a o r d i n a r y c h a l l e n g e s w i t h r e g e n e r a t i o n o f u s e d e t h a n o l i n d i a b e t e s c a r e . M o r e t h a n h a l f t h e w a s t e v o l u m e i s r e c y c l e d o r r e c o v e r e d ; 2 6 % o f t h e t o t a l w a s t e i s r e c y c l e d , a n d 3 0 % i s i n c i n e r a t e d w i t h e n e r g y r e c o v e r y . O n l y 3 % o f w a s t e i s s e n t t o l a n d f i l l . L O N G - T E R M EN V I R O N M EN T A L T A R G E T S N o v o N o r d i s k h a s c h o s e n t h r e e l o n g - t e r m e n v i r o n m e n t a l t a r g e t s t o s u p p o r t l o n g - t e r m f i n a n c i a l p e r f o r m a n c e , b a l a n c i n g r e s p o n - s i b i l i t y w i t h p r o f i t a b i l i t y , w i t h t h e a i m o f c r e a t i n g s u s t a i n a b l e v a l u e f o r s h a r e h o l d e r s a n d o t h e r s t a k e h o l d e r s . T h e e f f o r t s t o r e d u c e c o n s u m p t i o n o f e n e r g y a n d w a t e r a n d C O 2 e m i s s i o n s c o n t r i b u t e t o o p t i m i s i n g p r o d u c t i o n e f f i c i e n c y a n d r e d u c i n g e n v i r o n m e n t a l i m - p a c t s . T h e t a r g e t s a r e a m b i t i o u s a n d r e f l e c t t h e a s p i r a t i o n o f c o n t i n u o u s d e c o u p l i n g o f e n v i r o n m e n t a l i m p a c t s f r o m b u s i n e s s g r o w t h , m e a s u r e d a s i n c r e a s e i n s a l e s i n l o c a l c u r r e n c i e s . T h e t a r g e t s f o r e n e r g y a n d w a t e r c o n s u m p t i o n h a v e b e e n s e t a s a m a x i m u m 5 0 % i n c r e a s e c o m p a r e d w i t h b u s i n e s s g r o w t h , m e a s u r e d a s a t h r

e e - y e a r a v e r a g e . T his w i l l b e p a r t i c u l a r l y c h a l l e n g i n g i n y e a r s o f p r o d u c tio n e x p a n sio n a n d r u n ni n g - i n o f n e w p l a n t s o r p r o d u c tio n l i n e s . T h e t a r g e t f o r c o n s u m p t io n o f w a t e r i s c h a l l e n g i n g , a s s t r i c t e r i n t e r n a l r e q u ire m e n t s f o r w a t e r q u a l i t y a n d i n t r o d u c tio n o f n e w p r o d u c tio n l i n e s l e a d t o re l a t i v e l y h i g h e r i n c re a s e s i n w a t e r c o n s u m p t io n . T h e t a r g e t f o r c o n s u m p t io n o f e n e r g y i s e x p e c t e d t o b e m e t . I n 2 0 1 5 , N o v o N o r d i s k w i l l e v a l u a t e w h e t h e r a n e w r e d u c tio n t a r g e t f o r C O 2 e m i s s io n s f r o m e n e r g y c o n s u m p tio n f o r p r o d u c tio n w i l l c o n t i n u e t o s u pp o r t b u s i n e s s p r io r i t i e s . E N V I R O N ME N T A L P E R F O R M A N C E N O V O N O R D I S K A N N U A L R E P O R T 2 0 1 4

2010 2011 2012 2013 2014 0 4 8 12 16 20 B I O P H A R M A C E UT I C A L S S AL E S O th er p r o d u c t s N o r d it r o p i n ® N ov o S e v e n ® D K K b ill io n 2010 2011 2012 2013 2014 0 20 40 60 80 100 D K K b ill io n 2010 2011 2012 2013 2014 0 20 40 60 80 100 14 A C C O M P L I S H M E N T S A ND R E S U L T S 2 0 1 4 P E R F O R M A N C E H I G H L I G H T S) S A L E S B Y G E O G R A P H I C R E G I O N J a p a n & K o r e a R e g io n C hi n a I n t er n a tio n a l O p er a tio n s E u r o p e N o r th A m er i c a M o d e r n ins u lins (ins u lin a n a l o g u e s) D K K b ill io n D I A B E TE S C A R E S A L ES N e w - g e n e r a tio n ins u lin O r a l a n tid i a b e ti c p r o d u c t s (O A D) P ro t e i n - re l a t e d p r o d u c t s V i c to z a ® H u m a n ins u lins N O V O N O R D I S K A NN U A L R E P O R T 2 0 1 4 2010 20 1 1 2012 2013 2014 201 3 – 2014 FINANCIAL PERFORMANCE Ne t sales 60,776 66,346 78,026 83,572 88,806 Change 6% Underlyin g sale s g r owt h i n loca l cur r encies Cur r enc y e f fec t (loca l cur r enc y impact) 13.0% 6.0% 11.4% (2.2%) 11.6% 6.0% 11.9% (4.8%) 8.3% (2.0%) Ne t sale s g r owt h a s r eported 19.0% 9.2% 17.6% 7.1% 6.3% Dep r eciation , amortisatio n an d impairmen t losses 2,467 2,737 2,693 2,799 3,435 23% Operatin g p r ofi t 18,891 22,374 29,474 31,493 34,492 10% Ne t f inancials (605) (449) (1,663) 1,046 (396) N / A P r ofi t befo r e incom e taxes 18,286 21,925 27,811 32,539 34,096 5% Ne t p r ofi t fo r th e year 14,403 17,097 21,432 25,184 26,481 5% T ota l assets 61,402 64,698 65,669 70,337 77,062 10% Equity 36,965 37,448 40,632 42,569 40,294 (5% Capita l expenditu r e , net 3,308 3,003 3,319 3,207 3,986 24% F r e e cas h f low 1 17,013 18,112 18,645 22,358 27,396 23% FINANCIAL R A TIOS 99.5% Pe r centag e o f sales Sale s outsid e Denmark 99.4% 99.3% 99.4% 99.4% Sale s an d distributio n costs 29.9% 28.6% 27.6% 28.0% 26.2% Resea r c h an d developmen t costs 15.8% 14.5% 14.0% 14.0% 15.5% Administrativ e costs 5.0% 4.9% 4.2% 4.2% 4.0% G r os s margin 1 80.8% 81.0% 82.7% 83.1% 83.6% Ne t p r ofi t margi n 1 23.7% 25.8% 27.5% 30.1% 29.8% E f fectiv e ta x rate 1 21.2% 22.0% 22.9% 22.6% 22.3% Equit y ratio 1 60.2% 57.9% 61.9% 60.5% 52.3% Retu r n o n equity 1 39.6% 46.0% 54.9% 60.5% 63.9% Cas h t o ea r nings 1 118.1% 105.9% 87.0% 88.8% 103.5% Payou t ratio 1 39.6% 45.3% 45.3% 47.1% 48.7% LONG - TERM FINANCIAL T ARGETS 38.8% T argets Operatin g margin 1 31.1% 33.7% 37.8% 37.7% 40% Operatin g p r ofi t g r owth 26.5% 18.4% 31.7% 6.9% 9.5% 15% Operatin g p r ofi t afte r ta x t o ne t operatin g assets 1 63.6% 77.9% 99.0% 97.2% 101.0% 125% Cas h t o ea r ning s (th r ee - yea r average) 115.6% 112.8% 103.7% 93.9% 93.1% 90%

2010 2011 2012 2013 2014 0 10 20 30 40 50 E M P L O Y E E S (T O T A L) J a p a n & K o r e a R e g io n C hi n a I n t er n a tio n a l O p er a tio n s E u r o p e N o r th A m er i c a T h o u s a n d 2010 2011 2012 2013 2014 0 30 60 90 120 150 O R G A N I C R E S I D U E S A N D W A S T E • O r ga n i c r e si d u e s • W a s t e 1 , 00 0 t o n s 2010 2011 2012 2013 2014 0 5 10 15 20 25 30 A C C O M P L I S H M E N T S A ND R E S U L T S 2 0 1 4 15 1 . For defi nitions , pleas e r efer t o p 94 . 2 . Donation s t o th e W orl d Diabete s Foundatio n an d th e Nov o No rdis k Haemophili a Foundation , whic h are workin g t o inc reas e healthca r e capacity i n developin g countries . 3 . By th e en d o f 2014 , al l senior management teams ha d t o comply wit h th e targe t t o b e divers e i n terms o f bot h gender an d nation alit y or explai n wh y thi s has no t yet bee n achievable . 4 . The 5 % equals 50 % o f th e busines s g r owt h measu r e d as th e inc r eas e i n sale s i n local cur r encie s as a th r ee - year average . For detaile d targe t defi nition, please r efer t o p 13 . 5 . Share performance - r elate d ke y f i gu r es hav e bee n calculate d r eflectin g a tradin g uni t o f DK K 0 . 20 . 6 . Pr opose d dividend s fo r th e year (not yet decla r ed) . N ET C A S H D I S T R I B UT I O N T O S H A R E H O L D ERS D iv i d e nds S ha r e r e p u r c ha s e s D K K b ill io n N O V O N O R D I S K A NN U A L R E P O R T 2 0 1 4 2010 20 1 1 2012 2013 2014 201 3 – 2014 SOCIAL PERFORMANCE Change Leas t develope d countrie s whe r e Nov o No r dis k sells insuli n acco r din g t o th e di f fe r entia l pricin g policy 33 36 35 35 32 (9%) Donation s (DK K million) 2 84 81 84 83 84 1% Ne w paten t familie s (firs t f ilings) 62 80 65 77 93 21% Employee s (total) 30,483 32,632 34,731 38,436 41,450 8% Employe e tu r nover 9.1% 9.8% 9.1% 8.1% 9.0% Relevan t employee s traine d i n busines s ethics 98% 99% 99% 97% 98% P r oduc t r ecalls 5 5 6 6 2 (67%) W a r nin g Letter s an d r e - inspections 0 0 1 1 0 Compan y r eputatio n wit h exte r nal ke y stakeholder s (scal e 1 – 7) N / A 5.6 5.7 5.8 5.8 LONG - TERM SOCIAL T ARGETS T argets Patient s r eache d wit h Nov o No r dis k diabetes ca r e p r oduct s (estimat e i n million) N / A 20.9 22.8 24.3 24.4 4 0 b y 2020 W orkin g th e Nov o No r dis k W a y (scal e 1 – 5) N / A 4.3 4.3 4.4 4.3 4.0 Divers e senio r managemen t teams 54% 62% 66% 70% 76% 100 % b y 2014 3 ENVIRONMEN T AL PERFORMANCE Change Energ y consumptio n (1 ,00 0 GJ) 2,234 2,187 2,433 2,572 2,556 (1%) W ate r consumptio n (1 ,00 0 m 3) 2,047 2,136 2,475 2,685 2,959 10% CO 2 emission s f r o m energ y consumptio n (1 ,00 0 tons) 95 94 122 125 120 (4%) Organi c r esidue s (tons) 65,332 71,685 99,209 110,228 110,095 0% W ast e (tons) 18,280 18,695 19,213 20,387 30,720 51% LONG - TERM ENVIRONMEN T AL T ARGETS T argets Energ y consumptio n (v s prio r year) (1%) (2%) 11% 6% (1%) No t t o excee d 5% 4 W ate r consumptio n (v s prio r year) (5%) 4% 16% 8% 10% No t t o excee d 5% 4 CO 2 emission s f r o m energ y consumption (v s 200 4 baseline) (56%) (57%) (44%) (42%) (45%) 10 % r eduction b y 2014 SHARE PERFORMANCE Change Basi c ea r ning s pe r sha r e/AD R i n DKK 1 , 5 4.96 6.05 7.82 9.40 10.10 7% Dilute d ea r ning s pe r sha r e/AD R i n DKK 1 , 5 4.92 6.00 7.77 9.35 10.07 8% T ota l numbe r o f sha r e s (million) , 3 1 December 3,000 2,900 2,800 2,750 2,650 (4%) T r easur y sha r e s (million) , 3 1 December 141 122 87 103 57 (45%) Sha r e capita l (DK K million) 600 580 560 550 530 (4%) Ne t asse t valu e pe r sha r e i n DKK 5 12.32 12.91 14.51 15.48 15.21 (2%) Dividen d pe r sha r e i n DKK 5 2.00 2.80 3.60 4.50 5.00 11% T ota l dividen d (DK K million) 5,700 7,742 9,715 11,866 12,905 6 9% Closin g sha r e pric e (DKK) 5 125.80 132.00 183.30 198.80 260.30 31%

16 OUR BUSINESS Novo Nordisk is a strong believer in maintaining focus on what it does best and is therefore not easily tempted to stray from its core business. As a result, its main business area today is the same as when it was founded: diabetes. Its main product then was insulin; the main product now is – insulin. This is not to say that Novo Nordisk is not innovating. In fact, it typically spends 13 – 15 % of its revenue on researching and developing new products within its core areas, which, in addition to diabetes, are haemophilia, growth disorders and a venture into treatment of obesity. As a result, Novo Nordisk has become a leading player in the first three mentioned areas. In all areas the company has a pipeline of drug candidates that hold the promise of future growth. Until recently, Novo Nordisk had a fifth strategic focus area, which was to establish a presence within inflammatory disorders. However, in September 2014 the company decided to discontinue all its research and development activities within this area and instead increase its efforts within diabetes prevention and treatment, obesity and diabetes complications. The decision followed a review of Novo Nordisk's strategic position within inflammatory disorders after the company's most advanced compound, anti-IL-20 for the treatment of rheumatoid arthritis, failed to show efficacy in a phase 2 trial. Without this product, Novo Nordisk's earliest possible entrance into the market for anti-inflammatory therapeutics would be delayed to the late 2020s. The sharp focus on a few selected therapeutic areas is a key element of Novo Nordisk's strategy. Another is the strong focus on the constant development of five core capabilities that Novo Nordisk has built up over the years, and continues to leverage in all four strategic focus areas (see chart on opposite page). The third element in Novo Nordisk's strategic framework is its values-based management system, the Novo Nordisk Way (read more on p 4), in which the Triple Bottom Line business principle is so central that it was written into the company's Articles of Association in 2004. In the following, we take a closer look at Novo Nordisk's ambitions within its strategic focus areas. BUSINESS STRATEGY STAY FOCUSED, THINK LONG-TERM Over the past 15 years, Novo Nordisk has delivered results above those of most other pharmaceutical companies. A key reason is that – despite many temptations to deviate – it has stuck to a highly focused long-term strategy. A CHALLENGING BUSINESS ENVIRONMENT The current business environment is characterised by slow economic growth and austerity measures in some parts of the world, and rapid economic growth and urbanisation with alarming implications for public health in others. In high-income countries with ageing populations, governments and private payers are reluctant to pay a premium for new, innovative therapies. Low- and middle-income countries fight a double burden of poverty and poor health, and access to care is inadequate and unevenly distributed. Many countries with largely publicly funded healthcare systems are introducing market restrictions for new medications, and, in the US, pharmaceutical companies, including Novo Nordisk, are facing increasingly tough pricing negotiations with managed care organisations and pharmacy benefit managers. Novo Nordisk has decided to continue making large investments in research and development, strategic products and growth markets. The decision is based on a firm belief that significant unmet medical needs remain to be addressed, not least within diabetes, a disease that is growing at an alarming rate all over the world. Read more on pp 28 – 29. To meet increasing demands for data about its products' health-economic benefits, capabilities are being further strengthened within the company's market access functions. Moreover, Novo Nordisk is expanding its field force in countries where there are significant opportunities for market expansion. It is also exploring new ways of reaching people with unmet healthcare needs. For example, pilot programmes in low-income countries such as Kenya and Bangladesh have helped di

m p r ov e a c c e s s t o d i a b e t e s c a re p r o d u c t s f o r p e o p l e l iv in g in r u r a l a re a s .

Based on the expertise Novo Nordisk has gained through the development of Victoza®, the company is building a GLP-1 portfolio with the intention of providing an even broader range of treatment options. For example, Victoza® is being investigated in clinical trials for use as adjunct to insulin in people with type 1 diabetes. Other key development projects include a once-weekly GLP-1 analogue, sema-glutide, which is in phase 3a development. Novo Nordisk is also developing formulations of GLP-1 that, if successful, can be taken as tablets. CONTINUED THE FOUR STRATEGIC FOCUS AREAS 1. EXPAND LEADERSHIP IN DIABETES As many as 387 million people worldwide are living with diabetes, and it is predicted that by 2035 more than 10% of the world's adult population – 592 million people worldwide – will have diabetes. 1 Read more about the diabetes pandemic on pp 28–29. The global market for diabetes care products amounts to 283 billion Danish kroner, of which Novo Nordisk products account for about 27%. The market has grown by around 12% annually in the last decade and is expected to experience continued solid growth driven by an increased prevalence of diabetes and the need for better treatments. Of this global market, insulin accounts for 55%, oral diabetes products for 38% and GLP-1 products for 7%. Diabetes care is Novo Nordisk's largest and fastest-growing business area. It accounts for 79% of the company's total sales, most of which comes from the insulin and GLP-1 product portfolios. Novo Nordisk is well positioned to address the unmet medical needs in diabetes. THE INSULIN PORTFOLIO The insulin portfolio includes: • Tresiba®, a new-generation once-daily basal insulin analogue with a duration of action beyond 42 hours and a flat and stable action profile that compared with insulin glargine reduces the rate of hypoglycaemia and increases dosing flexibility when needed. Read more about Tresiba® on pp 30–31. • Ryzodeg®, a soluble co-formulation of the basal analogue insulin degludec (Tresiba®) and insulin aspart (NovoRapid®, or NovoLog® in the US, a rapid-acting mealtime insulin), which reduces the risk of hypoglycaemia compared with premix insulin. • NovoRapid® (marketed as NovoLog® in the US), the world's most widely used rapid-acting insulin for use at mealtimes. • Levemir® (insulin detemir), a soluble, long-acting modern insulin for once-daily use. It provides glucose control with a favourable weight profile. • NovoMix® 70/50/30 (NovoLog® Mix 70/30 in the US), dual-release modern insulins that cover both mealtime and basal requirements. These insulins can be used either to initiate or intensify insulin therapy. The primary goal of Novo Nordisk's diabetes research is to discover new therapies that lower blood glucose while reducing the risk of low blood sugar. A recent example of this is Xultophy®, a fixed combination of insulin degludec and liraglutide (the latter being the active ingredient in Victoza®). Xultophy® was approved in the EU in September 2014 and launched in Switzerland as the first country in January 2015. Read more about Xultophy® on p 31. Novo Nordisk is also developing a new faster-acting formulation of insulin aspart to be taken at mealtimes, and recently initiated an extensive phase 3a programme. In addition to new and improved injectable insulins, Novo Nordisk is developing formulations of insulin that, if successful, can be taken as tablets. GLP-1 (GLUCAGON-LIKE PEPTIDE-1) With the launch of Victoza® in 2009, Novo Nordisk entered the GLP-1 therapy segment. Victoza® is a human GLP-1 analogue with 97% similarity to the natural guthormone. Victoza® is taken once daily and, like natural GLP-1, works by stimulating the beta cells in the pancreas to release insulin only when blood sugar levels are high. GLP-1 therapy is a significant advance in the treatment of type 2 diabetes because it lowers glucose with a limited risk of triggering low blood sugar. Victoza® is approved for adults with type 2 diabetes who are unable to achieve blood glucose goals with lifestyle changes and other initial treatments for type 2 diabetes. Within two years, Victoza® became the leadi

ngGLP-1treatmentgloballyandsteadilyexpandedthemarketforGLP-1treatment. Themarketiscurrentlyvaluedataround20billionkroner,ofwhichVictoza®accounts for72%.Availableinaround80markets,itisestimatedthatVictoza®isnowusedbyapproximately900,000peopleworldwide.OURBUSINESS17TheNovoNordiskWay Engineering,formulating,developinganddeliveringprotein-basedtreatments Deep diseaseunder-standing Efficientlarge-scaleproductionofproteins Planningandexecuting globallaunchesofnewproducts Buildingandmaintainingaleadingpositioninemerging markets NOVONORDISK'SSTRATEGYSTRATEGICFOCUSAREAS Establish presenceinOBESITY Expandleadershipin DIABETES Pursueleadershipin HAEMOPHILIA Expandleadershipin GROWTHDISORDERS CORECAPABILITIES

2. ESTABLISH A PRESENCE IN OBESITY According to the World Health Organization (WHO), obesity has reached pandemic proportions, with up to 1.9 billion adults (18 years and older) being overweight. Of these, approximately 260 million men and 340 million women are clinically obese (ie BMI ≥ 30). 2 Obesity is known to be a major risk factor in developing serious diseases such as type 2 diabetes and cardiovascular diseases. Despite the growing prevalence of obesity globally, there are only a few pharmaceutical treatment options currently available, and reimbursement for these medications is limited. The pharmaceutical market for obesity products currently amounts to 4–5 billion kroner. Novo Nordisk expects to launch its first product in this segment, Saxenda® (liraglutide 3mg), in key markets during 2015. In the US, the product was approved by the FDA in December 2014 for chronic weight management of people with obesity with a BMI of 30 or greater, or 27 or greater in the presence of at least one weight-related comorbidity. In January 2015, Saxenda® received a positive opinion from the European Medicines Agency's expert committee (CHMP). Read more about obesity on pp 36–37. 3. PURSUE LEADERSHIP IN HAEMOPHILIA Haemophilia is an inherited or acquired bleeding disorder that prevents blood from clotting. An estimated 420,000 people live with haemophilia. 3 Only about 180,000 of these are diagnosed, 120,000 of whom have moderate or severe haemophilia A or B, and therefore need treatment. 4 The global haemophilia drug market is estimated at 56 billion kroner and has grown by more than 5% annually in recent years. Novo Nordisk entered the haemophilia market in 1996 when it introduced NovoSeven® for the treatment of haemophilia patients who form antibodies against traditional treatments. The launch of NovoEight® in 2014 was a significant milestone in the company's ambition of moving from this niche into the main haemophilia A market. With two long-acting clotting factors in phase 3 development, the ambition is to expand into haemophilia A and B and achieve a leadership position in these segments. Read more about haemophilia on p 38. 18 OUR BUSINESS 4. EXPAND LEADERSHIP IN GROWTH DISORDERS Novo Nordisk has been active in the treatment of growth hormone deficiency for almost four decades. Growth hormone therapy is most frequently used in developed countries. Globally, it is estimated that more than 2 million people meet the criteria for growth hormone therapy. 4 The market for growth disorder treatments is estimated at 16 billion kroner and has grown by around 2% annually since 2010. Novo Nordisk's growth hormone Norditropin® (somatropin) is the market leader with a global market share of 34% measured by value. Novo Nordisk's strategy in growth hormone therapy is to expand its leadership by providing innovative and convenient products and devices. Novo Nordisk's newest injection device for growth hormone is Norditropin® FlexPro®, which has an easy-touch dosing mechanism. Novo Nordisk is also developing a once-weekly growth hormone product, which has recently entered phase 3 trials. Read more about growth disorders on p 39. THE CORE CAPABILITIES ENGINEERING, FORMULATING, DEVELOPING AND DELIVERING PROTEIN-BASED TREATMENTS Novo Nordisk has dedicated research and development facilities in Denmark, China, the US and India. More than 7,000 employees are involved in research and development activities throughout the company, many of them working in partnerships with external biotech and academic researchers. Novo Nordisk's researchers have years of experience with formulation technology, protein engineering, expression and delivery, enabling the company to continuously improve the properties of therapeutic proteins such as insulin and GLP-1. Furthermore, since 1985, when Novo Nordisk launched the world's first insulin injection device – NovoPen® – the company has developed world-class expertise in designing and producing simple and convenient devices for administration of protein therapeutics. Today, Novo No

rdisk offers the world's most widely used durable and disposable devices for insulin and GLP-1, NovoPen® 4 and FlexPen®, and is currently introducing its latest innovations, NovoPen® 5 and FlexTouch®, in many markets. The development of injection devices is based on extensive studies of how patients experience their daily injections and what they want from their device. It is an area where Novo Nordisk can make a difference by developing devices that are simple and user-friendly. DEEP DISEASE UNDERSTANDING Serving people with diabetes for decades has given Novo Nordisk a deep understanding of the medical needs associated with this condition and of what it takes to live well with it. Together with strong relationships and numerous collaborations with external researchers and clinicians, this provides a solid foundation for the company's research, development and marketing activities. EFFICIENT LARGE-SCALE PRODUCTION OF PROTEINS A high-quality, cost-effective global manufacturing infrastructure is a prerequisite for competing successfully in an increasingly competitive pharmaceutical market. It also enables Novo Nordisk to make treatments available at very low prices in developing countries. Novo Nordisk has a global production set-up with facilities strategically located in five countries across four continents: • The production of active pharmaceutical ingredients (API) is a highly specialised process that takes place in Denmark. In 2014, Novo Nordisk acquired an existing biopharmaceutical API facility in New Hampshire, US, and expects to initiate production of haemophilia products for clinical purposes at the site in 2015. • The production of diabetes finished product takes place in five countries: Denmark, France, the US, Brazil and China. Each of the strategic production sites are approved for and able to export to other markets. • In addition, Novo Nordisk has a number of smaller manufacturing plants that support local demand in selected countries.

• All production facilities operate under one global quality management system with centrally deployed standard operating procedures for all involved employees. This ensures a uniform and high quality standard for all products delivered to patients across the world. All manufacturing sites have ambitious targets and performance measures to minimise their impact on the environment. These measures include energy and water consumption, CO2 emissions and waste generated during production processes. PLANNING AND EXECUTING GLOBAL LAUNCHES OF NEW PRODUCTS Due to the high and increasing costs associated with developing, obtaining approval for and marketing a new medicine, most pharmaceuticals must be launched globally to optimise the return on investment. And, importantly, such launches must happen over a relatively short time so there is a reasonable period left before the product's patents expire. Through the launches of Victoza® in multiple markets over the past years, Novo Nordisk has refined this capability, which is now being utilised in connection with the launch of Tresiba® and other products. BUILDING AND MAINTAINING A LEADING POSITION IN EMERGING MARKETS Many years of experience have helped Novo Nordisk understand the needs of new markets and form partnerships with stakeholders to address systemic challenges such as lack of awareness, education, distribution and clinics. The company's strategy has always been to establish a local organisation early – as soon as there are signs of a market developing – and to grow organically as the market develops. This has enabled Novo Nordisk to build a highly skilled sales force, long-term relationships and a sustainable market presence, which are key reasons behind Novo Nordisk's success in rapidly developing markets. Read more about Novo Nordisk's five regions on pp 20–25. THE NOVO NORDISK WAY Novo Nordisk has a values-based management system formalised in the Novo Nordisk Way (see p 4). A key element of the Novo Nordisk Way is the Triple Bottom Line business principle, which was written into the company's Articles of Association at the Annual General Meeting in 2004. It states that Novo Nordisk 'strives to conduct its activities in a financially, environmentally and socially responsible way'. The Triple Bottom Line business principle frames Novo Nordisk's long-term strategy to be a sustainable business. It obligates everyone in the company to always consider how decisions and actions may affect people, communities and the environment. The aim is to ensure long-term profitability by reducing risks caused by business activities, and to enhance the positive contributions to society from the company's global operations. Working with a Triple Bottom Line requires systematic and respectful engagements with stakeholders to stay attuned to their interests and expectations. This, in turn, makes the company more adaptive to changes in its business environment and offers opportunities for competitive advantage. Novo Nordisk proactively engages with stakeholders to address global and systemic challenges that could affect the company's success in the long term. One example is an active engagement in the framing of a new set of global sustainable development goals by the United Nations. RESPONSIBLE BUSINESS PRACTICES Novo Nordisk has responsible management practices in place throughout the global organisation such as anti-corruption measures and standards for business ethics. A compliance hotline offers an opportunity for employees and external stakeholders to confidentially report suspected misconduct such as serious non-compliance with the Novo Nordisk Way, financial fraud, conflict of interest, corruption or other serious misconduct. In 2014, particular focus was given to continued due diligence to ensure that respect of human rights is integrated into processes throughout the value chain. Moreover, in the light of continued growth, the emphasis is placed on equipping managers with guidance on and tools for how to make decisions that consider impacts for people, communities and the environment, and s

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N O V O N O R D I S K A R O U N D T H E W O R LD I n t h e U n i t e d St a t e s , t h e a v e r a g e s p e n d i n g o n h e a l t h c a r e i s c l o s e t o 9 , 00 0 U S d o l l a r s p e r c i t i z e n . I n s o m e d e v e l o p i n g c o u n t r i e s , i t i s l e ss t h an 1 0 0 d o l l a r s . 6 S o o f c o u r s e t h e r e a r e h u g e d i f f e r e n c e s i n w h a t c o u n t r i e s ' h e a l t h c a r e s y s t e m s o f f e r t h e i r c i t i z e n s a n d h o w t h e y w o r k . H a v i n g s a i d t h a t , t h e t r e n d s i n h o w h e a l t h c a r e s y s t e m s a r e d e v e l o p i n g a r e v e r y s i m i l a r a l l o v e r t h e w o r l d . R e a d m o r e o n t h e f o l l o w i n g p a g e s . S a l e s i n No r t h A m e r i c a D K K b i l l i o n 50 (+ 1 1 %) 40 30 20 10 0 2010 2011 2012 2013 2014 K E Y D I A B E T E S F A C T S Nu m b e r o f p e o p l e w i t h di a b e t e s (m i l l i o n) * D i a g n o s i s r a t e * D i a b e t e s p r e v a l e n c e * * T h e 2 0 1 4 d a t a a r e b a s e d o n I D F A t l a s, 6 t h E d i t i o n 2 0 1 4 r e v i s i o n . * * D a t a f r o m I M S H e a l t h, I D F a n d T h e W o r l d B a n k i n c l u d e C h i n a o n l y . North America Eu r ope Inte r national Operations Region China ** Japan & Ko r ea 29 34 215 99 10 72% 66% 53% 47% 46% 11% 8% 8% 9% 8%

21 C a me r o n H u b ba r d l i v e s i n th e U S a n d w a s d i a g n o s ed w it h t y p e 1 d i a b e t e s w h en h e w a s s ix y e a r s o l d . S a l es i n E u ro p e D K K b ill i o n 30 2010 2011 2012 2013 2014 0 10 20 (+ 0 %) S a l e s i n I n te rna t iona l O p e r a tio n s D K K b ill i o n 0 2010 2011 2012 2013 2014 10 20 (+ 4 %) S a l e s i n R e g io n C hin a D K K b ill i o n 10 (+ 1 3 %) 0 2010 2011 2012 2013 2014 S a l e s i n Ja p a n & K o r e a D K K b ill i o n 0 2010 2011 2012 2013 2014 10 (– 8 %)

KåreSchultzisNovoNordisk'spresidentandchiefoperatingofficer.Inthiscapacityheisinchargeofthecompany'soperationsin180countries.Heseesthesametrendsinalmostallthecountrieshevisitsinthecourseofayear."It'sbecomingmoredifficulttogetmarketaccessfornewproducts,theinteractionsbetweentheindustryandhealthcarepro-fessionalsarebecominghea vilyregulated,andthebattlewithcompetitorsfor'shareofvoice'andmarketsharejustgetstougherandtougher.That'stheshortversion,"saysKåreSchultz.Allovertheworld,payers–governmentsandinsurancecompaniesrepresentingemployers–trytolimitthegrowthinhealthcarecoststhatfollowfromageingpopulationsanddemandsforhigherqualityofcare.Drugpricesandreimbursementareoftenamongthefirstareastobetargetedbysuchefforts.IntheUSandotherc ountrieswherelargepartsofthemarketarebasedonfreepricing,thisleadstotoughrebatenegotiationswiththelargepurchasingorganisations.InEurope,whereh ealthcareislargelygovernment-funded,awidearrayofmeasuresaretakentolimitpricesandrestrictreimbursement.Obtainingmarketaccessin Europeonconditionstha tofferarewardfortheinvestmentsmadeinresearchanddevelopmenthasbecomeacomplicatedaffair.However,KåreSchultzdoesnotagreewiththewidespreadnotion thatthebusinessmodelofthepharmaceuticalindustryisundergoingfundamentalchangesasaresult."Ourbusinessmodelandreasonforbeingis,andwillcontinuetobe,developingnewandbettermedicaltreatmentsandmakingthemavailabletothepatientswhoneedthem.Whathaschangedisthatthemarketaccesshurdlehasbecomehigherandthatthereare stricterrulesandregulationsgoverninghowtheindustrymayinteractwithhealthcareprofessionals.Inresponsewearestrengtheningmarketacc esscapabilitiesthroughoutthecompany,sothatwearebetterabletodemonstratethecost-efficiencyofournewmedicines,andwehaveimplementedcomprehensivepr ogrammesaimedatensuringweareincompliancewithregulations.Butthesearetactical measures,notafundamentalchangeofourbusinessmodel."Despitethepressu resontheindustry,KåreSchultzremainsconvincedthatthepharmaceuticalcompani esthatprovecapableofdevelopingnewandbetterproductswillbeinbusinessforma nyyearstocome."Ultimatelythisindustry,likeotherindustries,isdrivenbysupply anddemand.Andthedemandforbettertreatmentoptionswillonlyincreaseasmorep eopleindevelopingcountriesgetaccesstohealthcareaseconomiesgrow."Thefoll owingpagespresentanoverviewofNovoNordisk'sbusinessinthefiveregionsintowhi chithasorganiseditsglobaloperations.SonaRastogiworksinGlobalMarketingasgl obalproductmanager.COMPETITORSInitsall-importantinsulinmarket,NovoNordisk'smaincompetitorsarethesamealloverthe world:EliLillyandSanofi.Inaddition,thereareloc alcompetitorsinsomecountriessuchasChinaandIndia.However,theyarenotinnovation-basedandprimarilyofferhumaninsulin.Sofar,thesecompanieshavenotbeenabletogainsignificantmarketshares.Inthebiopharmaceuticalsbusiness,NovoNordiskfacescompetitionfromabroadergroupofpharmaceuticalcompanies,insomemarketsincludingproducersofbiosimilarmedicines(productsthatare similarbutnotidenticaltoanoriginalmedicine).Sofar,biosimilarcompetitionhasnothadadramaticimpactonthebusi-ness,whichhascontinuedtogrowataglobalevel.CREATINGVALUEFORCUSTOMERSNovoNordiskmarketsitsproductsthesameway globallybysharingclinicalknowledgeabouttheproductswithdoctors,sothatt heycanmakeaninformedchoiceaboutwhetherthesepro ductsarerightfortheirpatients.Atthesametime,payersandadministrators–typicallypublichealthsystems andprivatehealthplans–arepresentedwithevidenceaboutthecost-efficiencyoftheproducts,inordertomakeinformeddecisionsaboutpricingandreimbursement.Moreover,NovoNordiskorganisesandsupportseducationofhealthcareprofessionalsinm

anagingdiabetes, andengagesinactivitiesaimedatimprovingaware-ness, prevent ionanddiagnosisofthedisease. ORGANISATIONNovoNordiskisafirmbelieverinha ving wholly owned affiliates and expanding them organically as the market develops. While other pharma-ceutical companies may build a presence through the acquisit io n of local companies, joint ventures or rented sales forces, Novo Nordisk prefers to hire its own people and train them to become the best. This is also seen as the best way to co nvey and preserve a strong company culture.

