



Novo Nordisk Limited (UK) Modern Slavery Statement 2021

This Modern Slavery statement has been developed in accordance with the UK Modern Slavery Act 2015. It sets out the steps taken by Novo Nordisk A/S and its subsidiary Novo Nordisk Ltd (UK) in this regard during the **financial year ending 31 December 2021**.

At Novo Nordisk, we recognise that modern slavery including human trafficking, forced labour, bonded labour, child slavery and hazardous child labour can occur in every industry and sector. We take the steps outlined here to understand what these risks are and to manage them accordingly.

About Novo Nordisk

With headquarters in Denmark, [Novo Nordisk](#) is a global healthcare company with nearly 100 years of innovation and leadership in diabetes care. This heritage has given us the experience and capabilities that also enable us to help people defeat other serious chronic diseases: obesity, haemophilia and growth disorders as well as expanding our research and development efforts into other areas such as cardiovascular, liver and kidney diseases related to diabetes and obesity. We employ more than 48,000 people in 80 countries.

Novo Nordisk's main operations

Novo Nordisk's main product areas are diabetes, obesity, biopharm and other serious chronic diseases. Novo Nordisk supplies nearly half the world's insulin and our diabetes products are used by approximately 34.6 million people worldwide, with more than 5 million receiving them through our access and affordability programmes. We have research and development centres in Denmark, UK, US, mainland China and India. We have production sites in Denmark, France, US, Brazil, mainland China, Russia, Algeria, UK and Japan. We market our products in 168 countries.

Novo Nordisk's supply chains

Through our own organisation and supply chains we source raw materials, components and services for the production of Novo Nordisk products in diabetes care and other serious chronic diseases. Novo Nordisk's products are manufactured and assembled in more than 30 countries, with some 370 first-tier suppliers. Novo Nordisk's supply chain also includes extensive and global supply chains for other goods, materials and services that support our business activities, with more than 60,000 first-tier suppliers.

Governance

Novo Nordisk's human rights compliance including human rights due diligence and human rights risk management is overseen by the Business Ethics Committee, which comprises Chief Executive Officer, Chief Compliance Officer and Chief Legal Officer among other members. Consolidated findings of Business Ethics reviews and risks are reported to our Executive Management and the Audit Committee, which comprises members of [the Board of Directors](#). The responsibility to implement respect for human rights in daily operations sits in the Business Ethics Compliance Office reporting to the Chief Compliance Officer.

Novo Nordisk Way

At Novo Nordisk, we are committed to being a sustainable business. To achieve this ambition, we strive to do business in a financially, environmentally, and socially responsible way, as reflected in our Articles of Association and the Novo Nordisk Way which provide general guidance to all employees on how we conduct responsible business.



Human Rights policy commitment

[Novo Nordisk's commitment to respecting human rights](#) as per [the UN Guiding Principles on Business and Human Rights](#) is anchored in the Novo Nordisk's Business Ethics Code of Conduct. Our commitment refers to all human rights expressed in the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. We explicitly commit to prohibition, prevention and mitigation of forced, bonded or debt labour, slavery, servitude and human trafficking and providing access to remedy. In addition, we also refer to the UN Convention on the Rights of the Child to respect children's rights.

Novo Nordisk's corporate requirements on human rights require all Novo Nordisk employees to act in accordance with respect for human rights in their daily decisions. In short, all Novo Nordisk employees must:

- 1) Avoid causing or contributing to negative human rights impacts in all business activities
- 2) Set human rights expectations to our business partners according to the UN Guiding Principles on Business and Human Rights, with a focus on high-risk activities
- 3) Report human rights concerns to the Novo Nordisk Compliance Hotline
- 4) Prevent and mitigate recurrence of actual negative human rights impacts and provide for remedy where necessary.

In 2021 Novo Nordisk further strengthened its [Labour Code of Conduct](#), which provides a set of minimum labour standards for all employees. The Labour Code of Conduct states that all employees work for the company on a voluntary basis, and not under threat of any penalty or sanctions. To safeguard this principle, we ensure among others that any commissions and other fees in connection with employment of workers will be covered by Novo Nordisk. We do not accept child labour and we protect persons below the age of 18 (children) from any hazardous work, night shift and any kind of work that might hamper their development or impose any physical harm. It also states that all employees in Novo Nordisk earn sufficient income in a standard working week to, at a minimum, meet their basic needs (and those of their families) and to provide some discretionary income of minimum 20 % above living wage.

Novo Nordisk also has in place [Responsible Sourcing standards](#), which set expectations to suppliers. These are the basis for Responsible Sourcing audits of our suppliers and include our suppliers' responsibility to respect human rights and to apply the same standards in their own supply chain.

