

PART I

ITEM 1 IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISORS
Not applicable.

ITEM 2 OFFER STATISTICS AND EXPECTED TIMETABLE
Not applicable.

ITEM 3 KEY INFORMATION
A. SELECTED FINANCIAL DATA

Selected financial data					
IFRS figures in DKK millions, except share and American Depositary Receipts ('ADR') data	2016	2017	2018	2019	2020
Balance sheet data					
Capital stock	510	500	490	480	470
Treasury stock	(9)	(11)	(11)	(10)	(8)
Dividends per share/ADR in USD*	1.08	1.26	1.25	1.25	1.50

*) Total dividend for the financial year 2020 including proposed final dividend of DKK 5.85 per share and interim dividend paid in August 2020 of DKK 3.25 per share. For USD translation the exchange rate at December 30, 2020 from Danmarks Nationalbank (The Central Bank of Denmark) is used (USD 1 = DKK 6.06)

Reference is made to the 'Performance highlights' on pages 9-10 and to 'Consolidated financial statements 2020', pages 47-77 in our Annual Report 2020 for further data.

B. CAPITALIZATION AND INDEBTEDNESS
Not applicable.

C. REASONS FOR THE OFFER AND USE OF PROCEEDS
Not applicable.

D. RISK FACTORS
For information on risk factors, reference is made to our Annual Report 2020 'Risk management' on pages 34-35. Outlined in greater details below, we are subject to cybersecurity risks, to the risks associated with the United Kingdom's exit from the European Union and to the risk of epidemics, pandemics or other public health crises.

The potential risk on our business as a result of cybersecurity breaches
We rely on our IT systems to protect our intellectual property, business confidential information, and personal data. Therefore, disruption as a result of cybersecurity breaches could negatively impact the Company's business and operations or financial results.

IT systems act as a backbone for the Company. They support processes in research & development, manufacturing, sales and supply, and business administration. As we are a global company, the size and complexity of our IT systems are significant, and our IT infrastructure and networks are spread across the geographic regions in which we operate. The dedicated cybersecurity teams who operate our global IT security infrastructure may be unable to respond sufficiently to the threats facing us or may fail to prevent service interruptions or security breaches resulting from attacks by malicious third parties. Many of these cyber threats have the potential to cause significant downtime of critical IT systems or the unintended disclosure of confidential information and personal data. Although we have not previously experienced material losses as a result of such incidents, we cannot guarantee that we will be able to prevent similar incidents from recurring or adversely affecting our business in the future.

We are subject to data privacy regulation in the EU (including the General Data Protection Regulation) and to privacy laws in many other jurisdictions where we do business that impose obligations and restrictions on the collection and use of personal data. In the ordinary course of the Company's business, it collects and stores sensitive data, including personal data of customers, employees and other third parties.

Many third party vendors provide support services in relation to our business processes and require access to sensitive information in the course of their work. Such vendors could themselves be susceptible to cybersecurity or personal data breaches. Any unauthorized

ITEM 3 KEY INFORMATION

access, disclosure, or other loss of personal data could result in legal claims or proceedings, liability under laws that protect the privacy of personal information, and significant regulatory penalties, disrupt the Company's operations and damage the Company's reputation.

The extent of the impact on our business as a result of the United Kingdom's decision to end its membership in the European Union remains uncertain
The United Kingdom (the "UK") withdrew from the European Union (the "EU") on January 31, 2020 ("Brexit") and entered a transitional period, with the UK remaining in both the EU customs union and single market. The transition period ended on December 31, 2020 following the successful negotiation of a Free Trade Agreement (FTA) between the UK and the EU. The FTA reduces the potential impact of Brexit on Novo Nordisk; however, uncertainty remains regarding areas such as supply chain management, pharmaceutical regulations and licensing requirements. Specifically, a Mutual Recognition Agreement (MRA) on medicines, which would prevent the need for the retesting of medicines imported from the EU to the UK, has yet to be agreed. In addition, the Northern Ireland (NI) Protocol which formed part of the UK/EU Withdrawal Agreement came into force on January 1, 2021; however, it is subject to further negotiations and amendments. Furthermore, patient uncertainty over the future supply of medicines and additional checks at the border that could lead to delays may pressure inventory levels. Novo Nordisk has incurred cost building significant stock in UK warehouses and developing contingency plans for alternative transportation routes, including airfreight bookings, in the event of border delays. Until the trade negotiations are finalized, however, it is difficult to assess the overall effect that Brexit will have on our operations and hence the expected costs to be incurred and the ultimate impact of Brexit on our business and financial results remains uncertain.

Our financial and operating performance may be adversely affected by epidemics, pandemics or other public health crises

In March 2020, the World Health Organization declared the COVID-19 outbreak a pandemic. The COVID-19 virus has spread from China to many other countries including the United States, Denmark and other EU countries, with the number of reported cases and related deaths still increasing in many countries. Many governments have imposed stringent restrictions to seek to mitigate, or slow down, the spread of COVID-19, including restrictions on international and local travel, public gatherings and participation in business meetings, as well as closures of workplaces, schools, and other sites, and are requesting "social distancing". The duration of such measures is highly uncertain, but could be prolonged, and stricter measures may be put in place (or, re-imposed, where previously lifted). The COVID-19 pandemic has resulted and is expected to continue to result in a significant deterioration in economic conditions globally, including reduced productivity, increased unemployment levels, inflationary pressures, increased tax rates and/or disruptions to credit and capital markets.

COVID-19 and other epidemics, pandemics or public health crises pose risks to employee health and safety, and we may experience reduced sales due to fewer patient visits to doctors, less healthcare spending on chronic diseases as resources are diverted to epidemiology management, a slowdown or temporary suspension in production and disruptions in our supply chain, and may be otherwise adversely affected by the impact on international trade and business activities. Any of the factors above could have a material adverse effect on our business, financial condition, rating and results of operations. The magnitude of the impact of the COVID-19 pandemic on the company will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the duration of the outbreak and counter-measures, among others.

In addition to the risks identified above, we may be subject to other material risks that as of the date of this report are not currently known to us or that we deem less material at this point in time.

ITEM 4 INFORMATION ON THE COMPANY

A. HISTORY AND DEVELOPMENT OF THE COMPANY

Novo Nordisk A/S was formed in 1989 by a merger of two Danish companies, Nordisk Gentofte A/S and Novo Industri A/S. Novo Industri A/S was the continuing company and its name was changed to Novo Nordisk A/S. The business activities of Nordisk Gentofte were established in 1923 by August Krogh, H. C. Hagedorn and A. Kongsted, and the business activities of Novo Industri A/S were established in 1925 by Harald and Thorvald Pedersen. From the beginning, the business of both companies was production and sale of insulin for the treatment of diabetes.

Novo Nordisk's B shares are listed on Nasdaq Copenhagen (NOVO-B). Its American Depositary Receipts (ADR) are listed on the New York Stock Exchange (NVO).

ITEM 4 INFORMATION ON THE COMPANY

Legal name:	Novo Nordisk A/S
Commercial name:	Novo Nordisk
Date of incorporation:	28 November 1931
Legal form of the Company:	A Danish public limited liability company
Legislation under which the Company operates:	Danish law
Country of incorporation:	Denmark

Reference is made to 'Additional information', on page 93 in our Annual Report 2020 for information on domicile.

Important events in 2020

Reference is made to 'Introducing Novo Nordisk', pages 3-10 and '2020 performance and 2021 outlook', pages 29-33 in our Annual Report 2020 for a description of important events in 2020.

Capital expenditure in 2020, 2019 and 2018

For capital expenditure in 2020, 2019 and 2018 reference is made to the section entitled 'Cash flow and capital expenditure' on page 31 in our Annual Report 2020. No significant divestments took place in the period from 2018-2020.

For capital expenditures expected in 2021, reference is made to page 32 in the subsection '2021 Outlook' in our Annual Report 2020. Such expenditures are expected to be financed with cash flow from operating activities.

Public takeover offers in respect of the Company's shares

No such offers occurred during 2020 or 2021 to date.