The main drivers of sales have been – and continue to be – the portfolio of modern insulin and Victoza®. In 2014, sales of diabetes care products increased by 11% in local currencies in North America. This reflects continued market penetration by the modern insulins, especially Levemir®, and 20% growth in sales of Victoza®, measured in local currencies. Sales of biopharmaceut-icals – NovoSeven® and Norditropin® being the main products – grew by 9% in 2014, measured in local currencies. Norditropin® in particular did well, due to both the FlexPro® injection device and the very comprehensive support programmes that Novo Nordisk offers both healthcare professionals and patients. A COMPLEX HEALTHCARE SYSTEM The US healthcare system is complex as it involves multiple payers and intermediaries with complex interactions. Roughly half of all Americans are insured by their employers and one-third through public programmes such as Medicare and Medicaid, while around 15% are uninsured. 7 The number of people insured through public programmes is expected to grow, while the number of uninsured is expected to drop in the coming years, among other reasons due to the Affordable Care Act, which is currently being implemented. To manage the purchase and delivery of healthcare, employers and the government contract with intermediaries such as health plans and pharmacy benefit managers (PBMs). These are often referred to as 'payers', but are in most cases managers of healthcare costs on behalf of payers. Health plans contract with providers such as physician, hospital and pharmacy networks to provide the required service. They provide different levels of coverage based on the payers' willingness to pay for selected services for their employees. A PBM is an intermediary that contracts with payers and health plans to manage the pharmacy benefit for a specific population. The health plans use various methods for managing the use and cost of pharmaceuticals. Among the most widely used interventions are generic substitution, quantity limits, prior authorisation (which means that a medication will only be covered under certain conditions and subject to individual approval by the health plan) and tightly controlled Preferred Drug Lists. The managed care segment has seen several mergers and acquisitions in recent years, which have led to fewer, more powerful players. As a result rebate negotiations have become tougher for the pharmaceutical industry. Contracts are generally of shorter duration than previously and often have price protection mechanisms built in, which means that list price increases automatically trigger an increased rebate level. Another trend of note is the increasing number of people obtaining coverage through Medicare Part D. The rebates that pharmaceutical companies must offer for these contracts are in general significantly higher than for private market contracts. Together these developments mean that Novo Nordisk expects the US price environment to become more challenging. GROWING MARKET FOR DIABETES PRODUCTS Novo Nordisk holds around 29% of the total US market for diabetes care medications and 37% of the insulin market, measured in value. The insulin market is expected to continue growing in volume in the coming years due to the increasing number of people with diabetes, many of whom will require insulin treatment. Moreover, in the US, only around 46% of insulin volume is delivered in a pen system, while the figure is more than 95% in Europe. This means there is still significant potential to upgrade treatment in the US. In 2014, Novo Nordisk launched the basal insulin Levemir® in its newest pen system, FlexTouch®, which has helped Levemir® grow its share of total scripts for basal insulins to an all-time high of 23%. The US GLP-1 market growth decelerated in 2014, mainly due to competition from a new class of diabetes drugs, SGLT-2s. The GLP-1 segment's value share of the total diabetes care market was stable at around 8% in 2014. Victoza® is market leader in the GLP-1 segment with a 69% value market share compared to 67% in 2013. It is Novo Nordisk's ambi

tion to consolidate its leadership position in the diabetes market by driving volume growth of Levemir®, NovoLog® (NovoRapid®) and Victoza®. PREPARING FOR A NEW MARKET Novo Nordisk's US affiliate is preparing to enter a new market for the medical treatment of obesity with Saxenda® (liraglutide 3 mg), which was filed for regulatory review with the US Food and Drug Administration (FDA) in December 2013 and was approved by the FDA in December 2014. Read more about obesity on pp 36–37. DEVELOPMENTS TO LOOK OUT FOR Tresiba® (insulin degludec) is key to Novo Nordisk's growth in the coming years. In February 2013, the FDA requested more data on the cardiovascular safety profile of Tresiba® before it could complete its review of Novo Nordisk's application. In response, Novo Nordisk is conducting a cardiovascular outcomes trial, DEVOTE. During the first half of 2015, Novo Nordisk will decide whether to submit the result of an interim analysis to the FDA. Other factors that may have an impact on the insulin market pertain to Sanofi's basal insulin product, insulin glargine, which will lose US patent protection in 2015. Sanofi is developing a new formulation of insulin glargine, and Eli Lilly has submitted a biosimilar version of insulin glargine for regulatory approval. However, Sanofi has sued Lilly for alleged patent infringement. How, and to what extent, these events will change the market dynamics is not possible to predict at present. In the GLP-1 segment, two new products entered the market in 2014. This will increase competition in the GLP-1 segment, but may also help revitalise growth of the segment. EUROPE Europe is Novo Nordisk's second-largest region in terms of sales. Sales growth has been modest in recent years – in the low single-digit range. To a large extent, this is a result of the depressed economy in many European countries in the wake of the financial crisis. This has led governments to implement cost-cutting measures, both through price cuts on medicines and by limiting access to new medicines. Tresiba® has been affected by such measures in countries such as the UK and Denmark. In 2014, Novo Nordisk's sales of diabetes care products in Europe increased by 1% in local currencies. Sales of insulin and protein-related products in Europe were unchanged. The development reflects a contracting premix insulin segment and declining human insulin sales, which are only partly offset by the penetration of Tresiba® and the continued progress of NovoRapid®. The use of devices for insulin injections is very high, with 96% of Novo Nordisk's insulin volume being used in devices, primarily NovoPen® and FlexPen®. Sales of Victoza® increased by 7% in local currencies. Sales growth was primarily driven by Germany and Spain. The GLP-1 class's share of the total diabetes care market in value increased to 8.0% compared with 7.6% in 2013. Victoza® is the GLP-1 market leader with a value market share of 78%. There are no signs of a return to significantly higher sales growth rates in the coming years as government cost-cutting measures are expected to continue. Moreover, the diabetes market is well developed, diagnosis OUR BUSINESS 23 NORTH AMERICA The North American region consists of the US and Canada and is Novo Nordisk's largest in terms of sales. Novo Nordisk has expe-rienced tremendous growth in the US in recent years. Since 2010, sales in North America have grown from 23.5 billion Danish kroner (4.3 billion US dollars) to 43 billion kroner (7.8 billion US dollars) in 2014. Sales in the US account for more than 90% of the region's total sales. In the same period, Novo Nordisk's organisation in the US, including research, development and production, has grown from close to 4,500 employees to more than 6,500. CONTINUED NOVO NORDISK ANNUAL REPORT 2014

The key to accelerated growth is primarily expected to be Tresiba® as it becomes available to more patients, and Xultophy®, the fixed combination of insulin degludec (Tresiba®) and liraglutide (Victoza®) for treat-ment of type 2 diabetes. Xultophy® was launched in Switzerland in January 2015 and will be rolled out in more countries during the year. Moreover, sales of NovoEight® are expected to contribute to growth as the product gains share in the market for haemophilia A products. Saxenda® (liraglutide 3 mg) for treatment of obesity received a positive opinion from the European Medicines Agency's expert com-mittee (CHMP) in January 2015. Based on this, approval by the EU Commission is expected during the spring of 2015 following which Saxenda® will be launched in the first European countries. INTERNATIONAL OPERATIONS With sales of 12.5 billion Danish kroner in 2014 and average annual sales growth of around 12% since 2010, International Operations continues to be Novo Nordisk's main contributor to growth after North America. Thinking of International Oper-ations as one business region requires a stretch of the imagination, though. It encompasses 153 countries all over the world with more than 4.6 billion people – Latin America, Africa, the Middle East, the Gulf, most of Asia, Australia, Oceania and New Zealand. A region of extraordinary diversity, it covers some of the world's poorest countries and some of the richest. This means that Novo Nordisk must be able to meet demand for both standard therapy in the form of human insulin in vials at very low prices and advanced modern insulin products in sophisticated pen systems, which are sold at prices similar to those seen in Europe and the US. Within many of the countries in International Operations, there is both a public and a private market. In most cases the public market only reimburses use of human insulin vials, while the private market primarily comprises modern insulin paid for by people who either have private insurance or can pay out of their own pockets. What these countries have in common is that the incidence of diabetes is increasing, and many of them are enjoying economic growth above what is being seen in the western world. This means they can afford to extend the reach and quality of their healthcare systems. In 2014, Novo Nordisk's sales of diabetes care products in International Operations increased by 14% in local currencies, driven by all three modern insulins. Moreover, Tresiba®, which has now been launched in 10 countries in the region, has been well received. Currently, 61% of Novo Nordisk's insulin volume in the major private markets is used in devices. Novo Nordisk's insulin volume market share is around 55%. Victoza® is becoming an increasingly important product in International Operations. Sales grew by 16% measured in local currencies in 2014 and the product was marketed in 38 coun-tries by the end of 2014. The GLP-1 class's share of the diabetes care market in value has contracted to 2.3% from 2.6% in 2013. This reflects a declining share for the GLP-1 class in Brazil following strong initial penetration. Victoza® is the GLP-1 market leader across International Operations with a value market share of 76%. Growth in International Operations will continue to be driven by the increasing number of people with diabetes in the region and the fact that more of them will have access to medical treatment as economies develop. Novo Nordisk's key priorities are to increase the use of modern insulins, launch Tresiba® in more countries, continue the roll-out of Victoza® and ensure that more people are treated with insulin sooner than is the case today. To support growth, Novo Nordisk is expanding its organisation in many of the key growth markets and making significant investments in building healthcare capacity within diabetes. REGION CHINA With sales of 8.1 billion Danish kroner in 2014 and average annual sales growth of around 16% since 2010, China has been a major contributor to Novo Nordisk's growth in recent years. This is predicted to be the case in the coming years too, partly due to the rapidly increasing number of people with d

iabetesinChina.Accordingtothelatestestimatesfromthe InternationalDiabetesF ederation,morethan99millionpeopleinChinahavediabetestoday.1WithChina'seco nomicgrowthcomesurbanisation,withurbanisationcomesedentarylifestyles–and diabetesfollows.Thisisthesamepatternseeninotherrapidlydevelopingcountrie s,butonamuchlargerscaleinacountrywithanageingpopulationof1.3billion.8Ontop ofthis,thereisanotherchallenge.Twentyyearsago,veryfewdoctorsinChinaknew howtotreatdiabetes,andoutsidethebiggercitiesthisisoftenstillthecase.NovoNo rdiskestablishedits ownaffiliateinChinain1994and,tothisday,thecompany'smain focushastherefore beentoeducatedoctorsandpatientsinproperdiabetescare,inc ludinghowtouseinsulineffectivelyandsafely.Whilethese initiativesprimarilytook placeinthebiggestcitiesatfirst,todaytheyarebeingrolledouttosmallercitiesandr uralareas.In2014,NovoNordisk'ssalesofdiabetescareproductsinRegionChinain creasedby13%inlocalcurrencies.Thesalesgrowthwasdrivenbyallthreemodern insulins,whilesalesofhumaninsulinsonlygrewmodestly.Currently,98%ofNovoNo rdisk'sinsulinvolumeinChinaisusedindevices,primarilythedurabledeviceNovo Pen®.InChinatheGLP-1classisgenerallynotreimbursedandrepresents0.7%ofthe totaldiabetescaremarket.Victoza®holdsaGLP-1valuemarketshareof58%.TheC hinesegovernmentisimplementingwidespreadreformsofthehealthcaresystemwit haviewtoextendingbothitsreachandquality and,asinmanyothercountries,severa lmeasuresarebeingtakentolimitspendingonpharmaceuticals.Onewaytodothisisb ycreatinglistsofessentialpharmaceuticalsthatarepurchasedfromcompaniesinlar gequantitiesatlowprices.Pharmaceuticalsonthislistareprimarilyolderproductsth athavegoneoffpatent,suchashumaninsulin.However,thereisalsoagrowingmark etfornewerandhigher-pricedpharmaceuticalsinChinaasboththehealthawarenes sandthepurchasingpowerofmanyChinesefamiliesincrease.Moderninsulinsarerei mbursedwidely.NovoNordisk'sgrowthinthecomingyearsisexpectedtoprimarilyc omefromtheport-folioofmoderninsulinsandVictoza®.Growthispartlydrivenbyt hecontinuingexpansionofthecompany'sreachintoanincreasingnumberofcountyh ospitals,andfromVictoza®.24OURBUSINESSratesarehigh,birthrateslowandN ovoNordiskalreadyhasaninsulinmarketshareof48%measuredbyvolume.Thismean sthereare limitsastohowmuchNovoNordiskcangrowinEurope.JAPAN&KOREAW itha52%marketsharemeasuredinvolume,NovoNordiskistheclearinsulinmarketle aderinJapan.Theuseofdevicesremainshighin Japan,with98%ofNovoNordisk'sins ulinvolumebeingusedindevices,primarilyFlexPen®andFlexTouch®.In2014,N ovoNordisk'ssalesofdiabetescareproductsinJapan&Koreadecreasedby2%inloca lcurrencies.Thisreflectsadecliningjapaneseinsulinvolumemarketandchal-lengin gunderlyingmarketdynamics,whicharepartlyoffsetbythestronguptakeofTresiba ®.Tresiba®waslaunchedinMarch2013withbroadmarketaccess.SincethenTresib a®hassteadilyexpandeditsshareofthebasalinsulinmarketinJapanandnowreprese nts26%ofthismarketmeasuredinmonthlyvaluemarketshare.NovoNordiskexpects verylittlegrowthinJapaninthecomingyearsduetopricereductionsandtheoverallo wgrowthofthetotalinsulinmarket.In2015,thefocuswillbeonthefurtherpenetra tionofTresiba®andNovoEight®(turoctocogalfa).Thelatterproduct,whichisindic atedfortreatmentofhaemophiliaA,waslaunchedin2014andhasbeenwellreceived .NOVONORDISKANNUALREPORT2014

* T h e W o r l d B a n k . * * I M S H e a l t h, I M S M I D A S C u s t o m i z e d I n si g h t s , N ov e mb e r 2 0 1 4 . ** * D a t a f r o m I M S H e a l t h, I D F a n d T h e W o r l d B a n k i n cl ud e C h i n a o n l y . N g an C h u K i m i s a No v o N o r d i s k s a l e s r e p r e s e n t a t i ve i n H o C h i M i n h C i t y, V i etna m . M O D E R N I N S U LI N S G l o b a l v a l u e m a r k e t s h a r e b y b r a n d i n i t s r e s p e c t i v e ins u lin s e g m e n t * • N ov o Mi x ® • N ov o R ap i d ® • L e v e m i r ® % 80 60 40 20 0 2010 2011 2012 2013 2014 * L e ve m i r ® i n th e lo n g - a c ti n g s e g m e n t , N ov o R ap i d ® i n t h e r ap i d - a c ti n g s e g m e n t a n d N ov o M i x ® i n t h e d ua l - re le a se s e g m e n t . 2010 2011 2012 2013 2014 0 D I A B E TE S C A R E V a l u e m a r k e t s h a r e b y g e o g r a p h i c r e g io n • N o r th A m er i c a • E u r o p e • I n t er n a tio n a l O p er a tio n s • R e g io n C hi n a • J a p a n & K o r e a % 40 30 20 10 K E Y R E G I O N AL F A C T S N o r t h Am e r i c a E uro pe I nt e rna tio n a l O p e r a tio n s R e gi o n Chin a *** Japa n & K o r e a P op ula t i o n (milli o n) * 351 540 4,635 1,365 178 GD P p e r c a p i t a (US D) * 52,924 35,697 4,547 6,972 35,054 H eal th c a r e s p en d p e r c a p i t a (US D) * 8,578 3,375 269 320 3,889 P h ys ic i an s p e r 1 , 00 0 p eopl e * 2.4 3.3 1.0 1.9 2.3 N o v o N o r d i s k to t a l s a le s (DK K b illi o n) 43.1 20.1 12.5 8.0 4.9 In suli n v al u e mar k e t s ha r e ** 37% 46% 47% 55% 52% In suli n v o lu m e mar k e t s ha r e ** 37% 48% 55% 58% 49%

Faster-acting insulin aspart NN1218 Type 1 and 2 diabetes Faster-acting insulin aspart is insulin aspart in a new formulation designed to accelerate the onset of action with the potential for improved meal-time glucose control. Semaglutide NN9535 Type 2 diabetes A once-weekly GLP-1 analogue intended to offer the clinical benefits of a GLP-1 analogue with less frequent injections. LATIN T1D NN9211 Type 1 diabetes Liraglutide, a once-daily GLP-1 analogue, intended to offer clinical benefits as adjunct to insulin therapy in type 1 diabetes. OG217SC NN9924 Type 2 diabetes A long-acting oral GLP-1 analogue intended as once-daily tablet treatment. OG987GT NN9926 Type 2 diabetes A long-acting oral GLP-1 analogue intended as once-daily tablet treatment. OG987SC NN9927 Type 2 diabetes A long-acting oral GLP-1 analogue intended as once-daily tablet treatment. LAI287 NN1436 Type 1 and 2 diabetes A long-acting basal insulin analogue intended for once-weekly dosing. LAI338 NN1438 Type 1 and 2 diabetes A long-acting basal insulin analogue intended for daily administration. OI338GT NN1953 Type 1 and 2 diabetes A long-acting oral basal insulin analogue intended as once-daily tablet treatment. PIPELINE OVERVIEW Phase 2 Phase 1 Studies in a small group (usually 10–100) of healthy volunteers, and sometimes patients, to investigate how the body handles, distributes and eliminates new medication and establish maximum tolerated dose. 26 OUR BUSINESS DIABETES AND OBESITY CARE Compound Indication Description Diabetes Phase 1 Phase 2 Phase 3 Filed/regulatory approval Tresiba® (insulin degludec) NN1250 Type 1 and 2 diabetes A new-generation once-daily basal insulin analogue with a duration of action beyond 42 hours and a flat and stable action profile that compared with insulin glargine reduces the rate of hypoglycaemia and increases dosing flexibility when needed. Launched in the EU, Japan and other markets. Additional data required by the US FDA are being generated for the planned resubmission. Ryzodeg® (insulin degludec and insulin aspart) NN5401 Type 1 and 2 diabetes A soluble coformulation of the basal analogue insulin degludec (Tresiba®) and insulin aspart (NovoRapid®, or NovoLog® in the US, a rapid-acting mealtime insulin), which reduces the risk of hypoglycaemia compared with premix insulin. Approved in the EU, Japan and other markets. Additional data required by the US FDA are being generated for the planned resubmission. Xultophy® (a fixed combination of insulin degludec and liraglutide) NN9068 Type 2 diabetes A combination of insulin degludec and liraglutide in a once-daily single injection. Approved in the EU. Studies of various dose levels in a larger group of patients (usually 100–1,000) to learn about the new medication's effect on the condition and its side effects. In phase 2, clinical trials are carried out to evaluate efficacy (and safety) in specified populations of patients. The outcome of phase 2 trials is clinical proof of concept and the selection of dose for evaluation in phase 3 trials. NOVO NORDISK ANNUAL REPORT 2014

G 5 3 0 L N N 9 0 3 0 O b e si t y A n ov e l g l u c a g o n a n a lo g u e , w h ic h i n c o m b i n a t io n w i t h li r a - g l u t i d e is i nte n d e d f o r t r e a t m e nt o f o b e si t y . O U R B U S I N E SS 27 Co m p ou nd I n d i c a t i on D e s cr i p t i o n P h a se 1 P h a se 2 P h a se 3 F i l e d / r e g ul ator y app ro v a l O b e s i t y S a x enda ® (li r ag l uti d e 3 m g) NN 8 0 22 O b e si t y A o n c e - d a i l y G L P - 1 a n a l o g ue f o r u se a s a dj u n c t to l i f e s t yle c h a n g e s o f f e r i n g w e i g ht l os s f o r p e o p le w i t h o b e si t y o r ov e r w e i g ht i n c o m b i n a tio n w i t h w e i g h t - r e l a t e d c o m o r b i d i t ie s . A pp r ov e d i n t h e U S a n d u n d e r r e g u l a t o r y r e v ie w i n t h e E U a n d a nu mb e r o f o t h e r c o u n t r i e s . NN9 8 3 8 O b e si t y A n ov e l l o n g - a c t i n g a m y li n a n a l o g u e i nte n d e d f o r t r e a t m ent o f o b e si t y. B I O P HAR M A C E U T I C A L S H a e mo p hili a N8 - GP NN7088 H a e m o p h ili a A A glycoPEGylated long - acting recombinant coagulation factor VIII intended to offer prophylaxis and treatment of bleeds. N9 - GP NN7999 H a e m o p h ili a B A glycoPEGylated long - acting recombinant coagulation factor IX intended to offer prophylaxis and treatment of bleeds. Concizumab NN7415 H a e m o p h ili a A , B a n d w i t h i nhi b i t o r s A monoclonal antibody against Tissue Factor Pathway Inhibitor (TFPI) intended for bleeding prevention after subcutaneous administration . G r o w t h d i so r d e r s NN8640 G r o w t h d i s o r de r s A once - weekly human growth hormone. S t u d i e s i n l a r g e g r o up s o f p a t i e n t s (u s u a l l y 1 , 00 0 – 3 , 00 0) c o m p a r i n g a n e w m e d i c a tio n w i t h a c o mm o n l y u se d d r u g o r p l a c e b o f o r b o t h s af e t y a n d e f f i c a c y . P h a se 3 a cov e r s t r i a ls c o n d u c t e d a f t e r e f f i c a c y is d e m o n s t r a t e d a n d p r io r to r e g u l a t o r y s ub m i s sio n . P h a se 3 b cov e r s cli n i c a l t r i a ls c o m p l e t e d d u r i n g a n d a f t e r r e g u l a t o r y s ub m i s sio n . I n s m a ll t h e r a p e u t i c a r e a s s u c h a s h a e m o p h ili a , r e g u l a t o r y g u i d e li n e s m a y a ll o w t h e d e si g n o f s i n g l e - a r m t h e r a p e u t i c c o n f i r m a t o r y t r i a ls o r t r i a ls t h a t c o m p a r e a g a i n s t e g h i s t o r i c a l c o nt r o l i n s t e a d o f e x i s t i n g t r e a t m ent o r p l a c e b o . P h a se 3 T h e p h a se i n w h i c h a p r o d u c t is u n d e r g o i n g r e g u l a t o r y a u t h o r i t y r e v i ew . P r o d u c t s li s t e d u n d e r t h is p h a se a r e c u r r e n t l y u n d e r r e g u l a t o r y r e v ie w i n a t l e a s t o n e o f t h e t r i a d m a r k e t s : t h e U S , t h e E U a n d J a pan . Fi l e d / r e g ulat o r y app ro v a l N O V O N O R D I S K A NN U A L R E P O R T 2 0 1 4 R e a d m o r e a t n o v ono r d is k . c o m / i n v e s t o r s a n d cli n i c a l t r i a ls . g o v . 2 0 1 5 K E Y MI L E S T ON E S T r e si ba ® D E V O T E i nte r i m a n a l y si s F a s t e r - a c t i n g i n suli n a spa r t Re m a ini n g p h a s e 3a r e su l t s L A T I N T 1 D A ll p h a s e 3a r e su l t s Sema glu tide F i r s t p h a s e 3a r e su l t s O G 2 1 7 S C P h a s e 2 r e su l t s

D i a b e t e s O f t h e e s t i m a t e d 3 8 7 m i l l i o n p e o p l e w i t h d i a b e t e s D i a g n o s e d A b o u t 5 0 % a r e d i a g n o s e d * R e c e i v e c a r e O f w h o m a b o u t 5 0 % r e c e i v e c a r e * A c h i e v e t r e a t m e n t t a r g e t s O f w h o m a b o u t 5 0 % a c h i e v e t r e a t m e n t t a r g e t s * A c h i e v e d e s i r e d o u t c o m e s O f w h o m a b o u t 5 0 % a c h i e v e d e s i r e d o u t c o m e s * * A c t u a l r a t e s o f d i a g n o s i s , t r e a t m e n t , t a r g e t s a n d o u t c o m e s v a r y i n d i f f e r e n t c o u n t r i e s . T H E ‘ R U L E O F H A L V E S ’ A c c o r d i n g t o t h e R u l e o f H a l v e s 5 , o n l y a r o u n d 6 % o f p e o p l e w i t h d i a b e t e s l i v e a l i f e f r e e f r o m d i a b e t e s - r e l a t e d c o m p l i c a t i o n s . H O W I S D I A B E T E S T R E A T E D ? P e o p l e w i t h t y p e 1 d i a b e t e s n e e d t o s t a r t t a k i n g i n s u l i n a s s o o n a s t h e y a r e d i a g n o s e d a n d m u s t c o n t i n u e t o d o s o f o r t h e r e s t o f t h e i r l i v e s . P e o p l e w i t h t y p e 2 d i a b e t e s n e e d d i f f e r e n t t r e a t m e n t s a s t h e d i s e a s e p r o g r e s s e s . I n i t i a l l y , l i f e s t y l e c h a n g e s , i n c l u d - i n g d i e t a n d e x e r c i s e , a n d o n e o r m o r e o r a l m e d i c i n e s m a y b e s u f f i c i e n t . I f t r e a t m e n t g o a l s a r e n o t m e t , m e d i c i n e s s u c h a s G L P - 1 t h e r a p y o r b a s a l i n s u l i n (l o n g - a c t i n g i n s u l i n) m a y b e a d d e d t o b e t t e r b a l a n c e t h e b l o o d g l u c o s e l e v e l r o u n d t h e c l o c k . I f t r e a t m e n t t a r g e t s a r e s t i l l n o t a c h i e v e d , i n t e n s i v e i n s u l i n t r e a t m e n t m a y b e n e c e s s a r y . T h i s m a y i n c l u d e a d d i n g a r a p i d - a c t i n g i n s u l i n a t m e a l t i m e s , i n a d d i t i o n t o a b a s a l i n s u l i n , t o c o u n t e r t h e r i s e i n g l u c o s e t h a t f o l l o w s a m e a l . I n t o t a l , a p p r o x i m a t e l y 4 5 – 5 0 m i l l i o n p e o p l e w o r l d - w i d e a r e u s i n g i n s u l i n . 4 A s i g n i f i c a n t c h a l l e n g e i n m a n a g i n g d i a b e t e s w i t h i n s u l i n i s t o m a i n t a i n a p p r o p r i a t e b l o o d g l u c o s e l e v e l s , a d j u s t i n g i n s u l i n d o s i n g a s n e c e s s a r y t o b a l a n c e t h e i m p a c t o f f o o d a n d e x e r c i s e t o a v o i d e i t h e r h i g h b l o o d g l u c o s e l e v e l s (h y p e r g l y c a e m i a) , w h i c h c a n l e a d t o l o n g - t e r m c o m p l i c a t i o n s s u c h a s b l i n d n e s s a n d a m p u t a t i o n s , o r l o w b l o o d g l u c o s e l e v e l s (h y p o g l y c a e m i a) , w h i c h c a n l e a d t o s e i z u r e s , u n c o n s c i o u s n e s s o r , i n r a r e c a s e s , d e a t h . W H A T I S D I A B E T E S ? D i a b e t e s a f f e c t s t h e w a y t h e b o d y u s e s f o o d f o r g r o w t h a n d e n e r g y . T h e r e a r e t w o m a i n f o r m s o f d i a b e t e s : t y p e 1 a n d t y p e 2 . T y p e 1 d i a b e t e s i s a l i f e l o n g a u t o i m m u n e d i s e a s e t h a t d e v e l o p s w h e n t h e b o d y p r o d u c e s a n i m m u n e r e s p o n s e a g a i n s t i t s o w n c e l l s , d e s t r o y i n g t h e i n s u l i n - p r o d u c i n g b e t a c e l l s i n t h e p a n c r e a s . A s a r e s u l t , t h e p a n c r e a s s t o p s p r o d u c i n g i n s u l i n , o f t e n – b u t n o t a l w a y s – a t a y o u n g a g e . F a r m o r e c o m m o n i s t y p e 2 d i a b e t e s , w h i c h a c c o u n t s f o r a r o u n d 9 0 % o f a l l p e o p l e w i t h d i a b e t e s 9 a n d i s c a u s e d b y a c o m b i n a t i o n o f l i f e s t y l e a n d g e n e t i c f a c t o r s . P e o p l e w i t h t y p e 2 d i a b e t e s m a y s t i l l p r o d u c e t h e i r o w n i n s u l i n , b u t t h e a m o u n t i s i n s u f f i c i e n t t o r e s t o r e t h e b a l a n c e o f g l u c o s e i n t h e b l o o d a n d w i l l o f t e n d e c r e a s e o v e r t i m e , a n d t h e i n s u l i n i s n o t u s e d e f f e c t i v e l y b y t h e b o d y . M o s t o f t h e l o n g - t e r m h e a l t h c o m p l i c a t i o n s a s s o - c i a t e d w i t h d i a b e t e s a r e d u e t o p e r s i s t e n t l y h i g h b l o o d g l u c o s e l e v e l s , w h i c h c a n c a u s e d a m a g e t o t h e k i d n e y s , n e u r o l o g i c a l s y s t e m , c a r d i o v a s c u l a r s y s t e m , r e t i n a a n d f e e t a n d l e g s t h r o u g h e f f e c t s o n b o t h l a r g e a n d s m a l l b l o o d v e s s e l s . B L I N D N E S S D i a b e t e s i s a l e a d i n g c a u s e o f b l i n d n e s s H E A R T A T T A C K H e a r t a t t a c k i s t h r e e t i m e s a s l i k e l y a n d h e a r t d i s e a s e i s u p t o f o u r t i m e s a s l i k e l y T O T A L K I D N E Y F A I L U R E T o t a l k i d n e y f a i l u r e i s t h r e e t i m e s a s l i k e l y S T R O K E S t r o k e s a r e u p t o f o u r t i m e s a s l i k e l y A M P U T A T I O N D i a b e t e s i s a l e a d i n g c a u s e o f n o n - t r a u m a t i c l o w e r - l i m b a m p u t a t i o n s P O T E N T I A L C O M P L I C A T I O N S O F U N C O N T R O L L E D D I A B E T E S

Kobra Beiglou has type 2 diabetes and lives in Iran. 29 OF CHANGING DIABETES 387 million people in the world have diabetes today – a number predicted to grow to around 592 million by 2035. No wonder it has been called an emergency in slow motion. THE CHALLENGE On World Diabetes Day, 14 November 2014, the International Diabetes Federation (IDF) announced its latest forecast for how diabetes will develop in the coming years: IDF estimates that 387 million people in the world have diabetes today and that the number will grow to around 592 million by 2035. 177 % of the total number affected live in low- and middle-income countries, where the pandemic is gathering pace at alarming rates due to the lifestyle changes associated with economic growth and urbanisation. 1 Just as worrying is the fact that very few people with diabetes will have a life free from diabetes-related complications. The situation can best be illustrated by what has become known as the 'Rule of Halves' 5 (see opposite page). It illustrates that only half of the many millions of people with diabetes have been diagnosed. Of those who are diagnosed, only half receive treatment from a qualified healthcare professional and, again, just half of these people achieve their treatment targets. Yet it does not end there. Only half of this relatively small group actually achieve the desired outcome and live a life free from diabetes-related complications. REGIONAL DIFFERENCES The Rule of Halves estimates a global average. For some countries, for example Vietnam, Kenya and China, diagnosis rates are even lower than 50 %. 1 For some, treatment may be almost non-existent, while in other countries a key issue is that even those people who are diagnosed and treated do not reach their treatment targets and therefore have a high risk of developing complications. Findings from a landmark study in the UK showed that reducing blood sugar levels by approximately 1 % may reduce diabetes-related deaths by more than 20 % and reduce microvascular complications by nearly 40 %. 10 Microvascular complications include diabetic retinopathy, which causes more than 12,000 cases of blindness annually in the US alone. 11 CANNOT BE IGNORED In human as well as financial terms, the burden of diabetes is high, being a factor in 4.9 million deaths and accounting for some 612 billion US dollars 1 in health spending (11 % of the total spend worldwide) 12 in 2014, according to the IDF. What all countries have in common is that the diabetes pandemic cannot be ignored. From both the human and economic perspective, it is important that countries have a plan for how to address their own Rule of Halves with a view to minimising both the personal strains and the financial burdens of diabetes. Novo Nordisk is working with governments and non-governmental organisations in many countries to help address these challenges – often with the participation of the World Diabetes Foundation, an inde-pendent non-profit organisation estab-lished and co-funded by Novo Nordisk with the objective to support prevention and treatment of diabetes in developing countries. WHAT IS CHANGING DIABETES®? Changing Diabetes® is Novo Nordisk's response to the global diabetes challenge. It comprises a wide range of activities aimed at helping as many people as possible live a good life with diabetes. The company's key contribution is to discover and develop innovative biological medicines and make them accessible to people with diabetes all over the world. However, Novo Nordisk is well aware that its products only do part of the job: it takes more than medicine to change diabetes. One of the latest initiatives that address es this is Cities Changing Diabetes (read more on pp 34–35) and at novo nordisk.com/about_us/changing-diabetes. NOVO NORDISK ANNUAL REPORT 2014

