


MEETING DATE	Thu, 21 Mar 2019 14:00	TYPE	AGM	ISSUE DATE	Fri, 08 Mar 2019
MEETING LOCATION	Bella Center, Center Boulevard 5, DK-2300 Copenhagen S, Denmark				
CURRENT INDICES	FTSE EuroFirst				
SECTOR	Pharmaceuticals				

PROPOSALS		ADVICE
<b>1</b>	<b>Receive the Directors Report</b> Disclosure is considered adequate and the report was made available sufficiently before the meeting.	<b>Non-Voting</b>
<b>2</b>	<b>Receive the Annual Report</b> Disclosure is adequate. The financial statements were made available sufficiently before the meeting and have been audited and certified. No serious governance concerns have been identified.	<b>For</b>
<b>3.1</b>	<b>Approve Fees Paid to the Board of Directors for the year 2018</b> Total board remuneration fees for 2018 were 17.2 DKK million, which is a 6.8% increase from 16.1 DKK million in 2017. The fee breakdown is adequate, and is not deemed excessive. Triodos supports this resolution.	<b>For</b>
<b>3.2</b>	<b>Approve Fees Payable to the Board of Directors in 2019</b> It is proposed to approve the fixed salary for the Board of Directors. No increase has been proposed. Triodos supports this resolution.	<b>For</b>
<b>4</b>	<b>Approve the Dividend</b> The Board proposes a dividend of DKK 8.15. The dividend is covered by earnings. Acceptable proposal.	<b>For</b>
<b>5.1</b>	<b>Re-elect Hedge Lund as Chair</b> Independent Non-Executive Director. There are concerns over potential aggregate time commitments.	<b>Abstain</b>
<b>5.2</b>	<b>Re-elect Jeppe Christiansen as Vice Chair</b> Non-Executive Vice-Chairman. Not considered to be independent as he is a member of the board of directors of Novo A/S which holds a significant stake of the Company's issued share capital. There is sufficient independent representation on the Board. However, as there are concerns over the director's potential aggregate time commitments. He is chair of the Remuneration committee which is not fully independent which Triodos does not support.	<b>Oppose</b>
<b>5.3.A</b>	<b>Re-elect Brian Daniels</b> Independent Non-Executive Director. There are concerns over potential aggregate time commitments.	<b>Abstain</b>
<b>5.3.B</b>	<b>Elect Laurence Debroux</b> Independent Non-Executive Director. However, there are concerns over the director's aggregate time commitments.	<b>Abstain</b>
<b>5.3.C</b>	<b>Re-elect Andrea Fibig</b> Independent Non-Executive Director.	<b>For</b>