B. BUSINESS OVERVIEW

Novo Nordisk is a global healthcare company and a world leader in Diabetes care. The Company has one of the broadest diabetes product portfolios in the industry, including new generation insulin, a full portfolio of modern insulin and human insulin as well as a portfolio of GLP-1 receptor agonists administered both via subcutaneous injection and as a tablet. In addition, Novo Nordisk also has a leading position within hemophilia and growth hormone therapy, and Novo Nordisk's first product to treat obesity, Saxenda®, was launched in the United States in April 2015 and has now been launched in an additional 54 countries. Novo Nordisk manufactures and markets pharmaceutical products and services that make a significant difference to patients, the medical profession and society. Headquartered in Denmark, Novo Nordisk employs approximately 45,000 employees in 80 countries and markets its products in approximately 170 countries.

Reference is made to the sections 'Novo Nordisk at a glance' and 'Strategic aspirations' on pages 7-28 in our Annual Report 2020.

Segment information

Novo Nordisk is engaged in the discovery, development, manufacturing and marketing of pharmaceutical products and has two business segments: (i) Diabetes and Obesity care and (ii) Biopharm. Reference is made to Note 2.2 'Segment information' in our Annual Report 2020.

Seasonality

Sales of individual products in individual markets may be subject to fluctuations from quarter to quarter. However, the Company's consolidated operating results have not been subject to significant seasonality.

Raw materials

The impact on the overall profitability of Novo Nordisk from variations in raw material prices is unlikely to be significant. There is no raw material supply shortage that is expected to significantly impact the Company's ability to supply any significant market.

Market and competition

Novo Nordisk's insulin and other pharmaceutical products are marketed and distributed through subsidiaries, distributors and independent agents each responsible for specific geographical areas. As of April 1, 2020, the Company's financial reporting has been divided into: EMEA (covering Europe, the Middle East and Africa), Region China (covering Mainland China, Hong Kong and Taiwan), Rest of World (covering all other countries except for North America) and North America (covering the United States and Canada). For 2020, the Company's most important markets in terms of sales were the United States, China, Japan, the major European countries and Canada.

Market conditions within the pharmaceutical industry continue to change, including efforts by both private and governmental entities to reduce or control costs generally and in specific therapeutic areas. Most of the countries in which Novo Nordisk sells insulin subsidize or control pricing and in most markets insulin and GLP-1 products are prescription drugs.

In recent years, there has been a general trend in the United States of payers managing the cost of diabetes care to exert pressure on the price of Novo Nordisk's and competitors' products. In spite of this external pressure, Novo Nordisk has maintained a leading position in the overall diabetes care market through the quality and innovation-driven value of the Company's diabetes care products. In the United States, pharmacy benefit managers and managed care organizations have continued to leverage their increasing size and control to demand higher rebates which has impacted the net realised prices. Furthermore, competition has intensified and contributed to a downward pressure on manufactures' net prices.

Due to the increasing number of people with diabetes, the global pharmaceutical market for treatment of diabetes continues to grow. Several of the major international pharmaceutical companies have entered the diabetes market, specifically in the area of oral products for the treatment of type 2 diabetes. In the global insulin market, Novo Nordisk, Eli Lilly and Sanofi are the most significant companies measured by market share.

Tresiba®, the Company's latest generation of basal insulin, was launched broadly in the United States in January 2016 and maintains wide commercial and Medicare Part D formulary coverage. In 2018, Tresiba® obtained approval to update its labelling in the United States to include data from the DEVOTE study which showed a 40% reduction in the risk of severe hypoglycaemia vs. glargine U100. In countries outside the United States, Tresiba® has shown solid penetration in markets with reimbursement at a similar level to insulin glargine U100, whereas penetration remains modest in markets with restricted market access. In September 2017, Novo Nordisk obtained the approval of Tresiba® in China and the product was launched in China, without reimbursement and with limited market access, however, it was added to the country's National Reimbursement Drug List (NRDL) in 2019 with effect from January 2020. Tresiba® is commercially available in 91 countries.

Xultophy® (IDegLira), a once-daily single-injection combination of insulin degludec (Tresiba®) and liraglutide (Victoza®), is commercially available in 42 countries, including the United States. Xultophy® has delivered strong growth in markets with a preference for fixed-dose combination products.

Ryzodeg®, a soluble formulation of insulin degludec and insulin aspart, is commercially available in 37 countries. In markets where the premix insulin segment is preferred, the uptake of Ryzodeg® has been solid.

The novel mealtime insulin Fiasp®, fast-acting insulin aspart, received marketing authorization from the European Commission and approval in the United States in 2017. Globally, Fiasp® is commercially available in 41 countries.

Moreover, the use of glucagon-like peptide-1 (GLP-1) as a treatment option for people with Type 2 diabetes has continued to increase resulting in significant growth of the GLP-1 market. Novo Nordisk, Eli Lilly and Astra Zeneca are the most significant companies in the global GLP-1 market measured by market share. Novo Nordisk is the global market leader in the GLP-1 segment with a 50% volume market share as at December 31, 2020 (Source: IQVIA, November 2020 data MAT).

In February 2018, Novo Nordisk launched the once-weekly GLP-1 product, Ozempic®, for the treatment of adults with Type 2 diabetes in the United States and Canada. Ozempic® has also been marketed in 50 countries in International Operations, predominantly in Europe and Latin America. Ozempic® has achieved a 34% NBRx (New-to-Brand Prescriptions) market share in the United States as at December 31, 2020, and global sales in 2020 of DKK 21.2 billion.

In September 2019, the FDA approved Rybelsus®, the first and only GLP-1 analog in a tablet for the treatment of adults with Type 2 diabetes in the United States. Novo Nordisk launched Rybelsus® broadly in the United States in 2020. In April 2020, the European Commission approved Rybelsus® for the treatment of adults with insufficiently-controlled type 2 diabetes to improve glycemic control as an adjunct to diet and exercise. In June 2020, the Japanese Ministry of Health, Labour and Welfare approved Rybelsus® for the treatment of adults with type 2 diabetes. Rybelsus is currently commercially available in 9 countries including the United States and Canada.

Patents

To maintain and expand competitiveness, Novo Nordisk strives for the strongest possible protection for those inventions that are created during the development of new products. Novo Nordisk anticipates that the expiration of certain patents could impact sales within the coming years. However, through continued investments in research and development, Novo Nordisk strives to bring novel and innovative products to the market and thereby sustain strong patent protection in the future, as new generations of products replace currently marketed products.

For patent information on all Novo Nordisk's marketed products, reference is made to the section 'Product overview' on page 93 in our Annual Report 2020.

In addition to the compound patents discussed in 'Patent status for marketed products' on page 25 in our Annual Report 2020, the patent protection of our key products within each business segment is considered in the following section. For key products with recent patent expiration or with patent expiration occurring within the coming years, geographical sales splits are provided and factors that may influence the potential impact of competitive product launches are discussed.

Sales of key products with recent or upcoming patent expiration:

Product	Total sales in 2020 (in DKK million)	International Operations	Hereof			North America Operations	Hereof	
			EMEA	Region China	Rest of World		USA	
NovoLog®/NovoRapid®	16,928	59 %	35 %	12 %	12 %	41 %	39 %	
NovoLog® Mix /NovoMix®	9,634	93 %	27 %	50 %	16 %	7 %	7 %	
Victoza®	18,747	38 %	23 %	5 %	10 %	62 %	60 %	
Saxenda®	5,608	38 %	20 %	—	18 %	62 %	58 %	

Patent situation of key Diabetes and Obesity care products

The total sales of NovoLog®/NovoRapid® were DKK 16,928 million in 2020 (DKK 18,060 million in 2019). The compound patent for NovoLog®/NovoRapid® has expired in all markets.

The total sales of NovoLog® Mix/NovoMix® were DKK 9,634 million in 2020 (DKK 9,585 million in 2019). The compound patent for NovoLog® Mix /NovoMix® has expired in all markets.

Today, biosimilar versions of insulin can be approved in the United States via the 351(k) pathway. In the EU, a biosimilar pathway and guidelines are available for insulins, and the guideline for biosimilar products issued in Japan is also relevant for insulin. A biosimilar to NovoRapid®/NovoLog® produced by a competitor was launched in 2020. Furthermore, biosimilars to Levemir®, Tresiba®, NovoRapid® and NovoMix® are being developed in China by local competitors.

The total sales of Victoza® were DKK 18,747 million in 2020 (DKK 21,934 million in 2019). Victoza® is protected by patents in the U.S., Japan and Europe. In Japan the drug compound patent expires in 2022; in the U.S. and Europe the drug compound patent expires in 2023. The drug compound patent has expired in China.