Finding the optimal medical therapy for a person with diabetes can be very challenging, as no two people with diabetes have an identical response to the same medication, due to their personal physiology, genetic make-up and lifestyle. In addition, treatment of type 2 diabetes often has to be intensified over time as the function of the insulin-producing beta cells progressively declines. Novo Nordisk has long been aware of these challenges and offers a range of treatment options. What the new treatments have in common is that they are intended to make the life of people living with diabetes easier, by providing medical therapy that meets individual needs. FLEXIBILITY WHEN NEEDED When a person with diabetes requires insulin therapy, the first treat-ment chosen is often a once-daily injection of basal insulin. The challenge with basal insulins has always been the variable speed at which the insulin is absorbed. It can change from day to day, and may not always provide the intended 24-hour coverage, which means that injections must be taken at precisely the same time of day, every day. Novo Nordisk's new-generation once-daily basal insulin analogue Tresiba® (insulin degludec) is different, in that it has a duration of action of more than 42 hours with a flat, stable action profile that compared with insulin glargine reduces the rate of hypoglycaemia and increases dosing flexibility when needed. This gives the user flexibility when needed, without compromising on the desire effect TRESIBA®: A UNIQUE MOLECULE Tresiba® (insulin degludec) is a once-daily, long-acting basal insulin with a duration of action beyond 42 hours. It is the only insulin to form multi-hexamers upon subcutaneous injection, resulting in a soluble depot from which it is slowly and continuously absorbed into the bloodstream. This absorption process allows for a flexible dosing interval of between eight and 40 hours while maintaining the low risk of hypoglycaemia associated with Tresiba®. WANTED MORE TREATMENT OPTIONS In diabetes, there is no such thing as a 'one-size-fits-all' treatment. What suits one person's needs may not be the right treatment for someone else, and what works well for a person today may become ineffective over time. A range of treatment options is therefore needed to ensure the best possible blood glucose control and quality of life for each individual with diabetes. NOVO NORDISK ANNUAL REPORT 2014

31 Xultophy®, a combination of Tresiba® and the human GLP-1 analogue liraglutide (Victoza®), fewer patients experienced low blood sugar than patients using Tresiba®. Moreover, fewer of the patients on Xultophy® had the weight gain that often comes with insulin therapy. Xultophy® was approved in the EU in September 2014 and launched in Switzerland as the first country in January 2015. "Xultophy® offers people a new way to intensify treatment and improve their blood glucose control, without increasing the number of injections," Dr Moses points out. "In fact, as Xultophy® has been shown to produce a greater reduction in blood sugar levels than Tresiba® and Victoza® on their own and an even lower rate of hypo-glycaemia than Tresiba® on its own, Xultophy® could be an attractive treatment option for people with type 2 diabetes." "We're very excited about the recent launch of Xultophy® in Switzerland as well as the upcoming launches in the EU in the first half of 2015," adds Jakob Riis. "It's the latest example of Novo Nordisk's ambition of driving innovation to create more treatment options for people with diabetes." or the safety of the treatment. "To be able to change the time you inject from day to day, if the situation requires, gives a remarkable sense of freedom for patients," says Dr Alan Moses, global chief medical officer at Novo Nordisk. "Moreover, studies show that people using Tresiba® experience fewer episodes of low blood sugar, particularly at night, than those on another basal insulin, insulin glargine." This is important," notes Dr Moses, "because the fear of low blood sugar means that many people with type 2 diabetes are not treating their condition intensively enough to lower blood sugar to the recommended level. This increases their risk of developing severe long-term complications." MANY NEW LAUNCHES AHEAD Jakob Riis, executive vice president of Marketing, Medical Affairs and Stakeholder Engagement, reports that Tresiba® is being made available in more and more countries: "By the end of 2014, we had launched Tresiba® in 22 countries, and we aim to have more than 30 launches over the next two years. Furthermore, we hope to submit interim data from our large cardiovascular outcomes study, DEVOTE, to the US Food and Drug Administration in the first half of 2015, which could potentially lead to the approval of Tresiba® for the US market by 2016." See box for information on DEVOTE. A GOOD COMBINATION Due to the progressive nature of type 2 diabetes, within the first year after basal therapy initiation more than seven out of 10 people using basal insulin do not reach their treatment goal. 13 When basal insulin alone is no longer enough to ensure good blood glucose control, the next step can be to intensify treatment by changing to an insulin product that contains both fast-acting and basal insulin s in one injection. Novo Nordisk's new insulin, Ryzodeg®, taken twice a day, is such a combination insulin. "Ryzodeg® is a combination of the once-daily insulin degludec Tresiba® and the fast-acting insulin aspart NovoRapid®. The latter lowers the spikes in blood glucose around meal times," explains Dr Moses. Mexico was the first country to launch Ryzodeg® in September 2014, and more launches are planned for 2015. A INTERESTING ALTERNATIVE However, Novo Nordisk also has a unique third treatment option in its degludec family of treatments. In clinical studies of once-daily WHAT IS DEVOTE? Tresiba® was approved in the EU in January 2013, and by the end of 2014 it had been launched in 22 countries, both within and outside Europe. In February 2013, Novo Nordisk received a Complete Response Letter from the US Food and Drug Administration (FDA), in which the agency requested additional cardiovascular safety data from a dedicated cardiovascular outcomes trial before the review of the New Drug Application could be completed. While Novo Nordisk remains confident about the cardiovascular safety profile of Tresiba® based on both its own interpretation of the data derived from the clinical development programme and reviews by the European and Japanese regulatory authorities, the company also re

cognisestheimportanceofreassuringtheFDAaboutthecardiovascularsafetyofthe product.Hence,inOctober2013,thededicatedclinicaltrialDEVOTEwasinitiatedt oassesscardiovascularrisk.DEVOTEisadouble-blindtrial,usinginsulinglargineas comparator,whichincludesaround7,500peoplewithtype2diabeteswhohaveexist ingorhighriskofcardiovasculardisease.NOVONORDISKANNUALREPORT2014

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Downtown Tianjin, China. A city with 11 million people of whom 1 million have diabetes. For the first time in history, more than half of the world's population live in cities – by 2050 this will rise to almost 70%. 16 People move to cities for opportunities – for security, jobs and education. Unfortunately, urban living also poses a health risk. In Sub-Saharan Africa, for example, moving from a rural area into a city poses a 2–5 times increased risk of developing type 2 diabetes. 17 There are many reasons for this, including rising wealth, a more sedentary lifestyle and increasing food consumption. Today, two-thirds of people with diabetes live in cities – around 252 million urban dwellers. 1 Cities are growing the fastest in low- and middle-income countries, which are also experiencing a dramatic increase in the prevalence of diabetes. This places a huge burden on health services in countries with emerging economies that are already under significant strain. In 2014, Novo Nordisk launched Cities Changing Diabetes – a partnership programme to identify and address the root cause of urban diabetes in major cities around the world. "Novo Nordisk is at the forefront of one of today's great health challenges, and we're committed to playing our part in the global fight against diabetes. We launched Cities Changing Diabetes because we believe we can use our expertise and knowledge to beat 'urban diabetes' – the rise of type 2 diabetes in cities. We want to stop urban diabetes from ruining millions more lives," says Lars Rebien Sørensen, chief executive officer at Novo Nordisk. ALL CITIES HAVE UNIQUE CHALLENGES Cities Changing Diabetes was first launched with Mexico City, one of the largest metropolitan areas in the world. Mayor of Mexico City Dr Miguel Ángel Mancera Espinosa calls diabetes its number one health challenge: "This initiative is a catalyst for sharing and learning about the dynamics of urban diabetes, and is a spur to concerted action from all of us who can make a difference across my city and beyond." Other cities that have joined are Copenhagen, Houston, Tianjin and Shanghai. Each city brings its unique challenges and core capabilities to the table. Through leadership, a strong coalition is formed that can inspire a global movement against urban diabetes. In Mexico City, for example, thanks to a concerted community effort, the growth in prevalence of overweight and obesity has been reduced significantly in the adult population in the period 2006–2012. 18 Still, further efforts are needed to reduce the prevalence of obesity. In Copenhagen, known as one of the world's best cities for cycling, the municipality has declared war on inequalities in health, tackling the large differences in diabetes mortality and morbidity in different parts of the city. In Houston, the fourth-largest city in the US, Mayor Annise D Parker launched Healthy Houston in 2012 to tackle the high pre-valence of obesity and diabetes in the city. Finally, in Tianjin and Shanghai – home to some 4 million people with diabetes – decisive action has been taken to bring down the prevalence and burden of obesity and diabetes. A PARTNERSHIP PROGRAMME In addition to a range of local partners including academia, city authorities, urban planners, community leaders and business-nesses, Cities Changing Diabetes has been developed in partnership with University College London (UCL), UK, and Steno Diabetes Center, Denmark. "A partnership approach is essential as urban diabetes is a big and complex challenge. We need a multi-pronged, cross-disciplinary approach, which requires expertise in epidemiology, geography, climate, economics, politics and preventive medicine – to name just a few of the specialties involved," explains Professor John Nolan, director and CEO of Steno Diabetes Center. "At Steno, our major focus is prevention and early diagnosis of diabetes, and we've been looking at how the setting, such as home, work, family and means of transport, and our biological vulnerability, impact diabetes evolution. This is the expertise we bring to Cities Changing Diabetes." URBAN DIABETES Urbanisation is fuelling the type 2 diabetes pandemic. Cities Changing Diabet

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35 TRANSFORMATIVE ACTION Once the root causes of urban diabetes have been identified and understood, concerted and focused action plans will be developed in the cities in collaboration with policy makers, health authorities and the private and voluntary sectors. "Diabetes and obesity pose a significant health threat to our city," said Houston Mayor Annise D Parker when her city joined Cities Changing Diabetes. "We look forward to collaborating with partners locally and around the world to develops olutions to this global epidemic." The Cities Changing Diabetes programme could potentially be transformative for diabetes care, believes Professor John Nolan: "The authorities in the participating cities are acknowledging that something needs to be done at the macro level. This is a complete change to the common approach to diabetes, where usually very little is done until a patient presents with symptoms. We have inverted the Rule of Halves approach, as we'll be doing something about diabetes before people have developed it. This is a visionary project with huge scope to make a difference." Lars Rebien Sørensen hopes that Cities Changing Diabetes will be life-changing for everyone involved: "With this initiative, more people with diabetes will be diagnosed and treated – which will be good for patients, society and Novo Nordisk's business. But ultimately we hope to prevent diabetes. This is what drives me and motivates our employees. In the past, the world has come together to take concerted action to stop global threats such as smallpox, HIV and malaria. Massive public health campaigns have been launched to raise awareness, mobilise resources and fight these killer diseases. Now we need to take similar action against diabetes." GATHERING EVIDENCE The Cities Changing Diabetes programme will comprise three phases: mapping the challenge, sharing solutions and taking action. During 2014–2015, the partners are working together to better understand the dynamics of urban diabetes, including the interplay of social, economic and environmental factors in the study cities. By the end of this phase, key barriers and future priorities will be identified. "At UCL we have increasingly been looking at the impacts of urbanisation and how to shape cities for health, so we're delighted to use our expertise to support research that will underpin Cities Changing Diabetes by working on the ground to gather data across the globe which will set a baseline for the challenge of diabetes," says David Napier, professor of Medical Anthropology at University College London. The knowledge gained during the mapping phase of the programme will be shared globally, to build knowledge and collaboration and to inform the global health agenda. "We aim to provide urban planners and politicians worldwide with a better understanding of how to integrate prevention and treatment of diabetes into urban planning, so that cities can be created that help us live healthier lives," explains Lars Rebien Sørensen. 600 URBAN CENTRES GENERATE ABOUT OF GLOBAL GDP 1960% 65 % OF PEOPLE WITH DIABETES LIVE IN URBAN AREAS 1

WHATISOBESITY?ObesityisdefinedasabnormalorexcessivefataccumulationthatmayimpairhealthforpeoplewithaBMIover30.BMIprovidesthemostcon-venientpopula-tion-levelmeasureofoverweightandobesitycurrentlyavailable.2BMIitself,however,doesnotdefinehealthrisk.Bodymassindex(BMI)isasimpleweight-for-heightindexthatiscom-monlyusedtoclassifyoverweightandobesityinadults.Itisdefinedasaperson'sweightinkilogramsdividedbythesquareofhisheightinmeters(kg/m2).THENUMBEROFADULTSWITHOBESITYHASMORETHANDOUBLEDSINCE1980*600million19802014Worldwideratesofobesityhavedoubledsince1980,withmorethan600millionadultsclassifiedasobesein2014–morethan10%oftheworld'sadultpopula-tion*WHO.Obesityandoverweight.Factsheet311,2015.Forsomepeoplelifestylechanges–healthydietandincreasedphysicalactivity–arenotenoughtoachieveasustainedweightloss.WEIGHTTHESTRUGGLETOLOSEWiththeplannedlaunchofSaxenda®(liraglutide3mg)in2015,therewillbeanewtreatmentoptionforpeoplewithobesity.

37 Obesity has become a public health issue with huge implications for national health care systems all over the world. In the US alone, it is estimated that 35% of adults, or 80 million people, 20 have obesity, and that obesity-related illness accounts for 27.5% of the total US health care budget. 21 The problem is that obesity can have many serious – even life-threatening – health consequences, including type 2 diabetes, heart disease, high blood pressure, obstructive sleep apnoea and some types of cancer. Although not all people with obesity will have these health problems, a BMI of 35 and above is associated with a significantly greater risk of health complications. 22 All told, obesity is linked to a decreased life expectancy. 23 LIFESTYLE CHANGES ARE NOT ALWAYS ENOUGH Lifestyle changes – healthy diet and increased physical activity – should always be part of the treatment for people with obesity. However, for some people, this is not enough, and achieving a sustained weight loss and keeping weight off is a challenge. To make things worse, popular opinion is that people who are not able to lose weight simply lack willpower. Yet the ability to lose weight is, to a great extent, genetically predestined, and several underlying physiological factors make achieving and maintaining weight loss extremely difficult. Professor Robert F Kushner from Northwestern University Feinberg School of Medicine, Chicago, US, an expert in the care of people who are overweight or obese, explains: "There are many bio-logical reasons why it's difficult to lose weight. The body is preprogrammed to continually fight weight loss, as it's naturally defending itself in a famine-like situation. So when you eat less, your metabolism will slow down and you'll get hungrier and hungrier as your body subconsciously tries to make you eat more. This is a very powerful feeling. It's also very difficult for us to change our behaviours, to burn extra calories when our lifestyles don't push us to extend ourselves physically or to limit calorie intake in a world of plenty. To be on a diet is to go against social convention, society and the 'norm'." Adding to the problem is that people with obesity may take medications to treat comorbidities (type 2 diabetes, for example) – and some of these treatments can lead to weight gain. In many respects, a person with obesity is therefore fighting a tough battle when it comes to weight loss. "Sure, everyone can apply themselves to a healthier lifestyle, but there's definitely a need for some people to also treat their obesity medically," stresses Robert Kushner. Saxenda® (liraglutide 3 mg), Novo Nordisk's once-daily human glucagon-like peptide-1 (GLP-1) analogue for the treatment of obesity, may become a new treatment option for some of these people. In the US, the product was approved by the FDA in December 2014 for chronic weight management in people with obesity with a BMI of 30 or greater, or 27 or greater in the presence of at least one weight-related comorbidity. In January 2015, Saxenda® received a positive opinion from the European Medicines Agency's expert committee (CHMP). "With Saxenda®, we're building on part of the body's own appetite-regulating mechanisms. The active molecule, liraglutide, has 97% similarity to naturally occurring human GLP-1, a gut hormone involved in appetite regulation that our body releases when we eat. So, just like GLP-1, Saxenda® regulates how much we eat by decreasing hunger and increasing feelings of fullness," says Mads Krogsgaard Thomsen, executive vice president and chief science officer at Novo Nordisk. SUSTAINED WEIGHT LOSS Clinical trials have shown that in people with obesity Saxenda®, in combination with diet and exercise, enables nine out of 10 people to lose weight, with an average weight loss of 8% after 56 weeks and with 33% of people losing more than 10%. Furthermore, in a separate trial focused on weight loss maintenance, people were initially put on a low-calorie diet to achieve a minimum of 5% weight loss, at which point they were given Saxenda®. 2481% of those treated with Saxenda® were able to maintain the initially achieved 5% weight loss after 56 weeks. "As a weight loss of 5 –

10% has significant health benefits for people with obesity, we're really pleased with these results," 25 says Mads Krogsgaard Thomsen. "Our aim is to reduce the risks of certain comorbidities associated with obesity, rather than 'just' what you see when you step on the scales," says Jakob Riis, executive vice president of Marketing, Medical Affairs and Stakeholder Engagement at Novo Nordisk. "We're therefore focusing on a subset of people with obesity who, we believe, stand to benefit most from treatment with Saxenda®." THE TREATMENT CHALLENGE Even when Saxenda® has been approved by regulators in a country, a number of hurdles must still be overcome to ensure access to this treatment. "The current commercial market for anti obesity treatment is very small," Jakob Riis points out. "Furthermore, this is a new area for us. Even though obesity is now recognised as a disease, national health-care systems generally aren't yet willing to pay for treatment. We hope that, by targeting Saxenda® for the treatment of a subset of people who unquestionably need treatment, we can ultimately change this. Until then, we will initially be focusing on private insurers to ensure reimbursement for Saxenda®. A further challenge is that only a small number of physicians currently prescribe anti obesity medications. Our focus will therefore be to work with these physicians while our ultimate goal is obviously to expand this group." BROADENING TREATMENT OPTIONS "With the planned launch of Saxenda®, a new option to treat obesity will become available, but Novo Nordisk doesn't plan to stop there," says Mads Krogsgaard Thomsen. "We're continuing to investigate the potential of Saxenda®, and we have other drug candidates in our research and development pipeline which could possibly become stand-alone anti obesity treatments or be used in combination with Saxenda®. We're using our knowledge of protein chemistry, under-standing of hormones and disease in sight to break new ground. Our research is taking us into a newer era of possibilities, and I believe we're only at the beginning of the innovation curve."

WHEN BLOOD DOES N'T CLOT With the recent launch of NovoEight® (recombinant factor VIII) and the development of long-acting versions of factor VIII and factor IX, Novo Nordisk is acting on its commitment to people with haemophilia. NOVO NORDISK HAEMOPHILIA FOUNDATION On 25 January 2015, the Novo Nordisk Haemophilia Foundation (NNHF) celebrated its 10th anniversary. The NNHF is a grant-making non-profit organisation that strives to improve access to care for people with haemophilia and allied bleeding disorders. Since it was established, the NNHF has supported 168 programmes in 63 countries in the developing world where many people with bleeding disorders still lack proper diagnosis or adequate care. Read more on nnhf.org. Eighteen years ago, Novo Nordisk launched NovoSeven®, meeting a significant unmet medical need and establishing itself as an innovator in the haemophilia market. Today, NovoSeven® is still a very important treatment option for the community of approximately 4,000–5,000 people with haemophilia A or B who form inhibitors against the standard treatment. 26 Novo Nordisk remains committed to creating recombinant therapies for rare bleeding disorders: the research organisation is work-ing on ways to improve prophylactic treat-ment for people with haemophilia with inhibitors; NovoSeven® has now been approved in the US and the EU for use in people with Glanzmann's thrombasthenia refractory to platelets; and in 2013 the company launched NovoThirteen® for con-genital factor XIII deficiency. "We're fully committed to people with bleeding disorders, as can be seen from the products we have already launched and our clinical development programme – which is one of the broadest in the industry," says Stephanie Seremetis, corporate vice president and chief medical officer for haemophilia. SERVING THE WIDER HAEMOPHILIA COMMUNITY In 2014, Novo Nordisk launched NovoEight®, the first new recombinant factor VIII treat-ment for people with haemophilia A in over a decade and the company's first treatment for the wider haemophilia community. Tech- WHAT IS HAEMOPHILIA? Haemophilia is an inherited or acquired bleeding disorder that prevents blood from clotting. People with haemophilia lack, either partially or completely, an essential clotting factor needed to form stable blood clots. Without treat-ment, uncontrolled internal bleeding can cause stiffness, pain, severe joint damage and even death. Treatment with replacement clotting factors may be administered when bleeding occurs or, increasingly, on a preventive basis (prophylactic treatment). People with haemophilia A, an estimated 350,000, 27 have absent, decreased or defective production of the blood clotting factor VIII. People with haemophilia B, of which there are some 70,000, 28 have deficiencies in producing clotting factor IX. Both types are inherited. nically a different product from other recombinant factor VIII treatments on the market, NovoEight® has a production process that provides a new, highly purified and well-defined molecule using cutting-edge technology, which Stephanie Seremetis believes is important for both safety and efficacy." NovoEight® has been well received in Europe and Japan," says Paul Huggins, corporate vice president responsible for bringing NovoEight® to the market. "So far it has exceeded our market expectations, as a sub-stantial number of patients are now choosing it in an area where patients don't usually switch treatment." Novo Nordisk plans to launch NovoEight® in the US in the second quarter of 2015. LIGHTENING THE TREATMENT BURDEN Treatment for haemophilia currently relies on intravenous infusions, which are often needed every other day, can take 40 minutes each and can be very painful. "The treatment burden for haemophilia exceeds just about any other condition," reports Stephanie Seremetis. "That's why I'm excited about the clinical trial results of our long-acting recombinant factor IX, N9-GP, which is being developed to reduce the frequency of infusion." N9-GP, for haemophilia B, completed the last part of th

e p h a s e 3 a p r o g r a m m e i n 2 0 1 4 a n d h a s b e e n s h o w n i n c l i n i c a l t r i a l s t o b e w e l l t o l e r a t e d , a n d o n c e - w e e k l y i n j e c t i o n s h a v e b e e n s h o w n t o r e d u c e b l e e d i n g a t l e a s t o n p a r w i t h t r e a t m e n t s r e q u i r i n g m o r e f r e q u e n t i n j e c t i o n s . F u r t h e r m o r e , p a t i e n t s t r e a t e d p r o - p h y l a c t i c a l l y r e p o r t e d a n i m p r o v e m e n t i n q u a l i t y o f l i f e d u r i n g t h e t r i a l . “ W i t h N 9 - G P w e h o p e t o b e a b l e t o o f f e r p e o p l e w i t h h a e m o p h i l i a B a n e w w a y o f t r e a t m e n t , ” a d d s S t e p h a n i e S e r e m e t i s . N o v o N o r d i s k h o p e s t o s u b m i t N 9 - G P f o r r e g u l a t o r y a p p r o v a l i n t h e U S a n d E u r o p e i n t h e s e c o n d h a l f o f 2 0 1 5 . T h e c o m p a n y ’ s l o n g - a c t i n g r e c o m b i n a n t f a c t o r V I I I , N 8 - G P , w h i c h c l i n i c a l t r i a l s s u g g e s t w i l l o f f e r e f f e c t i v e p r o p h y l a c t i c t r e a t m e n t w i t h r e d u c e d i n j e c t i o n f r e q u e n c y f o r p e o p l e w i t h h a e m o p h i l i a A , h a s a l s o c o m p l e t e d p h a s e 3 c l i n i c a l t r i a l s . T h e c o m - p a n y h o p e s t o s u b m i t N 8 - G P f o r r e g u l a t o r y a p p r o v a l i n 2 0 1 8 . T o e n s u r e a r o b u s t p r o d u c t s u p p l y f o r N 8 - G P a n d N 9 - G P , i n S e p t e m b e r 2 0 1 4 N o v o N o r d i s k a c q u i r e d a p r o d u c t i o n p l a n t i n N e w H a m p s h i r e , U S , w h i c h w i l l e x p a n d p r o d u c t i o n c a p a c i t y f o r i t s h a e m o - p h i l i a p r o d u c t s . 38 O U R B U S I N E S S B i n t a n g a n d B i o n d i b e n e f i t f r o m t h e e d u c a t i o n a l p r o g r a m m e , w h i c h i s p a r t o f t h e N N H F - s u p p o r t e d p r o j e c t i n I n d o n e s i a . N O V O N O R D I S K A N N U A L R E P O R T 2 0 1 4

Growth hormone is not only responsible for height; it is crucial for normal growth and development, has a lifelong effect on the body's organs, bones, muscles and fat, and promotes general well-being and energy levels. Growth hormone deficiency in children impacts the body's composition, which causes insufficient longitudinal growth and may negatively affect the heart, lungs, bones, brain, quality of life and life expectancy. Growth is therefore an important indicator of health and well-being in children. Yet many children and adults who have a medical need for growth hormone treatment are not treated well enough. There are two main reasons for this, explains Mads Krogsgaard Thomsen, executive vice pres-ident and chief science officer: "Growth disorders are often diagnosed late, because symptoms are hard to distinguish from what is 'normal'. Approximately 80% of a child's adult height is completed prior to puberty; however, investigations are often not made until after this time. But early treatment can have a significant impact on the course of a person's life. The second problem is that once diagnosed, many find it tough to inject every day and therefore skip injections. Research has shown that approximately 25% of children on growth hormone treatment miss more than two injections per week." 29 PATIENT FOCUS AND SUPPORT Novo Nordisk has been a pioneering growth hormone therapy for more than 40 years. The company was the first to develop a liquid human growth hormone in a pen device and today is the global market leader with Norditropin®. "We listen to the needs of the children, their families and the physicians," says Mads Krogsgaard Thomsen. "As a result, we now have growth hormone with room-temperature stability, which means that it can be kept by the bedside, rather than in the fridge, making injections more con-venient – particularly if the family is on holiday. We have also used our device technology to continuously improve the injection pen, and today we have FlexPro®, which aims to make injections as easy, accurate and painless as possible." In recent years, Norditropin® has been doing particularly well in the US. Eddie Williams, senior vice president for Novo Nordisk's biopharmaceuticals business in the US, believes that it is the company's unwavering commitment and heritage in this area that have led to the success. "We're unparalleled in our patient focus and support to the growth hormone community." DESIRE FOR A LONG-ACTING GROWTH HORMONE While the administration of growth hormone has been simplified with liquid growth hormone in an injection pen, daily injections are still daunting for children and adults who need growth hormone therapy. A long-acting growth hormone that can be injected less frequently is therefore a strong desire among people who need growth hormone therapy. In response, Novo Nordisk is developing a once-weekly growth hormone, NN8640, which in 2014 entered into phase 3 development. "We've used our experience and knowledge in protein engineering to add a side chain to the growth hormone molecule, which prolongs the effect of the hormone – the same as we have done, for example, with Tresiba®, our long-acting insulin," says Mads Krogsgaard Thomsen. "The data we have so far indicate that NN8640 has an efficacious and well-tolerated profile." MATTERS Early diagnosis and treatment of growth disorders is important for a child's physical and psychosocial health. Novo Nordisk's goal is to provide the best and easiest treatment solution for children and adults who need growth hormone therapy. GROWTH GROWTH DISORDERS Growth hormone deficiency occurs when the pituitary gland does not make enough growth hormone for the normal development and maintenance of the body. While some growth-related disorders may be diagnosed at birth, others may not become obvious until later in childhood. Acquired growth hormone deficiency first appears in adulthood and can be the result of damage to the pituitary gland due to disease, head injury or blockage of the blood supply. Damage may also result from previous surgical or radiotherapy treatment o

f t h e p i t u i t a r y g l an d. T h e st a n d a r d o f c a re f o r g r o w t h h o r m o n e d e f i c i e n c y in c h i l d re n a n d a d u l t s is o n c e - d a i l y g r o w t h h o r m o n e in j ec t io n s , u s ua l l y a d m ini s t e re d in t h e e v e nin g. I n s o m e c o u n t r i e s , g r o w t h h o r m o n e is a l s o a p p r o v e d f o r t h e t re a t m e n t o f o t h e r c au s e s o f g r o w t h d i s o r d e r s . B r i an L an g l i v e s in t h e U S a n d h a s g r o w t h h o r mon e d i s or d e r . H e w a s n i n e y e a r s o l d w h en t h i s p ic t u r e w a s t a k e n .

THE PEOPLE SIDE OF THE BUSINESS Novo Nordisk is growing, which means more career opportunities for new and existing employees. Yet growth brings challenges – and the company knows that attracting and developing key talents is crucial in order to drive future success. Novo Nordisk currently employ more than 41,000 people, and this figure is expected to rise to 60,000 in the next decade. Yet with the majority of the company's growth taking place outside Denmark – in countries where Novo Nordisk is no ta household name – attracting talented employees can be a challenge. "In Denmark we' re a big, well-known company, fishing for talent in a small pond. But we' re only just b ecoming visible in other countries, so attracting the best international talent is n' t alw ays easy," explains Executive Vice President and Chief of Staff Lars Fruergaard Jørg ensen. WANTED: TOP TALENTS One solution to this recruitment challenge is Novo N ordisk' s global Graduate Programme, which attracted over 10,000 applicants from 1 20 countries for 60 positions last year. "The Graduate Programme is a great way for ust o source global talents from different backgrounds for specialised functional areas. This is a fantastic opportunity for new graduates, as it provides a deep under standing of the organ-isation, a global perspective of our business and the opportunity to work w ith different cultures. We have former participants from the Programme in many high -level roles throughout the company – including me!" says Lars Fruergaard Jørgensen , who took part in the very first Graduate Programme in 1991. Finding the right people is no easy matter. "We work in a highly regulated industry and operate in a complex busin ess environment. Every patient needs dedicated treatment and every country is diff erent. So on top of strong professional competences our employ-ees must have a goo d under standing of societal dynamics and what stakeholders expect of them. They mus t exercise individual judge-ment and work with colleagues from different functional areas and countries." We expect a very high standard," he acknowledges. That is why e nsuring diversity has priority. "It is our aspiration to enhance diversity in all manag ement teams. Our objective is to have a high-performing organisation where everyone has the opportunity to realise their potential. We need to attract the best talent across genders and cultural backgrounds. I think we' re achieving this with our new recruits, but less so higher up the ranks. We' re a Danish company, so it' s natural that historically we employed more Danes who' ve now become leaders. As we' re growing outside Den mark, we want more managers of other nationalities. While we' re making progress, we have a leaking pipeline of women for senior management positions, and this simply is n' t good enough. We value diversity of perspectives and should be a leader – but we are n' t yet," he concludes. ENHANCING DIVERSITY Novo Nordisk' s aspiration is to 'enhan ced diversity in all management teams'. To monitor progress, two performance indi cators will be followed: percentage of males/females and percentage of local/non-l ocal nationality across three layers of management: entry level (team leaders, manag ers), middle man-agement (vice presidents, corporate vice presidents, general ma nagers) and senior management (senior vice pres-idents and executive vice preside nts). Year-end 2014 data will be used as the baseline. No targets have been set as this w ould be considered a discrim-inatory practice in some countries. Giulia Schivardi i s a graduate in Novo Nordisk's Product Supply organisation.