Responsible Sourcing programme

The Responsible Sourcing programme was initiated in 2002 and covers all global suppliers to Novo Nordisk. It is an established programme that is integrated in our procurement processes. Corporate Procurement is responsible for coordinating and driving the Responsible Sourcing programme and is supported by Responsible Sourcing audits and local Responsible Sourcing experts at our strategic production sites in mainland China, Brazil and Russia.

Based on our annual supply chain risk assessment, audit findings, experience from engaging with suppliers and input from experts and peers, we have defined the following as the main risk areas in our supply chains in 2021: 1. Systems for ensuring the safety of workers, 2. Systems for ensuring safe and responsible handling of waste and emission discharges and 3. Working hours, time off and leave. These main risk areas are reflected in our Responsible Sourcing risk model, which identifies high risk suppliers, based on country of production, annual spend and the types of activities which are known to present responsible business risks.



We use Responsible Sourcing audits and self-assessment questionnaires to assess high risk and other relevant suppliers. High risk suppliers are prioritised for Responsible Sourcing audits. A pre-audit survey on use of vulnerable workers can lead to an extended RS audit if human rights risk indicators are found. Guidance material for auditors includes elaboration of modern slavery risk indicators.

In 2021 around 170 high risk suppliers were identified, eight in-person RS audits took place in mainland China. To accommodate the impacts of COVID 19, six remote and two hybrid (in-person & remote) audits were conducted. From the completed audits, findings in the main risk areas related to safety regulations and working hours specifically. For all findings action plans are in place and we are following up to ensure implementation and resolution of the issues.

Self-assessment questionnaires, which were updated in 2021, are used to gain additional insight into how our suppliers are working to ensure responsible business practices. In 2021, approximately 80% of our high-risk indirect spend suppliers returned the questionnaires. It is indicated that for those suppliers there is a strong focus on ensuring compliance with our Responsible Sourcing standards and integration of them in their own policies and procedures and communication with sub-suppliers.

Due Diligence in relation to Modern Slavery

Risk identification by sector, country and material

Based on desk research and data from the UN, governments and reputable research organisations, internal consultations, mutual learning with peer companies ([Global Initiative on Business and Human Rights](#), [Pharmaceutical Supply Chain Initiative](#)) and expert inputs from an NGO experienced in this field, we assessed modern slavery risks in our value chains.

To identify sectors and categories with high modern slavery risks, we have used the following indicators that are generally known to increase risk likelihood:

- Reliance on low-skill workforce
- Reliance on migrant workforce
- Presence of labour intermediaries
- Presence of children
- Hazardous or undesirable work
- Non-transparent supply chain

Broader operational contexts in each manufacturing country, including factors such as conflict, corruption, weak governance and enforcement of international human rights standards have also been part of our risk assessments.

These assessments have led us to identify the following as high-risk areas in the global supply chains of Novo Nordisk's products:

- Device components in mainland China, Taiwan and Thailand
- Primary packaging and printed pack materials in mainland China, Brazil and Mexico
- Construction, warehousing, logistics and other non-core activities for manufacturing sites in Algeria, Bangladesh, mainland China, Egypt, India, Saudi Arabia and Iran.

We recognise that certain raw materials and commodities are known for potential modern slavery risks. In our supply chains, we have identified the following as such materials and commodities:



metal, mammalian cell growth media, glass, life science chemicals and industrial commodities including ethanol. Conflict mineral due diligence is conducted annually on relevant metal materials. We participate in collaborative efforts to understand human rights risks in raw materials in the pharmaceutical sector through [Pharmaceutical Supply Chain Initiative's](#) Human Rights and Labour sub-committee.

In addition to above areas, we have identified risks in human biosamples used for biomedicine research. Human biosamples are human biological materials including but not limited to tissues, blood and primary cells, derived from living or deceased human beings. Human biosamples thus involves high risks of potentially serious exploitation for donors, especially if they are in vulnerable positions. Since 2015 Novo Nordisk's human biosample governance experts have conducted over 200 evaluations of human biosamples suppliers and external collaborations involving human biosamples, including close to 100 onsite evaluations. This experience has given us data and insights on different risks by country. We continuously strengthen our evaluation programme. For example, in 2021 we included additional red flag criteria.

Actions to address the risks

As part of the Responsible Sourcing programme activities, in 2020 a Novo Nordisk Responsible Sourcing audit at a supplier in Taiwan identified risks related to modern slavery. A finding was raised within the category 'freely chosen employment' concerning recruitment and service fees paid by foreign migrant workers. Following the audit an action plan has been developed, and the supplier has implemented temporary countermeasures to the benefit of foreign migrant workers, while working closely with Novo Nordisk to implement a permanent solution in first quarter of 2022.

