



Novo Nordisk Limited
Gender Pay Gap Report 2022



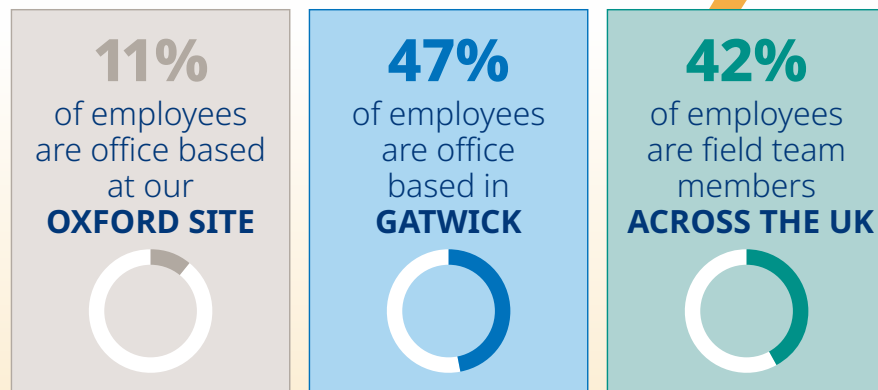
Novo Nordisk UK – at a glance

We were founded in 1923 and today we are a global healthcare company headquartered just outside Copenhagen, Denmark.

Our purpose is to drive change to defeat diabetes and other serious chronic diseases, such as obesity and rare blood and endocrine disorders. We do so by pioneering scientific breakthroughs, expanding access to our medicines, and working to prevent and ultimately cure diabetes.

Here in the UK, we have the UK affiliate based in Gatwick (with office and field employees across the UK) as well as our R&D site in Oxford.

This report is based on data on both Oxford and Gatwick employees, a total population of 484.



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2023 represents Novo Nordisk's 100th anniversary as a company. It's an excellent opportunity to reflect on the values and beliefs from our founders and appreciate that lots of those qualities must remain pivotal in our company. Diversity and inclusion are definitely key elements to ensuring our ability to drive exciting innovation and sustainable business growth.

Antonio Marín-Blázquez:
Senior Director, People & Organisation

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About this year's data and report

Comparing our figures with last year shows a positive trend with our mean and median pay gaps decreasing. We remain confident that the actions we are putting in place will continue to close the gap in a sustained and consistent manner.

As an example, and in recognition that our current gaps is driven by fewer women in senior positions, we have worked hard to address the root cause. This year, we are happy to report that 63% of the new manager appointments in 2022 were women, which leaves the representation of women in managerial positions at 50% and overall leadership population at 29%.

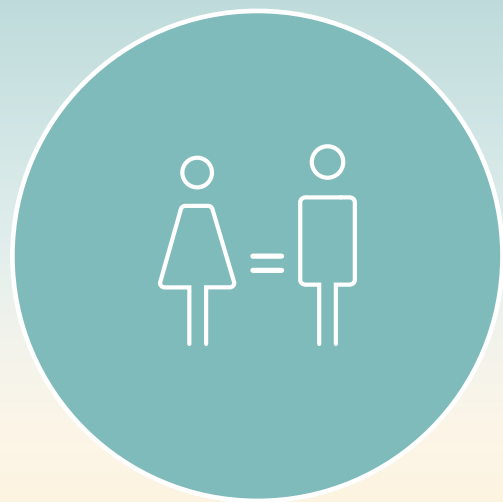
Whilst we recognise that change will not happen overnight, we are delighted to see progress in the right direction.



What is Gender pay gap & how is it calculated



In line with Gender Pay Gap Reporting (GPGR) regulations, all UK companies with more than 250 employees are required to publish their GPGR statistics using data as of 5th April 2022.