OURBUSINESS41MOSTINNOVATIVEPHARMACEUTICALCOMPANYINEUROPEInDenmark,researchanddevelopmentisthehighestareaofgrowthforNovoNordisk,requiringmanynewtalentedindividuals.“Inthelastdecade,Copenhagenhasbecomeahotspotfordiabetesandproteinresearch.Wenurturelocaltalent,butthechallengeisalsotoattractinternationaltalentstoworkatourheadquarters,”explainsMadsKrogsgaardThomsen,executivevicepres-identandchiefscienceofficer.“Wetherefore offeranumberofPhDandpost-doctoralfellowshipsandfundresearchprogrammestotranslatebasicresearchintorealmedicine.Ithinkthattheamplefundingforourprojects,accesstostate-of-the-arttechnologyandlargepipelineofpatient-focusedproductcandidatesarewhatattracttalentedresearcherstoworkhere,”hesays.JacobFuglsbjergJeppesen,whowasappointedseniorscientistatNovoNordisklastyear,agrees:“Afteralmost10yearsdoingbasicresearchinphysiologyandmetabolism,Iwantedtogetclosertowhereitmattersforpatients.Myimpressionwasthat NovoNordiskwasaninnovative,focusedandleadingcompanywithintheseareas,soitwasanobviouschoiceforme.”In2014,NovoNordiskwasrankednumbertwoinScienceCareersTopEmployersSurveyandthemostinnovativepharma-ceuticalcompanyinEuropebysurveyparticipants.“Accoladessuchasthiswillraiseourprofileglobally andhelpusattractthebestpeopleintheindustry,”addsMadsKrogsgaardThomsen.GLOBALRECOGNITIONFormanyyears,NovoNordiskhasbeenrankedhighlyinsurveysofthebestworkplacesincountriesincludingDenmark,theUS,Brazil,Australia,IndiaandMexico.“Today,peoplewanttoworkinacompanythatprovidesagoodblendofopportunitiessothattheycanachievetheircareeraspirations,buttheyalsowantameaningfuljobinavalues-baseddom-pany–andthisiswhatweoffer,”saysLarsFruergaardJørgensen.AlanJohnMichelich,anR&Dengineerfromthe USwhowasemployedatthecompany’sheadquartersinDenmarklastyear,believesNovoNordiskisontherighttrack:“IthinkNovoNordiskisuniqueinthewayitattractstalent,especiallythosefromthemillennialgenerationsuchasme.Newgraduatesarelookingformorethanjustajob;they’relookingforacausetobelievein.Theywanttoworkforacompanythatt reatsitsemployeeslikerealpeople,andnotjustexpendableentities.NovoNordiskencom-passesallofthis.”DEVELOPINGFUTURELEADERSNovoNordiskpromisesemployeesalife-changingcareer:workingherepro videstheopportunitytohelpimprovequalityoflifeformillionsofpeoplearoundtheworld.However,thereisanotherdimensiontothispromisetoo.Employeeshavetheoppor-tunitytotakechargeoftheirowncareers.Arecentsurveyofnewemployeesshowedthatfuturecareerprospects,andlearninganddevelopmentopportunitieswerethetwotopattractionsthatdrewthemtoworkingforNovoNordisk.‘Learningbydoing’isattheheartofNovoNordisk’sdevelopmentframework,with70%oflearningachievedthroughdirectexperience,suchasprojects,jobrotationsandextendedbusinesstrips,20%throughexposure,includingmentorshipsandper-formancefeedback,andthelast10%viatraditionaltrainingcourses.“Real-lifetraining isfarsuperiortoclass-roomtraining,”pointsoutLarsFruergaardJørgensen.“Yes,learningtoolsintheclass-roomarevaluable,butwewantemployeestogetadeeperunderstandingofourbusinessanddevelopsolidrelationshipswithinternalstakeholders–thiscanonlybeachievedthroughreal-worldexperience.”In2014,thecompanyappointedmorethan1,500employeestoleadershippositions,andthisfigureisexpectedtogrow.“It’scriticallyimportantthatwespotanddevelopfutureleaders.Ithinkbeingafront-linemanageristhemostchallengingtaskinthecompany,astheyaresqueezedbetweenemployeesandseniormanagement.Ithinkwesometimesunderprioritisetraining ofemployeeswhentheyarefirstpromotedtoamanagementposition andperhapsdon’tsupportthemenough.Thisissomethingwe’llbelookingatgoin

g forward," promises Lars Fruergaard Jørgensen. THE CULTURE CHALLENGE Novo Nordisk has a strong culture and values built by its employees over the last 90 years. In addition to driving long-term busi-ness success, the company's values attract many employees to work for Novo Nordisk – as was the case for Mirko Ceriani, who joined Novo Nordisk's European Busi-ness Management Graduate Programme in 2014: "What was, and still is, appealing to me about being a Novo Nordisk employee is the idea of working for a global company that isn't 'simply' the leader of the market it operates in, but also achieves its business success in a sustainable way – socially, financially and environmentally." This approach also plays a significant factor in keeping employees working at Novo Nordisk. "We retain about 96% of our high performers, and we need to maintain this as we grow. We're becoming a more attractive employer, but we need to ensure that we maintain our values, business ethics and culture, as this is what makes us special," concludes Lars Fruergaard Jørgensen. NOVO NORDISK: SECOND-BEST SCIENCE EMPLOYER IN THE WORLD In October 2014, Novo Nordisk ranked second in the Science Careers Top Employers Survey, up from 11th posi-tion in 2013. The survey is based on 5,394 responses from readers of Science and from employees in the biotechnology and pharmaceutical industry, who were asked to rank the 20 best employers based on a number of characteristics. The driving characteristics, listed in descending order of impact on overall employer rankings, were: 1. Innovative leader in the industry 2. Treats employees with respect 3. Loyal employees 4. Socially responsible 5. Work culture values aligned. Group exercise at a graduate recruitment event in Denmark, April 2014. NOVO NORDISK ANNUAL REPORT 2014

One of the roles that come with Jesper Brandgaard's job as Novo Nordisk's chief financial officer is that of chairman of the company's Risk Management Board. In this capacity he must ensure that key risks are effectively identified, assessed and managed so that they will not affect the company's ability to achieve its business objectives. Due to the nature of its business, the pharmaceutical industry is associated with many potentially serious risks that investors should keep in mind when making investment decisions. When asked about what he sees as the main changes to Novo Nordisk's risk profile during 2014, Jesper Brandgaard cites increased market risks caused by stronger pressure on prices and reimburse-ment – especially in the all-important US market – and a lower risk of supply disrup-tions. "We had a tight supply situation for some products early in the year while we were in the process of upgrading and upscaling certain production plants, but since mid-2014 we've seen a much better supply – demand balance," says Jesper Brandgaard. The US market situation is covered in more detail in the article on p 23. Jesper Brandgaard emphasises that competitive pressure that increase the risk of lower profitability of contracts with the large purchasing organisations in the US are not an ew phenomenon: "There's always been competitive pressure – that's the nature of business. Is competition in the basal insulin segment tougher today than it was a couple of years ago? Certainly, but it's not as if it's something that has happened overnight, as some seem to think. In connection with all our quarterly financial reports in 2014, I've said that the pricing and rebating envir-onment has become tougher, and it was evident even before that. Our loss of a large contract with ESI [a pharmacy benefit manager, ed.] for Victoza® and NovoLog® back in 2013 is a case in point." The following is an overview of the main types of risk that Novo Nordisk faces. DELAYS OR FAILURE OF PIPELINE PRODUCTS Developing a new pharmaceutical product is an expensive undertaking that can take more than 10 years. It includes extensive non-clinical tests and clinical trials as well as an elaborate regulatory approval process, including approval of the production facilities. During the process, various hurdles may delay the development of a potential product candidate and add substantial expenses. In some cases, significant ob-stacles could lead to the company eventually deciding to abandon the development of the potential product candidate. In Novo Nordisk's experience, there is a less than 35% chance of a diabetes product candidate in phase 1 clinical trials ultimately being approved for marketing, while the chance of success is around 40% for products in phase 2 trials, rising to around 70% for products in phase 3 trials. However, there is significant uncertainty regarding the timing and success of the regulatory approval process. MARKET RISKS The principal market risks Novo Nordisk experiences are: • Price pressure and reimbursement restrictions by payers • The launch of new products by established competitors • Increased competition from producers of biosimilar medicines in key markets. Europe, China and the US are all main markets for Novo Nordisk where payers – both governments and private payers – take measures to limit spending on medicines, typically by driving down prices, demanding higher rebates and/or restricting access to and reimbursement of products. This is unlikely to change in the foreseeable future. For Novo Nordisk, reimbursement restrictions pose a significant risk when launching a new product such as Tresiba®. Despite the patient benefits and data supporting the health-economic benefits of this new basal insulin, which has a duration of action beyond 42 hours, it is not always possible to obtain market access on what Novo Nordisk considers reasonable conditions. In some countries, the company may therefore not launch Tresiba® or other new products under the current conditions. New products from established or new competitors are another inherent market risk. In 2014, competitors launched new GLP-1 products and, within the insulin segment, new products are

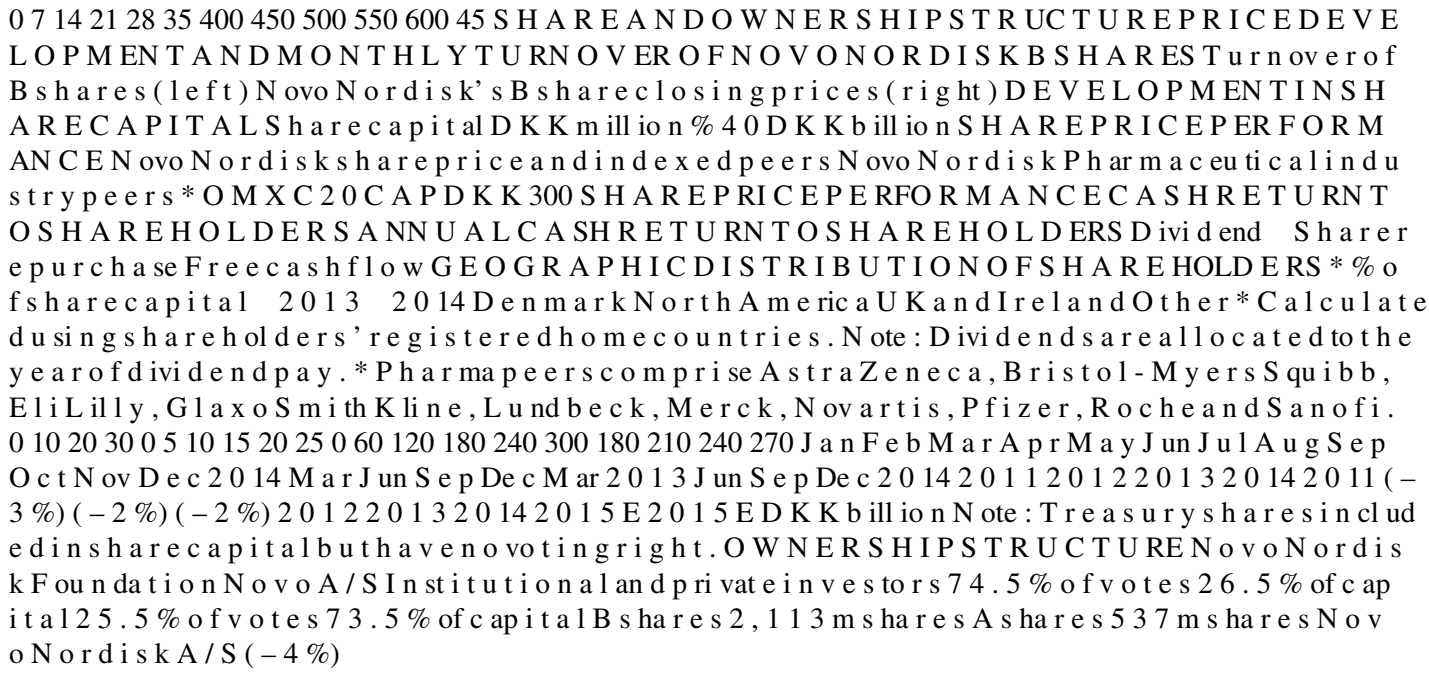
underway, including a biosimilar version of the best-selling modern insulin product. How and to what extent such events will change the market dynamics is not possible to predict at present. In addition to these global risks, in some countries in the International Oper-ations region, political instability or armed conflicts may pose a risk to Novo Nordisk's business for varying lengths of time. SUPPLY DISRUPTIONS Failure or breakdown at one of Novo Nordisk's or the company's key suppliers' vital production facilities could adversely affect operations and potentially cause employee injuries or infrastructure damage. Mitigating actions include measures to prevent and respond to fires, annual inspections, back-up facilities and safety inventories. To reduce supply risks and optimise costs and logistics, Novo Nordisk has established production sites in several countries. BE AWARE OF THE RISK There are, and always will be, risks associated with Novo Nordisk's business – risks that all investors should be aware of. NOVO NORDISK ANNUAL REPORT 2014

43 Q U A L I T Y A N D P R O D U C T S A F E T Y IS S U E S Q u a l i t y a n d p r o d u c t s a f e t y i s s u e s m a y a r i s e i f , f o r e x a m p l e , a p r o d u c t i o n f a c i l i t y i s n o t c o n t i n u o u s l y i n c o m p l i a n c e , a p r o d u c t i s n o t w i t h i n s p e c i f i c a t i o n s o r i f s i d e e f f e c t s t h a t w e r e n o t d e t e c t e d i n c l i n i c a l t r i a l s b e c o m e a p p a r e n t w h e n a p r o d u c t i s u s e d f o r l o n g p e r i o d s o f t i m e . N o v o N o r d i s k p r o a c t i v e l y m a n a g e s s u c h r i s k s t h r o u g h i t s q u a l i t y m a n a g e m e n t s y s t e m , a k e y p r i o r i t y o f w h i c h i s t o s a f e g u a r d p r o d u c t q u a l i t y a n d m i n i m i s e r i s k s t o p a t i e n t s a f e t y . T h e q u a l i t y m a n - a g e m e n t s y s t e m a i m s t o e n s u r e t h a t t h e c o m p a n y i s i n c o m p l i a n c e w i t h a l l r e g u l a t o r y r e q u i r e m e n t s , a n d i t i n c l u d e s s t a n d a r d o p e r a t i n g p r o c e d u r e s , q u a l i t y a n d r e l e a s e c o n t r o l s , q u a l i t y a u d i t s , q u a l i t y i m p r o v e m e n t p l a n s a n d s y s t e m a t i c s e n i o r m a n a g e m e n t r e v i e w s . F I N A N C I A L R I S K S N o v o N o r d i s k ’ s m a i n f i n a n c i a l r i s k s r e l a t e t o e x c h a n g e r a t e s a n d t a x d i s p u t e s . N o v o N o r d i s k ’ s r e p o r t i n g c u r r e n c y a n d t h e f u n c - t i o n a l c u r r e n c y o f c o r p o r a t e o p e r a t i o n s i s t h e D a n i s h k r o n e , w h i c h i s c l o s e l y l i n k e d t o t h e e u r o w i t h i n a n a r r o w r a n g e o f 2 . 2 5 % . H o w e v e r , t h e m a j o r i t y o f t h e c o m p a n y ’ s s a l e s a r e i n U S d o l l a r s , C h i n e s e y u a n , J a p a n e s e y e n a n d B r i t i s h p o u n d s . E x c h a n g e r a t e r i s k i s t h e r e f o r e t h e c o m p a n y ’ s b i g g e s t f i n a n c i a l r i s k , a n d t h e r i s k h a s g r o w n i n i m p o r t a n c e a s t h e s i z e o f i n t e r n a t i o n a l m a r k e t s a n d t h e s h a r e o f s a l e s i n d i f f e r e n t c u r r e n c i e s h a v e i n c r e a s e d . T o m a n a g e t h i s r i s k , t h e c o m p a n y h e d g e s e x p e c t e d f u t u r e c a s h f l o w s f o r s e l e c t e d k e y c u r r e n c i e s . R e a d m o r e a b o u t h o w N o v o N o r d i s k m a n a g e s t h i s r i s k i n n o t e s 4 . 2 a n d 4 . 3 o n p p 8 1 – 8 4 . I n t h e c o u r s e o f c o n d u c t i n g b u s i n e s s g l o b a l l y , t r a n s f e r p r i c i n g d i s p u t e s w i t h t a x a u t h o r i t i e s m a y o c c u r . N o v o N o r d i s k ’ s p o l i c y i s t o p u r s u e a c o m p e t i t i v e t a x l e v e l , m e a n i n g a t o r b e l o w t h e a v e r a g e f o r t h e c o m p a n y ’ s p e e r g r o u p , i n a r e s p o n s i b l e w a y . T h i s m e a n s p a y i n g r e l e v a n t t a x i n j u r i s d i c t i o n s w h e r e i t s b u s i n e s s a c t i v i t y g e n e r a t e s p r o f i t s . A s a g e n e r a l r u l e , N o v o N o r d i s k ’ s a f f i l i a t e s p a y c o r p o r a t e t a x e s i n t h e c o u n t r i e s i n w h i c h t h e y o p e r a t e . T o m a n a g e u n c e r t a i n t i e s r e g a r d i n g t a x , N o v o N o r d i s k h a s n e g o t i a t e d m u l t i - y e a r t r a n s f e r p r i c i n g a g r e e m e n t s w i t h t a x a u t h o r i t i e s i n k e y m a r k e t s . R e a d m o r e a b o u t t h e t a x e s p a i d b y N o v o N o r d i s k i n 2 0 1 4 i n n o t e 2 . 6 o n p p 6 9 – 7 0 . I N F O R M A T I O N T E C H N O L O G Y R I S K S W e l l - f u n c t i o n i n g I T s y s t e m s a r e c r i t i c a l f o r N o v o N o r d i s k ’ s a b i l i t y t o o p e r a t e e f f e c t i v e l y . F u r t h e r m o r e , t h e y h o l d c o n f i d e n t i a l i n f o r - m a t i o n t h a t , i f d i s c l o s e d , c o u l d h a v e a s e v e r e i m p a c t o n N o v o N o r d i s k ’ s c o m p e t i t i v e s i t u a t i o n . A n i n f o r m a t i o n s e c u r i t y s t r a t e g y i s i n p l a c e t o m i t i g a t e t h e r i s k o f i n t r u d e r s c a u s i n g d a m a g e t o s y s t e m s a n d g a i n i n g a c c e s s t o c r i t i c a l d a t a a n d s y s t e m s . S p e c i f i c m e a s u r e s i n c l u d e a w a r e n e s s c a m p a i g n s , a c c e s s c o n t r o l s , a n d i n t r u s i o n d e t e c t i o n a n d p r e v e n t i o n s y s t e m s . B U S I N E S S E T H I C S A N D L E G A L R I S K S B u s i n e s s e t h i c s v i o l a t i o n s , p a t e n t a n d c o n t r a c t d i s p u t e s a r e t h e m a i n r i s k s i n t h i s a r e a . T h e p h a r m a c e u t i c a l i n d u s t r y i s t i g h t l y r e g u l a t e d i n m a n y r e s p e c t s , i n c l u d i n g w h a t p r o m o t i o n a l c l a i m s i t c a n m a k e a b o u t i t s p r o d u c t s a n d h o w i t c a n i n t e r a c t w i t h d o c t o r s a n d o t h e r h e a l t h c a r e p r o f e s s i o n a l s . I n C h i n a , t h e g o v e r n m e n t a n n o u n c e d m e a s u r e s i n 2 0 1 3 t o c r a c k d o w n o n i l l e g a l b u s i n e s s a c t i v i t i e s i n t h e p h a r m a c e u t i c a l i n d u s t r y , a n d s e v e r a l c o m p a n i e s , i n c l u d i n g N o v o N o r d i s k , w e r e i n s p e c t e d b y t h e a u t h o r i t i e s a s p a r t o f t h i s e f f o r t . T h e i n s p e c t i o n s c o n c l u d e d s o f a r r e l a t i n g t o N o v o N o r d i s k r e s u l t e d i n a f e w o b s e r v a t i o n s t h a t h a d n o m a t e r i a l i m p a c t o n t h e c o m - p a n y ’ s b u s i n e s s i n C h i n a . I n t h e U S , N o v o N o r d i s k s e t t l e d t w o c i v i l c a s e s w i t h t h e U S D e p a r t m e n t o f J u s t i c e i n J u n e 2 0 1 1 r e g a r d i n g a l l e g e d i m p r o p e r m a r k e t i n g o f N o v o S e v e n ® . A s p a r t o f t h e s e t t l e m e n t , N o v o N o r d i s k ’ s U S a f f i l i a t e e n t e r e d i n t o a f i v e - y e a r C o r p o r a t e I n t e g r i t y A g r e e m e n t w i t h t h e O f f i c e o f t h e I n s p e c t o r G e n e r a l o f t h e U S D e p a r t m e n t o f H e a l t h a n d H u m a n S e r v i c e s . U n d e r t h a t a g r e e m e n t , t h e U S a f f i l i a t e a d d e d a d d i t i o n a l r e p o r t i n g a n d o t h e r p r o c e d u r e s t o i t s a l r e a d y r o b u s t c o m p l i a n c e p r o g r a m m e . A l s o i n t h e U S , N o v o N o r d i s k i s a d e f e n d a n t i n p r o d u c t l i a b i l i t y l a w s u i t s r e l a t e d t o h o r m o n e t h e r a p y p r o d u c t s a n d V i c t o z a ® . R e a d m o r e a b o u t t h e s e a n d o t h e r p e n d i n g l i t i g a t i o n s a g a i n s t N o v o N o r d i s k a n d i n v e s t i g a t i o n s i n v o l v i n g t h e c o m p a n y i n n o t e 3

. 7 o n p p 7 7 – 7 8 . T h e c a s e s m e n t io n e d a b o v e und e r l i n e t h e p ot e n t i a l bu s i n e s s e t h ic s r i s k s a s s o c i a t e d w i t h b e in g a p h a r m a c e u t i c a l c o m p a n y . T o m in im i s e t h e r i s k o f v io l a t i n g n a t io n a l a n d i n t e r n a t io n a l r e g u l a t io n s , N o v o N o r d i s k h a s, o v e r t h e p a s t d e c a d e , s t r e n g t h e n e d i t s g l o b a l a n d r e g io n a l bu s i n e s s e t h ic s c o m p l i a n c e p r o g r a m m e s . G l o b a l g o v e r n a n c e , a bu s i n e s s e t h ic s p o l i c y a n d g l o b a l bu s i n e s s e t h ic s p r o c e d u r e s , t o g e t h e r w i t h e l a b o r a t e t r a i n i n g p r o g r a m m e s a n d t e s t s f o r e m - p l o y e e s , c l o s e m o n i t o r i n g o f p e r f o r m a n c e , r e p o r t i n g r e q u i r e m e n t s a n d a u d i t s , a l l a i m t o m i t i g a t e bu s i n e s s e t h ic s r i s k s . P r o t e c t io n o f i n t e l l e c t u a l p r o p e r t y t h r o u g h p a t e n t s i s v e r y i m p o r t a n t f o r p r o m o t i n g i n n o v a t io n a n d s t im u l a t i n g l o n g - t e r m e c o n o m i c g r o w t h a n d j o b c r e a t io n . N o v o N o r d i s k ’ s bu s i n e s s m o d e l i s b a s e d o n d e v e l o p i n g n e w , i n n o v a t i v e p r o d u c t s , a n d w h e n t h e c o m p a n y m a k e s s i g n i f i c a n t n e w i n v e n t io n s , i t w i l l t y p i c a l l y s e e k t o p a t e n t t h e m . I n t e l l e c t u a l p r o p e r t y r i s k s o c c u r i f , f o r e x a m p l e , a g o v e r n m e n t d o e s n o t r e c o g n i s e t h e v a l i d i t y o f p a t e n t s o r i s u n a b l e t o u p h o l d p a t e n t r i g h t s , o r i f a c o m p e t i t o r i n f r i n g e s a N o v o N o r d i s k p a t e n t o r c h a l l e n g e s i t s v a l i d i t y . N O V O N O RD I S K ’ S R I S K MAN A G E M E N T P O L I C Y “ I n N o v o N o r d i s k w e w i l l p r o a c t i v e l y m a n a g e r i s k t o e n s u r e c o n t i n u e d g r o w t h o f o u r bu s i n e s s a n d t o p r o t e c t o u r p e o p l e , a s s e t s a n d r e p u t a t io n . T h i s m e a n s t h a t w e w i l l : • u t i l i s e a n e f f e c t i v e a n d i n t e g r a t e d r i s k m a n a g e m e n t s y s t e m w h i l e m a i n t a i n i n g bu s i n e s s f l e x i b i l i t y • i d e n t i f y a n d a s s e s s m a t e r i a l r i s k s a s s o c i a t e d w i t h o u r bu s i n e s s • m o n i t o r , m a n a g e a n d m i t i g a t e r i s k s .” R e a d m o r e a b o u t N o v o N o r d i s k ’ s r i s k m a n a g e m e n t p r o c e s s a t n o v o n o r d i s k . c o m / a b o u t _ u s . N O V O N O R D I S K A N N U A L R E P O R T 2 0 1 4

AND CAPITAL STRUCTURE Through open and proactive communication, Novo Nordisk seeks to provide the basis for fair and efficient pricing of its shares. SHARES SHARE CAPITAL AND OWNERSHIP Novo Nordisk's total share capital of DKK 530,000,000 is divided into an A share capital of nominally DKK 107,487,200 and a B share capital of nominally DKK 422,512,800. The company's A shares are not listed and are held by Novo A/S, a Danish public limited liability company wholly owned by the Novo Nordisk Foundation. The Foundation has a dual objective: to provide a stable basis for commercial and research activities con-ducted by the companies within the Novo Group (of which Novo Nordisk is the largest), and to support scientific and humanitarian purposes. According to the Articles of Association of the Foundation, the A shares cannot be divested. As of 31 December 2014, Novo A/S also held a nominal value of DKK 32,762,800 of B share capital. Novo Nordisk's B shares are listed on Nasdaq Copenhagen and on the New York Stock Exchange as American Depository Receipts (ADRs). Novo Nordisk's A and B shares are calculated in units of DKK 0.20. Each A share carries 200 votes and each B share carries 20 votes. As Novo Nordisk's B shares are in bearer form, no complete record of all shareholders exists. Based on available sources of information about the company's shareholders as of 31 December 2014, it is estimated that shares were geographically distributed as shown in the chart on the next page. As of 31 December 2014, the free float of listed B shares was 89.6%, excluding the Novo A/S holding and Novo Nordisk's holding of treasury shares, which as of 31 December 2014 was DKK 11,361,431 nominally. For details on share capital, see note 4.1 on pp 79–80. CAPITAL STRUCTURE AND DIVIDEND POLICY Novo Nordisk's Board of Directors and Executive Management consider that the current capital and share structure of Novo Nordisk serve the interests of the share-holders and the company well, as it provides strategic flexibility to pursue Novo Nordisk's vision and a good balance between long-term share-holder value creation and com-petitive shareholder return in the short term. Novo Nordisk's guiding principle is that any excess capital, after the funding of organic growth opportunities and potential acquisitions, should be returned to investors. The company applies a pharmaceutical industry payout ratio to dividend payments, which are complemented by share repurchase programmes. As illustrated on the right, Novo Nordisk has continuously increased both the payout ratio and the dividend paid over the last five years. The dividend for 2013 recorded in March 2014 was equal to DKK 4.50 per A and B share of DKK 0.20, as well as for ADRs. This corresponds to a payout ratio of 47.1%, which is in line with the 2013 peer group average of 48.0%. For 2014, the Board of Directors will propose a dividend of 5.00 DKK, which corresponds to a payout ratio of 48.7%, and an increase of 11% vs last year. Novo Nordisk does not pay a dividend on its holding of treasury shares. Shareholders' enquiries concerning dividend payments and shareholder accounts should be addressed to Investor Service. Read more on the back cover. During the 12-month period beginning 30 January 2014, Novo Nordisk repurchased shares worth DKK 15 billion. Since 2008, the share repurchase programme has primarily been conducted in accordance with the provisions of European Commission Regulation No 2273/2003 of 22 December 2003 (also known as the Safe Harbour Regulation). In the programme a financial institution is appointed as lead manager to execute the repurchases independently and without influence from Novo Nordisk. SHARE REPURCHASE PROGRAMME FOR 30 JANUARY 2015 TO 2 FEBRUARY 2016 For the next 12 months, Novo Nordisk has decided to implement a new share repurchase programme. The expected total repurchase value of B shares amounts to a cash value of up to DKK 15 billion. Novo Nordisk expects to implement the major part of the new share repurchase programme according to the Safe Harbour Regulation. At the 2015 A

nnualGeneralMeeting,theBoardofDirectorswillproposeafurtherreductionofthecompany'sBsharecapital,correspondingtoapprox-imately1.9%ofthetotalsharecapital,bycancelling50milliontreasuryshares.Aftertheimplementationofthesharecapitalreduction,NovoNordisk'ssharecapitalwillamounttoDKK520,000,000dividedintoanAsharecapitalofDKK107,487,200andaBsharecapitalofDKK412,512,800.SHAREPRICEDEVELOPMENTNovoNordisk'ssharepriceincreasedby31%fromits2013closeofDKK198.8toits31December2014closeofDKK260.3.ForcomparisontheDanishOMXC20CAPstockindexgrew18%andthepharmapeergroupgrew12%during2014.Theincreasein NovoNordisk'ssharepriceduring2014isassumedtoreflectitssustainedleadershippositioninthegrowingdiabetescaremarket,coupledwithacontinuedimprove-mentinoperatingmarginsandthepro-gressionofkeyR&Dprojects,includingtheapprovalsofXultophy®inEuropeandSaxenda®intheUS.Thetotalmarketvalueof NovoNordisk'sBshares,excludingtreasuryshares,wasDKK535billionattheendof2014.COMMUNICATIONWITHSHAREHOLDERSTokeepinvestorsupdatedonperformanceandtheprogressofclinicaldevelopmentprogrammes,NovoNordiskhoststelephoneconferencecallswithExecutiveManagementfollowingtherelease offinancialresultsandatotherkeyevents.ExecutiveManagementandInvestorRelationsalsotravelextensivelytoensurethatallinvestorswithamajorholdingof NovoNordisksharescanmeetwiththecompanyonaregularbasisandothershareholdersandpotentialinvestorsalsohaveaccesstothecompany'sManagementandInvestorRelations.ANALYSTCOVERAGENovoNordiskiscurrentlycoveredby34sell-sideanalysts,includingthemajorglobalinvestmentbanksthatregularlyproduceresearchreportsonNovoNordisk.Alistofanalystscovering NovoNordiskcanbefoundatnovonordisk.com/investors,whereAnnualReportsandForm20Fareavailablefrom2000onwards,companyannounce-mentsandAnnualGeneralMeetingin-formationasof2005.Themostrecentfinancial,socialandenvironmentalresults,acalendarofinvestor-relevantevents,investorpresentations,backgroundinformation,andsoonarealsoavailable.


0 7 14 21 28 35 400 450 500 550 600 45 S H A R E A N D O W N E R S H I P S T R UC T U R E P R I C E D E V E L O P M EN T A N D M O N T H L Y T U RN O V ER O F N O V O N O R D I S K B S H A R ES T u r n ov e r o f B s h a r e s (l e f t) N ovo N o r d i s k' s B s h a r e c l o s i n g p r i c e s (r i g h t) D E V E L O P M EN T I N S H A R E C A P I T A L S h a r e c a p i t a l D K K m i l l i o n % 4 0 D K K b i l l i o n S H A R E P R I C E P ER F O R M AN C E N ovo N o r d i s k s h a r e p r i c e a n d i n d e x e d p e e r s N ovo N o r d i s k P h a r m a c eu t i c a l i n d u s t r y p e e r s * O M X C 2 0 C A P D K K 300 S H A R E P RI C E P E RFO R M A N C E C A S H R E T U RN T O S H A R E H O L D E R S A NN U A L C A SH R E T U RN T O S H A R E H O L D ERS D i v i d e n d S h a r e r e p u r c h a s e F r e e c a s h f l o w G E O G R A P H I C D I S T R I B U T I O N O F S H A R E HOLD E RS * % o f s h a r e c a p i t a l 2 0 1 3 2 0 14 D e n m a r k N o r t h A m e r i c a U K a n d I r e l a n d O t h e r * C a l c u l a t e d u s i n g s h a r e h o l d e r s ' r e g i s t e r e d h o m e c o u n t r i e s . N o t e : D i v i d e n d s a r e a l l o c a t e d t o t h e y e a r o f d i v i d e n d p a y . * P h a r m a p e e r s c o m p r i s e A s t r a Z e n e c a , B r i s t o l - M y e r s S q u i b b , E l i L i l l y , G l a x o S m i t h K l i n e , L u n d b e c k , M e r c k , N o v a r t i s , P f i z e r , R o c h e a n d S a n o f i . 0 10 20 30 0 5 10 15 20 25 0 60 120 180 240 300 180 210 240 270 J a n F e b M a r A p r M a y J u n J u l A u g S e p O c t N o v D e c 2 0 14 M a r J u n S e p De c M a r 2 0 1 3 J u n S e p De c 2 0 14 2 0 1 1 2 0 1 2 2 0 1 3 2 0 14 2 0 11 (– 3 %) (– 2 %) (– 2 %) 2 0 1 2 2 0 1 3 2 0 14 2 0 1 5 E 2 0 1 5 E D K K b i l l i o n N o t e : T r e a s u r y s h a r e s i n c l u d e d i n s h a r e c a p i t a l b u t h a v e n o v o t i n g r i g h t . O W N E R S H I P S T R U C T U RE N o v o N o r d i s k F ou n d a t i o n N o v o A / S I n s t i t u t i o n a l a n d p r i v a t e i n v e s t o r s 7 4 . 5 % o f v o t e s 2 6 . 5 % o f c ap i t a l 2 5 . 5 % o f v o t e s 7 3 . 5 % o f c a p i t a l B s h a r e s 2 , 1 1 3 m s h a r e s A s h a r e s 5 3 7 m s h a r e s N o v o N o r d i s k A / S (– 4 %)

CORPORATE GOVERNANCE In 2014, the focus has been to further develop the governance of the company. The yearly board evaluation facilitated by external consultants revealed strong governance and performance by the Board of Directors and Executive Management. The process also resulted in clearer delimitation of the roles and responsibilities of the Board of Directors and Executive Management, establishment of a continued development programme for the Board of Directors as well as a decision to establish a Remuneration Committee in 2015. GOVERNANCE STRUCTURE SHAREHOLDERS Shareholders have ultimate authority over the company and exercise their rights to make decisions at general meetings. Resolutions can generally be passed by a simple majority. However, resolutions to amend the Articles of Association require two-thirds of votes cast and capital represented, unless other adoption requirements are imposed by the Danish Companies Act. At the annual general meeting, shareholders approve the annual report and any amendments to the company's Articles of Association. Shareholders also elect board members and the independent auditor. Novo Nordisk's share capital is divided into A shares and B shares. Special rights attached to A shares include pre-emptive subscription rights in the event of an increase in the A share capital, pre-emptive purchase rights in the event of a sale of A shares, while B share take priority for liquidation proceedings. * Read more about shares and capital structure on pp 44–45. BOARD OF DIRECTORS Novo Nordisk has a two-tier management structure consisting of the Board of Directors and Executive Management. The two bodies are separate and no one serves as a member of both. The Board of Directors determines the company's overall strategy and follows up on its implementation, supervises the performance, ensures adequate management and organisation and, as such, actively contributes to developing the company as a focused, sustainable, global pharma-ceutical company. The Board of Directors supervises Executive Man-agement in its decisions and operations. The Board of Directors may also issue new shares or buy back shares in accordance with authorisations granted by the annual general meeting and recorded in the meeting minutes. For minutes from annual general meetings, see novonordisk.com/about_us. The Board of Directors has 11 members, seven of whom are elected by shareholders and four by employees in Denmark. Novo Nordisk's Board of Directors met seven times during 2014. Shareholder-elected board members serve a one-year term and may be re-elected. Members must retire at the first annual general meeting after reaching the age of 70. Five of the seven shareholder-elected board members are independent as defined by the Danish Corporate Governance Recommendations. Read more on pp 52–53. A proposal for nomination of board members is presented by the Nomination Committee to the Board of Directors, taking into account required competences as defined by the Board of Directors' competence profile and reflecting the result of a self-assessment process facilitated by internal or external consultants. The assessment process is based on written questionnaires and evaluates the Board of Directors' composition and the skills of its members, including whether each board member and executive participates actively in board discussions and contributes with independent judgement. To ensure that discussions include multiple perspectives representing the complex, global pharmaceutical environment, the Board of Directors aspires to be diverse in gender and nationality. Currently, one shareholder-elected board member is female and six of the seven shareholder-elected board members are non-Danes. In 2013, the Board of Directors increased its diversity ambition and set out new targets with the aim that by 2017 it will consist of at least two shareholder-elected board members with Danish nationality and at least two shareholder-elected board members with a nationality other than Danish – and at least two shareholder-el

ec t e d b o a r d m e m b e r s o f e a c h g e nd e r . I n a c c o r d a n c e w i t h s e c t i o n 99 b o f t h e D a n i s h F i n a n c i a l S t a t e m e n t s A c t , N o v o N o r d i s k d i s c l o s e s i t s d i v e r s i t y p o l i c y , t a r g e t s a n d c u r r e n t p e r f o r m a n c e i n t h e U N G l o b a l C o m p a c t C o mm u n i c a t i o n o n P r o g r e s s , w h i c h i s a v a i l ab l e a t n o v o n o r d i s k . c o m / a nn u a l r e p o r t . N o v o N o r d i s k ' s n e w h e a d qu a r t e r s i n B a g s v æ r d , D e n m a r k , w e r e i n a u g u r a t e d i n F e b r u a r y 2 0 1 4 . * A s h a r e s t a k e p r i o r i t y f o r d i v i d e n d s b e l o w 0 . 5 % . B s h a r e s t a k e p r i o r i t y f o r d i v i d e n d s b e t w e e n 0 . 5 % a n d 5 % . H o w e v e r , i n p r a c t i c e , A s h a r e s a n d B s h a r e s r e c e i v e t h e s a me a m o u n t o f d i v i d e n d p e r s h a r e o f D K K 0. 0 1 .