For risks associated with sourcing and use of human biosamples, Novo Nordisk has developed a risk-based global evaluation programme. Our evaluation criteria include that donations of human biosamples are freely given without coercion or inducement, which also mitigates potential risks of trafficking involvement. Novo Nordisk does not accept use of human biosamples from vulnerable groups such as prisoners or detainees. In 2021 we updated our evaluation programme. For all new organisations, we conduct desk-based assessment of donor recruitment methods, including reviews of questionnaires, reviews of informed consent templates and information sheets given to donors prior to their donation as well as ethics committee approvals. For high-risk organisations, we conduct onsite visits, on top of desk-based research.

As part of the bi-annual global Business Ethics risk management processes, all business units in the global organisations are required to identify, assess, mitigate, prevent, track and internally report risks of adverse human rights impacts (including modern slavery risks). In 2021 several subsidiaries identified risks of potential labour abuse of external workers in business relationships and took mitigation and prevention measures such as contract reviews and training.

Training

At Novo Nordisk we regularly conduct Business Ethics training to all employees. Throughout 2021 a series of human rights training sessions, workshops and awareness activities including human rights e-learning were delivered for continuous development of human rights awareness. Annual training in Business Ethics, which includes respect for human rights, is mandatory for all employees. In 2021, 98% of employees completed and documented their training, with the remaining 2% missing mainly due to employees being on leave.

At Novo Nordisk we also introduce Responsible Sourcing via e-learning to all procurement and other relevant Novo Nordisk employees. Furthermore, an introduction to Responsible Sourcing is also



included as part of the global on-boarding programme for new employees to the global procurement organisation 4 times a year.

Stakeholder engagement and collaborations

We engage with peers and experts to seek continuous improvements in our approach, including:

- [The Global Business Initiative on Human Rights \(GBI\)](#)
- [The UN Global Compact](#)
- [The Nordic Business Network for Human Rights](#)
- [The Pharmaceutical Supply Chain Initiative \(PSCI\)](#)
- [The Danish Ethical Trading Initiative \(DIEH\)](#)

Remediation

Novo Nordisk employees and external stakeholders including affected people have the possibility of reporting concerns of modern slavery and other negative human rights impacts securely and confidentially via the Compliance Hotline.

This statement was reviewed and approved by the Board of Directors of Novo Nordisk Limited on August 2, 2022 and signed by Pinder Sahota, General Manager UK.

DocuSigned by:

Pinder Sahota

4D2CC8E63DEC457...

Pinder Sahota

General Manager UK
Novo Nordisk Limited

Certificate Of Completion

Envelope Id: 5C5AA5809B0E4510B12068649F2BAAB9	Status: Completed
Subject: Please DocuSign: UK Novo Nordisk Modern Slavery Statement 2022 (for the year 2021).pdf	
Source Envelope:	
Document Pages: 5	Signatures: 1
Certificate Pages: 1	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Ceylan Ergunt
Time Zone: (UTC+01:00) Brussels, Copenhagen, Madrid, Paris	Novo Allé, 2880 Bagsværd
	Copenhagen, 2300
	CEYT@novonordisk.com
	IP Address: 152.73.10.44

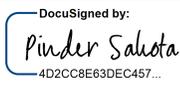
Record Tracking

Status: Original	Holder: Ceylan Ergunt	Location: DocuSign
8/1/2022 3:48:49 PM	CEYT@novonordisk.com	

Signer Events

Pinder Sahota
 pnds@novonordisk.com
 General Manager UK
 Security Level: Email, Account Authentication (None)

Signature

DocuSigned by:

 4D2CC8E63DEC457...
 Signature Adoption: Pre-selected Style
 Using IP Address: 147.161.225.80

Timestamp

Sent: 8/1/2022 3:56:24 PM
 Viewed: 8/2/2022 3:57:34 PM
 Signed: 8/2/2022 3:58:25 PM

Electronic Record and Signature Disclosure:
 Not Offered via DocuSign

In Person Signer Events**Signature****Timestamp****Editor Delivery Events****Status****Timestamp****Agent Delivery Events****Status****Timestamp****Intermediary Delivery Events****Status****Timestamp****Certified Delivery Events****Status****Timestamp****Carbon Copy Events****Status****Timestamp****Witness Events****Signature****Timestamp****Notary Events****Signature****Timestamp****Envelope Summary Events****Status****Timestamps**

Envelope Sent	Hashed/Encrypted	8/1/2022 3:56:24 PM
Certified Delivered	Security Checked	8/2/2022 3:57:34 PM
Signing Complete	Security Checked	8/2/2022 3:58:25 PM
Completed	Security Checked	8/2/2022 3:58:25 PM

Payment Events**Status****Timestamps**