In February 2017, Teva Pharmaceutical Industries Ltd. filed an Abbreviated New Drug Application (ANDA) for liraglutide, the active pharmaceutical molecule in Victoza® for the treatment of type 2 diabetes, to the U.S. Food and Drug Administration. Following a settlement between Novo Nordisk and Teva announced in March 2019 and the subsequent approval of Victoza® for children and adolescents usage in the U.S., Teva is not expected to launch a generic version of Victoza® until June 2024. In August 2019 it was announced that Mylan had also filed an ANDA for liraglutide in the U.S., and in December 2019, Mylan filed a petition for Inter Partes Review against a formulation patent covering Victoza® until February 2026. In July 2020, Pfizer joined this Inter Parties Review. In April 2020 Sandoz provided notice that they had also filed an ANDA for liraglutide in the U.S.. Novo Nordisk will continue to defend its intellectual property associated with Victoza®.

The total sales of Saxenda® were DKK 5,608 million in 2020 (DKK 5,679 million in 2019). Liraglutide is protected by patents in the U.S. and Europe. In the U.S. and Europe the drug compound patent expires in 2023. The drug compound patent has expired in China and Japan.

Impact of regulation

As a pharmaceutical company, Novo Nordisk depends on government approvals related to production, development, marketing and reimbursement of its products. Important regulatory bodies include the U.S. Food and Drug Administration, the European Medicines Agency, Chinese Food and Drug Administration and the Japanese Ministry of Health, Labour and Welfare. Treatment guidelines from non-governmental organizations such as the European Association for the Study of Diabetes and the American Diabetes Association may also impact the Company.

Disclosure pursuant to Section 219 of the Iran Threat Reduction and Syria Human Rights Act of 2012

Pursuant to Section 13(r) of the Securities Exchange Act of 1934, ("Section 13(r)"), Novo Nordisk is obliged to disclose if, during 2020, it or any of its affiliates have engaged in certain Iran-related activities or transactions with persons designated under Executive Order 13224 or Executive Order 13382 dealt with the Government of Iran ("GOI"). Novo Nordisk conducts limited business relating to pharmaceutical products and devices within the Diabetes care and Biopharm business segments in Iran, which is permitted under the U.S. sanctions against Iran. Set forth below is a description of the activities and transactions by Novo Nordisk's subsidiaries that are required to be disclosed pursuant to Section 13(r). Novo Nordisk's U.S. subsidiaries and U.S. person employees are not involved in any of Novo Nordisk's activities in Iran. However, the United States maintains broad exceptions that permit the commercial sale and export of medicine and medical devices to Iran or the Government of Iran. Similar exceptions, like those encompassed in section 11 of Executive Order 13902, are also in place for the manufacturing of medicine and medical devices for use in Iran.

Novo Nordisk Pars ("NN Pars"), a wholly-owned subsidiary of Novo Nordisk A/S located in Iran, contracts with five companies that may be owned or controlled by the GOI to distribute its products. NN Pars also sponsors educational programs and congresses organized by GOI-controlled medical universities, and hosts and/or engages as scientific delegates or lecturers/speakers health care professionals employed by these medical universities at similar programs in Iran and other locations. Additionally, NN Pars makes donations to GOI-controlled public health organizations focusing on diabetes awareness and policy. NN Pars receives payments from, and makes payments to, Iranian banks (some of which may be GOI-owned or controlled) relating to the sales of pharmaceutical products and devices. NN Pars makes payments incidental to its ordinary business activities to Iranian government entities and entities that are or may be GOI-owned or controlled, such as taxes, customs fees, insurance, product registration fees and telecommunications services expenses.

In 2016, NN Pars purchased land from a GOI-owned or controlled holding company in order to construct a manufacturing facility in Iran. The facility opened and officially started production in August 2020, and will be used for assembly and packaging of insulin pens for use in Iran. NN Pars purchases utility services from a GOI-owned or controlled entity.

The German subsidiary of NNE A/S, a wholly-owned subsidiary of Novo Nordisk A/S, previously sold raw materials and spare parts for production of dialysis filters and leucocyte filters and syringes to a GOI-controlled company. This business relationship, however, was wound down during 2018. NNE A/S currently holds an open receivable from such GOI-controlled entity related to such sales. It is uncertain when NNE A/S will receive payment from the Iranian customer with respect to the outstanding receivable.

NNE A/S is a party to a contract with an Iranian blood fractionation company that Novo Nordisk has learned may be GOI-owned or controlled for the provision of certain engineering services to the Iranian customer. There were no activities conducted under this contract in 2019 or 2020, but unpaid amounts remain due from the Iranian customer for services performed in prior years by NNE A/S' affiliate. It is uncertain when NNE A/S will receive payment from the Iranian customer with respect to these unpaid amounts.

Novo Nordisk's gross revenue related to transactions with GOI-owned or controlled entities in 2020 was not in excess of 1% of Group sales. Novo Nordisk does not allocate its net profit on a country-by-country or activity-by-activity basis, other than as set forth in Novo Nordisk's consolidated financial statements prepared in accordance with IFRS as issued by the IASB; however, Novo Nordisk estimates that its net profit attributable to the transactions with the GOI discussed above would not exceed a de minimis percentage of the Group's total net profit in 2020.

The purpose of Novo Nordisk's Iran-related activities is to provide access to important and life-saving pharmaceutical products such as insulin and hemophilia products to patients in Iran, and to improve the healthcare of the Iranian people in accordance with Novo Nordisk's access to care strategy. For that purpose, and because Novo Nordisk has determined that its activities comply with all applicable laws, Novo Nordisk intends to continue these activities (including local production of these products in Iran).

C. ORGANIZATIONAL STRUCTURE

For information regarding the organizational structure and securities exchange listings of Novo Nordisk A/S, the main shareholder Novo Holdings A/S and the Novo Nordisk Foundation and the ownership structure of Novo Nordisk A/S, reference is made to the sections 'Shares and capital structure' on pages 36-37 and 'Corporate governance' on pages 38-41 in our Annual Report 2020.

Companies in the Novo Nordisk Group are listed in the Company's Annual Report 2020 on page 77, 'Companies in the Novo Nordisk Group.'

D. PROPERTY, PLANT AND EQUIPMENT

The Company has its headquarters in Bagsværd, Denmark, where it occupies a number of buildings.

ITEM 4 INFORMATION ON THE COMPANY

The Company believes that its current production facilities, including facilities under construction and planned for construction, are sufficient to meet its capacity requirements, including the capacity for meeting growing demand in the future for the products NovoLog®/ NovoRapid®, NovoLog Mix®/ NovoMix®, Levemir®, Victoza®, Tresiba®, Ryzodeg®, Xultophy®, Fiasp®, Ozempic®, Saxenda®, Rybelsus®, Glucagen® NovoSeven®, NovoEight®, Rebinyn®/ Refixia®, NovoThirteen®/ Tretten®, Norditropin®, Esperoct®, Sogroya® and devices. Reference is made to the sections ‘Capital expenditures in 2020, 2019 and 2018’ under Item 4 for more information about the current expansion programs. For the nature of the Company’s property, plant and equipment, as of December 31, 2020 and 2019, reference is made to Note 3.2 ‘Property, plant and equipment’ in our Annual Report 2020.

The major production facilities owned by the Company are located at a number of sites in Denmark, and internationally in the United States, France, China and Brazil. There are no material encumbrances on the properties; however, the facilities in Tianjin, China are constructed on land where the remaining term of the lease is 30 and 35 years.

Active pharmaceutical ingredient (API) production is located in Denmark, primarily in Kalundborg and with secondary locations in Hillerød and Gentofte, both in Denmark, as well as in New Hampshire, United States, although a new API production site in Clayton, North Carolina in the United States is being established.

The following table sets forth certain information regarding our major production sites.