47 independent. One member is an employee representative. The Audit Committee assists the Board of Directors with oversight of the external auditors, the internal audit function, the procedure for handling complaints regarding accounting, internal accounting controls, auditing or financial reporting matters and business ethics matters, financial, social and environmental reporting, business ethics compliance, post-completion reviews and post-investment reviews, long-term incentive programmes and IT security. In 2014, the Board of Directors re-elected Hannu Ryöppönen as chairman and Liz Hewitt and Stig Strøbæk as members of the Audit Committee and, furthermore, elected Helge Lund as a new member. See novonordisk.com/about_us for a report on the Audit Committee's activities. NOMINATION COMMITTEE The Nomination Committee consists of four members. Two members qualify as independent, while one member is an employee representative. The Nomination Committee assists the Board with oversight of the competence profile and composition of the Board, nomination of members and committees, and other tasks on an ad hoc basis as specifically decided by the Board. In 2014, the Board of Director elected Göran Ando as chairman and Bruno Angelici, Liz Hewitt and Søren Thuesen Pedersen as members of the Nomination Committee. See novonordisk.com\about_us for a report on the Nomination Committee's activities. EXECUTIVE MANAGEMENT Executive Management is responsible for the day-to-day manage-ment of the company. In November 2014, one executive left and Executive Management now consists of the chief executive officer, the president plus four executives. They are responsible for overall conduct of the business and all operational matters, the organisation of the company as well as allocation of resources, determination and implementation of strategies and policies, direction-setting, and ensuring timely reporting and provision of information to the Board of Directors and Novo Nordisk's stakeholders. Executive Management meets at least once a month and often more frequently. The Board of Directors appoints members of Executive Management and determines remuneration. The Chairmanship reviews the perform-ance of the executives. CONTINUED The Board of Directors' self-assessment conducted in 2014 was facilitated by external consultants and revealed strong governance and performance by the Board and Executive Management. The process also resulted in clearer delimitation of the roles and responsibilities of the Board and Executive Management, establish-ment of a continued development programme for the Board as well as a decision to establish a Remuneration Committee in 2015. In order to support continued fulfilment of the Novo Nordisk Way, criteria for board members include integrity, accountability, fairness, financial literacy, commitment and desire for innovation. Members are also expected to have experience of managing major companies that develop, manufacture and market products and services globally. The competence profile, which includes the nomination criteria, is available at novonordisk.com/about_us. Under Danish law, Novo Nordisk's employees in Denmark are entitled to be represented by half of the total number of board members elected at the annual general meeting. In 2014, employees elected four board members from among themselves – two male and two female, all Danes. Board members elected by employees serve a four-year term and have the same rights, duties and responsibilities as shareholder-elected board members. CHAIRMANSHIP The annual general meeting directly elects the chairman and the vice chairman of the Board of Directors. The Chairmanship carries out administrative tasks such as planning board meetings to ensure a balance between overall strategy-setting and financial and man-agerial supervision of the company. Other tasks include reviewing the fixed asset investment portfolio and recommending the remuneration of board members and Executive Management. In practice, the Chairm

anshiphasuptunilnowhadtherolean dresponsibilityofaRemunerationCommittee,thoughtheBoardofDirectorshasdecidedtoestablishaRemunerationCommitteein2015.InMarch2014,theAnnualGeneralMeetingre-electedthechairman,GöranAndo,andthevicechairman,JeppeChristiansen.Seenovonordisk.com/about_usforareportontheChairmanship'sactivities.AUDITCOMMITTEEThefourmembersoftheAuditCommitteeareelectedbytheBoardofDirectorsfromamongitsmembers.Threemembersqualifyasindependentandhavebeendesignatedasfinancialexpertsasdefinedbythe US SecuritiesandExchangeCommission(SEC).UnderDanishlaw,threemembersqualifyasfinancialexpertsandas

CORPORATEGOVERNANCECODESANDPRACTICESCOMPLIANCEGOVERNANCESTRUCTUREASSURANCEDanishandforeignlawsandregulationsCorporategovernancestandardsNovoNordiskWayAuditoffinancialdataandreviewofsocialandenvironmentaldata(internalandexternal)Facilitationandorganisationalaudit(internal)Qualityauditandinspections(internalandexternal)BOARDOFDIRECTORSSHAREHOLDERSEXECUTIVEMANAGEMENTORGANISATION*Thechairmanshipisdirectlyelectedbytheannualgeneralmeeting.CHAIRMANSHIP*NOMINATIONCOMMITTEEAUDITCOMMITTEEASSURANCEThecompany'sfinancialreportingandtheinternalcontrolsoverfinancialreportingprocessesareauditedbyanindependentauditfirmelectedattheannualgeneralmeeting.AspartofNovoNordisk'scommitmenttoitssocialandenvironmentalresponsibility,thecompanyvoluntarilyincludesanassurancereportforsocialandenvironmentalreportingintheannualreport.Theassuranceproviderreviewswhetherthesocialandenvironmentalperformanceinformationcoversaspectsdeemedtobematerialandverifiestheinternalcontrolprocessesfortheinformationreported.NovoNordisk'sinternalauditfunctionprovidesindependentandobjectiveassurance,primarilywithininternalcontroloffinancialprocessesandbusinessethics.Toensurethattheinternalfinancialauditfunctionworksindependentlyof ExecutiveManagement,itscharter,auditplanandbudgetareapprovedbytheAuditCommittee.Threeothertypesofassuranceactivity–qualityaudits,organisationalauditsandvaluesaudits,calledfacilitations–helpensurethatthecompanyadherestohighqualitystandardsandoperatesinaccord-ancewiththeNovoNordiskWay.COMPLIANCENovoNordisk'sBsharesarelistedonNasdaqCopenhagenandontheNewYorkStockExchange(NYSE)asAmericanDepositoryReceipts(ADRs).Theapplicablecorporategovernancecodesforeachstockexchangeandareviewof NovoNordisk'scompliancearearavailableatnovonordisk.com/about_us.Inaccordancewithsection107oftheDanishFinancialStatementsAct,NovoNordiskdisclosesitsmandatorycorporategovern-ancereportatnovonordisk.com/about_us/corporate_governance/compliance.asp.NovoNordiskadherestoallbutthefollowingrecommendations:•TheBoardofDirectorshasnotestablishedaRemunerationCommittee(asmentionedabovearemunerationCommitteewillbeestablishedin2015).•Currentemploymentcontractsfor ExecutiveManagementallowinsomeinstancesforseverancepaymentsofmorethan24months'fixedbasesalaryplus pensioncontribution.•Themajorityof theNominationCommittee'smembersarenotindependent.Twomembersarenotindependent,includingtheChairman,andtwomembersareindependent.NovoNordiskcomplieswiththecorporategovernancestandardsofNYSEapplicabletoforeignlistedprivateissuers.Asacontrolledcompany,NovoNordiskisnotobligedtocomplywithallthestandardsestablishedbyNYSE.Furthermore,NovoNordisk,asaforeignprivateissuer,ispermittedtofollowhomecountrypractice,whichisthecasein relationtoindependencerequirements,auditcommittee,equitycompensationplans,codeofbusinessconductandethics,andCEOcertification.Asummaryofthesignificantwaysinwhich NovoNordisk'scorporategovernancepracticesdifferfromthe NYSEcorporategovernancelistingstandardscanbefoundinthecorporategovernancereportatnovonordisk.com/about_us/corporate_governance/compliance.asp.NovoNordiskispartoftheNovoGroupandadherestotheCharterforCompaniesintheNovoGroup,whichisavailableatnovo.dk.However,allstrategicandoperationalmattersaresolelydecidedbytheBoardofDirectorsandExecutiveManagementofNovoNordisk.ReadmoreabouttheNovo Groupon p44.

49 REMUNERATION BOARD OF DIRECTORS IN 2014, THE BASE FEE FOR MEMBERS OF THE BOARD OF DIRECTORS WAS DKK 500,000 (DKK 500,000 IN 2013) 2014 2013 Fee for ad hoc tasks Fee for ad hoc tasks 51. Jeppe Christiansen was first elected at the Annual General Meeting in March 2013. Helge Lund and Liselotte Hyveled were first elected in March 2014. 2. Sten Scheibye and Kurt Anker Nielsen resigned as of March 2013. Henrik Gürtler and Ulrik Hjulmand-Lassen resigned as of March 2014. 3. Novo Nordisk provides secretarial assistance to the chairman in Denmark and the UK. 4. As Göran Ando also holds the position of chairman of the Board, he has not received a fee as chairman of the Nomination Committee. 5. Excluding social security taxes paid by Novo Nordisk amounting to less than DKK 1 million (less than DKK 1 million in 2013). FIXED BASE SALARY The fixed base salary is intended to attract and retain executives with the professional and personal competences required to drive the company's performance. CONTINUED The long-term share-based incentive pro-gramme for Executive Management has, until now, been based on a calculation of economic value creation compared with planned performance and adjusted if certain non-financial targets were not met. As the sales growth to a large extent drives the financial development of the company and hence shareholder return, a new adjustment factor was introduced in 2014. Remuneration of the Board of Directors and Executive Management is assessed on an annual basis against a benchmark of Nordic companies as well as European pharma-ceutical companies that are similar to Novo Nordisk in size, complexity and market capitalisation. The results are presented to the Board of Directors by the Chairman at its October meeting. The company strives for simplicity when devising the remuneration package, and its remuneration principles provide guidance for the remuneration of the Board of Directors and Executive Man-agement. These principles are available at novonordisk.com/about_us/corporate_governance/remuneration.asp. BOARD OF DIRECTORS' REMUNERATION The remuneration of Novo Nordisk's Board of Directors comprises a fixed base fee, a multiplier of the fixed base fee for the Chairmanship and members of the company's Audit Committee and Nomina-tion Committee, fees for ad hoc tasks and a travel allowance. At the December meeting, the Board of Directors agrees on recom-mendations for remuneration levels for the next financial year. In connection with the approval of the annual report, the Board of Directors endorses the actual remuneration for the past financial year and the recom-mendation on remuneration levels for the current financial year. These are then presented to the annual general meeting for approval. TRAVEL AND OTHER EXPENSES All board members who reside outside Denmark are paid a fixed travel allowance per board meeting: 3,000 euros for Europe-based board members and 6,000 euros for board members based outside Europe. Otherwise, no travel allowance is paid to board members when attending board meetings outside Denmark. Expenses such as travel and accommodation in relation to board meetings as well as those associated with continuing education are reimbursed. Novo Nordisk also pays social security taxes imposed by foreign authorities. VARIABLE REMUNERATION Board members are not offered stock options, warrants, restricted stock or parti-cipation in other incentive schemes. EXECUTIVE MANAGEMENT'S REMUNERATION The remuneration of Novo Nordisk's Executive Management is proposed by the Chairmanship and approved by the Board of Directors. Remuneration packages for exec-utives comprise a fixed base salary, a cash-based incentive, a share-based incentive, a pension contribution and other benefits. The split between fixed and variable remun-eration is intended to result in a reasonable part of the salary being linked to perform-ance, while promoting sound, long-term business decisions to meet the company's objectives. All incentives are subject to claw-bac

k i f it is s u b s e q u e n t l y d e t e r mi n e d t h a t p a y m e n t w a s b a s e d o n i n f o r m a t io n t h a t w a s m a ni f e s t l y m i sst a t e d . N O V O N O R D I S K A NN U A L R E P O R T 2 0 1 4 F i x e d D K K mill io n b a s e f e e an d c o m - mi t t e e w or k T r av e l al l owan ce T o t a l F i x e d b a s e f e e an d c o m - mi t t e e w or k T r av e l al l owan ce T o t a l G ö r a n A n d o 3, 4 (ch a i r m a n of th e Bo a rd an d 1 .6 1 . 4 – 0 . 1 1 .5 of th e N om ina tio n C ommi t t e e) 1 .5 – 0 . 1 J e p p e C h r i s t i a n s e n 1 (v i ce ch a i r m a n of th e Bo a r d) 1 .0 – – 1 .0 0 . 8 – – 0 . 8 Ha nnu R y ö p p öne n (ch a i r m a n of th e A udi t C ommi t t e e) 0.5 0.5 0 . 1 1 . 1 0.5 0.5 0 . 1 1 . 1 L iz H e w i t t (m em b e r of th e A udi t C ommi t t e e an d th e N om ina tio n C ommi t t e e) 0.5 0 . 4 0 . 1 1 .0 0.5 0 . 3 0 . 1 0 . 9 H el g e L u n d 1 (m em b e r of th e A udi t C ommi t t e e) 0 . 4 0 . 2 0 . 1 0 . 7 – – – – S ti g S t r ø bæ k (m em b e r of th e A udi t C ommi t t e e) 0.5 0 . 3 – 0 . 8 0.5 0 . 2 – 0 . 7 Br u n o A n g e l i ci (m em b e r of th e N om ina tio n C ommi t t e e) 0.5 0 . 1 0 . 1 0 . 7 0.5 0 . 1 0 . 1 0 . 7 L i s el o t te H y v e le d 1 0 . 4 – – 0 . 4 – – – – T ho m a s Paul K o e s t l e r 0.5 – 0 . 3 0 . 8 0.5 – 0 . 3 0 . 8 A n n e M ar i e K v erne l an d 0.5 0.0 – 0.5 0.5 0 . 1 – 0.6 Sø r e n T h u es e n P ed e r s e n (m em b e r of th e N om ina tio n C ommi t t e e) 0.5 0 . 1 – 0.6 0.5 – – 0.5 H e n r ik G ü r t l e r 2 0 . 1 – – 0 . 1 0.5 – – 0.5 U l r ik H julm an d - L a ss en 2 0 . 1 – – 0 . 1 0.5 – – 0.5 S t e n S c hei by e 2 – – – – 0 . 4 – – 0 . 4 K u r e r Ni e l s en 2 – – – – 0 . 1 0 . 1 – 0 . 2 T o t a l 7 .0 1 .6 0 . 8 9 . 4 5 7 . 2 1 . 3 0 . 7 9 . 2

CASH-BASED INCENTIVE The cash-based incentive is designed to incentivise individual performance and the achievement of a number of predefined short-term functional and individual business targets linked to goals in the company's Balanced Scorecard. Short-term targets for the chief executive officer are set by the Chairman of the Board of Directors, while the targets for the other members of Executive Management are set by the CEO. The Chairmanship evaluates the degree of achievement for each member of Executive Management based on input from the CEO. In March 2014, the Board of Directors determined that the 2014 maximum bonus would be up to 12 months' fixed base salary plus pension contribution for the CEO and up to nine months' fixed base salary plus pension contribution for the remaining five members of Executive Management. SHARE-BASED INCENTIVES The long-term share-based incentive pro-gramme is designed to promote the collective performance of Executive Man-agement and align the interests of executives and shareholders. Share-based incentives are linked to both financial and non-financial targets. The long-term incentive programme is based on a calculation of economic value creation compared with planned perform-ance. In line with Novo Nordisk's long-term financial targets, the calculation of economic value creation is based on reported operating profit after tax reduced by a weighted average cost of capital-based return requirement on average invested capital. Given that the sales growth to a large extent drives the financial development of the company and hence economic value crea-tion, a new adjustment factor was introduce-d in 2014 related to this. The calculated economic value creation is further adjusted if certain non-financial targets are not met. Non-financial targets are determined on the basis of an assessment of the objectives regarded as particularly important for the fulfilment of the company's long-term performance. Besides financial and sales growth targets, the 2014 targets consisted of 16 targets linked to the company's Balanced Scorecard within the categories of research and development, quality, patients, employees, environment and reputation. Targets within research and development were related to specific milestones such as execution of trials, product approvals and product launches. Board of Executive Comments relating Based on these principles, a proportion of the calculated economic value creation is allocated to a joint pool for the participants, who include Executive Management and other members of the Senior Management Board. In March 2014, the Board of Directors determined that the 2014 maximum for Executive Management would be 12 months for the CEO and nine months for the other members of Executive Management. If the targets are met for economic value creation and sales growth, and at least 85% performance is reached for non-financial targets, the allocation to the joint pool would correspond to six months' base salary plus pension contribution for the CEO and four and a half months' base salary plus pension contribution for the other members of Executive Management. Further informa-tion on Novo Nordisk's share-based incent-ives is available at novonordisk.com/about_us. PENSION Pension contributions are paid to enable executives to build up an income for retirement. OTHER BENEFITS Other benefits are added to ensure that overall remuneration is competitive and aligned with local practice. Such benefits are approved by the Board of Directors via delegation of powers to the Chairmanship. In addition, executives may participate in employee benefit programmes such as employee share purchase programmes. SEVERANCE PAYMENT Novo Nordisk may terminate employment by giving executives 12 months' notice. Executives may terminate their employment by giving Novo Nordisk six months' notice. In addition to the notice period, executives are entitled to a severance payment. Current employment contracts allow severance payments of up to 36 months' fixed base salary plus pension contribu

tion in the event of a merger, acquisition or take over of Novo Nordisk. If an executive's employment is terminated by Novo Nordisk for other reasons, the severance payment is three months' fixed base salary plus pension contribution per year of employment as an executive, taking into account previous employment history. In no event will the severance payment be less than 12 months' or more than 36 months' fixed base salary plus pension contribution. The existing employment contracts will not be changed. For the two executives who joined Executive Management in 2013 and for all future employment contracts for executives, the severance payment will be no more than 24 months' fixed base salary plus pension contribution, which will bring Novo Nordisk into alignment with the Danish Corporate Governance Recommendations in the long term. COMPOSITION OF EXECUTIVE REMUNERATION 2014 ON-TARGET PERFORMANCE Fixed base salary Cash bonus Share-based incentive Pensions CEO 0 Benefits 10 20 30 40 50 60 70 80 90 100 % Other members of Executive Management * The interval 25–50 % states the span between 'maximum performance' and 'on-target performance'. REMUNERATION PACKAGE COMPONENTS Remuneration Directors Management to Executive Management Fixed fee / base salary Accounts for approximately 25–50 % of the total value of the remuneration package * Fee for committee work Fee for ad hoc tasks Cash bonus Up to 6–12 months' fixed base salary + pension per year Share-based incentive Up to 9–12 months' fixed base salary + pension contribution per year Pensions 25–30 % of fixed base salary and cash-based incentive Travel allowance and other expenses Executive Management receives a minor travel allowance equal to that of all other Denmark-based employees Benefits Non-monetary benefits such as company car and phone Severance payment Up to 24 months' fixed base salary + pension. The employment contracts entered into before 2008 exceed the 24-month limit, though will not exceed 36 months' fixed base salary plus pension contribution

51 SALES BELOW INCENTIVE TARGET REDUCES SHARE ALLOCATION FOR 2014 While Novo Nordisk exceeded the planned target for economic value creation in 2014, the company did not meet its sales growth objective established for the share-based long-term incentive programme. The sales growth in local currencies was realised at 8.3% versus an incentive target of 10.0%. As a consequence, the allocation of shares under the long-term incentive programme has been reduced to reflect the lower sales performance. The performance for non-financial targets in 2014 did meet the predefined targets and hence no further reduction in allocation has been applied. REMUNERATION OF EXECUTIVE MANAGEMENT AND OTHER MEMBERS OF THE SENIOR MANAGEMENT BOARD 2014 2013 Fixed Share- Fixed Share- 1. Following a change in the distribution of responsibilities among the members of Executive Management, it has been decided to reduce the number of executive positions from seven to six. In this connection EVP Lise Kingo has decided to leave Novo Nordisk as of November 2014. The 2014 remuneration for Lise Kingo is included in the above table, where as severance payments of DKK 32.2 million are not included. 2. The total remuneration for 2014 includes remuneration to 31 senior vice presidents (33 in 2013), none of whom have retired or left the company (five in 2013). 3. The joint pool of shares is locked up for three years before it is transferred to the participants employed at the end of the three-year period. The value is the cash amount of the share bonus granted in the year using the grant-date market value of Novo Nordisk B shares. Based on the split of participants at the establishment of the joint pool, approximately 40% of the pool will be allocated to the members of Executive Management and 60% to other members of the Senior Management Board (2013: 40% and 60% respectively). In the lock-up period, the joint pool may potentially be reduced in the event of lower-than-planned value creation in subsequent years. 4. Including social security taxes paid amounting to DKK 2.7 million (DKK 2.0 million in 2013). MANAGEMENT'S LONG-TERM INCENTIVE PROGRAMME The shares allocated to the joint pool for 2011 (448,560 shares) were released to the individual participants subsequent to the approval of the Annual Report 2014 by the Board of Directors and the announcement on 30 January 2015 of the full-year financial results for 2014. Based on the share price at the end of 2014, the value of the released shares is as follows: 1. The market value of the shares released in 2015 is based on the Novo Nordisk B share price of DKK 260.30 at the end of 2014. 2. In addition, 107,180 shares (market value: DKK 27.9 million) were released to retired Executive Management and Senior Management Board members. Lars Rebien Sørensen serves as a member of the Supervisory Board of Bertelsmann AG, from which he received remuneration of EUR 117,000 in 2014 (EUR 122,000 in 2013) and as a board member of Thermo Fisher Scientific Inc, from which he received remuneration of USD 299,063 in 2014 (USD 314,786 in 2013). Jesper Brandgaard serves as chairman of the Board of Directors of Sim Corp A/S, from which he received remuneration of DKK 913,500 in 2014 (DKK 871,068 in 2013). Kåre Schultz serves as a board member of LEGO A/S, from which he received remuneration of DKK 400,000 in 2014 (DKK 350,000 in 2013). Kåre Schultz also serves as chairman of the Board of Directors of Royal Unibrew A/S, from which he received remuneration of DKK 625,000 in 2014 (DKK 625,000 in 2013). Mads Krogsgaard Thomsen serves as a board member of the University of Copenhagen, from which he received remuneration of DKK 81,200 in 2014 (DKK 40,500 in 2013). Jakob Riis serves as a board member of ALK-Abelló A/S, from which he received remuneration of DKK 375,000 in 2014 (DKK 375,000 in 2013). DKK million base salary Cash bonus Pension Benefits base d incentive Total base salary Cash bonus Pension Benefits base d incentive Total Executive Management 25.2 10.1 5.1 3.8 0.3 – 19.3 Lars Rebien Sørensen 10.4 9.5 5.0 0.3 – Jesper Brandgaard 5.8 3.9 2.5 0.3 – 12.5 5.7

2 . 4 2 .0 0 . 3 – 1 0 . 4 L a r s F rue r g a a rd Jø r g e n s e n 4 . 4 2 . 2 1 .6 0 . 3 – 8 .5 4 . 1 1 . 4 1 . 4 0 . 3 – 7 . 2 L i s e K i n g o 1 4. 8 2 .0 1 . 7 0 . 3 – 8 . 8 5 . 1 1 . 9 1 . 8 0 . 3 – 9 . 1 Ja k o b R iis 4 . 4 1 . 8 1 .5 0 . 3 – 8 .0 4 . 1 1 . 4 1 . 4 0 . 3 – 7 . 2 K å re S chu l t z 7 . 3 4 . 3 3 . 1 0 . 3 – 1 5.0 6 . 3 2 . 7 2 . 4 0 . 3 – 1 1 . 7 M ad s K r o gsg a a rd T hom s e n 5 . 8 3 . 9 2 .5 0 . 3 – 1 2 .5 5 . 7 2 . 4 2 .0 0 . 3 – 1 0 . 4 E x e c ut i ve M a n a g e m e nt in to t a l 4 2. 9 2 7 .6 1 7 . 9 2 . 1 – 9 0.5 4 1 . 1 1 7 . 3 1 4. 8 2 . 1 – 7 5 . 3 O the r m em b e r s of th e S e n io r M a n a g e m e nt Bo a rd in to t al 2 8 3 . 3 4 2 8 . 7 2 1 . 9 2 1 .6 – 1 5 5.5 8 2 . 7 4 32 . 3 2 5.5 1 4 . 4 – 1 5 4 . 9 Shar e all oc a tio n 3 66 . 2 66 . 2 5 1 .5 5 1 .5 V a l u e a s at 3 1 De c em b e r 2 0 1 4 of s h a r e s r e l ea se d o n 3 0 Ja nu a r y 2 0 1 5 N um b e r o f shar e s M ar k e t val u e 1 (D K K mill io n) Executive Management L a r s Rebie n Sø r e n s en 3 7 , 5 1 5 9 . 7 J e s p e r B r andg a a rd 2 5 , 0 1 0 6 .5 L a r s F rue rgaard J ø r g en s e n 1 2 , 50 5 3 . 3 Ja k o b R iis 1 2 , 50 5 3 . 3 K å re S chu l t z 2 5 , 0 1 0 6 .5 M ad s K r o gsg a a rd T hom s e n 2 5 , 0 1 0 6 .5 E x e c ut i ve M a n a g e m e nt in to t al 2 1 3 7 , 55 5 3 5 . 8 O the r m em b e r s of th e S e n io r M a n a g e m e nt Bo a rd in to t a l 2 203 , 8 2 5 5 3 . 1

ExecutivewithVateraHoldingsLLC,US.MemberoftheBoardofNovoNordiskA/Ssince2011.Managementduties:MelintaTherapeuticsInc.,US(chair).Memberoftheboardsof MomentaPharmaceuticalsInc.,ImmunsanTInc.,AriszphPharmaceuticalsInc.andEdgemontPharma-ceuticalsLLC,allintheUS.Specialcompetences:ExtensiveR&Dknowledge,bothgenerallyandwithinthefieldofregulatoryaffairs.Significantknow-howaboutthepharma-ceuticalindustryingeneralandhowlargeinternationalcorporationsoperate.Additionalknowledgeof theUSmarket.Education:PhDinMedicine&Pathology(1982)fromtheRoswellParkMemorialInstituteandBScinBiology(1975)fromDaemenCollege,bothintheUS.ThomasPaulKoestlerBOARDOFDIRECTORSFormerlyGroupDirectorCorporateAffairsofSmith&NephewplcUK(retired).MemberoftheBoardofNovoNordiskA/Ssince2012,andmemberoftheAuditCommitteesince2012andoftheNominationCommitteesince2013.Managementduties:Memberoftheboardsof MelroseIndustriesplcandSavillesplc,bothintheUK.Externalmemberoftheauditcommitteeof theHouseofLords,UK.Specialcompetences:Extensiveexperiencewithinthefieldofmedicaldevices,significantfinancialknowledgeandknowledgeofhowlargeinternationalcompaniesoperate.Education:BSc(Econ)(Hons)(1977)fromUniversityCollegeLondon,UK,andFCA(UKInstituteofCharteredAccountants)(1982).Projectvicepresidentfor NovoNordisk’sprandialinsulinprojectsFaster-actinginsulinaspartandPrandialBioEdgeinInsulin,GH&DevicesinGlobalDevelopment.MemberoftheBoardofNovoNordiskA/Ssince2014.Education:MasterofScience(1992)fromCopenhagenUniversity,andMasterofMedicalBusinessStrategies(2011)fromCopenhagenBusinessSchool,bothinDenmark.LizHewittLiselotteHyveledFormerlyCEOofCelltechGroupplc,UK(retired).MemberoftheBoardofNovoNordiskA/Ssince2005,vicechairsince2006,chairsince2013andchairoftheNominationCommitteesince2013.Managementduties:SymphogenA/S,Denmark(chair),memberoftheboardsofNovoA/S,Denmark,MolecularPartnersAG,Switzerland,andRANDHealth,US.SenioradvisortoEssexWoodlandsHealthVenturesLtd.,UK.Specialcompetences:Medicalqualificationsandextensiveexecutivebackgroundwithintheinternationalpharmaceuticalindustry.Education:Specialisminginternalmedicine(1978)anddegreeinmedicine(1973),bothfromLinköpingMedicalUniversity,Sweden.GöranAndo(chair)Chiefexecutiveofficerof FondsmæglerselskabetMajInvestA/S,Denmark.MemberandvicechairoftheBoardofNovoNordiskA/Ssince2013.Managementduties:HaldorTopsøeA/S(vicechair),memberoftheboardsofNovoA/S,KIRKBIA/SandSymphogenA/S,allinDenmark.Specialcompetences:Extensivebackgroundandexperiencewithinthefinancialsector,inparticularinrelationtofinancialandcapitalmarketissues,aswellasinsightintotheinvestorperspective.Education:MScinEconomics(1985)fromtheUniversityofCopenhagen,Denmark.FormerlyexecutivevicepresidentofAstraZeneca(retired).MemberoftheBoardofNovoNordiskA/Ssince2011andmembroftheNominationCommitteesince2013.Managementduties:VecturaGroupplc(chair),memberoftheboardsofSmithsGroupplc,UK,andWoltersKluwer,theNetherlands.MemberoftheGlobalAdvisoryBoardofTakedaPharma-ceuticalCompanyLimited,Japan.Specialcompetences:Extensiveglobalexpe-rience withtwocompaniesinthefieldsofpharmaceuticalsandmedicaldevices,andin-depthknowledgeofstrategy,sales,marketingandgovernanceofmajorcompanies.Education:AMP(1993)fromHarvardBusinessSchoolandMBA(1978)fromKelloggSchoolofManagementatNorthwesternUniversity,bothintheUS.Lawdegree(1973)fromReimsUniversityandBAinBusinessAdministration(1971)fromÉcoleSupérieuredeCommercedeReims,bothinFrance.BrunoAngelici 52 GOVERNANCE,LEADERSHIPANDS

H A R E S J e pp e C h r i stia n s e n (v i c e c h a i r) 1 . A s d e si g n a t e d b y N a s d a q C o p e nh a g e n i n a cc o r d a n c e w i t h s e c tio n 3 . 2 . 1 o f R e c o m m e n d a tio n s o n C o r p o r a t e G ov e r n a n c e (u p d a t e d 2 0 1 4) . 2 . M e mb e r o f t h e B o a r d o f N ov o A / S . 3. E l e c t e d b y e m p l oy e e s o f N ov o N o r d is k . N O V O N O R D I S K A NN U A L R E P O R T 2 0 1 4 Name (male/female) First elected T erm Nationality Bo r n Independenc e 1 Göran Ando (m) 2005 2015 Swedish Ma r ch 1949 Not independen t 2 Jeppe Christiansen (m) 2013 2015 Danish November 1959 Not independen t 2 Bruno Angelici (m) 2011 2015 F r ench April 1947 Independent Liz Hewitt (f) 2012 2015 British November 1956 Independen t 4,5 Liselotte Hyveled (f) 2014 2018 Danish January 1966 Not independen t 3 Thomas Paul Koestler (m) 2011 2015 American June 1951 Independent

Electrician and full-time shop steward. Member of the Board of Novo Nordisk A/S since 1998 and member of the Audit Committee since 2013. Education: Qualified electrician. Diploma in further training for board members (2003) from the Danish Employees' Capital Pension Fund (LD). Stig Strøbæk Former ly CFO and deputy CEO of Stora Enso Oyj, Finland (retired). Member of the Board of Novo Nordisk A/S since 2009 and chair of the Audit Committee since 2012 (member since 2009). Management duties: Private equity funds Altor 2003 GP Limited (chair), Altor Fund II GP Limited (chair) and Altor II I GP Limited (chair), all in Jersey, Channel Islands. Member of the boards of Amer Sports Oyj, Finland, and the private equity fund Value Creation Investments Limited II, Jersey, Channel Islands. Chair of the audit committee of Amer Sports Oyj, Finland. Special competences: International executive background and thorough understanding of managing finance operations in global organ-isations, in particular in relation to accounting, financial and capital market issues, but also experience in private equity and mergers & acquisitions (M&A). Education: B A in Business Administration (1976) from Hanken School of Economics, Helsinki, Finland. Hannu Ryöppönen External Affairs director in Quality Intelligence. Member of the Board of Novo Nordisk A/S since 2006 and member of the Nomination Committee since 2014. Management duties: Member of the boards of HOFOR A/S, HOFOR Forsyning Holding PS, HOFOR Forsyning Komplementar A/S and HOFOR Forsyning A/S, all in Denmark. Education: B Sc in Chemical Engineering (1988) from the Engineering Academy of Denmark. Søren Thuesen Pedersen Laboratory technician and full-time shop steward. Member of the Board of Novo Nordisk A/S since 2000. Management duties: Member of the Novo Nordisk Foundation since 2014. Education: Degree in Medical Laboratory Tech-nology (1980) from Copenhagen University Hospital, Denmark. Former ly CEO of Statoil ASA, Norway. Chief executive officer of BG Group, UK, with effect from 2 March 2015. Member of the Board of Novo Nordisk A/S and the Audit Committee since 2014. Special competences: Extensive executive and board experience in large multinational companies headquartered in Scandinavia within regulated markets, and significant financial knowledge. Education: M A in Economics (1987) from the Norwegian School of Economics & Business Administration (NHH) and M B A from INSEAD (1991), France. Anne Marie Kverneland Helge Lund GOVERNANCE, LEADERSHIP AND SHARES 53 4. Mr Ryöppönen, Mr Lund and Ms Hewitt qualify as independent Audit Committee members as defined by the US Securities and Exchange Commission (SEC). 5. Mr Ryöppönen, Mr Lund and Ms Hewitt qualify as independent Audit Committee members as defined under part 8 of the Danish Act on Approved Auditors and Audit Firms. NOVO NORDISK ANNUAL REPORT 2014 Name (male/female) First elected T erm Nationality Bo r n Independenc e 1 Anne Marie Kve r neland (f) 2000 2018 Danish July 1956 Not independen t 3 Helge Lund (m) 2014 2015 Norwegian October 1962 Independen t 4,5 Sø r en Thuesen Pedersen (m) 2006 2018 Danish December 1964 Not independen t 3 Hannu R yöppönen (m) 2009 2015 Finnish Ma r ch 1952 Independen t 4,5 Stig St r øbæk (m) 1998 2018 Danish January 1964 Not independen t 3

