Novo Nordisk

Canadian Modern Slavery Statement 2023

This Canadian Modern Slavery Statement 2023 has been developed in accordance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the Canadian Act), and has been filed accordingly with Public Safety Canada. This general statement sets out the steps taken by Novo Nordisk A/S and its subsidiary Novo Nordisk Canada Inc. in this regard during the financial year ending 31 December 2023.

Only Novo Nordisk Canada Inc. (NNCI) and Novo Nordisk A/S (together the Canadian Reporting Entities) have reporting requirements with respect to this joint report under the Canadian Act with respect to the financial year ending 31 December 2023. References to Novo Nordisk, "we", "us" and "our" in this report may include the Canadian Reporting Entities unless otherwise specified.

In general terms, the steps that the Canadian Reporting Entities have taken during the reporting period to prevent and reduce the risks of forced labour and child labour in their operations and supply chains include (details of which are set out in this report):

- Mapping our direct supply chains;
- Conducting an internal assessment of risks of forced labour and/or child labour in our activities and direct supply chains; and
- Implementing certain due diligence policies and processes for identifying and mitigating the use of child labour in our activities and direct supply chains.

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 over 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. Novo Nordisk employs more than 64,000 people in 80 countries.

NNCI is an Ontario corporation and is indirectly owned and controlled by Novo Nordisk A/S, a Danish corporation, via a Danish holding company, Novo Nordisk North America Operations A/S.

Novo Nordisk's main operations

Novo Nordisk's main product areas are diabetes care, obesity care, rare disease, and other serious chronic diseases. Novo Nordisk supplies nearly half the world's insulin, and in 2023 we reached over 41 million people living with diabetes and obesity worldwide, with more than 6.5 million people living with diabetes reached through our access and affordability programmes. Novo Nordisk has research and development centres in Denmark, UK, US, mainland China and India, and production sites in Denmark, France, US, Brazil, mainland China, Russia, Algeria, Iran, and Japan.

With respect to the Canadian Reporting Entities, Novo Nordisk A/S manufactures products and facilitates global pharmaceutical distribution and NNCI operates as a pharmaceutical sales and distribution company for Canada and Bermuda.

Novo Nordisk's supply chain

Through Novo Nordisk's own organisation and supply chain raw materials, components, and services are sourced to produce 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 450 first-tier suppliers. Novo Nordisk's global supply chain also includes more than 60,000 first tier indirect suppliers that provide goods, services, transportation, products and services that support our business activities.

NNCI imports pharmaceutical products into Canada that are produced by Novo Nordisk A/S and certain of its affiliates, which are manufactured in places outside of Canada (including Denmark and the United States), components of which may be sourced from higher risk countries. NNCI also procures various consulting and other services (such as marketing and finance) from direct suppliers primarily located in Canada.

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 the Chief Executive Officer, Chief Compliance Officer, and General Counsel of Novo Nordisk A/S among other members. Consolidated findings of Business Ethics reviews and risks are reported to Novo Nordisk A/S' Executive Management and the Audit Committee, which comprises members of the Board of Directors of Novo Nordisk A/S. The responsibility to implement respect for human rights in daily operations sits in the Business Ethics Compliance Office reporting to the Group Chief Compliance Officer. NNCI also has a legal and compliance department with oversight of the affiliate's business ethics.

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 provides general guidance to all employees (including employees of Novo Nordisk A/S and NNCI) on how we conduct responsible business.

Human Rights policy commitment and other policies

Novo Nordisk's commitment to respecting human rights, which is guided by the UN Guiding Principles on Business and Human Rights, is anchored in Novo Nordisk's OneCode, outlining the principles for working at Novo Nordisk. 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 striving to prohibit, prevent, and mitigate the use 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 internal corporate policies on human rights state that we require all Novo Nordisk employees (including employees of Novo Nordisk A/S and NNCI) to respect human rights in their daily decisions in the workplace. In short, all Novo Nordisk employees are requested to:

1) Avoid causing or contributing to negative human rights impacts in all business activities
2) Communicate human rights expectations to our business partners with a focus on high-risk activities
3) Report human rights concerns to the Novo Nordisk Compliance Hotline
4) Prevent and mitigate the risk of recurrence of actual negative human rights impacts and provide for remedy where deemed necessary

In 2022, Novo Nordisk further strengthened its Labour Code of Conduct, which provides a set of minimum labour standards for all employees including the following: All employees work for the company on a voluntary basis under no threat of penalty or sanctions. Child labour is not accepted, and persons below the age of 18 are protected from any hazardous work and night shifts. All employees of the Canadian Reporting Entities earn sufficient income of a minimum 20% above living wage in a standard working week to meet their basic needs (and those of their families). Also, Novo Nordisk has a global minimum standard of 8 weeks of paid leave for non-birthing parents. In addition, to continue being a sustainable employer, Novo Nordisk is committed to Diversity and Inclusion to ensure creation of an inclusive work culture and achieve a balanced gender representation across all managerial levels.