MAJOR PRODUCTION FACILITIES	Size of production area (square meters)	Major Production Activities
Kalundborg, Denmark	166,500	Active pharmaceutical ingredients for diabetes and obesity as well as products for diabetes care Active pharmaceutical ingredients for hemophilia. Products for biopharm
Hillerød, Denmark	156,700	Durable devices and components for disposable devices Products for diabetes and obesity Active pharmaceutical ingredients for hemophilia
Bagsværd, Denmark	111,200	Products for diabetes and obesity
Gentofte, Denmark	70,800	Active pharmaceutical ingredients for glucagon and growth hormone therapy Products for growth hormone therapy, glucagon and hemophilia
Tianjin, China	67,200	Products for diabetes Production of durable devices
Montes Claros, Brazil	56,100	Products for diabetes Gel production for active pharmaceutical ingredients
Måløv, Denmark	54,800	Products for hormone replacement therapy Products for oral antidiabetes treatment Products for oral diabetes treatment
Clayton, North Carolina, United States	89,000	Products for diabetes and obesity
Chartres, France	47,700	Products for diabetes
New Hampshire, United States	14,800	Active pharmaceutical ingredients for hemophilia and growth hormone therapy

In January 2019, Novo Nordisk initiated the expansion of its production facility in Chartres, France for assembly and packaging of diabetes finished products. The facility is expected to be ready for use by the end of 2021. The production area of the facility is expected to be 9,250 square meters. The expected expenditure for this facility is approximately EUR 81 million. The expansion will be financed by cash flow from operating activities.

In August 2019, Novo Nordisk acquired an existing tablet facility in Durham, North Carolina, United States to strengthen the establishment of the Company’s local U.S. supply chain for Rybelsus® and other potential future oral products. The facility is expected to be operational during the second half of 2021. The expected amount of expenditures for this facility including acquisition value and rebuilding work is approximately USD 70 million. The facility will be financed by cash flow from operating activities.

In August 2020, Novo Nordisk announced plans to invest DKK 850 million in expanding its production facilities in Kalundborg, Denmark in 2020 and 2021. This new investment brings Novo Nordisk’s total investments in site Kalundborg to approximately DKK 1.5 billion in 2020. The expansion is expected to be financed by cash flow from operating activities.

ITEM 4A UNRESOLVED STAFF COMMENTS
None.**ITEM 5 OPERATING AND FINANCIAL REVIEW AND PROSPECTS****Critical accounting estimates**

Reference is made to Note 1.1 'Principal accounting policies and key accounting estimates' in our Annual Report 2020.

New accounting pronouncements

Reference is made to Note 1.2 'Changes in accounting policies and disclosures' in our Annual Report 2020.

A. OPERATING RESULTS

Reference is made to the section 'Forward-looking statements' on page 2 and the discussion under the caption 'Risk factors' under Item 3. Reference is further made to our Annual Report 2020 'Risk management' on pages 34-35.

The financial condition of the Group and its development are described in our Annual Report 2020 and our Annual Report 2019. The information in this section is based on these reports and should be read in conjunction with the annual reports. The analysis and discussions included in the annual reports are primarily based on the consolidated financial statements which are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

2020 compared with 2019

The following portions of our Annual Report 2020 constitute the Board of Directors' and Executive Management's discussion and analysis of results of operations (incorporated herein by reference): 'Introducing Novo Nordisk' (pages 3-10) and '2020 performance and 2021 outlook' (pages 29-33).

2019 compared with 2018

The following portions of our Annual Report 2019 constitute the Board of Directors' and Executive Management's discussion and analysis of results of operations (incorporated herein by reference): 'Introducing Novo Nordisk' (pages 1-7) and '2019 performance and 2020 outlook' (pages 20-28).

Segment information

Reference is made to Note 2.2 'Segment information' in our Annual Report 2020 for details on segmented results.

Inflation

Inflation for the three most recent fiscal years has not had a material impact on the Group's Net sales or Net profit.

Foreign currencies

The majority of Novo Nordisk's sales are in foreign currencies, mainly USD, EUR, CNY, JPY, GBP and CAD, while a significant proportion of production, research and development costs are carried in DKK. Consequently, Novo Nordisk has significant exposure to foreign exchange risks and engages in significant hedging activities where the most significant exposure and hedging are related to USD, CNY, JPY, GBP and CAD, while the EUR exchange rate risk is regarded as low due to the Danish fixed-rate policy towards EUR. Thus, Novo Nordisk does not hedge the EUR exchange rate risk. For further description of foreign currency exposure, reference is made to the disclosure in Note 4.3 'Financial risks' in our Annual Report 2020 and for further description of foreign currency exposure and hedging activities, reference is made to the description of financial instruments in Note 4.4 'Derivative financial instruments' in our Annual Report 2020.

Governmental policies

Please refer to pages 11-28 'Strategic aspirations' in our Annual Report 2020 and Item 4 hereof.

B. LIQUIDITY AND CAPITAL RESOURCES

Novo Nordisk maintains a centralized approach to the management of the Group's financial risks. The overall objectives and policies for Novo Nordisk's financial risk management are outlined in the Novo Nordisk Treasury Policy, which is approved by the Board of Directors. The Treasury Policy governs the Group's use of financial instruments. For further information, reference is made to Item 11.

Financial resources

Reference is made to page 48 'Cash flow statement' and page 49 'Balance sheet' in our Annual Report 2020. In addition, Novo Nordisk has obtained a credit rating from two independent external rating agencies.

Novo Nordisk believes its financial resources are sufficient to meet its requirements for at least the next 12 months.

Cash flow in 2020, 2019 and 2018

Reference is made to page 48 'Cash flow statement' in our Annual Report 2020.

The most significant source of cash flow from operating activities is sales of Diabetes and Obesity care and Biopharm products. Generally, other factors that affect operating earnings, such as pricing, volume, product mix, costs and exchange rates, also have an impact on realized cash flow from operating activities. Except as disclosed in note 4.5 'Cash and cash equivalents, financial reserves and free cash flow' in our Annual Report 2020, there are no material restrictions on the ability of subsidiaries with material cash amounts to transfer funds to the parent company, Novo Nordisk A/S.

Trade receivable program

Trade receivable program, as of December 31, 2020, 2019 and 2018, respectively, are shown in Note 4.2 'Financial risks' in our Annual Report 2020.

Debt financing

Reference is made to page 49 'Balance sheet' and to Note 4.4 'Borrowings' in our Annual Report 2020 for information on Current debt.

Derivative financial instruments

Novo Nordisk only hedges commercial exposures and consequently does not enter into derivative transactions for trading or speculative purposes. Currency hedging is done with foreign exchange forwards and foreign exchange options. Reference is made to Note 4.2 'Financial risks' and Note 4.3 'Derivative financial instruments' in our Annual Report 2020 for further information on financial instruments including currency exposure.

Commitments for capital expenditure etc.

Contractual obligations for capital expenditure and other contingent liabilities as of December 31, 2020 and 2019, respectively, are shown in Note 5.2 'Commitments' in our Annual Report 2020.

The Executive Management of the Group believes that the obligations are covered by the Group's financial resources as well as expected future cash flows from operating activities.

C. RESEARCH AND DEVELOPMENT, PATENTS AND LICENSES, ETC.

The primary focus of Novo Nordisk's research and development is on therapeutic proteins within diabetes, obesity, hemophilia, growth disorders and other serious chronic diseases such as NASH (non-alcoholic steatohepatitis), atherosclerosis cardiovascular diseases, chronic kidney disease and Alzheimers.

Reference is made to Note 2.3 'Research and development costs' in our Annual Report 2020 for research and development costs in 2020, 2019 and 2018, respectively. Novo Nordisk's research and development organization comprised approximately 8,000 employees as of December 31, 2020.

Research costs comprise the very early stages of the drug development cycle from the initial drug discovery until the drug is ready for administration to humans. The activities initially focus on identifying a single drug candidate with a profile that will support a decision to initiate development activities. Before selection of the final drug candidate, it is tested in animals to gather efficacy, toxicity and pharmacokinetic information. Development costs are incurred from the start of phase 1, when the drug is administered to humans for the first time; these are the projects captured in the 'Pipeline overview' (unaudited) (page 24 of the Annual Report 2020). The final product is developed, and subsequent clinical trials (phases 2 and 3) are conducted to further test the drug in humans, using the results from these trials to attempt to obtain marketing authorization, permitting Novo Nordisk to market and sell the developed products. Historically Novo Nordisk has spent approximately 70-80% of total research and development expenditures on clinical development activities, and approximately 20-30% on research activities. The split between research and development will fluctuate in individual years depending on the composition of the clinical development portfolio.