EXECUTIVEMANAGEMENTJesperBrandgaardjoinedNovoNordiskin1999asse niorvicepresidentofCorporateFinance.Hewasappointedexecutivevicepresidenta ndchieffinancialofficerinNovember2000.Othermanagementduties:Chairoftheb oardsofSimCorpA/SandNNITA/S,bothinDenmark.Born:October1963.JesperBra ndgaardChieffinancialofficerLarsRebienSørensenjoinedNovoNordisk'sEnzymes Marketingin1982.Overtheyears,hehascompletedseveraloverseaspostings,incl udingintheMiddleEastandtheUS.Hewasappointedamemberof CorporateManage mentinMay1994,andinDecember1994wasgivenspecialresponsibilitywithinCorp orateManage-mentforHealthCare.Hewasappointedpresidentandchiefexecutiveo fficerinNovember2000.Othermanagementduties:MemberoftheboardsofThermo FisherScientificInc.,US,andBertelsmannAG,Germany.Born:October1954.Lars RebienSørensenChiefexecutiveofficerKåreSchultzjoinedNovoNordiskin1989asa neconomistinHealthCare,Economy&Planning.InNovember2000,hewasappointed executivevicepresidentandchiefofstaff.InMarch2002,hetookoverthepositionofe xecutivevicepresidentandchiefoperatingofficer.InFebruary2014,hewasappoi ntedpresidentandchiefoperatingofficer.Othermanagementduties:Chairoftheboa rdofRoyalUnibrewA/SandmemberoftheboardofLEGOA/S,bothinDenmark.Bo rn:May1961.KåreSchultzPresidentandchiefoperatingofficerLarsFruergaardJø rgensenjoinedNovoNordiskin1991asaneconomistinHealthCare,Economy&Pla nningandhas,overtheyears,completedoverseaspostingsintheUSandJapan.In20 04,hewasappointedseniorvicepresidentforIT&CorporateDevelopment.InJanuar y2013,hewasappointedexecutivevicepresidentandchiefinformationofficer,assu mingresponsibilityforIT,Quality&CorporateDevelopment.InNovember2014,he alsotookoverresponsibilityforCorp-oratePeople&OrganisationandBusinessAss urance.Othermanagementduties:Chairoftheboardof NNEPharmaplanA/Sandme mberoftheboardofNNITA/S,bothinDenmark.Born:November1966.LarsFruergaar dJørgensenExecutivevicepresidentofCorporateDevelopmentandchiefofstaffMa dsKrogsgaardThomsenjoinedNovoNordiskin1991asheadofGrowthHormoneRe search.Hewasappointedexecutivevicepresidentandchiefscienceofficerin Nove mber2000.Heisamemberoftheeditorialboardsofinternationaljournals.Hehasserv edaspresidentoftheNationalAcademyofTechnicalSciences(ATV),Denmark.Heis adjunctprofessorofpharmacologyattheFacultyofHealthandMedicalSciencesof theUniversityofCopenhagen,Denmark.Othermanagementduties:Chairoftheboa rdofStenoDiabetesCenterA/SandmemberoftheboardoftheUniversityofCopenha gen,bothinDenmark.Born:December1960.MadsKrogsgaardThomsenChiefscien ceofficerJakobRiisjoinedNovoNordiskin1996asahealtheconomistinmarketing, andhasovertheyearscompletedoverseaspostingsintheUSandJapan.In2005,hew asappointedseniorvicepresidentforMarketing.InJanuary2013,hewasappointede xecutivevicepresident,assumingresponsibilityforMarketing&MedicalAffairs. InNovember2014,hetookoverresponsibilityforCorporateStakeholderEngagemen t.Othermanagementduties:Chairoftheboardof CopenhagenInstituteofInteractio nDesignandmemberoftheboardandauditcommitteeofALK-AbellóA/S,bothinDe nmark.Born:April1966.JakobRiisExecutivevicepresidentofMarketing,Medical AffairsandStakeholderEngagement54GOVERNANCE,LEADERSHIPANDSHARE SNOVONORDISKANNUALREPORT2014

C O N S O L I D A T E D F I N A N C I A L , S O C I A L A N D E N V I R O N M EN T A L S TA T E M E N T S 2 0 1 4 A s Nov o No r disk ’ s busines s continue s t o develop , th e company r emains committed to r eporting its performance th r ough its integrated r eporting . In line with the Novo No r disk T riple Bottom Line principle, the Consolidated financial, social and envi r onmental statements a r e p r esented separately along with the r elated notes . W ithin each of the financial, social and envi r onmental statements, the no te s a r e g r ou ped int o se cti on s bas e d o n ho w Nov o No r di s k v ie ws its business . Each of the sections has an int r oduction explaining the l in k betw ee n lo ng - ter m t arg ets , bu sin es s pr ior it ies , an d ho w th is i s r eflecte d i n Nov o No r disk ’ s financial , socia l an d envi r onmental statements . T o p r ovide transpa r ency on the disclosed amounts, each note includes the r elevant accounting policy, key accounting estimates and numerical disclosu r e . No v o N o r d i s k ’s r e s e a r c h c e nt r e i n B e i j i n g , C h i na . C O N S O L I D A T E D F I N A N C IAL S TA T E M EN T S C O N S O L I D A T E D S O C IA L S T A T E M EN T (S U P P L E M E N T A R Y I N FO R M A T I O N) C O N S O L I D A T E D E N V I R ON M E N T AL S TA T E M E NT (S U P P L E M E N T A R Y I N FO R M A T I O N) 56 I n c o m e st at e m e n t an d S t at e m e n t o f c omp r ehe n s i v e i n c o m e 57 Ba l an c e sh e e t 5 8 S t at e m e n t o f c as h flo w s 59 S t at e m e n t o f ch an ge s i n e q u i t y 60 N ot e s t o th e C o n so l id at e d f in an ci a l st at e m e n t s 96 S t at e m e n t o f s o ci a l p e r f or m an c e 97 N ot e s t o th e C o n so l id at e d s o ci a l st at e m e n t 1 0 2 S t at e m e n t o f e n v ir o n m e n t a l p e r f or m an c e 1 0 2 N ot e s t o th e C o n so l id at e d e n v ir o n m e n t a l st at e m e n t

N OVO N O R D I S K A NN U A L R E P O R T 2 0 1 4 56 C O N S O L I D A T E D F IN A N C I A L S TA T E M E N T S I N C O M E S T A T E M E N T AN D S T A TEMEN T O F COMPREHENSIV E INCOM E FO R TH E YEA R ENDE D 3 1 DECEMBER)))) DK K million Note 2014 2013 201 2 S TA TEMEN T O F COMPREHENSIV E INCOME 3.6 26,481 25,184 21,43 2 Ne t p r ofi t fo r th e year Othe r comprehensiv e income: Remeasu r ement s o f define d benef i t plans (247) 54 (28 1 Item s tha t wil l no t subsequentl y b e r eclassifie d t o th e Incom e statement (247) 54 (28 1 Exchang e rat e adjustment s o f investment s i n subsidiaries (39) (435) (17 2 Cas h f lo w hedges , r ealisatio n o f p r eviousl y defer r e d (gains)/losses (1,229) (809) 1,18 2 Cas h f lo w hedges , defer r e d gains/(losses) incur r e d durin g th e period (2,225) 1,195 84 9 Othe r items 111 75 35 Item s tha t wil l b e r eclassifie d subsequentl y t o th e Incom e statement (3,382) 26 1,89 4 whe n specifi c condition s a r e met Othe r comp r ehensiv e incom e befo r e tax (3,629) 80 1,61 3 T a x o n othe r comp r ehensiv e income , income/(expense) 2.6 977 (211) (58 7 Othe r comprehensiv e incom e fo r th e yea r , ne t o f tax (2,652) (131) 1,02 6 T ota l comprehensiv e incom e fo r th e year 23,829 25,053 22,45 8 DK K million Note 2014 2013 201 2 INCOM E S TA TEMENT 2.1 , 2.2 88,806 83,572 78,026 Ne t sales Cos t o f good s sold 2.2 , 2.4 14,562 14,140 13,465 G r os s p r ofi t 74,244 69,432 64,561 Sale s an d distributio n costs 2.2 , 2.4 23,223 23,380 21,544 Resea r c h an d developmen t costs 2.2 , 2.3 , 2.4 13,762 11,733 10,897 Administrativ e costs 2.2 , 2.4 3,537 3,508 3,31 2 Othe r operatin g income , net 2.2 , 2.4 , 2.5 770 682 66 6 Operatin g p r ofi t 34,492 31,493 29,474 Financia l income 4.7 167 1,702 12 5 Financia l expenses 4.7 563 656 1,78 8 P r ofi t befo r e incom e taxes 34,096 32,539 27,81 1 Incom e taxes 2.6 7,615 7,355 6,37 9 Ne t profi t fo r th e year 26,481 25,184 21,432 EARNING S PE R SHARE Basi c ea r ning s pe r sha r e (DKK) 4.1 10.10 9.40 7.82 Dilute d ea r ning s pe r sha r e (DKK) 4.1 10.07 9.35 7.77

N OVO N O R D I S K A NN U A L R E P O R T 2 0 1 4 C O N S O L I D A T E D F IN A N C I A L S TA T E M E N T S 57 B A L A N C E SHE E T A T 3 1 DECEMBER EQUIT Y AN D LIABILITIES) DK K million Note 2014 2013 ASSETS 1,378 1,615 Intangibl e assets 3.1 P r opert y , plan t an d equipment 3.2 23,136 21,882 Defer r e d incom e ta x assets 2.6 5,399 4,231 Othe r f inancia l assets 4.6 856 551 T ota l non - curren t assets 30,769 28,279 Inventories 3.3 11,357 9,552 T rad e r eceivables 3.4 13,041 10,907 T a x r eceivables 3,210 3,155 Othe r r eceivable s an d p r epayments 3.5 2,750 2,454 Marketabl e securities 4.2 , 4.6 1,509 3,741 Derivativ e f inancia l instruments 4.3 30 1,521 Cas h a t ban k an d o n hand 4.2 , 4.4 14,396 10,728 T ota l curren t assets 46,293 42,058 T ota l assets 77,062 70,337 Sha r e capital 4.1 530 550 T r easur y sha r es 4.1 (11) (21 Retaine d ea r nings 41,277 41,137 Othe r r eserves (1,502) 903 T ota l equity 40,294 42,569 Defer r e d incom e ta x liabilities 2.6 7 672 Reti r emen t benefi t obligations 3.6 1,031 688 P r ovisions 3.7 2,041 2,183 T ota l non - curren t liabilities 3,079 3,543 Cur r en t debt 4.6 720 215 T rad e payables 4.6 4,950 4,092 T a x payables 2,771 2,222 Othe r liabilities 3.8 11,051 9,386 Derivativ e f inancia l instruments 4.3 2,607 – P r ovisions 3.7 11,590 8,310 T ota l curren t liabilities 33,689 24,225 T ota l liabilities 36,768 27,768 T ota l equit y an d liabilities 77,062 70,337

N OVO N O R D I S K A NN U A L R E P O R T 2 0 1 4 58 C O N S O L I D A T E D F IN A N C I A L S TA T E M E N T S S T A T EME N T O F C A S H F L O W S FO R TH E YEA R ENDE D 3 1 DECEMBER DK K million Note 2014 2013 2012 Ne t profi t fo r th e year 26,481 25,184 21,432 Adjustmen t fo r non - cas h items: Incom e taxes 2.6 7,615 7,355 6,379 Dep r eciation , amortisatio n an d impairmen t losses 3. 1 , 3.2 3,435 2,799 2,693 Othe r non - cas h items 5.3 4,163 584 2,181 Chang e i n workin g capital 4.5 (2,148) (265) 274 Inte r es t r eceived 131 131 207 Inte r es t paid (78) (39) (61) Incom e taxe s paid 2.6 (7,907) (9,807) (10,891) Ne t cas h generate d fro m operatin g activities 31,692 25,942 22,214 P r oceed s f r o m sal e o f othe r f inancia l assets 35 29 – Pu r chas e o f intangibl e asset s an d othe r f inancia l assets 3. 1 , 4.6 (345) (406) (250) P r oceed s f r o m sal e o f p r opert y , plan t an d equipment 4 31 53 Pu r chas e o f p r opert y , plan t an d equipment 3.2 (3,990) (3,238) (3,372) Sale/(pu r chase) o f marketabl e securities 2,232 811 (501) Ne t cas h use d i n investin g activities (2,064) (2,773) (4,070) Repaymen t o f loans – – (502) Pu r chas e o f t r easur y sha r es , net 4.1 (14,667) (13,924) (11,896) Dividend s paid 4.1 (11,866) (9,715) (7,742) Ne t cas h use d i n f inancin g activities (26,533) (23,639) (20,140) Ne t cas h generate d fro m activities 3,095 (470) (1,996) Cas h an d cas h equivalent s a t th e beginnin g o f th e year 10,513 11,053 13,057 Exchang e gains/(losses) o n cas h an d cas h equivalents 68 (70) (8) Cas h an d cas h equivalent s a t th e en d o f th e year 4.4 13,676 10,513 11,053

NOVO NORDISK ANNUAL REPORT 2014 CONSOLIDATED FINANCIAL STATEMENTS 59 S T A T E M E N T O F CHANG E S I N E Q UI T Y A T 3 1 DECEMBER Other r eserves Exchange rate Cash T ax and T otal 2013 Balanc e a t th e beginnin g o f th e year 560 (17) 39,001 226 847 15 1,088 40,632 Ne t p r ofi t fo r th e year Other comp r ehensiv e incom e fo r th e year 25,184 54 25,184 (131) (435) 386 (136) (185) T ota l comp r ehensiv e incom e fo r th e year 25,238 (435) 386 (136) (185) 25,053 T ransaction s with owners: Dividend s (not e 4 . 1) Sha r e - base d payment s (not e 5 . 1) T ax c r edi t r elate d t o shar e optio n scheme Pu rchas e o f t r easur y shar e s (not e 4 . 1) Sal e o f t r easur y shar e s (not e 4 . 1) Reductio n o f th e B shar e capita l (not e 4 . 1) (9,715) 409 114 (15) (13,974) 1 64 10 (9,715) 409 114 (13,989) 65 – (10) Balanc e a t th e en d o f th e year 550 (21) 41,137 (209) 1,233 (121) 903 42,569 DK K million Sha r e capital T r easur y sha r e s Retaine d ea r ning s adjust - ment f low hedge s other item s other r eserve s T otal 2014 42,569 Balanc e a t th e beginnin g o f th e year 550 (21) 41,137 (209) 1,233 (121) 903 Ne t p r ofi t fo r th e year 26,481 26,481 Othe r comp r ehensiv e incom e fo r th e year (247) (39) (3,454) 1,088 (2,405) (2,652) T ota l comp r ehensiv e incom e fo r th e year 26,234 (39) (3,454) 1,088 (2,405) 23,829 T ransaction s wit h owners: Dividend s (not e 4 . 1) (11,866) (11,866) Sha r e - base d payment s (not e 5 . 1) 371 371 T a x c r edi t r elate d t o sha r e optio n scheme 58 58 Pu r chas e o f t r easur y sha r e s (not e 4 . 1) (11) (14,717) (14,728) Sal e o f t r easur y sha r e s (not e 4 . 1) 1 60 61 Reductio n o f th e B sha r e capita l (not e 4 . 1) (20) 20 – Balanc e a t th e en d o f th e year 530 (11) 41,277 (248) (2,221) 967 (1,502) 40,294 2012 Balanc e a t th e beginnin g o f th e year 580 (24) 37,111 398 (1,184) 567 (219) 37,448 Ne t p r ofi t fo r th e year 21,432 21,432 Othe r comp r ehensiv e incom e fo r th e year (281) (172) 2,031 (552) 1,307 1,026 T ota l comp r ehensiv e incom e fo r th e year 21,151 (172) 2,031 (552) 1,307 22,458 T ransaction s wit h owners: Dividend s (not e 4 . 1) (7,742) (7,742) Sha r e - base d payment s (not e 5 . 1) 308 308 T a x c r edi t r elate d t o sha r e optio n scheme 56 56 Pu r chas e o f t r easur y sha r e s (not e 4 . 1) (15) (12,147) (12,162) Sal e o f t r easur y sha r e s (not e 4 . 1) 2 264 266 Reductio n o f th e B sha r e capita l (not e 4 . 1) (20) 20 – Balanc e a t th e en d o f th e year 560 (17) 39,001 226 847 15 1,088 40,632

N OVO N O R D I S K A NN U A L R E P O R T 2 0 1 4 C O N S O L I D A T E D F IN A N C I A L S TA T E M E N T S 61 S E C T I O N 1 B A S I S O F P R E P A R A T IO N O F THE C O N S O L I D A T E D F I N A N C I A L S TA T E M E N T S • Derivativ e fi nancia l instrument s (not e 4.3) Nov o No r d is k hedge s comme r cia l exposu r es , with fo r eig n exchang e risk bein g th e principa l f i nancia l ris k fo r th e G r oup . Th e overal l objectiv e of fo r eig n exchang e ris k managemen t i s t o limi t th e short - ter m negative impac t o n ne t p r ofi t an d cas h f lo w f r o m exchang e rat e f l uctuations, the r eb y inc r easin g th e p r edictabilit y o f th e f i nancia l r esults . Th e purpose o f hedg e accountin g i s t o matc h th e impac t o f th e hedge d ite m an d the hedgin g instrument i n th e consolidate d incom e statement . Management ha s chose n t o classif y th e r esult o f hedgin g activitie s as par t o f f i nancial items . Thus , a s th e majorit y o f Nov o No r disk ' s sale s a r e i n USD , EUR, CN Y , JP Y , GBP an d CAD , ne t sale s wil l b e impacte d b y exchang e rate f l uctuation s whe r ea s th e impac t o f exchang e rat e f l uctuation s o n P r ofi t befo r e incom e taxe s depend s o n th e r e sult s o f th e hedgin g activitie s and th e development i n non - hedge d cur r encies I n addition , th e followin g othe r accountin g policie s ar e considere d r elevant t o a n understandin g o f th e Consolidate d fi nancia l statements: • Incom e taxe s (not e 2.6) • P r opert y , plan t an d equipment includin g impairment (not e 3.2) • Inventorie s (not e 3.3) • T rad e r eceivable s an d allowanc e fo r doubtfu l trad e r eceivable s (not e 3.4) • P r ovision s fo r lega l dispute s (not e 3.7). Applyin g materiality Th e Consolidate d f i nancial statement s ar e a r esul t o f p r ocessin g large number s o f transaction s an d agg r egatin g thos e transaction s int o classes acco r din g t o thei r natu r e o r function . When agg r egated , th e transaction s a r e p r esente d i n classe s o f similar item s i n th e Consolidate d fi nancia l statements . I f a lin e ite m i s no t individuall y material , i t i s agg r egate d with othe r items o f a similar natu r e i n th e Consolidate d fi nancia l statement s o r i n th e notes . Ther e a r e substantia l disclosu r e requi rement s th r oughou t IFRS . Management p r ovide s specifi c disclosu r e s requi re d b y IFR S unles s th e informatio n is conside r e d immateria l t o th e economic decision - makin g o f th e user s o f these fi nancia l statement s o r no t applicable . 1 . 2 SUMMA R Y O F KE Y ACCOUNTING ESTIM A TES Th e us e o f r easonabl e estimate s i s a n essentia l par t o f th e p reparatio n o f the Consolidate d f i nancia l statements . Give n th e uncertaintie s inhe r en t i n Novo No r disk ' s busines s activities, Management must mak e certai n estimate s and judgement s tha t a f fec t th e applicatio n o f accountin g policie s an d r eported amount s o f assets , liabilities , sales , costs , cas h fl ows an d r elate d disclosu r es a t th e date(s) o f th e Consolidate d fi nancia l statements . Management bases it s estimate s o n historica l experienc e an d variou s other assumption s tha t a r e hel d t o b e r easonabl e unde r th e ci rcumstances . The estimate s an d underlyin g assumption s ar e r eviewe d o n a n ongoin g basis and, if necessar y , changes a r e r ecognise d i n th e perio d i n whic h th e estimate i s r evised . Managemen t consider s th e carryin g amount s r ecognise d in relatio n t o th e ke y accountin g estimate s mentione d belo w t o b e r eason - abl e an d app r opriat e base d o n cur r entl y availabl e information . Howeve r , the actual amount s may di f fe r f r o m th e amount s estimate d as mo r e detailed informatio n becomes available . 1 . 1 SUMMA R Y O F SIGNIFICANT ACCOUNTIN G POLICIES Th e Consolidate d f i nancial statement s include d i n thi s Annua l Report hav e bee n p r epare d i n accordanc e with Inte r nationa l Financia l Reporting Standar ds (IFRS) a s issue d b y th e Inte r national Accountin g Standar ds Boa r d (IASB) , i n acco r danc e wit h IFR S a s endorse d b y th e Eu r opea n Unio n an d also i n accordanc e with additiona l Danis h disclosur e r equi r ement s fo r annual r eport s o f liste d companies . Measuremen t basis Th e Consolidate d fi nancia l statement s hav e bee n p r epa r e d o n th e historical cos t basi s excep t fo r derivativ e fi nancia l instruments, equit y investment s and marketabl e securitie s measur e d a t fai r value . Th e principa l accountin g policie s set ou t belo w hav e bee n applied consistentl y i n th e p r eparatio n o f th e Consolidate d fi nancia l statement s for al l th e year s p r esented . Principa l accounting policies Nov o No r disk ' s accountin g policie s a r e describe d i n eac h o f th e individual note s to th e Consolidate d f i nancia l statements . Considerin g al l the accountin g policie s applied, Management r ega r ds th e followin g a s th e most signifi can t accountin g policie s fo r th e r ecognitio n an d measur emen t of r eporte d amounts : • Ne t sale s an d sale s deduction s (note s 2 . 1 an d 3.7) Revenu e i s onl y r ecognise d when , i n Management ' s judgement , the signifi can t risk s an d rewa r d s o f ownershi p hav e bee n transfer re d and whe n th e G r ou p doe s no t r etai n managerial involvement i n o r e f fective cont r o l over th e good s sold . T o arriv e a t ne t sales , r ebate s an d discounts to gove r nmen t agencies , wholesalers , healt h insuranc e companies, manage d healthca r e organisation s an d retail customer s a r e deducte d f r om g r os s sales . Thes e deduction s includ e estimate s o f unsettle d obligations, r equirin g th e us e o f judgement

whe n estimatin g th e e f fec t o f thes e sales deduction s o n g r os s sale s fo r a r eportin g period . • Resea r c h an d development (note s 2.3 , 3 . 1 an d 3.2) Inte r nal r esea r c h cost s a r e full y charge d to th e consolidate d income statement i n th e perio d i n whic h the y a r e incur red , consistent wit h industry practice . Nov o No rdis k consider s tha t regulator y an d othe r uncertainties inhe r en t i n th e developmen t o f ne w p roduct s p r eclud e th e capitalisation o f inte r nal developmen t cost s a s a n intangibl e asse t unti l marketing app r oval f r o m th e regulator y authorit y i n a r elevan t majo r marke t is obtaine d o r highl y p robable . Th e same principle s a r e applie d t o plan t and equipmen t with n o alte r nativ e us e develope d as par t o f a r esea r c h and development p r oject . Howeve r , plan t an d equipment wit h alte r nativ e use o r use d fo r genera l r esea r c h an d development purpose s i s capitalise d and dep reciate d over it s estimate d useful lif e as r esea r c h an d development costs . Fo r acqui r e d in - p r ocess r esea r c h an d development p r ojects, th e p r obability e f fec t i s r e fl ecte d i n th e cos t o f th e asset , an d th e p robabilit y recognition criteri a a r e the r efo r e alway s conside r e d satisfi ed . As th e cos t o f acqui r ed in - p r oces s r esea r c h an d developmen t p r oject s ca n ofte n b e measur ed r eliabl y , thes e p r oject s fulfi l th e capitalisatio n criteri a as intangibl e assets upo n acquisition . Howeve r , furthe r inte r na l development cost s subsequent t o acquisitio n ar e t r eate d i n th e same way a s othe r inte r na l development costs . Nov o No rdis k p r esent s it s Consolidate d fi nancia l statement s o n th e basi s of th e lates t development s i n inte r nationa l f i nancia l r eportin g an d strive s for earl y adoptio n o f EU - endorse d IFR S accountin g standa r ds . Al l entitie s i n the Nov o No rdis k G r ou p follo w th e same G r ou p accountin g policies . Thi s section give s a summar y o f th e signifi cant accountin g policies, Management ’ s key accountin g estimates , ne w IFR S requi rement s an d othe r accountin g policies i n general . A detaile d descriptio n o f accountin g policie s an d key accounting estimate s r elate d t o specif i c reporte d amount s i s p r esente d i n eac h not e to th e r elevan t fi nancia l items .

N OVO N O R D I S K A NN U A L R E P O R T 2 0 1 4 62 C O N S O L I D A T E D F IN A N C I A L S TA T E M E N T S Managemen t r egar d s th e followin g as th e ke y accountin g estimate s and assumption s use d i n th e p r eparatio n o f th e Consolidate d f i nancia l state - ments : • Sale s deduction s an d p r ovision s fo r sale s r ebate s (note s 2 . 1 an d 3.7) • Indi r ect p r oductio n cost s (not e 3.3) • Allowanc e fo r doubtfu l trad e r eceivable s (not e 3.4) • Incom e taxe s (not e 2.6) • P r ovision s fo r lega l dispute s (not e 3.7). Pleas e r efe r to th e specifi c note s fo r furthe r informatio n o n th e key accountin g estimate s an d assumption s applied. 1 . 3 CHANGE S I N ACCOUNTIN G POLICIES AN D DISCLOSURES Adoption o f ne w o r amende d IFRSs Base d o n a n assessmen t o f ne w o r amende d an d r evise d accounting standa r d s an d interp r etation s (‘IFRS’) issue d b y IAS B an d IFR S endorsed b y th e Eu r opea n Unio n e ffectiv e o n o r afte r 1 Januar y 2014 , i t ha s been assesse d tha t th e applicatio n o f thes e ne w IFRS s ha s no t ha d a material impact o n th e Consolidate d fi nancia l statement s i n 2014 , an d Management doe s no t anticipat e an y signifi can t impac t o n futu r e period s fr o m the adoptio n o f thes e ne w IFRS . New o r amende d IFRS s tha t hav e bee n issued bu t hav e no t ye t come into effec t an d hav e no t bee n earl y adopted I n additio n t o th e above , IAS B has issue d a number o f ne w o r amende d and r evise d accountin g standa r ds an d interp r etation s tha t hav e no t yet com e into e f fect . Th e followin g standa r d s a r e i n genera l expecte d t o chang e cur r ent accountin g r egulatio n most signifi cantly : • IAS B has issue d IFR S 9 ‘Financia l Instruments ’ , wit h e f fectiv e dat e 1 January 2018 . I t cur r entl y await s E U endorsement . IFR S 9 i s par t o f th e IASB ’s p roject t o r eplac e IA S 39 , an d th e ne w standa r d wil l substantiall y change th e classifi catio n an d measu r ement o f fi nancia l instrument s an d hedging r equi r ements . Nov o Nor dis k has assesse d th e impact o f th e standar d and determine d tha t it wil l no t hav e an y signifi can t impact o n th e Consolidated fi nancia l statements . • IAS B ha s issue d IFR S 1 5 ‘Revenu e f r o m contract s with customers ’ , with e f fectiv e dat e 1 Januar y 201 7 . I t cur r entl y await s E U endorsement . IFR S 15 i s par t o f th e convergenc e p rojec t with F AS B t o r eplac e IA S 18 . Th e new standar d wil l establis h a single , comp r ehensiv e framewor k fo r r evenue r ecognition . Nov o No rdis k ha s assesse d th e impac t o f th e standa r d and determine d tha t it wil l no t hav e an y signifi can t impact o n th e Consolidated fi nancia l statements . • IAS B has issue d a r e - exposu r e draf t o n IA S 1 7 ‘Leasing ’ . Dependin g o n the wo r din g o f th e fi na l standa r d , th e chang e i n leas e accountin g i s expected t o requi r e capitalisatio n o f th e majorit y o f th e G r oup ’ s operational lease contracts, r ep r esentin g les s tha n 10 % o f tota l assets , wit h a mino r impact o n th e G r oup ’ s assets , liabilitie s an d f i nancia l ratios , an d n o signifi cant impact o n ne t p r ofi t . 1 . 4 GENERA L ACCOUNTIN G POLICIES Principle s o f consolidation Th e Consolidate d fi nancia l statement s incorporat e th e fi nancia l statements o f Nov o No rdis k A/ S an d entitie s cont r olle d b y Nov o No rdis k A/S . Cont r ol exist s whe n Nov o Nor dis k own s mo r e tha n 50 % o f th e votin g right s o r has th e powe r t o gove r n th e entit y i n some othe r wa y . Whe r e necessar y , adjustment s a r e mad e to th e f i nancial statement s of subsidiarie s t o brin g thei r accountin g policie s int o lin e with Nov o No rdisk G r ou p policies . Al l intra - G r ou p transactions, balances , incom e an d expenses a r e eliminate d i n ful l whe n consolidated . Th e r esult s o f subsidiarie s acqui r e d o r dispose d o f durin g th e year a r e include d i n th e consolidate d incom e statemen t f r o m th e e f fectiv e date o f acquisitio n an d u p to th e e f fectiv e dat e o f disposal , a s app r opriate . Comparativ e fi gu r e s a r e no t r estate d fo r dispose d o r acqui r e d companies . T ranslation o f foreig n currencies Functiona l an d presentation currency Item s include d i n th e fi nancia l statement s o f eac h o f Nov o No r disk ’ s entities a r e measur e d usin g th e cur r enc y o f th e primar y economi c envi r onmen t in whic h th e entit y operate s (functiona l cur r ency) . Th e Consolidate d f i nancial statement s a r e p r esente d i n Danis h k roner (DKK) , whic h i s als o th e functional an d p resentatio n cur r ency o f th e pa r en t compan y . T ranslatio n o f transaction s an d balances Fo r eig n cur r enc y transaction s ar e translate d int o th e functiona l cur r ency usin g th e exchang e rate s p r evailin g a t th e transactio n dates . Fo r eign exchang e gain s an d losse s resultin g f r o m th e settlement o f suc h transactions an d f r o m th e translatio n a t yea r - en d exchang e rate s o f monetar y asset s and liabilitie s denominate d i n fo r eig n cur r encie s a r e r ecognise d i n th e Income statement . T ranslatio n di f fe r ence s o n non - monetar y items , suc h a s f i nancial assets classifi e d a s availabl e fo r sal e includin g equit y investments, a r e r ecognise d in Other comp r ehensiv e income . T ranslatio n o f Grou p companies Financia l statement s o f fo r eig n subsidiarie s a r e translate d into Danis h k roner a t th e exchang e rate s p r evailin g a t th e en d o f th e r eportin g perio d for balanc e shee t items , an d a t averag e exchang e rate s fo r incom e statement items . Al l e ffect s o f exchang e rat e adjustment s a r e r ecognise d i n th e Income statement, wit

h th e exceptio n o f exchang e rat e adjustment s o f investments i n subsidiarie s arisin g f r om : • th e translatio n o f fo r eig n subsidiaries ’ ne t asset s a t th e beginnin g o f the yea r t o th e exchang e rate s a t th e en d o f th e r eportin g period • th e translatio n o f fo r eig n subsidiaries ’ statement o f comp r ehensiv e income f r o m averag e exchang e rate s t o th e exchang e rate s a t th e en d o f the r eportin g period • th e translatio n o f non - cur r en t intra - G r ou p r eceivable s tha t a r e conside r ed t o b e a n additio n t o ne t investment s i n subsidiaries . Thes e specifi c exchang e rat e adjustment s a r e r ecognise d i n Othe r com - p r ehensiv e income.