Novo Nordisk A/S also has a Responsible Sourcing Standard. The Responsible Sourcing Standard outlines Novo Nordisk guidelines for responsible business conduct consistent with applicable laws and certain internationally recognized standards. It details our global compliance principles and expectations of how our supplier partners conduct business. Despite cultural and legal differences among countries where we produce, source, or received goods or require services, we seek to work with suppliers who uphold the strictest responsible business standards. The majority of key direct supplier partners engaged with Novo Nordisk A/S are provided with the latest copy of our Responsible Sourcing Standard and requested to adhere to these expectations.

NNCI also has in place an Occupational Health and Safety Policy and a Harassment and Violence-Free Workplace Policy that helps promote a safe and secure workplace for our employees, and NNCI complies with all applicable laws related to domestic human rights and labour matters.

Responsible Sourcing programme

The Responsible Sourcing Programme was developed initially in 2002 and has since then been updated regularly to provide a comprehensive guidance for responsible business conduct towards suppliers, consistent with applicable laws and certain internationally recognized standards. All supplier partners engaged with Novo Nordisk A/S are requested to act with integrity and to adhere to the Responsible Sourcing Standards. Novo Nordisk A/S' Global Procurement team is responsible for coordinating and driving the Responsible Sourcing programme into daily operations and is supported by Responsible Sourcing audits and local Responsible Sourcing experts at our strategic production sites.

Based on annual supply chain risk assessment, audit findings, engagement with suppliers and input from experts and peers, Novo Nordisk A/S has defined the following main risk areas in our supply chain in 2023: 1. Worker safety and emergency preparedness, 2. Safe and responsible handling of waste and environmental resources and 3. Working hours, time off and leave. These main risk areas are reflected in our internal responsible sourcing risk model, which identifies high risk suppliers based on country, annual spend and the types of activities which are known to present responsible business risks.

Novo Nordisk A/S may use responsible sourcing audits and questionnaires to gather supplementary information about certain suppliers we have assessed as high-risk. High-risk suppliers may also be prioritised for responsible sourcing audits. A pre-audit survey on use of vulnerable workers can also lead to an extended audit if human rights risk indicators are found. Novo Nordisk A/S provides guidance material to internal auditors including regarding modern slavery risk indicators to assist in their carrying out any such responsible sourcing audit on a supplier.

In 2023, 24 audits took place with the majority performed in China and Brazil. From these audits, findings in the main risk areas related to safety regulations and working hours specifically. For all findings, action

plans are in place and Novo Nordisk A/S is following up to ensure implementation and resolution of the issues. NNCI's supply chain may be eligible for audits performed by NNAS.

To help assess compliance with our Responsible Sourcing Standards and their integration into suppliers' policies and procedures, Novo Nordisk A/S may conduct follow-up audits on certain key suppliers, including the use of diligence questionnaires to further understand how our suppliers are working to uphold responsible business practices.

Novo Nordisk A/S continuously assesses current measures and evaluates their effectiveness through regular follow up embedded into the due diligence process.

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, Novo Nordisk A/S assessed modern slavery risks in our value and supply chains.

To identify sectors and categories with high modern slavery risks, Novo Nordisk A/S used the following indicators that are generally known to increase risk likelihood[1]:

- 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 lack of enforcement of international human rights standards have also been part of Novo Nordisk' A/S' risk assessments.

These assessments have led Novo Nordisk A/S 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
- Medical consumables in Malaysia
- 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, Novo Nordisk A/S has identified the following as such materials and commodities: metals, mammalian cell growth media, glass, life science chemicals and industrial commodities including sugar and ethanol. Novo Nordisk A/S participates in collaborative efforts to better understand human rights risks in

[1] the information in this section also applies to NNCI's indirect supply chains for the manufactured products that it purchases from its other affiliates (including Novo Nordisk A/S) and imports into Canada

raw materials in the pharmaceutical sector through the Pharmaceutical Supply Chain Initiative's Human Rights sub-committee.