In this report, we have calculated:

- The gap in pay
- The gap in bonus payments
- The proportion of men/women at each pay quartiles
- and proportion of men/women receiving bonus pay-outs over the previous 12 months period (6 April 2021 to 5 April 2022)

Gender pay gap is calculated by using Hourly Pay based on employee's weekly working hours:

- Hourly pay includes Ordinary pay (basic pay + allowances) and Bonus pay
- Positive gap means that men's hourly pay is higher than women

Employees are sorted from the highest to lowest hourly pay and divided into 4 quarters to define pay quartiles, with an equal number of employees in each section.

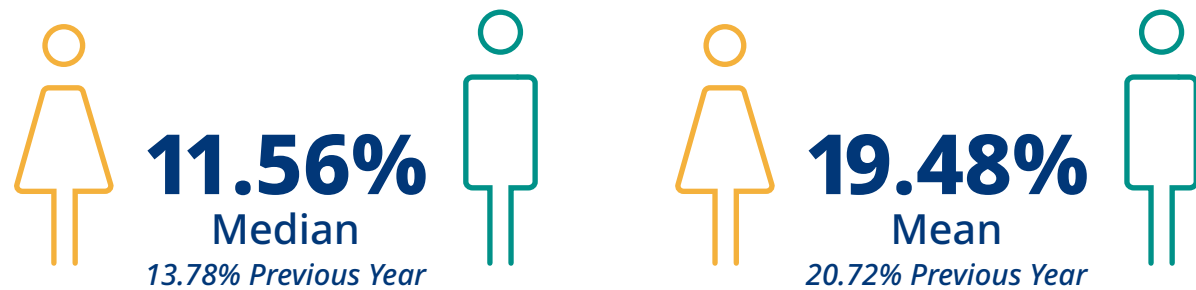
It is important to remember that this is different to the issue of 'equal pay' (governed by the Equality Act 2010) which is the legal right for men and women to be paid the same for equal work.



Our Results



Gender Pay Gap



Comments

- Gender pay gap has reduced by 2.22% at median and 1.24% at mean.
- The gap is mainly driven by the Leadership team who are the highest earners in the organization and 70% of them are male.
- We are pleased to say that the gap is significantly lower in upper middle, lower middle and lower quartiles.

Gender Representation

65.29%
of employees
are female



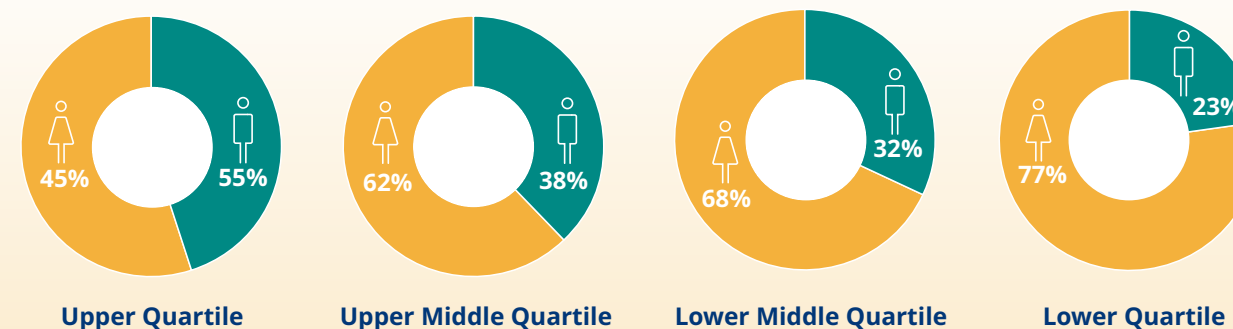
Bonus Gap



Comments

- Bonus pay gap has significantly reduced compared to last year – by 12.46% at median and 8.66% at mean. This is mainly driven by the better distribution of bonus across leadership, manager and individual contributor roles.
- The bonus gap at the upper quartile is significantly higher in favour of men based on two reasons:
 - Target bonus is described as a percentage of base salary for non-sales roles.
 - The percentage of bonus is higher for the leadership team and there is a larger male representation at this group.
- The cases where employees did not receive a bonus are explained by the employees' hire date that causes ineligibility to bonus as per our bonus scheme rules.