In general, Novo Nordisk expects that growth in research and development spending will follow a trend in line with or slightly above sales growth indicating that the research and development cost to sales ratio is expected to be broadly unchanged to slightly increasing in the foreseeable future. Thus, Novo Nordisk currently expects to continue an expenditure level of around 12-13% of sales in research and development activities going forward. Development costs in 2020 were driven by significant investments late-stage trials with oral semaglutide in diabetes care, semaglutide in obesity as well as investments in CV outcome trials. In addition, Novo Nordisk initiated the phase 3 clinical development of icodec, a once-weekly long-acting insulin for the treatment of diabetes, in the last quarter of 2020.

The following Novo Nordisk compounds are currently in phase 3 development or have recently been filed for regulatory approval:

COMPOUND / BRAND NAME / INDICATION	Year entered into phase 3 or filed with the regulatory authorities	Patent expiration
Somapacitan (NN8640) Once-weekly human growth hormone / Growth disorder	Adult GHD has been approved in the US and Japan and received positive opinion in the EU. The GHD in children trial initiated in 2019 and is still on-going.	2034 ¹
Semaglutide 2.4 mg obesity (NN9536) / Obesity	Phase 3 completed in 2020 and submitted for regulatory review in 2020	2031 ²
Semaglutide 2.0 mg diabetes (NN9535) / Diabetes	Phase 3 completed in 2020 and submitted for regulatory review in 2020 in the EU and 2021 in the U.S.	2031 ²
Semaglutide (oral) 25 mg and 50 mg diabetes (NN9924) / Diabetes	Phase 3 initiated in 2021	2031 ²
Concizumab (NN7415) / Haemophilia A and B with or without inhibitors	Phase 3 initiated in 2019	2033 ³
Insulin Icodec (NN1436) / Once-weekly basal insulin analogue	Phase 3 initiated in 2020	2036 ⁴

¹ Current estimate United States. Key EU markets estimate 2035, Japan expiry 2036

² Current estimate United States. excluding paediatric extension

³ Current estimate United States. Key EU markets estimate 2034, Japan expiry 2034

⁴ Current estimate United States. Key EU markets and Japan estimate 2034

During 2020 Novo Nordisk has not discontinued any development projects in phase 3. In determining whether or not any project or group of related projects is significant, we consider the following qualitative and quantitative criteria:

- Assessment of the unmet medical need targeted with the specific project;
- The inherent project risk including the risk of safety issues, unsatisfactory tolerability profile, limitations on the efficacy of the compound;
- Timeline for completing the clinical testing and submitting an application for approval to regulatory authorities;
- Regulatory authorities' position towards approval and drug label;
- Changes in competitive landscape during the development and approval cycle including competing drugs being developed by others;
- Changes in medical practice during the development period;
- Position of payers, the medical society and patients towards treatment with drug and price of drug;
- Expected uptake in market following launch; and
- Expected net present value of the project.

In assessing the criteria listed above, we refer to 'Risk management' on pages 34-35 in the Annual Report 2020. It is important to note that due to the risks and uncertainties involved in progressing through pre-clinical development and clinical trials, and the time and cost involved in obtaining regulatory approvals, we cannot reasonably estimate the nature, timing, completion dates and costs of the efforts necessary to complete the development. The nature of Novo Nordisk's development activities is such that a compound must first be proven to work by means of multiple clinical trials, which may require treatment of thousands of patients and could take years to complete. Even if initial results of preclinical studies or clinical trial results are promising, the Company may obtain different results that fail to show the desired levels of safety and efficacy, or Novo Nordisk may not obtain applicable regulatory approval for a variety of other reasons. The compound must be accepted by either the FDA, the European Medicines Agency or similar agencies around the world, each of which may have differing requirements. During each stage, there is a substantial risk that Novo Nordisk will encounter serious obstacles which will further delay us, or that the Company will not achieve its goals and, accordingly, may abandon a product in which it has invested substantial resources. Furthermore, the commercial potential of a project is dependent on the label granted by the regulatory authority upon approval. The label specifies for which indications a product can be used, major and minor safety concerns associated with drug treatment as well as if the drug can be combined with other types of medication. Thus a label can restrict usage substantially. Reference is made to the caption 'Risk factors' contained under Item 3 hereof.

Given the uncertainties related to the process of product development, during the periods presented in our 2020 Form 20-F no single project in product development was significant based on the qualitative and quantitative criteria. However, during the periods presented two groups of projects were considered significant; the Diabetes and Obesity care group and the Biopharm group.

Information related to selected research and development projects can be found under 'Research and development' on page 23 in our Annual Report 2020.

D. TREND INFORMATION

The key drivers behind Novo Nordisk's performance continue to be the changes in demographics globally reflecting a continuous growth in the proportion of people who live in cities (urbanization), an increasing proportion of elderly people and a growing problem of obesity. These trends have contributed to the significant increase in the number of people with diabetes worldwide. According to the International Diabetes Federation, the number of people with diabetes is projected to increase from 463 million today to 700 million in 2045. Diabetes and Obesity care is Novo Nordisk's largest segment comprising more than 84% of sales. The epidemic growth in the number of people with diabetes, continuing transition from older to newer insulin generations, increasing use of GLP-1, new delivery devices and market share gains are all driving Novo Nordisk's growth within the Diabetes and Obesity care segment. Further, the roll-out of a number of new products within Diabetes and Obesity care (Ozempic®, Rybelsus®, Tresiba®, Ryzodeg®, Xultophy®, Fiasp® and Saxenda®) are expected sales growth drivers.

In the United States, significant sales rebates are paid in connection with public healthcare insurance programs, such as Medicare and Medicaid, as well as rebates to pharmacy benefit managers (PBMs) and managed care organizations. Key customers in the United States include private payers, PBMs and government payers. Increasingly, PBMs and managed care organizations play a key role in negotiating price concessions with drug manufacturers on behalf of payers for both the commercial and government channels and determining the list of drugs covered in the health plan's formulary. Specifically, there are four primary drivers:

- Competitive pressure from other manufacturers' diabetes products
- Payer pressure to reduce the overall drug costs has resulted in continued focus on negotiating higher rebates from drug manufacturers. Private payers remain keen to adopt narrow formularies that exclude certain drugs, while securing increased rebates from the preferred brands.
- Industry consolidation among payers has over time led to increasing pricing pressure for pharmaceutical companies.
- Recent changes to the U.S. regulatory pathway for insulin to achieve the status of interchangeability.

In 2020, payers continued to leverage their size and control to demand higher rebates, particularly in the basal insulin segment. As a result, average prices after rebates for the Novo Nordisk portfolio in 2020 in the United States declined. In addition, legislative changes to Medicare Part D resulted in further lower realized prices.

For 2021, average prices after rebates are expected to decline further compared with 2020 prices, predominantly driven by the insulin class. Importantly, market access for Novo Nordisk's products is expected to remain at a level similar to that experienced in 2020. In addition, Novo Nordisk expanded its insulin affordability offerings from January 2020 in the U.S. to help people with diabetes who need alternative solutions as well as offering free insulin for up to three months to people who have lost their job and thereby health insurance due to COVID-19.

For further information on trends, reference is made to the section '2020 performance and 2021 outlook' on pages 29-33 in our Annual Report 2020. Information about expectations for the financial year 2021 can be found on pages 32-33 in the subsection 'Outlook 2021'.

E. OFF-BALANCE SHEET ARRANGEMENTS

Reference is made to Note 4.2 'Financial risks' and Note 5.2 'Commitments' in our Annual Report 2020.

F. TABULAR DISCLOSURE OF CONTRACTUAL OBLIGATIONS

Reference is made to Note 5.2 'Commitments' in our Annual Report 2020.

ITEM 6 DIRECTORS, EXECUTIVE MANAGEMENT AND EMPLOYEES**A. DIRECTORS AND EXECUTIVE MANAGEMENT**

Reference is made to pages 42-44 in our Annual Report 2020 for name, position and period of service as director for the members of the Board of Directors.