N OVO N O R D I S K A NN U A L R E P O R T 2 0 1 4 Revenu e recognitio n fo r ne w p r oduc t launche s i s base d o n specifi c facts an d ci r cumstance s r elatin g t o thos e p roducts , includin g estimate d demand an d acceptanc e rate s fo r well - establishe d p roduct s with simila r market characteristics . Wher e shipment s o f ne w p r oduct s ar e mad e o n a sal e or r etu r n basis, withou t suffi cien t historica l experienc e fo r estimatin g sales r etu r ns , r evenu e i s onl y r eco r de d whe n the r e i s evidenc e o f consumptio n or whe n th e righ t o f r etu r n has expi r ed . C O N S O L I D A T E D F IN A N C I A L S TA T E M E N T S 63 S E C T I O N 2 R E S U L T S FO R TH E Y E AR Ke y accounting estimate s – Sale s deductions Sale s discount s an d sale s r ebate s ar e p r edominantl y issue d i n Regio n North America . I n thi s region , signifi can t sale s r ebate s a r e pai d i n connection with U S publi c healthca r e insuranc e p r ogrammes , namel y Medica r e and Medicaid , as wel l as r ebate s t o pharmac y benefi t manager s an d managed healthca r e plans . Th e most signifi can t discount s a r e o ffe r e d under contracts with gove r nmen t p r ogramme s suc h a s Medicaid . I n addition , political p r essu r e to contai n healthca r e cost s ha s le d severa l othe r countrie s to impos e signifi cant pric e reduction s o n pharmaceutical p roducts . As such, concerte d austerit y measur es hav e bee n implemente d b y gove r nment s in countrie s i n Regio n Eu r ope , whil e gove r nment - mandate d pric e cut s have bee n int r oduce d i n Regio n China , Japa n an d majo r countrie s i n Region Inte r national Operations . U S wholesale r charge - backs Wholesale r charge - back s r elat e t o contractua l arrangement s betwee n Novo No rdis k an d indi r ec t customer s i n th e U S whe r eb y p roduct s a r e sol d at contract price s lowe r tha n th e lis t pric e originall y charge d t o wholesalers . A wholesaler charge - bac k r ep r esent s th e di ffe r enc e betwee n th e invoic e price t o th e wholesale r an d th e indi r ec t customer ’ s contrac t price . P r ovision s a r e calculate d fo r estimate d charge - back s usin g a combinatio n o f factor s suc h as historica l experience , cur r en t wholesaler inventor y levels , contract term s and th e valu e o f claim s r eceive d bu t no t yet p r ocesse d . Wholesale r charge - backs a r e generall y settle d within 3 0 day s o f th e liabilit y bein g incur r ed . 2 . 1 NE T SALE S AN D SALE S DEDUCTIONS Accountin g policies Revenu e f r o m goods sol d i s r ecognise d whe n Nov o Nor dis k has transfer r ed th e signifi cant risk s an d rewa r d s t o th e buye r , an d th e amoun t o f r evenue ca n b e measur e d r eliabl y . Sale s ar e measu r e d a t th e fai r valu e o f th e consideratio n r eceive d o r r eceiv - able . When sale s ar e r ecognised , Nov o Nor dis k als o r ecor ds estimate s fo r a variet y o f sale s deductions, includin g r ebates , discounts, refunds, incentives an d p r oduc t r etu r ns . Sale s deduction s a r e r ecognise d a s a r eductio n o f g r oss sale s t o arriv e a t ne t sales . Whe r e contract s contai n customer acceptance p r ovisions, Nov o No rdis k r e cognise s sale s whe n th e acceptanc e criteri a a r e satisfied . Thi s sectio n comprises note s r elate d t o th e r esult s fo r th e yea r , suc h a s sales includin g detail s o n g ross - to - ne t sale s an d segment information , r esea r ch an d developmen t costs , employe e cost s as wel l as detail s o n incom e and defer re d incom e taxes . Consequentl y , thi s sectio n p r ovide s information r elate d to performanc e agains t tw o o f Nov o Nor disk ’ s fou r long - term fi nancia l targets : Operatin g p r of i t margi n an d G r owth i n operatin g p r of i t . Nov o No r disk ’ s g r owth i n sale s i s a r esul t o f continue d g r owth i n th e number o f patient s du e t o th e diabete s pandemic, Nov o No r disk ’ s abilit y t o bring innovativ e p roduct s t o th e marke t an d th e global comme r cia l p r esenc e of ou r business . Th e g r owt h i n operatin g p r ofi t an d margi n r e f l ect s no t onl y g r owt h in sale s bu t als o th e inc r eas e i n g r os s margi n primaril y drive n b y a favourable pricin g development , an d a positiv e p r oduc t mi x du e t o inc r ease d sale s of mode r n insulin s an d V ictoza ® , o f fset b y a negativ e impact f r o m p r oductivit y . Additionall y a modes t inc r eas e i n administrativ e cost s an d tigh t cost managemen t withi n sale s an d marketin g ha s bee n r ealised . Resea r c h and developmen t cost s hav e bee n g r owin g faste r tha n sales , r e f l ectin g an expandin g r esea r c h an d development portfolio . Th e articl e ‘201 4 performanc e an d 201 5 outlook ’ o n p 6 include s Manage - ment ’ s r evie w o f th e r esult s fo r th e yea r . Currenc y f l uctuation s impac t reporte d sale s growth Nov o Nor dis k maintain s a soli d g r owth i n loca l cur r encies , thoug h cur r ency f l uctuatio n ha s a di r ec t impac t o n reporte d Ne t sale s an d reported Operatin g p r ofi t . I n 201 4 th e r eporte d g r owt h i n Net sale s an d Operating p r ofi t ha s bee n r educe d b y 2 % (5 % i n 2013) an d 3 % (8 % i n 2013) compar e d wit h g r owt h i n loca l cur r encies . Th e impac t o f cur r ency f l uctuation s i n th e ke y cur r encie s (USD , JP Y , CN Y , GB P an d CAD) is mitigate d th r oug h hedgin g contracts , th e r esul t o f whic h i s include d in Financia l incom e an d expenses . Henc e r eporte d Ne t p r ofi t i s onl y impacte d to a limite d deg r e e b y key cur r ency fl uctuations . Howeve r , hedgin g i s no t conside r e d feasibl e fo r emergin g market cur r encies . Consequentl y , suc h cur r enc y f l uctuation s hav e a di r ec t impact o n bot h r eporte d Ne t sale s an d Ne t p r ofi t . Note s 4 . 2 an d 4 . 3 includ

e informatio n o n th e fo r eig n exchang e ris k and sensitivit y analysi s fo r th e key cur r encies . 0 3 6 9 12 15 % 2013 Ne t sales Operatin g p r ofit 2014 2014 2013 CURRENC Y IM P AC T O N GROWTH G r owt h DK K G r owt h loca l cur r encies D K K B I L L I O N I N N E T PR O F I T (+ 5 . 2 %) 2 6 .5

N OVO N O R D I S K A NN U A L R E P O R T 2 0 1 4 64 C O N S O L I D A T E D F IN A N C I A L S TA T E M E N T S 2 . 1 NE T SALE S AN D SALE S DEDUCTIONS (CONTINUED) U S Medicaid , Medicar e an d manage d healthcar e rebates Medicai d an d Medica r e r ebate s hav e bee n calculate d usin g a combination o f historica l experience , p r oduc t an d populatio n g r owth , pric e inc r eases , the impac t o f contractin g strategie s an d specifi c term s i n th e individua l ag r ee - ments . Fo r Medicaid , th e calculatio n o f r ebate s als o involve s interp r etation o f r elevan t regulation s tha t a r e subjec t t o changes i n interp r etativ e guidance f r o m gove r nmen t authorities . Althoug h p r ovision s a r e mad e fo r Medicaid an d Medica r e r ebate s a t th e tim e sale s a r e r e co r ded , th e actua l r ebates r e late d t o th e specifi c sal e wil l typicall y b e invoice d t o Nov o No rdis k 6 – 9 month s late r . Du e t o th e tim e lag , th e r ebat e adjustment s t o sale s i n any particula r perio d ma y incorporat e adjustment s o f p r ovision s fo r prio r periods . manager s an d manage d healthca r e plans . Thes e r ebat e p r ogrammes allo w th e customer t o r eceiv e a r ebat e afte r attainin g certai n performance parameter s relatin g t o formular y statu s o r p r e - establishe d marke t sha r es r elativ e t o competitors . Rebate s a r e estimate d acco r din g t o th e specif i c terms i n eac h ag r eement, historical experience , anticipate d channe l mix, g r owth rate s an d marke t shar e information . Nov o No rdis k adjust s th e p r ovision periodicall y t o r e fl ect actua l sale s performance . Discounts , sale s return s an d othe r rebates Other discount s a r e p rovide d t o wholesalers , hospitals, pharmacie s etc, and a r e usuall y linke d t o sale s volum e o r p rovide d a s cas h discounts . Sale s r etu r ns a r e r elate d t o damage d o r expi r e d p roducts . Accrual s a r e calculate d based o n historica l data, an d r eco r de d a s a r eductio n i n g r os s sale s a t th e tim e the r elate d sale s a r e r eco r ded . Arrangements wit h certai n healthca r e p r ovider s ma y requi r e Nov o No rdis k to mak e refund s t o th e healthca r e p r ovider s if anticipate d t r eatment outcomes d o no t meet p r edefi ne d targets . GROSS - TO - NET SALES RECONCILI A TION DKK millio n 2014 G r os s sale s 131,841 2013 2012 115,906 103,948 U S manage d car e an d Medica r e (17,522) (12,858) (5,578) (2,972) (12,504) (10,126) (3,851) (2,063) (9,239) (8,196) (3,418) (1,872) U S wholesaler charge - backs U S Medicai d r ebates U S discount s an d sale s r etu r ns Non - U S r ebates , discount s and sale s r etu r ns (4,105) (3,790) (3,197) T ota l g ross - to - net sale s adjustments (43,035) (32,334) (25,922) Ne t sale s 88 , 80 6 83 , 57 2 78 , 026 P r ovision s fo r sale s r ebate s a r e adjuste d t o actual amount s as r ebate s and discount s a r e p r ocessed . Pleas e refer t o not e 3 . 7 fo r furthe r informatio n on sales - r elate d p r ovisions .

N OVO N O R D I S K A NN U A L R E P O R T 2 0 1 4 C O N S O L I D A T E D F IN A N C I A L S TA T E M E N T S 65 Ther e a r e n o sale s o r othe r transaction s betwee n th e busines s segments . Cost s hav e bee n spli t betwee n busines s segment s acco r din g t o a specifi c allocatio n with th e additio n o f a mino r numbe r o f corporat e overhead cost s allocate d systematicall y betwee n th e segments . Othe r operating incom e has bee n allocate d t o th e tw o segment s base d o n th e same principle . Segmen t asset s compris e th e asset s tha t a r e applie d di r ectl y t o th e activities o f th e segment , includin g intangibl e assets , p ropert y , plan t an d equipment, othe r f i nancia l assets , inventories , trad e r eceivables , an d othe r r eceivables an d p r epayments . N o singl e customer r epr esent s mo r e tha n 10 % o f th e tota l sale s an d no operatin g segment s hav e bee n agg r egate d t o for m th e r eporte d business segments . 2 . 2 SEGMEN T INFORM A TION Accountin g policies Operatin g segment s a r e r eporte d i n a manner consisten t with th e inte r nal r eportin g p rovide d t o Executiv e Management an d th e Boa r d o f Di r ectors. Segmen t performanc e i s evaluate d o n th e basi s o f operatin g p r ofi t consistent wit h th e Consolidate d fi nancia l statements . Financia l incom e an d expenses an d incom e taxe s a r e manage d a t G r ou p leve l an d a r e no t allocate d to busines s segments . W e consider Executiv e Managemen t t o b e th e operatin g decision - making body as all signifi cant decisions r egar ding business development and di rection a r e take n i n tha t forum . Busines s segments Nov o Nor dis k operate s i n tw o busines s segment s base d o n therapies: Diabete s car e an d Biopharmaceuticals. Th e Diabete s car e busines s segmen t include s r esea r ch , development, manufacturin g an d marketin g o f p roduct s within th e a r eas o f insulin, GLP - 1 an d r elate d deliver y systems , oral antidiabeti c p roduct s (OAD) an d obesit y . Th e Biopharmaceutical s busines s segment include s r esea r ch , development, manufacturin g an d marketin g o f p r oduct s within th e ar eas o f haemophilia, g r owt h hormon e therap y , hormon e r e placemen t therap y , infl ammation therap y an d othe r therap y a r eas . I n addition , non - recurrin g cost s i n r elation to th e discontinuatio n o f infl ammator y diso r der s a r e include d i n the Biopharmaceutical s busines s segmen t i n 2014 . Pleas e refer t o not e 2 . 3 . BUSINESS SEGMENTS DKK million 2014 2013 2012 2014 2013 2012 2014 2013 2012 1 . Th e par t o f tota l asset s tha t r emain s unallocate d t o eithe r o f th e two busines s segment s include s Cas h a t bank an d o n hand, Marketabl e securities , Derivativ e f i nancia l instruments, Defer re d incom e ta x assets , T a x r eceivable s an d Other f i nancia l assets. Segmen t sales Diabete s ca r e Biopharmaceutic a ls T otal New - generatio n insulin 658 14 3 – NovoRapi d ® / NovoLo g ® 17,449 16,84 8 15,693 NovoMi x ® / NovoLo g ® Mix 9,871 9,75 9 9,342 Levemi r ® 14,217 11,54 6 9,786 T ota l mode r n insulins 41,537 38,15 3 34,821 Huma n insulins 10,298 10,86 9 11,302 V ictoz a ® 13,426 11,63 3 9,495 P r otein - r elate d p r oducts 2,333 2,41 2 2,511 Ora l antidiabeti c p r oduct s (OAD) 1,728 2,24 6 2,758 Diabete s car e tota l sales 69,980 65,45 6 60,887 NovoSeve n ® 9,142 9,256 8,933 No r dit r opi n ® 6,506 6,114 5,698 Othe r p r oducts 3,178 2,746 2,508 Biopharmaceutical s tota l sales 18,82 6 18,11 6 17,139 Segmen t ke y f igures T ota l ne t sales Chang e i n DK K (%) Chang e i n loca l cur r encie s (%) Cos t o f good s sold Sale s an d distributio n costs Resea r c h an d developmen t costs Administrativ e costs Othe r operatin g income , net Operatin g profi t Operatin g margin Dep r eciation , amortisatio n and impairmen t losse s expensed Addition s t o Intangibl e asset s and P r opert y , plan t an d equipment Asset s allocate d t o busines s segments Asset s no t allocate d t o business segments 1 T ota l assets 69,980 65,456 60,887 18,826 18,116 17,139 88,806 83,572 78,026 6.9% 7.5% 20.7% 3.9% 5.7% 7.7% 6.3% 7.1% 17.6% 8.8% 12.0% 14.5% 6.2% 11.5% 2.4% 8.3% 11.9% 11.6% 12,482 11,909 11,435 2,080 2,231 2,030 14,562 14,140 13,465 20,373 20,584 18,894 2,850 2,796 2,650 23,223 23,380 21,544 9,318 7,786 7,322 4,444 3,947 3,575 13,762 11,733 10,897 2,790 2,767 2,604 747 741 708 3,537 3,508 3,312 516 510 464 254 172 202 770 682 666 25,533 22,920 21,096 8,959 8,573 8,378 34,492 31,493 29,474 36.5% 35.0% 34.6% 47.6% 47.3% 48.9% 38.8% 37.7% 37.8% 2,438 2,209 2,167 997 590 526 3,435 2,799 2,693 3,245 2,651 2,800 1,066 990 770 4,311 3,641 3,570 40,748 36,436 36,030 10,914 10,525 9,119 51,662 46,961 45,149 25,400 23,376 20,520 77,062 70,337 65,669

N OVO N O R D I S K A NN U A L R E P O R T 2 0 1 4 66 C O N S O L I D A T E D F IN A N C I A L S TA T E M E N T S 2 . 2 SEGMEN T INFORM A TIO N (CONTINUED) Geographica l areas Nov o No rdis k operate s i n fi v e geographical r egions: • Nort h America: th e U S an d Canada • Eu r ope: th e EU , EF T A , Albania, Bosnia - Her cegovina , Macedonia , Serbia, Monteneg r o an d Kosovo • Japa n & Ko r ea : Japa n an d Sout h Ko r ea • Regio n China : China , Hon g Kon g an d T aiwan • Inte r national Operations: al l othe r countries. Sale s ar e attribute d t o geographica l r egion s accor din g t o th e locatio n of th e custome r . Allocatio n o f p ropert y , plan t an d equipment, trad e r eceivables, allowanc e fo r trad e r eceivable s an d tota l asset s goes bac k t o allocatio n based o n th e locatio n o f th e assets . Th e countr y o f domicil e i s Denmark , whic h i s par t o f Regio n Eu r ope . Denmark i s immateria l t o Nov o Nor disk ’ s activitie s i n term s o f geographical siz e an d th e operationa l busines s segments . Mo r e tha n 99 . 5 % o f total sale s a r e r ealise d outsid e Denmark . Resea r c h an d developmen t activitie s a r e carrie d ou t b y Nov o No r disk ’ s r esea r c h an d developmen t cent r es , mainl y i n Denmark, th e US an d China, whil e r esea r c h an d developmen t trial s ar e carrie d ou t all over th e world . W ithou t establishin g join t ventu r e s o r operations , Nov o No rdis k also enter s into partnershi p ag reement s t o a limite d extent, primaril y i n term s of development an d licenc e ag reements . Resea r c h an d development cost s primaril y compris e employe e costs , inte r nal an d exte r na l cost s r e late d t o executio n o f studie s includin g manufacturing costs , facilit y cost s o f th e r esea r c h cent r es , an d amortisatio n dep r eciation an d impairmen t losse s r elate d t o intangibl e asset s an d p ropert y , plan t and equipment use d i n th e r esea r c h an d development activities . GEOGRAPHICAL AREAS DKK million 2014 2013 2012 2014 2013 2012 1 . Additiona l non - IFR S measu r e ; pleas e refer t o p 9 4 fo r defi nition. 2 . 3 RESEARC H AN D DEVELOPMEN T COSTS Accountin g policies Nov o No r disk ’ s r esea r c h an d development i s focuse d o n therapeuti c p r oteins withi n insulins, GLP - 1 , bloo d clottin g factor s an d huma n g r owt h hormone . Th e r esea r c h activitie s utilis e biotechnological method s base d o n genetic engineering , advance d p r otei n chemistr y an d p r otei n engineering . These method s hav e playe d a ke y rol e i n th e developmen t o f th e p r oduction technolog y use d i n th e manufactu r e o f insulin , GLP - 1 , recombinan t blood clottin g factors, huma n g r owth hormon e an d glucagon . I n lin e with industr y practice , Nov o No rdis k expense s all inte r na l r esea r ch costs . Inte r na l development cost s a r e als o expense d a s incur re d a s thes e do no t qualif y fo r capitalisatio n a s intangibl e asset s unti l marketin g app r ova l by a regulator y authorit y i s obtaine d o r highl y p robable, du e t o regulator y and othe r uncertaintie s inhe r en t i n th e development o f ne w p roducts . Nort h America Eu r ope Sale s b y busines s segment: NovoRapi d ® / NovoLo g ® NovoMi x ® / NovoLo g ® Mix Levemi r ® Mode r n insulin s (insuli n analogues) Huma n insulins V ictoz a ® Othe r diabete s ca r e 10,191 2,483 9,386 22,060 1,997 9,046 846 9,953 2,694 6,823 19,470 1,976 7,537 1,590 9,033 2,488 5,290 16,811 1,959 5,930 1,998 3,999 2,317 2,939 9,255 2,222 3,130 1,009 3,819 2,450 2,909 9,178 2,427 2,896 885 3,707 2,544 2,833 9,084 2,642 2,427 965 Diabete s ca r e total 33,949 30,573 26,698 15,616 15,386 15,118 NovoSeve n ® 4,415 4,459 4,397 2,111 2,294 2,206 No r dit r opi n ® 2,750 2,273 1,721 1,654 1,729 1,741 Othe r biopharmaceuticals 2,009 1,719 1,404 769 654 642 Biopharmaceutical s total 9,174 8,451 7,522 4,534 4,677 4,589 T ota l sale s b y busines s an d geographica l segment 43,123 39,024 34,220 20,150 20,063 19,707 Underlyin g sale s g r owt h i n loca l cur r encies 1 10.8% 17.8% 19.2% 0.2% 2.5% 2.0% Cur r enc y e f fec t (loca l cur r enc y impact) (0.3%) (3.8%) 9.5% 0.2% (0.7%) 0.8% T ota l sale s growt h a s reported 10.5% 14.0% 28.7% 0.4% 1.8% 2.8% P r opert y , plan t an d equipment 2,215 1,571 1,500 17,411 16,801 16,200 T rad e r eceivables 4,359 3,076 2,278 3,866 3,779 3,688 Allowanc e fo r doubtfu l trad e r eceivables (20) (20) (18) (194) (245) (239) T ota l assets 9,131 7,057 5,867 54,526 51,205 47,663

N OVO N O R D I S K A NN U A L R E P O R T 2 0 1 4 C O N S O L I D A T E D F IN A N C I A L S TA T E M E N T S 67 Sale s t o exte r na l customer s attribute d t o th e US a r e collectivel y th e most materia l t o th e G r oup . Th e US i s th e onl y countr y whe r e sale s contribute mo r e tha n 10 % o f tota l sales , an d sale s t o th e U S r ep r esen t mo r e tha n 90 % o f sale s i n Regio n Nort h America . Fo r paten t expir y i n key market s b y p roducts, pleas e refer t o not e 2 . 5 i n the socia l statement . A ver y limite d par t o f th e r esea r c h an d development activitie s i s r ecognised outsid e Resea r c h an d development costs: • Up - f r on t payment s an d milestone s pai d t o partnership s prio r t o o r upon regulator y app r ova l a r e capitalise d as intangibl e asset s an d amortise d as Cos t o f goods sol d ove r th e usefu l life • Royalt y expense s pai d to partnership s afte r r egulator y app r ova l a r e expense d a s Cos t o f goods sold • Royalt y incom e r eceive d f r o m partnership s i s r ecognise d a s par t o f Other operatin g income , net • Contractua l r esea r c h an d development obligation s t o b e pai d i n th e futu r e a r e disclose d separatel y a s Commitment s i n not e 5 . 4 . 201 4 2013 2012 2014 2013 2012 201 4 2013 Japa n & Ko r ea 2012 Inte r national Operations Regio n China RESEARCH AND DEVELOPMENT COSTS Fo r a r evie w o f development i n r esea r c h an d development costs , refer t o p 7 an d 10 , ‘201 4 performanc e an d 201 5 outlook ’ . DK K million 2014 2013 2012 Inte r na l an d exte r na l r esea r c h and 7,646 6,587 6,136 developmen t costs Employe e cost s (not e 2.4) 5,200 4,680 4,298 Amortisatio n an d impairmen t losses, intangibl e asset s (not e 3 . 1) 425 126 47 Dep r eciatio n an d impairmen t losses, p r opert y , plan t an d equipmen t (not e 3.2) 491 340 416 T ota l researc h an d developmen t costs 13,762 11,733 10,897 A s pe r centag e o f sales 15% 14% 14% 1,802 1,639 1,408 618 486 370 839 951 1,175 2,077 1,875 1,708 2,338 1,951 1,574 656 789 1,028 1,344 1,290 1,106 334 236 171 214 288 386 5,223 4,804 4,222 3,290 2,673 2,115 1,709 2,028 2,589 2,660 2,954 3,073 3,051 3,022 2,860 368 490 768 799 741 613 171 128 70 280 331 455 820 692 632 1,388 1,163 1,181 656 471 493 9,502 9,191 8,540 7,900 6,986 6,226 3,013 3,320 4,305 1,891 1,716 1,526 171 158 158 554 629 646 900 853 780 13 13 14 1,189 1,246 1,442 247 247 234 4 4 4 149 122 224 3,038 2,816 2,540 188 175 176 1,892 1,997 2,312 12,540 12,007 11,080 8,088 7,161 6,402 4,905 5,317 6,617 14.4% 17.0% 16.2% 13.3% 12.7% 16.3% (0.8%) (0.1%) (1.5%) (10.0%) (8.6%) 2.1% (0.4%) (0.8%) 11.7% (6.9%) (19.5%) 7.8% 4.4% 8.4% 18.3% 12.9% 11.9% 28.0% (7.7%) (19.6%) 6.3% 1,145 1,292 1,508 2,230 2,078 2,157 135 140 174 2,978 2,196 2,177 1,538 1,587 1,161 300 269 335 (776) (716) (710) 0 0 (54) (5) (8) (3) 6,821 5,945 6,660 5,629 5,108 4,490 955 1,022 989 BY BUSINESS SEGMENT (NOTE 2.2) Diabete s ca r e 9,318 7,786 7,322 Biopharmaceuticals 4,444 3,947 3,575 T otal 13,762 11,733 10,897

N OVO N O R D I S K A NN U A L R E P O R T 2 0 1 4)) 1 . Thi s r e f l ect s annual g r oss employe e cost s include d i n intangibl e asset s an d p ropert y , plan t an d equipmen t tha t wil l subsequentl y b e include d i n dep r eciatio n and impairment losses . REMUNER A TION TO EXECUTIVE MANAGEMENT AND BOARD OF DIRECTORS 1. Excludin g shar e - base d payments, a s thes e a r e allocate d i n th e join t poo l between Executiv e Management an d othe r members o f th e Senio r Management Boa r d . Please r efer t o not e 5 . 1 an d ’Remuneration ’ , p p 4 9 – 5 1 , fo r furthe r information . 2. I n Novembe r 201 4 EV P Lis e King o decide d t o leav e Nov o Nordisk . Th e 2014 remuneratio n fo r Lis e King o i s include d i n th e abov e table . I n additio n severance payments o f DKK 32 . 2 millio n we r e als o paid . 3. Excludin g socia l securit y taxe s pai d amountin g t o les s tha n DKK 1 millio n (les s than DKK 1 millio n i n 2013) . 68 C O N S O L I D A T E D F IN A N C I A L S TA T E M E N T S 2 . 3 RESEARC H AN D DEVELOPMEN T COSTS (CONTINUED) HISTORICAL R A TIO OF RESEARCH AND DEVELOPMENT COSTS 2 . 4 EMPLOYE E COSTS Accountin g policies W ages , salaries , socia l securit y contributions , annual leav e an d sic k leave, bonuse s an d non - monetar y benef i t s ar e r ecognise d i n th e yea r i n which th e associate d service s ar e r endere d b y employee s o f Nov o Nordisk . Wher e Nov o No r d is k p r ovide s long - ter m employe e benefi ts, th e cost s a r e accrue d to matc h th e renderin g o f th e service s b y th e employee s conce r ned . EMPLOYEE COSTS Th e split betwee n r esea r c h an d development wil l fl uctuat e i n individual years dependin g o n th e compositio n o f th e clinical developmen t portfolio . Costs incur re d u p unti l fi rst huma n dos e trial s a r e conside r e d a s r esea r c h costs . NON - RECURRING COSTS REL A TED TO DISCONTINU A TION OF ACTIVITIES WITHIN INFLAMM A TO R Y DISORDERS I n Septembe r 2014 , Managemen t decide d t o discontinu e all r esea r c h and development activitie s within infl ammator y diso rders . Thi s decisio n was not base d o n safet y conce r ns . Th e decisio n t o discontinu e all r esea r c h an d developmen t withi n infl am - mator y diso r der s followe d a r evie w o f Nov o No r disk ’ s strategi c positio n i n the therapeuti c a r e a afte r th e discontinuatio n o f th e most advance d compound withi n infl ammation , anti - IL - 2 0 fo r th e t r eatmen t o f rheumatoi d arthritis . Th e fi nancia l impact i s a non - recurrin g impairment cos t r ega r din g intangible an d tangibl e asset s an d othe r cost s suc h as p rojec t closu r es an d severance payments . I n total , a cos t o f DKK 60 0 millio n has bee n r eco r de d a s par t o f r esea r c h and development cost s an d negativel y impacte d operatin g p r ofi t i n 201 4 i n the Biopharmaceutical s busines s segment . DKK millio n 2014 Impairment o f intangibl e assets Impairment o f p ropert y , plan t an d equipment Clinica l trial s etc Employe e costs , incl severanc e payment 395 85 40 80 T ota l costs 600 DK K million 2014 2013 2012 W age s an d salaries 21,306 19,077 17,301 Sha r e - base d paymen t cost s (not e 5 . 1) 371 409 308 Pension s – define d contributio n plans 1,607 1,428 1,302 Pension s – r eti r emen t benefi t obligation s (not e 3.6) 142 113 150 Othe r socia l securit y contributions 1,617 1,489 1,358 Othe r employe e costs 1,944 1,891 1,779 T ota l employe e cost s fo r th e year 26,987 24,407 22,198 Employe e cost s include d i n intangible asset s an d p r opert y , plan t and equipment 1 (866) (772) (53 3 Chang e i n employe e cost s included i n inventories (206) (29) (7 0 T ota l employe e costs 25,915 23,606 21,595 Include d i n th e Incom e statement: 6,224 5,160 4,627 Cos t o f good s sold Sale s an d distributio n costs 10,334 9,831 8,784 Resea r c h an d developmen t costs 5,200 4,680 4,298 Administrativ e costs 2,426 2,250 2,205 Othe r operatin g income , net 1,731 1,685 1,681 T ota l employe e costs 25,915 23,606 21,595 DK K million 2014 2013 2012 Salar y an d cash - base d incentive 71 58 37 Pension 18 15 9 Othe r benefits 2 2 1 Executiv e Managemen t i n total 1 , 2 91 75 47 Fe e t o Boa r d o f Di r ectors 3 9 9 9 A verag e numbe r o f full - tim e employees 40,164 36,144 33,061 Y ea r - en d numbe r o f full - tim e employees 40,957 37,978 34,286 % o f cost s b y busines s segment Resea r ch Development Diabete s ca r e Biopharmaceutical s 1 5 – 25% 2 5 – 35% 7 5 – 85% 6 5 – 75% T otal 2 0 – 30% 7 0 – 80%

N OVO N O R D I S K A NN U A L R E P O R T 2 0 1 4 C O N S O L I D A T E D F IN A N C I A L S TA T E M E N T S 69 Adjustment s r ecognise d fo r prio r period s includ e adjustment s cause d by event s tha t occur r e d i n th e cur r en t yea r r elate d t o cur r en t an d defer re d ta x of prio r periods . Suc h adjustment s p redominantl y aris e f r o m ta x payment s on ta x dispute s r elate d t o transfer pricin g an d r eversa l o f associate d ta x liability r ecognise d i n prio r periods .)))) INCOME T AXES P AID DKK million 2014 2013 2012 Incom e taxe s pai d i n Denmark Incom e taxe s pai d outsid e Denmark 4,936 2,971 7,363 2,444 7,895 2,996 T ota l incom e taxe s paid 7 , 90 7 9 , 80 7 10 , 891 Th e incom e taxe s pai d i n Denmar k i n 201 2 an d 201 3 includ e adjustments arisin g f r o m ongoin g ta x dispute s primaril y r elate d t o transfe r pricin g f r om prio r periods . Deferred incom e taxes Accountin g policies Defer r e d incom e taxe s aris e f r o m temporar y di f f e r ence s betwee n the accountin g an d taxabl e value s o f th e individua l consolidate d companies an d f r o m r ealisabl e tax - los s carry - forwa r d s usin g th e liabilit y method . The ta x valu e o f tax - los s carry - forwa r ds i s include d i n defer r e d ta x asset s t o the extent tha t th e ta x losse s an d othe r ta x asset s a r e expecte d t o b e utilise d in futu r e taxabl e income . Th e defer re d incom e taxe s a r e measur e d acco r ding t o cur r en t ta x rule s an d a t th e ta x rate s expecte d t o b e i n fo r c e o n elimina - tio n o f th e temporar y di f fe r ences . I n genera l th e Danis h ta x rule s r elated t o compan y distribution s p r ovid e exemptio n f r o m ta x fo r mos t r epatriated p r ofi ts . No p r ovisio n i s mad e fo r incom e taxe s tha t woul d b e payabl e upon th e distributio n o f un r emitte d ea r ning s unles s a conc r et e distributio n of ea r ning s i s planned . 2 . 5 OTHE R OPER A TIN G INCOME , NET Accountin g policies Othe r operatin g incom e (net) comprise s licenc e incom e an d incom e o f a secondary natu r e i n relatio n t o th e mai n activitie s o f Nov o Nordisk . Licence incom e i s r ecognise d o n a n accrua l basi s i n accordanc e wit h th e term s and substanc e o f th e r elevan t ag r eement . Ne t p r ofi t , no t r elate d t o Nov o No r disk, f r o m th e tw o wholl y owne d subsidiarie s NN E Pharmapla n A/ S an d fo r NNIT A/ S i s r ecognise d as othe r operatin g income . Othe r operatin g incom e also includ e incom e f r o m sal e o f intellectual p ropert y rights . 2 . 6 INCOM E AN D DEFERRE D INCOME T AXES Incom e taxes Accountin g policies Th e ta x expens e fo r th e perio d comprise s cur r en t an d defer re d ta x and inte r es t o n ta x case s ongoin g o r settle d durin g th e yea r , includin g adjust - ments t o p r eviou s year s an d changes i n p r ovisio n fo r uncertai n ta x positions . T ax i s r ecognise d i n th e Incom e statement, excep t t o th e extent tha t it r elates t o item s r ecognise d i n Other comp r ehensiv e income . Ongoin g ta x disputes , primaril y r elate d t o transfer pricin g cases , a r e included individuall y a s par t o f defer re d ta x assets , ta x r eceivable s an d ta x payables. Ke y accounting estimat e – Incom e taxes Nov o No rdis k i s subjec t to incom e taxe s a r oun d th e world . Significant judgemen t i s requi r e d i n determinin g th e worldwid e accrual fo r income taxes , defer r e d incom e ta x asset s an d liabilities , an d p r ovisio n fo r uncertain ta x positions . Nov o No rdis k r ecognise s defer re d incom e ta x asset s i f it i s p r obabl e tha t suff i cien t taxabl e incom e wil l b e availabl e i n th e futu r e against which the temporary di f fe r ences and unused tax losses can be utilised . Managemen t ha s considere d futu r e taxabl e incom e i n assessin g whether defer re d incom e ta x asset s shoul d b e r ecognised . I n th e cours e o f con ducting busines s globall y , transfe r pricin g dispute s with ta x authoritie s may occu r , an d Managemen t judgemen t i s applie d t o asses s th e possibl e outcom e of suc h disputes . Nov o Nor dis k believe s tha t th e p r ovisio n mad e fo r uncertain ta x position s no t yet settle d wit h loca l ta x authoritie s i s adequate . Howeve r , th e actua l obligatio n ma y deviat e an d i s dependen t o n th e r esul t of litigation s an d settlement s wit h th e r elevan t ta x authorities . INCOME T AXES EXPENSED) T a x o n othe r comp r ehensiv e incom e fo r th e yea r r elate s t o ta x o n defer red (gains)/losse s o n cas h f lo w hedge s an d inte r na l p r ofi t i n inventories . Thi s is o f fse t b y cur r enc y adjustmen t o f DK K 9 9 millio n (DK K 4 8 millio n i n 2013) r ecognise d a s cur r en t ta x i n Other comp r ehensiv e incom e i n 2014 . DK K million 2014 201 3 2012 Computatio n o f e f fectiv e ta x rate: 24.5% 25.0 % 25.0% Statutor y corporat e incom e ta x rate i n Denmark Deviatio n i n fo r eig n subsidiaries' ta x rate s compa r e d wit h th e Danish ta x rat e (net) (1.9%) (2.0%) (2.1% Non - taxabl e incom e les s non - tax - deductibl e expense s (net) 0.0% 0.0 % 0.1% E f fec t o n defer r e d ta x r elate d to chang e i n th e Danis h corporat e ta x rate – (0.3%) – Other (0.3%) (0.1%) (0.1% E f fectiv e ta x rate 22.3% 22.6 % 22.9% Computatio n o f e f fectiv e ta x amount: 8,354 8,13 5 6,953 Corporat e incom e ta x a t ta x rate i n Denmark Impac t f r o m deviatio n i n fo r eign subsidiaries ' ta x rate s compa r e d with th e Danis h ta x rat e (net) (623) (636) (57 1 Non - taxabl e incom e less non - tax - deductibl e expense s (net) (12) (8) 28 E f fec t o n defer r e d ta x r elate d to chang e i n th e Danis h corporat e ta x rate – (99) – Other (104) (37) (3 1 E f fectiv e ta x amount 7,615 7,35 5 6,379 DK K million 2014 2013 2012 Cur r en t ta x o n p r

ofi t fo r th e year Defer r e d ta x o n p r ofi t fo r th e year 8,562 (748) 8,540 (682) 6,001 645 T a x o n p r ofi t fo r th e year 7,814 7,858 6,646 Adjustment s r ecognise d for cur r en t ta x o f prio r periods (313) (74) 4,042 Adjustment s r ecognise d for defer r e d ta x o f prio r periods 114 (429) (4,30 9 Incom e taxe s i n the Incom e statement 7,615 7,355 6,379 T a x o n othe r comp r ehensiv e income fo r th e yea r , (income)/expense (977) 211 587