Distribution per Pay Quartile



93%
of females
received
a bonus

89%
of males
received
a bonus

More about our ways of working and initiatives for the future



Sustainable Pay

In Novo Nordisk, **Sustainable Pay is defined as having pay practices that can be maintained over time and still be fair, equal, and competitive.** Aiming to be an attractive and sustainable employer, Novo Nordisk treats Sustainable Pay as a critical element of building and engaging a diverse and inclusive workforce, while fulfilling our social commitment of being a responsible company.

We do so by looking at elements as listed below and building them further:

- **Gender Pay** by an annual exercise to identify gender-based pay gaps
- **Equal Pay** by an annual exercise to identify equal pay risks
- **Internal Pay** by building meaningful differentiations between functions, therapy areas etc where relevant
- **Minimum Pay** by an annual exercise to identify minimum living wage risks

As part of this work, we aim to identify and mitigate any relevant gap but more importantly to continuously investigate how we can remove biases from the ongoing key rewards processes and decisions.

Diversity & Inclusion

We recognise that none of our sustainable pay actions will succeed without the **right culture and working environment and central to this is our commitment to D&I.**

The D&I agenda has become more important than ever and is a crucial part of being a sustainable employer. To underpin our commitment and accelerate progress we have defined global aspiration targets, including achieving a 45% gender representation in senior leadership by 2025.

Additionally, we have developed a local D&I Action Plan which is focused on creating an inclusive culture, embedding D&I into our HR processes and policies and strengthening our leadership capability and commitment to building diverse teams.

Our commitment



Reward

Driving change within pay equity is one aspect of Novo Nordisk's commitment to being a sustainable employer.

Gender pay is one of the critical enablers in our company for a diverse and inclusive workforce where all employees feel that they are treated fairly.

In 2022, Sustainable Pay Council (SPC) was established in Novo Nordisk to guide and challenge our aspirations.



Flexible working

Employee wellbeing is fundamental to Novo Nordisk. Our hybrid working model supports our colleagues to do their job in the most effective way, while maintaining a good work life balance.

All colleagues have the opportunity to request to work flexibly through our smart working scheme, providing greater flexibility for our people with initiatives such as hybrid working, compressed hours, part time working and working from home.



Diversity & Inclusion

A key pillar of our UK D&I plan is to embed D&I into our core HR processes such as recruitment, induction and pay. Within Recruitment we have introduced clear recruitment guidelines, a Recruitment Toolkit for managers and Recruitment training for managers

We introduced a global minimum standard for parental leave and now offer a minimum of eight-weeks paid leave within the first year of becoming a parent to all non-birthing parents, regardless of gender.

An increased focus on D&I activities are refreshing the Diversity and Inclusion policy and the creation of our Inclusion Group to bring together colleagues from different parts of the business to play an active role in shaping the agenda.



Talent Attraction

Effective from January 2022, Novo Nordisk no longer asks for salary history information from candidates and this is made our global practice during the hiring processes.

This means that we base our offers solely on parameters such as the skill set of the candidate, salary range applicable to the role, and the candidate's expectation.

We believe this to be a proactive step to further help address pay equity issues in Novo Nordisk and evidence of our strong commitment to addressing issues of Diversity & Inclusion.



Talent Development

At Novo Nordisk we believe everyone has potential! Our Learning & Development agenda helps to create the right culture and environment for all our colleagues to learn and grow.

Our blended learning & development opportunities empower our colleagues to set their own pace that matches their learning style.





Declaration

I confirm that the information provided in this report is accurate, and the data reported has been prepared in line with mandatory requirements.

Pinder Sahota

CVP UK

www.novonordisk.com