Reference is made to page 45 in our Annual Report 2020 for name, position, age and other management duties for the members of Executive Management. Business experience, year of appointment and year of joining Novo Nordisk for each member of Executive Management are included below:

ITEM 6 DIRECTORS, EXECUTIVE MANAGEMENT AND EMPLOYEES

Lars Fruergaard Jørgensen
President and chief executive officer (CEO)

Mr Jørgensen joined Novo Nordisk in 1991 as an economist in Health Care, Economy & Planning and has over the years completed overseas postings in the Netherlands, the U.S. and Japan. In 2004 he was appointed senior vice president for IT & Corporate Development. In January 2013 he was appointed executive vice president and chief information officer assuming responsibility for IT, Quality & Corporate Development. In November 2014 he took over the responsibilities for Corporate People & Organisation and Business Assurance and became chief of staff. Mr Jørgensen was appointed president and chief executive officer in January 2017.

Monique Carter
Executive vice president and head of People & Organisation

Ms Carter joined Novo Nordisk in November 2018 as SVP for Global People and Organization and was promoted to executive vice president in August 2019.

Prior to joining Novo Nordisk Ms Carter was Group HR Director and member of the Executive committee at GKN plc, UK. Ms Carter was at GKN plc from 2014 to 2018.

Ms Carter worked in the chemicals industry from 2005 to 2014 starting with ICI plc, UK (which later became part of Akzo Nobel, the Netherlands). Ms Carter later moved to Singapore to head up the APAC Regional HR while in the Decorative paints division of ICI plc. In 2010 Ms Carter became leader of HR for the specialty chemicals businesses of AkzoNobel in the Netherlands after the acquisition of ICI plc by Akzo Nobel. Prior to ICI plc, Ms Carter held HR positions in a number of international companies.

Maziar Mike Doustdar
Executive vice president and head of International Operations

Mr Doustdar joined Novo Nordisk in 1992 as an office clerk in Vienna, Austria. From 1993 through 2007 he took up various positions in finance, IT, logistics, operations and marketing, within various parts of Novo Nordisk's emerging markets, first in Vienna and subsequently in Athens and Zurich before he was appointed general manager of Novo Nordisk Near East, based in Turkey, in 2007. In 2010 Mr Doustdar was promoted to vice president of Business Area Near East and in 2012 he re-located to Malaysia to head the Business Area Oceania South East Asia. In 2013 he was promoted to senior vice president of Novo Nordisk's International Operations, and in April 2015 Mr Doustdar was promoted to executive vice president, continuing his responsibility for Novo Nordisk's International Operations.

In September 2016 Mike Doustdar assumed additional geographical responsibility and was promoted to executive vice president for an expanded International Operations, leading all commercial units globally, except for the U.S. and Canada.

Ludovic Helfgott
Executive vice president and head of Biopharm

Mr Helfgott joined Novo Nordisk in April 2019 as executive vice president and head of Biopharm.

Mr Helfgott joined Novo Nordisk from AstraZeneca, UK, where he was global vice president in charge of the company's Cardiovascular, Metabolism and Renal global franchise, supervising both assets in development and on the market. He joined AstraZeneca in 2005 in an international sales effectiveness role and has since held operational leadership roles with increasing responsibilities in Italy, Spain and at corporate headquarters. Prior to this, Mr Helfgott was with McKinsey & Company in Paris, Moscow and Brussels from 1998 to 2005.

Karsten Munk Knudsen
Executive vice president and chief financial officer (CFO)

Mr Knudsen joined Novo Nordisk in 1999 as a business analyst in NNIT A/S, previously a subsidiary of Novo Nordisk, and has since held finance positions of growing size and complexity throughout the Novo Nordisk value chain. From 2010 to 2014 Mr Knudsen was corporate vice president for Finance & IT at Novo Nordisk Inc. in the U.S. and in 2014 he was appointed senior vice president of Corporate Finance in Novo Nordisk. In February 2018 Mr Knudsen was promoted to executive vice president and chief financial officer. In April 2019 Mr Knudsen assumed further responsibilities as his function was expanded to cover Finance, Legal & Procurement.

Doug Langa
Executive vice president and head of North America Operations

Mr Langa joined Novo Nordisk in 2011 as senior director of Managed Markets. In 2015 Mr Langa was promoted to corporate vice president of Market Access in the U.S. and in 2016 he was appointed Senior Vice President of Market Access in the U.S. In this role he was responsible for securing formulary access with key payer customers for Novo Nordisk brands. In March 2017 Mr Langa was appointed senior vice president, head of North America Operations and president of Novo Nordisk Inc., and in August 2017 Mr Langa was promoted to executive vice president, continuing his responsibilities as head of North America Operations and president of Novo Nordisk Inc. Mr. Langa represents Novo Nordisk Inc. on the Board of Directors of the trade association PhRMA.

Mr Langa joined Novo Nordisk from GlaxoSmithKline, where he was the Senior Director of Payer Marketing. Prior to GlaxoSmithKline Mr Langa spent the majority of his career at Johnson and Johnson, where he held various roles of increasing responsibility within Managed Markets, Sales Leadership and Marketing.

Camilla Sylvest
Executive vice president and head of Commercial Strategy & Corporate Affairs

Ms Sylvest joined Novo Nordisk in 1996 as a trainee. From 1997 to 2008 Ms Sylvest had roles in headquarters and regions within pricing, health economics, marketing and sales effectiveness. In 2003, she was appointed vice president of sales and marketing effectiveness in Region Europe. From 2008 to 2015 Ms Sylvest headed up affiliates and business areas of growing size and complexity in Europe and Asia and in 2013 she was also appointed corporate vice president. In August 2015 Ms Sylvest was appointed senior vice president and general manager of Novo Nordisk's Region China. In this role she was responsible for the company's activities in China, Taiwan and Hong Kong. In October 2017 Ms Sylvest was promoted to executive vice president.

Mads Krosgaard Thomsen
Executive vice president and chief science officer (CSO)

Dr Thomsen joined Novo Nordisk in 1991 as head of Growth Hormone Research. He was appointed senior vice president of Diabetes R&D in 1994 and in November 2000 he was appointed executive vice president and chief science officer. In this role, he is responsible for global drug and device research, CMC and global development, medical affairs, regulatory and safety within Novo Nordisk.

Henrik Wulff
Executive vice president and head of Product Supply, Quality & IT

Mr Wulff joined Novo Nordisk in 1998 in the logistic and planning function. From 2001 to 2008 he held different managerial roles within Novo Nordisk's manufacturing organisation, Product Supply, before being appointed senior vice president of Diabetes API in Product Supply, Denmark. In 2012 Mr Wulff was appointed senior vice president of the worldwide division Diabetes Finished Products. In 2013 he was promoted senior vice president of Product Supply globally. In April 2015 Mr Wulff was promoted executive vice president and in 2019 his area of responsibility expanded to also cover Global IT and Global Quality.

The Board of Directors has the overall responsibility for the affairs of the Company. Reference is made to pages 38-41 in our Annual Report 2020.

The activities of the members of Board of Directors and members of Executive Management outside the Company are included in our Annual Report 2020 on pages 42-45.

There are no family relationships between the Board of Directors, Executive Management or between any of the members of the Board of Directors and any member of Executive Management. No director or member of Executive Management has been elected according to an arrangement or understanding with shareholders, customers, suppliers or others. As required by the Danish Companies Act, directors are elected at General Meetings by simple majority vote. In addition, four employee representatives are elected for a statutory four-year term by the employees of Novo Nordisk A/S.

B. COMPENSATION

For compensation data in respect of the members of the Company's Board of Directors, reference is made to section 2.2 'Remuneration composition', section 2.4 'Board and committee fee levels 2020' and section 2.5 'Board remuneration 2020' in our Remuneration Report 2020.

For compensation data in respect of the members of the Company's Executive Management, reference is made to section 3.1 'Remuneration principles', section 3.2 'Remuneration composition', section 3.4 'Executive remuneration in 2020', section 3.6 'Short-term incentive programme 2020', section 3.7 'Long-term incentive programme 2020' and section 3.9 'Long-term incentive programmes 2018-2020 – unvested shares' in our Remuneration Report 2020 and note 5.1 'Share-based payment schemes' in our Annual Report 2020.

C. BOARD PRACTICES

Reference is made to 'Corporate governance' on pages 38-41 in our Annual Report 2020 regarding board practices. The year of election for each member of the Board of Directors is included in our Annual Report 2020 on pages 42-44. The year of appointment for each member of Executive Management is included in Item 6A.