N OVO N O R D I S K A NN U A L R E P O R T 2 0 1 4 7 0 C O N S O L I D A T E D F IN A N C I A L S TA T E M E N T S 2 . 6 INCOM E AN D DEFERRE D INCOM E T AXE S (CONTINUED) DEVELOPMENT IN DEFERRED INCOME T AX ASSETS AND LIABILITIES P r opert y , T ax - loss O ffset 1. O f whic h DKK (1 14) millio n (DK K 42 9 millio n i n 2013) r elate s t o r e - assessment s o f prio r - yea r estimates . 2. Includin g e f fec t r elate d t o chang e i n th e Danis h corporat e ta x rate . Th e ta x valu e o f th e tax - los s carry - forwa r d o f DKK 21 5 millio n (DK K 18 2 millio n i n 2013) has no t bee n r ecognise d i n th e Balanc e shee t du e t o th e likelihoo d that th e ta x losse s wil l no t b e r ealise d i n th e futu r e . Non e o f th e un r ecognise d tax - los s carry - forwa r d expi r e s within on e yea r . DKK 8 millio n expi r e s within tw o t o fi ve year s an d DKK 20 7 millio n afte r mo r e tha n fi v e years . DK K million plan t and equipment Intangible assets Inventories carry - forwa r d Other within countrie s T otal 2014 3,559 Ne t defer r e d ta x asset/(liability) a t 1 January (853) 64 1,761 54 2,533 – Income/(charge) t o th e Incom e statement 1 163 (57) 733 (19) (186) 634 Income/(charge) t o Othe r comp r ehensiv e income 174 902 1,076 Exchang e rat e adjustment (25) 8 – (3) 143 123 Ne t deferre d ta x asset/(liability) a t 3 1 December (715) 15 2,668 32 3,392 – 5,392 Classifie d a s follows: 5,399 Defer r e d ta x asse t a t 3 1 December 229 286 3,665 32 3,460 (2,273) Defer r e d ta x liabilit y a t 3 1 December (944) (271) (997) – (68) 2,273 (7) 2013 Ne t defer r e d ta x asset/(liability) a t 1 January (997) 133 1,336 66 974 – 1,512 Prio r - yea r adjustmen t - T a x r eceivables/ T a x payables 1,330 1,330 Income/(charge) t o th e Incom e statement 1 , 2 141 (44) 593 (7) 428 1,111 Income/(charge) t o Othe r comp r ehensiv e income (168) (91) (259) Exchang e rat e adjustment 3 (25) – (5) (108) (135) Ne t defer r e d ta x asset/(liability) a t 3 1 December (853) 64 1,761 54 2,533 – 3,559 Classifie d a s follows: Defer r e d ta x asse t a t 3 1 December 109 378 2,637 54 3,567 (2,514) 4,231 Defer r e d ta x liabilit y a t 3 1 December (962) (314) (876) – (1,034) 2,514 (672)

N OVO N O R D I S K A NN U A L R E P O R T 2 0 1 4 C O N S O L I D A T E D F IN A N C I A L S TA T E M E N T S 71 S E C T I O N 3 O P E R A T I N G A S S E T S A N D LIAB I L I T I E S Asset s tha t a r e subjec t to amortisation , suc h a s intangibl e asset s i n use o r with defi nit e useful life , an d othe r non - cur r en t asset s a r e r eviewe d for impairment wheneve r event s o r changes i n ci r cumstances indicat e tha t the carryin g amoun t may no t b e r ecoverable . Factor s conside r e d materia l that coul d trigge r a n impairment test includ e th e following : • Developmen t o f a competin g drug • Changes i n th e lega l framewor k coverin g patents, right s an d licences • Advances i n medicin e and/or technolog y tha t a f fec t th e medical t r eatments • Lowe r - than - p r edicte d sales • Advers e impact o n r eputatio n and/or bran d names • Changes i n th e economic live s o f similar assets • Relationshi p wit h othe r intangibl e asset s o r p ropert y , plan t and equipment • Changes o r anticipate d changes i n participatio n rate s o r r eimbursement policies. I f th e carryin g amoun t o f intangibl e asset s exceed s th e r ecoverabl e amount base d upo n th e existenc e o f on e o r mo r e o f th e abov e indicator s of impairment , an y impairmen t i s measu r e d base d o n discounte d p r ojected cas h f l ows . Impairment s a r e r eviewe d a t eac h r eportin g dat e fo r possible r eversal . 3 . 1 IN T ANGIBL E ASSETS Accountin g policies Patent s an d licences , includin g acqui re d patent s an d licence s fo r in - p r ocess r esea r c h an d developmen t p r ojects , a r e carrie d a t historica l cos t less accumulate d amortisatio n an d an y impairment loss . Amortisatio n i s base d on th e straight - lin e metho d ove r th e estimate d usefu l life , whic h i s th e shorter o f th e lega l duratio n an d th e economic usefu l life , no t exceedin g 1 0 years . Th e amortisatio n o f patent s an d licence s begin s afte r regulator y app r ova l has bee n obtained . Inte r na l developmen t o f compute r softwa r e an d othe r di r ectl y attributable development cost s r elate d t o major I T p r oject s fo r inte r na l us e a r e r ecognised a s intangibl e asset s i f th e r ecognitio n criteri a a r e met , i e a signifi cant busines s syste m whe r e th e expenditu r e lead s t o th e c r eatio n o f a durable asset . Amortisatio n i s base d o n th e straight - lin e metho d ove r th e estimated useful lif e o f 3 – 1 0 years . Th e amortisatio n begin s whe n th e asse t i s i n the locatio n an d conditio n necessar y fo r i t t o b e capabl e o f operatin g i n the manne r intende d b y Management . Impairmen t o f assets Intangibl e asset s with a n indef i nit e useful lif e an d intangibl e asset s no t yet availabl e fo r us e ar e no t subjec t t o amortisatio n bu t ar e teste d annuall y for impairment, ir r espectiv e o f whethe r the r e i s an y indicatio n tha t the y ma y be impai r ed . Thi s sectio n p r esent s detail s o n th e operatin g asset s tha t for m th e basis fo r th e activitie s o f Nov o No r disk , an d r elate d liabilities . Thes e ne t assets impact Nov o No r disk ’ s long - ter m targe t fo r ‘Operatin g p r ofi t afte r ta x t o net operatin g asset s (O P A T/NOA) ’ . Fo r 2014 , O P A T/NO A amount s t o 9 7 . 2 % , r epresentin g a n inc r eas e o f mo r e tha n 50 % over th e last f i v e year s an d r e f l ectin g th e g r owt h i n Operating p r ofi t afte r ta x generate d o n a stabl e bas e o f ne t operatin g assets . Thi s i s drive n b y Nov o Nor disk ’ s organi c g r owt h strateg y with limited acquisitio n o f intangibl e asset s o r businesse s i n general . I t als o r e fl ect s the fac t that , i n lin e with industr y practice , Nov o Nor dis k doe s no t capitalise inte r na l development costs . Th e overal l app roac h t o managin g operatin g asset s i s t o r etai n asset s for r esea r ch , developmen t an d p r oductio n activitie s unde r th e company ’ s own cont r ol , an d generall y t o leas e non - co r e asset s r elate d t o administratio n and distribution . Thi s i s a key facto r i n maintainin g hig h qualit y i n th e company ’ s p r oducts . Furthermo r e , bein g abl e a t al l time s to delive r p r oduct s to customer s i s a ke y priority ; consequentl y th e tota l p r oductio n capacity r e fl ect s thi s priorit y an d th e inventor y leve l include s a leve l o f safet y stock . IM P AC T O F U S REB A TES A signifi cant facto r i n ne t operatin g asset s als o r elate s t o movemen t i n the p r ovisio n fo r sale s r ebate s i n th e US , p r esente d as Short - ter m p r ovision s in th e balanc e sheet . Th e movemen t i n 201 4 r e f l ect s g r owt h i n US sales , and changes i n p r oduc t an d r ebat e p r ogramm e mix , counte r e d b y th e e f fec t of faster collectio n f r o m pharm a benefi t manager s an d authorities . Th e inc r ease i n inventor y leve l partl y r e fl ect s additional safet y stock . T rad e r eceivable s and fi xe d asset s hav e develope d i n lin e wit h Operatin g p r of i t . 0 7 14 21 28 35 MAI N MOVEMENT S I N NE T OPER A TING ASSETS Ne t operatin g asset s Fixe d asset s Inventories Receivable s Liabilitie s an d U S r ebates DK K billion 2013 2014 1 0 1 % O P ER A T I N G P R O F I T A F T E R T A X T O N E T O P E R A T I N G A S S E TS

N OVO N O R D I S K A NN U A L R E P O R T 2 0 1 4 7 2 C O N S O L I D A T E D F IN A N C I A L S TA T E M E N T S 3 . 1 IN T ANGIBL E ASSET S (CONTINUED) IN T ANGIBLE ASSETS 3 . 2 PROPE R T Y , PLAN T AN D EQUIPMENT Accountin g policies P r opert y , plan t an d equipmen t i s measur e d a t historica l cost les s accu - mulate d dep r eciatio n an d an y impairment loss . Th e cos t o f self - constructed asset s include s cost s di r ectl y an d indi r ectl y attributabl e t o th e construction o f th e assets . Subsequen t cos t i s include d i n th e asset ’s carryin g amoun t or r ecognise d a s a separat e asse t onl y whe n it i s p robabl e tha t futu r e economic benefi t s associate d with th e ite m wil l f lo w t o Nov o No rdis k an d th e cost o f th e ite m ca n b e measur e d r eliabl y . I n general , constructio n o f major investment s i s self - fi nance d an d thu s n o inte r es t o n loan s i s capitalise d as par t o f th e cost . Depr eciatio n i s base d o n th e straight - lin e metho d ove r the estimate d usefu l live s o f th e assets : • Buildings : 1 2 – 5 0 years • Plan t an d machinery: 5 – 1 6 years • Other equipment: 3 – 1 0 years • Land : no t dep r eciated. Th e dep r eciatio n commences whe n th e asse t i s availabl e fo r use , i e whe n it i s i n th e locatio n an d conditio n necessary fo r it t o b e capabl e o f operatin g in th e manne r intende d b y Management . Th e assets ’ r esidua l value s an d useful live s ar e r eviewe d an d adjusted , if app r opriate, a t th e en d o f eac h r eportin g period . A n asset ’ s carryin g amount i s writte n dow n t o it s r ecoverabl e amoun t i f th e asset ’s carryin g amoun t is highe r tha n it s estimate d r ecoverabl e amoun t (pleas e refe r t o not e 3 . 1 for a descriptio n o f impairmen t o f assets) . Gain s an d losse s o n disposal s ar e determine d b y comparin g th e p r oceed s with th e carryin g amoun t an d a r e r ecognise d i n th e Incom e statement .)) I n 2014 , a n impairmen t los s o f DK K 42 3 millio n (DK K 1 1 3 millio n in 2013) r elate d t o patent s an d licence s ha s bee n r ecognise d primaril y due t o discontinuatio n o f al l infl ammatio n development p r ojects . Intangibl e asset s no t yet i n us e amoun t t o DKK 65 6 millio n (DK K 83 1 million i n 2013), primaril y patent s an d licence s i n r elatio n t o development p r ojects . Impairmen t test s i n 201 4 an d 201 3 o f patent s an d licence s no t ye t i n use a r e base d upo n Management ’ s p r ojection s an d anticipate d ne t p r esen t value o f futu r e cas h f l ow s f r o m cash - generatin g units . Managemen t ha s use d a p r e - ta x discount rat e (W ACC) o f 8 % base d o n th e ris k inhe r en t i n th e r elated activity ’ s cur r en t busines s mode l an d industr y comparisons . T ermina l values use d a r e base d o n th e expecte d lif e o f p roducts , fo r e caste d lif e cycl e and cas h flow ove r tha t period, an d th e usefu l lif e o f th e underlyin g assets . AMO R TIS A TION AND IM P AIRMENT LOSSES Fo r furthe r informatio n r ega r din g impairmen t o f infl ammatio n p r ojects, pleas e refer t o not e 2.3. DK K million 2014 2013 Cos t a t th e beginnin g o f th e year 3,099 2,712 Addition s durin g th e year 321 403 Disposal s durin g th e year (527) – E f fec t o f exchang e rat e adjustment 14 (16 Cos t a t th e en d o f th e year 2,907 3,099 Amortisatio n an d impairmen t losses 1,484 1,217 a t th e beginnin g o f th e year Amortisatio n fo r th e year 143 166 Impairmen t losse s fo r th e year 423 113 Amortisatio n an d impairmen t losse s r eversed o n disposal s durin g th e year (527) – E f fec t o f exchang e rat e adjustment 6 (12 Amortisatio n an d impairmen t losses a t th e en d o f th e year 1,529 1,484 Carryin g amoun t a t th e en d o f th e year 1,378 1,615 Specifie d as: 454 810 Patent s an d licences Inte r nall y develope d softwa r e an d softwa r e unde r development 924 805 T otal 1,378 1,615 DK K million 2014 2013 2012 Cos t o f good s sold 105 97 81 Sale s an d distributio n costs 28 41 50 Resea r c h an d developmen t costs 425 126 47 Othe r operatin g income , net 8 15 14 T ota l amortisatio n and impairmen t losses 566 279 192

N OVO N O R D I S K A NN U A L R E P O R T 2 0 1 4 C O N S O L I D A T E D F IN A N C I A L S TA T E M E N T S 73 3 . 2 PROPE R T Y , PLAN T AN D EQUIPMEN T (CONTINUED) PROPE R T Y , PLANT AND EQUIPMENT Asset s in 1 . Fo r furthe r informatio n r ega r din g impairment o f infl ammatio n p r ojects, pleas e r efer t o not e 2.3. DK K million Lan d and building s Plan t and machiner y Other equipment cours e of construction T otal 2014 44,037 Cos t a t th e beginnin g o f th e year 16,184 18,964 3,457 5,432 Addition s durin g th e year 234 459 384 2,913 3,990 Disposal s durin g th e year (392) (324) (279) – (995) T ransfe r f r om/(to) othe r items 1,156 1,168 250 (2,574) 0 E f fec t o f exchang e rat e adjustment 209 143 70 30 452 Cos t a t th e en d o f th e year 17,391 20,410 3,882 5,801 47,484 Dep r eciatio n an d impairmen t losse s a t th e beginnin g o f th e year 6,267 13,614 2,274 – 22,155 Dep r eciatio n fo r th e year 855 1,436 362 – 2,653 Impairmen t losse s fo r th e year 1 94 42 80 – 216 Dep r eciatio n an d impairmen t losse s r everse d o n disposal s durin g th e year (297) (265) (260) – (822) E f fec t o f exchang e rat e adjustment 14 83 49 – 146 Dep r eciatio n an d impairmen t losse s a t th e en d o f th e year 6,933 14,910 2,505 – 24,348 Carryin g amoun t a t th e en d o f th e year 10,458 5,500 1,377 5,801 23,136 DK K million 2014 2013 2012 Cos t o f good s sold 2,141 1,984 1,909 Sale s an d distributio n costs 36 37 46 Resea r c h an d developmen t costs 491 340 416 Administrativ e costs 83 59 53 Othe r operatin g income , net 118 100 77 T ota l depreciatio n an d impairmen t losses 2,869 2,520 2,501 2013 Cos t a t th e beginnin g o f th e year 15,345 18,022 3,359 5,878 42,604 Addition s durin g th e year 521 581 230 1,906 3,238 Disposal s durin g th e year (195) (655) (259) – (1,109) T ransfe r f r om/(to) othe r items 804 1,283 186 (2,273) 0 E f fec t o f exchang e rat e adjustment (291) (267) (59) (79) (696) Cos t a t th e en d o f th e year 16,184 18,964 3,457 5,432 44,037 Dep r eciatio n an d impairmen t losse s a t th e beginnin g o f th e year 5,881 12,975 2,209 – 21,065 Dep r eciatio n fo r th e year 688 1,464 337 – 2,489 Impairmen t losse s fo r th e year 4 22 5 – 31 Dep r eciatio n an d impairmen t losse s r everse d o n disposal s durin g th e year (192) (643) (243) – (1,078) E f fec t o f exchang e rat e adjustment (114) (204) (34) – (352) Dep r eciatio n an d impairmen t losse s a t th e en d o f th e year 6,267 13,614 2,274 – 22,155 Carryin g amoun t a t th e en d o f th e year 9,917 5,350 1,183 5,432 21,882 DEPRECI A TION AND IM P AIRMENT LOSSES

N OVO N O R D I S K A NN U A L R E P O R T 2 0 1 4 7 4 C O N S O L I D A T E D F IN A N C I A L S TA T E M E N T S 3 . 3 INVENTORIES Accountin g policies Inventorie s ar e state d a t th e lowe r o f cos t an d ne t r ealisabl e value . Cost i s determine d usin g th e f i rst - in , f i rst - ou t method . Cost comprise s di r ect p r oductio n cost s suc h as ra w materials, consumable s an d labou r as wel l as indi r ect p r oductio n costs . P r oductio n cost s fo r wor k i n p r og r ess an d fi nished good s includ e indi r ec t p r oductio n cost s suc h as employe e costs , dep r ecia - tion , maintenanc e etc . 3 . 4 TRAD E RECEI V ABLES Accountin g policies T r ad e r e ceivable s a r e r e cognise d initiall y a t fai r valu e an d subsequently measur e d a t amortise d cos t usin g th e e f fectiv e inte r est method , less allowanc e fo r doubtfu l trad e r eceivables . Th e allowanc e i s deducte d f r o m th e carryin g amoun t o f T rad e r eceivables an d th e amoun t o f th e los s i s r e cognise d i n th e Incom e statemen t under Sale s an d distributio n costs . Subsequen t r ecoverie s o f amount s p r eviously written o f f a r e c r edite d agains t Sale s an d distributio n costs . Ke y accounting estimat e – Allowanc e fo r doubtfu l trad e receivables Th e custome r bas e o f Nov o No rdis k comprises gove r nmen t agencies , whole - salers , retail pharmacies , manage d car e an d othe r customers . Management make s allowanc e fo r doubtfu l trad e r eceivable s i n anticipatio n o f estimated losse s resultin g f r o m th e subsequen t inabilit y o f customer s t o mak e requi red payments . I f th e f i nancia l ci r cumstance s o f customer s we r e t o deteriorate, resultin g i n a n impairmen t o f thei r abilit y t o mak e payments, a n additional allowanc e coul d b e r equi re d i n futu r e periods . Whe n evaluatin g the adequac y o f th e allowanc e fo r doubtfu l trad e r eceivables, Management analyse s trad e r e ceivable s an d examine s historica l ba d debt , customer concentrations , custome r c r editworthines s an d paymen t histor y , cur r ent economi c t r end s an d change s i n customer paymen t terms . Pleas e refe r to not e 4 . 2 fo r a genera l descriptio n o f c r edi t risk . As a r esult o f th e signifi cant sale s t o countrie s withi n Regio n Inte r national Operations, an d th e fac t tha t many o f thes e countrie s hav e lo w c r edi t ratings, th e r elativ e impac t o f countrie s withi n Regio n Inte r nationa l Operations o n th e allowanc e fo r doubtfu l trad e r eceivable s i s inc r easing . Th e political climat e i n Russi a an d Argentin a i s impacte d b y instabilit y an d shar p cur r ency dep r eciation . Nov o No rdis k monitor s th e development closel y . Nov o No rdisk als o continue s t o monito r th e cr edi t exposur e r elate d t o r egio n Eu r op a due t o th e generall y t r ouble d economi c climat e i n Eu r op e an d th e Eu r ozone countries , Paymen t histor y a s wel l a s cur r en t economi c condition s and indicator s a r e take n into accoun t i n th e valuatio n o f trad e r eceivables . Pleas e r efe r t o not e 2. 2 fo r a geographica l spli t o f trad e r eceivable s and allowanc e fo r doubtfu l trad e r eceivables. INVENTORIES TRADE RECEI V ABLES))) I f th e expecte d sale s pric e les s completio n cost s t o execut e sale s (net r ealis - abl e value) i s lowe r tha n th e carryin g amount , a write - dow n i s r ecognise d for th e amoun t b y whic h th e carryin g amoun t exceed s it s ne t r ealisabl e value . Inventor y manufactu r e d prio r t o regulator y app r ova l (p r e - launc h inventory) i s capitalise d bu t immediatel y p rovide d fo r , unti l the r e i s a hig h p r obability o f regulator y app r oval o f th e p r oduct . Befo r e tha t point , a p r ovisio n is mad e against th e carryin g amoun t o f inventor y t o it s r ecoverabl e amount an d r eco r de d a s r esea r c h an d development costs . A t th e poin t whe n a high p r obabilit y o f regulator y app r oval i s obtained , th e p r ovisio n r eco r de d is r eversed , u p t o n o mo r e tha n th e original cost . Ke y accounting estimat e – Indirec t production costs Indi r ec t p r oductio n cost s account fo r mo r e tha n 50 % o f th e ne t inventory value, r e f l ectin g a length y p r oductio n p r oces s compar e d with low di r ect ra w materia l cost . Th e p r oductio n o f bot h diabete s car e an d biopharma - ceutical s p r oduct s i s highl y comple x fr o m fermentatio n to purifi cation an d formulation , includin g qualit y cont r o l o f al l p roductio n p r ocesses . Furthermo r e, th e p r oces s i s ver y sensitiv e to manufacturin g conditions . Thes e factor s al l infl uenc e th e parameter s fo r capitalisatio n o f indi r e ct p r oductio n cost s i n Nov o No rdis k an d ful l cost o f th e p roducts . Indi r ect p r oductio n cost s a r e measur e d usin g a standa r d cost method , whic h is r eviewe d r egularl y to ensur e r elevan t measu r e s o f capacit y utilisation, p r oductio n lea d time , cos t bas e an d othe r r elevan t factors, henc e inventor y is valuate d a t actua l cost . When calculatin g tota l inventor y , Management must mak e certai n judgements abou t cos t o f p r oduction , standa r d cos t variances an d idl e capacit y i n estimatin g indi r e c t p r oductio n cost s fo r capitalisation . Changes i n th e parameter s fo r calculatio n o f indi r ect p r oductio n cost s could hav e a n impact o n th e g r os s margi n an d th e overal l valuatio n o f inventories .)) Ther e i s n o inventor y carrie d a t ne t r ealisabl e valu e a t 3 1 Decembe r fo r either 201 3 o r 2014. DK K million 2014 2013 Ra w materials 1,723 1,66 0 W or k i n p r og r ess 7,539 6,22 7 Finishe d goods 3,260 2,62 5 T ota l inventorie s (g r oss) 12,522 10,51 2 Inventor y write - down s a t yea r - end 1,165 96 0 T ota l

inventorie s (net) 11,357 9,55 2 Indi r ec t p r oductio n cost s include d i n work 5,759 4,83 4 i n p r og r es s an d f inishe d goods Sha r e o f tota l inventorie s (net) 51% 51% MOVEMENTS IN INVENTO R Y 960 864 WRITE - DOWNS Inventor y write - down s a t th e beginnin g o f th e year Inventor y write - down s durin g th e year 467 465 Utilisatio n o f inventor y write - downs (123) (15 6 Reversa l o f inventor y write - downs (139) (21 3 Inventor y write - down s a t th e en d o f th e year 1,165 960 DK K million 2014 2013 T rad e r eceivable s (g r oss) Allowanc e fo r doubtfu l trad e r eceivables 14,036 995 11,896 989 T rad e receivable s (net) 13,041 10,907 T rad e r eceivable s (net) equal s a c r edi t period 12,664 9,985 o f 5 4 day s (4 8 day s i n 2013). Ag e analysi s o f trad e r eceivables Non - impaire d trad e receivables – No t ye t due – Ove r du e b y betwee n 1 an d 17 9 days 337 844 – Ove r du e b y betwee n 18 0 an d 36 0 days 40 78 – Ove r du e b y mo r e tha n 36 0 days 0 0 T rad e r eceivable s wit h c r edi t ris k exposu r e 13,041 10,907 Allowanc e fo r doubtfu l trad e r eceivables 995 989 T rad e receivable s (gross) 14,036 11,896 MOVEMENT IN ALLO W ANCE FOR 989 1,024 DOUBTFUL TRADE RECEI V ABLES Carryin g amoun t a t th e beginnin g o f th e year Confirme d losses (13) (8 Reversa l o f allowanc e fo r confirme d losses (11) (10 Allowanc e fo r possibl e losse s durin g th e year 57 51 E f fec t o f exchang e rat e adjustment (27) (68 Allowanc e a t th e en d o f th e year 995 98 9

N OVO N O R D I S K A NN U A L R E P O R T 2 0 1 4 C O N S O L I D A T E D F IN A N C I A L S TA T E M E N T S 75 3 . 6 RETIREMEN T BENEFI T OBLIG A TIONS Accountin g policies Nov o Nor dis k operate s a number o f def i ne d contributio n plan s th roughout th e world . Nov o No r disk ’ s contribution s t o th e defi ne d contributio n plans a r e charge d t o th e Incom e statemen t i n th e yea r t o whic h the y r elate . I n a fe w countries, Nov o No rdis k stil l operate s defi ne d benef i t plans . Th e def i ned benefi t plan s fo r Germany cove r al l employee s employe d befo r e November 2003 . Obligation s r elatin g t o employee s employe d afte r 200 3 a r e cove r e d by a defi ne d contributio n plan . I n Switzerlan d th e employe e pensio n scheme is setu p as a combine d def i ne d benef i t pla n an d a def i ne d contributio n plan . Th e pla n i n Switzerlan d i s mandator y . Th e pla n i n Japa n cover s al l employees an d i s se t u p as a combine d cas h balanc e pla n an d a defi ne d contribution plan . Th e pla n i n th e US i s structu r e d as a post - r eti r emen t healthca r e plan coverin g all employees . Sinc e 201 2 all employee s a r e cove r e d b y a def i ned contributio n plan . 3 . 5 OTHE R RECEI V ABLE S AND PRE P A YMENTS Accountin g policies Othe r r eceivable s an d p r epayment s a r e r ecognise d initiall y a t fai r value an d subsequentl y measur e d a t amortise d cos t usin g th e e f fectiv e inte r est method . P r epayment s r elat e t o ongoin g r esea r c h an d development activities suc h a s clinica l trial s an d cost s conce r nin g subsequen t fi nancia l years . Other r eceivable s compris e miscellaneou s dutie s an d wor k i n p r og r es s fo r thi r d partie s etc . OTHER RECEI V ABLES AND PRE P A YMENTS Th e cost s fo r th e yea r fo r defi ne d benefi t plan s a r e determine d usin g the p rojecte d uni t c r edi t method . Thi s r e fl ect s service s r ende r e d b y employee s to th e valuatio n date s an d i s base d o n actuaria l assumption s primaril y r ega r ding discoun t rate s use d i n determinin g th e p r esent valu e o f benefi t s and p rojecte d rate s o f remuneratio n g r owth . Discoun t rate s a r e base d o n the market yield s o f high - rate d corporat e bonds i n th e countr y conce r ned . Actuaria l gain s an d losse s arisin g f r o m experienc e adjustment s an d changes i n actuarial assumption s a r e charge d o r c r edite d t o Othe r comp r ehensive incom e i n th e perio d i n whic h the y arise . Pas t servic e cost s a r e r ecognised immediatel y i n th e Incom e statement . Pensio n asset s a r e onl y r ecognise d t o th e extent tha t Nov o No rdis k i s abl e to deriv e futu r e economic benefi t s suc h a s refund s f r o m th e pla n o r reductions o f futu r e contributions . Th e G r oup ’ s defi ne d benefi t plan s ar e pensio n plan s an d medica l plan s and a r e usuall y funde d b y payment s f r o m G r ou p companie s an d b y employees t o fund s independent o f Nov o No r disk . Whe r e a pla n i s unfunded , a liability fo r th e r eti r emen t obligatio n i s r ecognise d i n th e Balanc e sheet . Costs r ecognise d fo r post - employmen t benefi t s a r e include d i n Cost o f goods sold , Sale s an d distributio n costs, Resea r c h an d developmen t costs, and Administrativ e costs . Th e ne t obligatio n r ecognise d i n th e Balanc e shee t i s r eporte d a s non - cur r ent liabilities . DK K million 2014 2013 P r epayments 1,222 1,110 Inte r es t r eceivable 26 75 Amount s owe d b y r elate d parties 138 141 Deposit 251 232 V A T r eceivable 350 197 Othe r r eceivables 763 699 T ota l othe r receivable s an d prepayments 2,750 2,454

N OVO N O R D I S K A NN U A L R E P O R T 2 0 1 4))) 1. Employe e cost s comprisin g servic e costs , ne t inte r est , settlement s an d othe r . Please r efer t o not e 2.4. 2. A s par t o f exchang e rat e adjustment s i n subsidiaries. Pleas e refe r to not e 5. 4 fo r maturit y analysi s o f ne t r eti r emen t benefi t obligation. Nov o No rdis k doe s no t expect th e contribution s over th e next fi v e year s to di ffe r signifi cantl y f r o m cur r en t contributions. 7 6 C O N S O L I D A T E D F IN A N C I A L S TA T E M E N T S 3 . 6 RETIREMEN T BENEFI T OBLIG A TION S (CONTINUED) RETIREMENT BENEFIT OBLIG A TIONS NET RETIREMENT BENEFIT OBLIG A TIONS)))) 2 F AIR V ALUE OF PLAN ASSETS))) Ne t retiremen t benefi t obligations a t the en d o f the yea r 26 9 7 7 6 8 38 1 23 6 1,031 688 1. Remeasu r ement r elate s primaril y t o change s i n f i nancia l assumptions. 2. P r esen t valu e o f partl y funde d r eti rement benef i t obligation s amounts t o DKK 1 ,47 8 millio n (DK K 1 ,1 1 5 millio n i n 2013). P r esen t valu e o f unfunde d r eti rement benefi t obligations amount s t o DKK 49 7 millio n (DK K 42 9 millio n i n 2013). WEIGHTED A VERAGE ASSET ALLOC A TION OF FUNDED RETIREMENT OBLIG A TIONS 1 . Nov o Nor disk ’ s defi ne d benefi t plan s mainl y i n German y an d Switzerlan d ar e r eimburse d b y th e inte r nationa l insu rer Allian z r ega r dles s o f th e valu e o f th e plan assets . Th e ris k r elate d t o th e fundin g i n thes e countrie s i s the r efo r e counterpart y risk against Allianz . DK K million Germany Switzerland Japan US Other 2014 T otal 2013 T ota l A t th e beginnin g o f th e year 519 213 288 285 239 1,544 1,664 Cur r en t servic e costs 20 26 28 22 25 121 129 Settlements – – – – (2) (2) (127 Inte r es t costs 19 5 4 14 7 49 44 Remeasu r emen t (gains)/losses 1 157 8 9 31 45 250 (33 Pla n participan t contribution s etc – 9 – – 6 15 16 Benefit s pai d t o employees (4) (18) (10) (8) (1) (41) (52 Exchang e rat e adjustment (1) 3 (1) 37 1 39 (97 A t th e en d o f th e year 710 246 318 381 320 1,975 2 1,544 A t th e beginnin g o f th e year 414 154 221 – 67 856 904 Inte r es t income 16 4 2 – 2 24 23 Settlements – – – – – – (92 Remeasu r emen t gains/(losses) (7) (2) 15 – (3) 3 21 Employe r contributions 21 20 23 8 13 85 89 Pla n participan t contribution s etc 2 9 – – 6 17 18 Benefit s pai d t o employees (4) (18) (10) (8) (1) (41) (52 Exchang e rat e adjustment (1) 2 (1) – – – (55 A t th e en d o f th e year 441 169 250 – 84 944 856 DK K million 2014 2013 A t th e beginnin g o f th e year 688 760 Cost s r ecognise d i n th e Incom e statement 1 142 113 Remeasu r ement s r ecognise d in Othe r comp r ehensiv e income 247 (54 Employe r contributions (85) (89 Exchang e rat e adjustmen t r ecognise d in Othe r comp r ehensiv e income 2 39 (42 A t th e en d o f th e year 1,031 688 2014 DKK millio n % 2013 DKK millio n % Coverag e insurance 1 632 67% 584 68% Bonds 204 22% 167 20% Equities 76 8% 78 9% Cas h a t bank 21 2% 17 2% P r operty 11 1% 10 1% T otal 944 100% 856 100%

N OVO N O R D I S K A NN U A L R E P O R T 2 0 1 4 C O N S O L I D A T E D F IN A N C I A L S TA T E M E N T S 77 Nov o No rdis k issue s c r edi t note s fo r expi r e d good s a s a par t o f normal business . Whe r e the r e i s historica l experienc e o r a r easonabl y accurate estimat e o f expecte d futu r e r etu r ns ca n otherwis e b e made , a p r ovisio n for estimate d p r oduc t r etu r n s i s r eco r ded . Th e p r ovisio n i s measur e d a t g r oss sale s value . 3 . 6 RETIREMEN T BENEFI T OBLIG A TIONS (CONTINUED) ASSUMPTIONS USED FOR V ALU A TION 2014 2013 Weighted average Weighted average Discount rate P r ojecte d futu r e remuneratio n inc r eases Medica l cos t t r en d rate Infl atio n rate 2% 2% 6% 2% 3% 2% 4% 2% Actuarial valuation s ar e performe d annuall y fo r all majo r def i ne d benefi t plans . Assumption s r ega r din g futu r e mortalit y a r e base d o n actuaria l advice i n acco r danc e wit h publishe d statistic s an d experienc e i n eac h countr y . Signifi cant actuarial assumption s fo r th e determinatio n o f th e r eti rement benefi t obligatio n a r e discoun t rat e an d expecte d futu r e remuneration inc r eases . Th e sensitivit y analyse s belo w hav e bee n determine d base d on r easonabl y likel y change s i n th e assumption s occurrin g a t th e en d o f the period . Futu r e remuneration 77 (54) Th e sensitivitie s abov e consider th e singl e chang e show n with th e other assumption s assume d to b e unchanged . I n practice , change s i n one assumptio n ma y b e accompanie d b y o ffsettin g changes i n another assump - tion (althoug h thi s i s no t always th e case) . 3. 7 PROVISION S AN D CONTINGENT LIABILITIES Accountin g policies P r ovision s fo r sale s r ebate s an d discount s grante d t o gove r nmen t agencies, wholesalers, retai l pharmacies, manage d car e an d othe r customer s a r e r ecor ded at the time the r elated r evenues ar e r ecor ded or when the incentives a r e o ffe r ed . P r ovision s a r e calculate d base d o n historica l experienc e an d the specifi c term s i n th e individual ag reements . P r ovision s fo r lega l dispute s ar e r ecognise d whe r e a lega l o r constructive obligatio n has bee n incur re d a s a r esul t o f pas t event s an d it i s p robabl e that the r e wil l b e a n outfl