In addition to the above areas, Novo Nordisk A/S 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 involve high risks of potentially serious exploitation of donors, especially if they are in vulnerable positions. Since 2015, Novo Nordisk A/S' Human Biosample Governance experts have conducted 400+ evaluations of human biosamples suppliers and external collaborations involving human biosamples, including close to 100 onsite evaluations. This experience has given us certain data and insights on different risks by country. Novo Nordisk A/S continuously strives to strengthen our evaluation programme, and endeavours to align ourselves with the UN Guiding Principles on Business and Human Rights, and certain other international declarations, conventions, and guidelines, to help protect donors, patients, and external stakeholders.

With respect to the Canadian Reporting Entities, we deem the due diligence performed and the actions described in this report sufficient to mitigate risks of child labour in Novo Nordisk's own operations and supply chain. No indications of child labour were observed in our own operations, whereas the potential risks of child labour in Novo Nordisk's Tier 1 (direct) supply chain are deemed to be low and adequately mitigated.

Since the majority of NNCI's direct suppliers are located in Denmark and the United States, we believe that the risk of forced labour and child labour for our direct suppliers to be relatively low. However, as stated above, we recognize that no sector or industry involved in the production or importation of goods is assumed to be completely free from risks related to forced labour and child labour and we acknowledge that higher risks may exist with respect to our indirect suppliers, particularly those located in higher risk jurisdictions. NNCI has not conducted any independent mapping of its own supply chains given it sources the majority of products from its corporate affiliates, including Novo Nordisk A/S (and accordingly, the information in the paragraphs above under this section only applies to NNCI's finished manufactured products that it imports into Canada from Novo Nordisk A/S and other corporate affiliates).

Actions to assess, address and manage the risks

As part of the responsible sourcing program activities, Novo Nordisk A/S carries out pre-qualification and routine responsible sourcing audits for selected suppliers or potential suppliers, as applicable (this accordingly captures NNCI's indirect supply chains as it relates to pharmaceutical products sourced from Novo Nordisk A/S for importation into Canada). A responsible sourcing audit will include the preparation of a summary audit report by an internal team at Novo Nordisk A/S and certain suppliers may be requested to prepare and provide corrective action plans (including related documentation).

Based on the data and observations the Human Biosample Governance team have obtained from the onsite evaluations between 2015 and 2019, Novo Nordisk A/S implemented a risk-based global evaluation programme, without compromising the risks associated with sourcing and use of human biosamples. The evaluation criteria include that donation of human biosamples are freely given without coercion or inducement, mitigating potential risks of trafficking involvement. Novo Nordisk does not accept use of human biosamples from vulnerable groups such as prisoners or detainees. For all new supplier organisations, Novo Nordisk A/S aims to conduct an assessment of donor recruitment methods, which may include reviews of questionnaires, ethics committee approvals, informed consent templates and information sheets given to donors and patients, prior to their donation. For certain high-risk organisations, Novo Nordisk A/S may conduct onsite visits, on top of the virtual assessment.

As part of the bi-annual global Ethics & Compliance risk management processes, operational business units in the global organisations are requested to identify, assess, mitigate, prevent, track, and internally report risks of adverse human rights impacts (which may include certain direct and/or indirect) modern slavery risks). Several subsidiaries have as part of the Ethics & Compliance risk management process identified risks of potential labour abuse of external workers in business relationships and implemented mitigation and prevention measures such as contract reviews and training.

Training

At Novo Nordisk we regularly conduct Ethics & Compliance training to all employees (including employees of NNCI). Throughout 2023 a series of human rights training initiatives and awareness activities including human rights e-learning were delivered for continuous development of human rights capabilities. Annual training in Ethics & Compliance, which includes respect for human rights, is mandatory for all employees. In 2023, 99% of employees completed and documented their training, with the remaining 1% missing mainly due to employees being on leave.

An e-learning on Responsible Sourcing is made available 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.

Novo Nordisk provides human rights training which directly touches topics of forced labour and child labour to all employees. In addition, NNCI provides workplace health and safety training to all employees and additional training to people managers.

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 (DIHR)
- 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.

There is nothing to report with respect to remediation measures taken by either of the Canadian Reporting Entities.

Approval and attestation pursuant to the Canadian Act

This report was approved by the board of directors of Novo Nordisk Canada and Executive Management of Novo Nordisk A/S as the joint report of NNCI and Novo Nordisk A/S for the financial year ended December 31, 2023 pursuant to subparagraph 11(4)(b)(ii) of the Canadian Act.

I make the above attestation in my capacity as a CEO of Novo Nordisk A/S.

Lars Fruergaard Jørgensen
CEO, Novo Nordisk A/S
Date: 30.05.2024

I make the above attestation in my capacity as a CFO of Novo Nordisk A/S.

Karsten Munk Knudsen
CFO, Novo Nordisk A/S
Date: 30.05.2024

Together, we have authority to bind Novo Nordisk A/S.