D. EMPLOYEES

Reference is made to the sections 'Employees' on pages 15-16 and note 2.4 'Employee costs' in our Annual Report 2020 regarding the total number of full-time employees in Novo Nordisk at year-end for the years 2016-2020. Employees outside Denmark as a percentage of the total number of employees for 2020 was 61% (2019: 61% and 2018; 60%).

Executive Management believes that the Company has a good relationship with its employees in general and with the labor unions of the Novo Nordisk employees.

E. SHARE OWNERSHIP

For information on the Board of Directors' and Executive Management's individual holdings of shares and restricted stock units, including shares and restricted stock units granted in the year ended December 31, 2020 and trading in shares by the Board of Directors and Executive Management in the same period, reference is made to section 2.6 'Shareholdings by the Board' and section 3.10 'Shareholdings by Executive Management' in our Remuneration Report 2020 and note 5.1 'Share-based payment schemes' in our Annual Report 2020. As of February 2, 2021, the members of the Board of Directors and Executive Management held 563,186 B shares, representing in the aggregate less than 1% of the beneficial ownership of the Company.

In the period from January 1, 2021 until February 3, 2021, no B shares were sold or purchased by the members of the Board of Directors or Executive Management. The internal rules on trading in Novo Nordisk securities by members of the Board of Directors and Executive Management only permit trading in the 15 calendar day period following each quarterly earnings announcement. For information on vested shares for Executive Management on February 3, 2021, reference is made to section 3.8 'Long-term incentive programme 2017 – vested shares' in our Remuneration Report 2020.

For further information, reference is made to note 5.1 'Share-based payment schemes' in our Annual Report 2020.

ITEM 7 MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS**A. MAJOR SHAREHOLDERS**

For information on major shareholders reference is made to 'Shares and capital structure' on pages 36-37 in our Annual Report 2020.

The purpose of Novo Holdings A/S in relation to Novo Nordisk A/S is to administer its portfolio of securities and minority capital interests and to administer and vote on the A shares and B shares in Novo Nordisk A/S, thereby creating a satisfactory financial return for its sole shareholder, the Novo Nordisk Foundation (the 'Foundation').

Under the Foundation's statutes, the Foundation is governed by a Board of Directors, which must be comprised of six to 12 members (of whom at least two members must have a medical or scientific background, and at least one of these two members must have a medical background). Members of the Foundation's Board of Directors are typically nominated by the Foundation's nomination

committee and elected by a two-thirds vote of the Board members who have themselves been previously elected pursuant to the Foundation's statutes. Any Board member can be removed as provided for in the Danish Act on Foundations ('lov om erhvervsdrivende fonde'). In addition, employee-elected Board members are elected for a statutory four-year term by the employees of the Foundation and of the subsidiaries of the Foundation. No person or entity exercises any kind of formal influence over the Foundation's Board. The Foundation's Board currently consists of nine persons, one of whom also being an employee-elected Board member of Novo Nordisk A/S (Anne Marie Kverneland).

Under Novo Holding A/S' statutes, Novo Holdings A/S is governed by a Board of Directors, which must be comprised of three to nine members elected annually by the shareholders. According to the Foundation's statutes, its Board can and shall provide for members of its own Board of Directors to be elected to Novo Holdings A/S' Board of Directors. Novo Holdings A/S' Board of Directors is currently comprised of seven members, two of whom are also members of the Foundation's Board of Directors (Steen Risgaard and Lars Rebien Sørensen) and one of whom is also a member of the Board of Directors of Novo Nordisk A/S (Jeppe Christiansen). Moreover, the chief executive officer of Novo Holdings A/S (Kasim Kutay) is also a member of the Board of Directors of Novo Nordisk A/S. The Chair of the Foundation's Board of Directors (Lars Rebien Sørensen) serves as the Chair of Novo Holdings A/S' Board of Directors.

A shares held by Novo Holdings A/S cannot be sold or be subject to any disposition so long as the Foundation exists. The dissolution of the Foundation or any change in its objectives requires a unanimous vote of the Foundation's Board of Directors. Other changes in the Foundation's statutes require approval of two-thirds of the Foundation's Board members and approval by the Danish foundation authorities. According to its statutes, the Foundation is required to maintain material influence over Novo Nordisk A/S and its majority vote in Novo Holdings A/S.

For further information reference is made to 'Shares and capital structure' on pages 36-37 in our Annual Report 2020 and to 'Shares and capital structure' on pages 32-33 in our Annual Report 2019.

The B shares of Novo Nordisk A/S are registered with VP Securities A/S ('VP Securities') and are not represented by certificates. Generally, VP Securities does not provide the Company with information with respect to registration. However, set forth below is information as of February 1, 2021 with respect to (a) any shareholder who is known to the Company to be the owner of more than 5% of any class of Novo Nordisk A/S' securities and (b) the total amount of any class owned by Novo Nordisk A/S and its subsidiaries (treasury shares) and by the Board of Directors and Executive Management as a group:

Title of class	Identity of person or group	Shares owned		Percent of class	Percent of total votes
A shares	Novo Holdings A/S	537,436,000		100.00	74.80
B shares	Novo Holdings A/S	121,739,000		6.70	1.70
B shares	Novo Nordisk A/S and subsidiaries (treasury shares)	39,892,308	*	2.20	0.60
B shares	Board of Directors and Executive Management	563,186		0.03	0.02

*) Treasury shares are included, however, voting rights of treasury shares cannot be exercised.

For information on share repurchases under the Company's share repurchase program in 2018 and 2019 reference is made to 'Performance Highlights' on pages 9-10 in our Annual Report 2020. Information on the 2020 share repurchase program, reference is made to 'Shares and capital structure' on pages 36-37 in our Annual Report 2020.

In February 2021, Novo Nordisk announced a new DKK 17 billion share repurchase program to be executed during the following 12 months.

As no complete records of all holders of B shares exist, it is not possible to give an accurate breakdown of the holdings and number of holders of B shares by country of residence. In addition, certain of our B shares are held by brokers or other nominees and, as a result, the number of holders of record is not representative of the number of beneficial holders or of the residence of such beneficial holders.

The Company, however, estimates that as of December 31, 2020, approximately 23% of the B share capital was held in Denmark and approximately 34% of the B share capital was held in North America (including that portion of the B share capital that is represented by ADRs). The estimated total number of shareholders is more than 215,000, of whom more than 200,000 are estimated to be Danish residents.

No complete record of U.S. shareholders is maintained, however, JPMorgan Chase Bank, N.A., our ADR Depository, has informed us that as of December 31, 2020 the total number of ADRs outstanding was 165,702,910, representing approximately 10.0% of the

ITEM 7 MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

issued B share capital outstanding (excluding treasury shares and shares held by Novo Holdings A/S) as at that date. All of the Company's ADRs are held of record by the Depositary. For more information regarding our ADRs, see Item 12D below.

B. RELATED PARTY TRANSACTIONS

Related parties include the Novo Nordisk Foundation, Novo Holdings A/S, Novozymes A/S, Innate Pharma SA, Xellia Pharmaceuticals ApS (due to shared controlling shareholder, Novo Holdings A/S) and NNIT A/S being an associated company with shared controlled shareholding between Novo Holdings A/S and Novo Nordisk A/S. Novo Nordisk A/S has access to certain assets of and can purchase certain services from Novo Holdings A/S and Novozymes A/S and vice versa. All agreements relating to such assets and services are based on the list prices used for sales to third parties where such list prices exist, or the price has been set at what is regarded as market price. The material terms of these agreements are renegotiated on a regular basis. Being an associated company of Novo Nordisk A/S, Churchill Stateside Solar Fund XIV, LLC ('CS Solar Fund XIV') is considered a related party. Being an associated company of Novo Holdings A/S, Unchained Labs, Inc. is considered a related party to Novo Nordisk A/S.

Related party transactions in 2020, 2019 and 2018 were primarily payments for services provided between the Novo Nordisk Group and the Novozymes Group, Xellia Pharmaceuticals ApS, Sonion A/S and transactions with associated companies. The overall financial impact of these related party transactions is limited.

On June 2, 2017, Novo Nordisk A/S entered into an agreement with Innate Pharma SA under which Innate Pharma SA acquired an exclusive license to Novo Nordisk A/S' anti-C5aR antibody program. Novo Nordisk A/S' stake in the share capital of Innate Pharma SA is 15.5%.