<b>5.3.D</b>	<b>Re-elect Sylvie Gregoire</b> Independent Non-Executive Director. There are concerns over potential aggregate time commitments.	<b>Abstain</b>
<b>5.3.E</b>	<b>Re-elect Liz Hewitt</b> Independent Non-Executive Director. She is chair of the Audit committee which is not fully independent which Triodos does not support.	<b>Oppose</b>
<b>5.3.F</b>	<b>Re-elect Kasim Kutay</b> Non-Executive Director. Kasim Kuttay is not considered to be independent as he is CEO of Novo A/S, the controlling shareholder. There is sufficient independent representation on the Board. However, as there are concerns over the director's potential aggregate time commitments, Triodos abstains this resolution.	<b>Abstain</b>
<b>5.3.G</b>	<b>Re-elect Martin Mackay</b> Independent Non-Executive Director.	<b>For</b>
<b>6</b>	<b>Appoint the Auditors</b> PwC proposed. Non-audit fees represented 56% of audit fees during the year under review and 57.53% on a three-year aggregate basis. This level of non-audit fees raises major concerns about the independence of the statutory auditor. The current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor. Triodos opposes this resolution.	<b>Oppose</b>
<b>7.1</b>	<b>Reduce Share Capital</b> The Board of Directors proposes that the Company's B share capital is reduced by 2.6% from DKK 382,512,800 to DKK 372,512,800. The purpose of the reduction of the Company's share capital is to distribute funds to the shareholders by way of the Company repurchasing shares in accordance with the authorisations granted to the Board of Directors at previous Annual General Meetings. The Board of Directors' proposal to reduce the Company's B share capital is made in order to maintain capital structure flexibility. As it is recommended to oppose the share buyback, and the purpose of this resolution is to fund the share buyback, Triodos opposes this resolution.	<b>Oppose</b>
<b>7.2</b>	<b>Authorise Share Repurchase</b> It is proposed to authorise the Board to purchase Company's shares until next AGM. This resolution will not be supported unless the Board has set forth a clear, cogent and compelling case demonstrating how the authority would benefit long-term shareholders. As no clear justification was provided by the Board, Triodos opposes this resolution.	<b>Oppose</b>
<b>7.3.A*</b>	<b>Approve Authority to Increase Authorised Share Capital without Pre-emptive Rights For The Benefit Of Employees</b> The Board of Directors proposes to extend authorisations for a period of two years until 21 March 2021 (totalling a five year period) without granting any pre-emptive rights to the shareholders. The Board proposes to increase the share capital in one or more stages by issuing B shares of up to a total nominal value of DKK 2,000,000 for the authorisation which corresponds to roughly 0.5% of the total current share capital. Shares will be offered to employees of the Group at a price which is lower than the market price of the B shares. Triodos supports this resolution.	<b>For</b>
<b>7.3.B*</b>	<b>Approve Authority to Increase Authorised Share Capital with Pre-emptive Rights For Existing Shareholders</b> Authority is sought to increase the authorised share capital of the Company from DKK 490,000,000 divided into A share capital of DKK 107,487,200 and B share capital of DKK 382,512,800 of DKK 0.01 each by the creation of an additional DKK 48,000,000 new shares. This is within recommended limits and no serious corporate governance issues are identified. Triodos supports this resolution.	<b>For</b>

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| <b>7.3.C*</b> | <p><b>Approve Authority to Increase Authorised Share Capital without Pre-emptive Rights For Existing Shareholders</b></p> <p>The Board of Directors proposes to extend authorisations for a period of two years until 21 March 2021 (totalling a five year period.) The Board proposes to increase the share capital in one or more stages without pre-emptive rights by up to a total nominal amount of DKK 48,000,000 which corresponds to roughly 12.6% of the total current share capital which is deemed excessive.</p> <p>Triodos opposes this resolution.</p>  | <b>Oppose</b> |
| <b>7.4</b>    | <p><b>Approve Amendments of Remuneration Policy</b></p> <p>The Board proposes to amend the remuneration policy in order to have the ability to wholly or partially reduce the severance payment if the executive has or takes up new employment after the expiry of the notice period. The amendments are intended to ensure that Novo Nordisk is able to reclaim incorrect pay-outs of incentives based on a misstatement of data regardless of whether this originates due to wilful misconduct or gross negligence, and to reflect that the Research &amp; Development Committee has become a permanent committee.</p> <p>Triodos supports this resolution.</p>  | <b>For</b>    |
| <b>8.1</b>    | <p><b>Reduction Of Price Of Insulin And Other Products If Return On Equity Exceeds 7%</b></p> <p>Shareholder Frank Aaen has submitted a proposal that Novo Nordisk reduce the price of insulin and other products, if Novo Nordisk's return on equity exceeds 7%. Although access to medicine is a sensitive issue and it is considered reasonable that drugs should be placed on the market at a price as low as possible, insufficient information has been provided by the filing shareholder, regarding among other things: the rationale for the proposed (undisclosed) discount, why the choice of ROE at 7% as a trigger for such discount, and the impact this will have on shareholders and other stakeholders. Due to lack of scope, clarity, and disclosure overall, Triodos opposes this resolution.</p> <p><i>* = Special resolution</i></p> | <b>Oppose</b> |
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## SUPPORTING INFORMATION FOR RESOLUTIONS

### **Proposal 7.3.B - Approve Authority to Increase Authorised Share Capital with Pre-emptive Rights For Existing Shareholders**

The Board of Directors proposes to extend authorisations for a period of two years until 21 March 2021 (totalling a five year period.) The Board proposes to increase the share capital in one or more stages with pre-emptive rights for the existing shareholders by up to a total nominal amount of DKK 48,000,000 which is 12.5% of the total current share capital. Shares are issued with pre-emptive rights.

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