Since December 31, 2020, there have been no further significant transactions with related parties out of the ordinary course of business. For further information reference is made to Note 5.3 'Related party transactions' in our Annual Report 2020 and Note 5.3 'Related party transactions' in our Annual Report 2019.

C. INTERESTS OF EXPERTS AND COUNSEL

Not applicable.

ITEM 8 FINANCIAL INFORMATION**A. CONSOLIDATED STATEMENTS AND OTHER FINANCIAL INFORMATION**

The financial statements required by this item accompany this annual report in the form of our Annual Report 2020 (see Exhibit no. 15.1).

Legal proceedings

Reference is made to Note 3.7 'Provisions and contingent liabilities' in the Annual Report 2020.

Dividends

Reference is made to 'Shares and capital structure', on pages 36-37 in our Annual Report 2020.

B. SIGNIFICANT CHANGES

No significant events have occurred since the date of the annual financial statements. For description of important events and achievements in 2020, reference is made to 'Introducing Novo Nordisk', pages 3-10 and '2020 performance and 2021 outlook', pages 29-33 in our Annual Report 2020.

ITEM 9 THE OFFER AND LISTING**A. OFFER AND LISTING DETAILS**

The Company's B shares are listed in Denmark on Nasdaq Copenhagen, and traded under the symbol "NOVO-B". The Company's ADRs are traded on the New York Stock Exchange under the symbol "NVO".

See Exhibit no. 2.2 to this Form 20-F for a description of the B Shares.

B. PLAN OF DISTRIBUTION

Not applicable.

ITEM 10 ADDITIONAL INFORMATION

C. MARKETS

Reference is made to 'Shares and capital structure', on pages 36-37 in our Annual Report 2020.

D. SELLING SHAREHOLDERS

Not applicable.

E. DILUTION

Not applicable.

F. EXPENSES OF THE ISSUE

Not applicable.

ITEM 10 ADDITIONAL INFORMATION**A. SHARE CAPITAL**

Not applicable.

B. MEMORANDUM AND ARTICLES OF ASSOCIATION

See Exhibit no. 2.2. to this Form 20-F for a summary of certain material provisions of Novo Nordisk A/S' Articles of Association, certain other constitutive documents and relevant Danish corporate law. See Exhibit 1.1 to this Form 20-F for a translation into English language of the Articles of Association.

C. MATERIAL CONTRACTS

There have been no material contracts outside the ordinary course of business.

D. EXCHANGE CONTROLS

There are no governmental laws, decrees, or regulations in Denmark (including, but not limited to, foreign exchange controls) that restrict the export or import of capital, or that affect the remittance of dividends, interest or other payments to non-resident holders of the B shares or the ADRs.

There are no limitations on the right of non-resident or foreign owners to hold or vote the B shares or the ADRs imposed by the laws of Denmark or the Articles of Association of the Company.

E. TAXATION**Danish Taxation**

The following summary outlines certain Danish tax consequences to U.S. Holders (as defined below):

Withholding Tax

Generally, Danish withholding tax is deducted from dividend payments to U.S. Holders at a 27% rate, the rate generally applicable to non-residents in Denmark without regard to eligibility for a reduced treaty rate. Under the current Convention between the Government of the United States of America and the Government of the Kingdom of Denmark for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (the 'Current Convention'), the maximum rate of Danish tax that may be imposed on a dividend paid to a U.S. Holder that does not have a 'permanent establishment' (as defined therein) in Denmark is generally 15% and, for certain pension funds, 0% (each, the 'Treaty Rate'). U.S. Holders eligible for the Treaty Rate may apply to the Danish tax authorities to obtain a refund to the extent that the amount withheld reflects a rate in excess of the Treaty Rate (any such amount, the 'Excess Withholding Tax').

Any U.S. Holders of ADRs wishing to apply for a refund of Excess Withholding Tax will have to provide a Danish Claim for Refund of Danish Dividend Tax, a properly completed U.S. Internal Revenue Service Form 6166 and additional documentation including: proof of dividend received; proof of ownership of the ADR and eligibility for the dividend received and proof that the dividend received was reduced by an amount corresponding to the Danish withholding tax. These documentation requirements may be expanded and may be subject to change. Refund claims must be filed within the three-year period following the date in which the dividend was paid in Denmark.

Information on tax reclaims, how they should be filed and the requisite tax forms may be obtained from:

JPMorgan Chase Bank, N.A.
c/o Globe Tax Services, Inc.
1 New York Plaza, 34th Floor
New York, New York 10004 USA
Phone: +1 (212) 747 9100

U.S. Holders should consult their tax advisers regarding dividend withholding tax refunds.

Sale or Exchange of ADRs or B Shares

Any gain or loss realized on the sale or other disposition of ADRs or B shares by a U.S. Holder that is not either a resident of Denmark or a corporation that is doing business in Denmark is not subject to Danish taxation. In addition, any non-resident of Denmark may remove from Denmark any convertible currency representing the proceeds of the sales of ADRs or B shares in Denmark.

U.S. Taxation

The following summary outlines certain U.S. federal income tax consequences for U.S. Holders (defined below) of owning and disposing of ADRs or B shares. A 'U.S. Holder' is a holder who, for U.S. federal income tax purposes, is a beneficial owner of ADRs or B shares that is eligible for the benefits of the Current Convention and is (i) a citizen or individual resident of the United States, (ii) a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States or any state therein or the District of Columbia, or (iii) an estate or

trust the income of which is subject to U.S. federal income taxation regardless of its source. This discussion applies only to a U.S. Holder that holds ADRs or B shares as capital assets for U.S. tax purposes and does not apply to persons that own or are deemed to own ADRs or common shares representing 10% or more of the voting power or value of Novo Nordisk. In addition, this discussion does not describe all of the tax consequences or potentially different tax consequences that may be relevant in light of the U.S. Holder's particular circumstances, including tax consequences applicable to U.S. Holders subject to special rules, such as certain financial institutions, entities classified as partnerships for U.S. federal income tax purposes, persons subject to the provisions of the U.S. Internal Revenue Code and Treasury regulations thereunder commonly known as the Medicare contribution tax, persons subject to the alternative minimum tax, or persons holding ADRs or B shares in connection with a trade or business conducted outside of the United States. This discussion is based, in part, on certain representations by the Depositary and assumes that each obligation under the deposit agreement will be performed in accordance with its terms. This discussion assumes that the Company is not, and will not become, a passive foreign investment company for U.S. federal income tax purposes.

For U.S. federal income tax purposes, the holders of ADRs will be treated as the beneficial owners of the underlying B shares. Accordingly, no gain or loss for U.S. federal income tax purposes will be recognized if a U.S. Holder exchanges ADRs for the underlying B shares represented by those ADRs or B shares for ADRs.

Taxation of Distributions

For U.S. federal income tax purposes, distributions on ADRs or B shares received by U.S. Holders, before reduction for any Danish tax withheld, generally will be included in the U.S. Holder's income as foreign source dividend income and will not be eligible for the dividends-received deduction generally available to U.S. corporations. The amount of any dividend income paid in Danish kroner will be the U.S. dollar amount calculated by reference to the exchange rate in effect on the date of the U.S. Holder's, or, in the case of ADRs, the Depositary's receipt of the dividend regardless of whether the payment is in fact converted into U.S. dollars at that time. If the dividend is converted into U.S. dollars on the date of receipt, a U.S. Holder should not be required to recognize foreign currency gain or loss in respect of the dividend income. A U.S. Holder may have foreign currency gain or loss if the dividend is converted into U.S. dollars after the date of receipt. U.S. Holders that receive a refund of Danish withholding tax after the dividend is received, as discussed above under the section 'Danish Taxation - Withholding Tax,' may be required to recognize foreign currency gain or loss with respect to the amount of the refund. U.S. Holders should consult their tax advisers regarding whether any foreign currency gain or loss should be recognized in connection with distributions on ADRs or B shares.

Subject to applicable limitations and conditions under U.S. federal income tax law, dividends paid to certain non-corporate U.S. Holders may be taxable at favorable rates. In order to be eligible for the favorable rates, a non-corporate U.S. Holder must fulfill certain holding period and other requirements.

Subject to applicable limitations under U.S. federal income tax law, a U.S. Holder may be eligible to credit against its U.S. federal income tax liability Danish taxes withheld from dividends on ADRs or B shares at a rate not exceeding the applicable rate under the Current Convention. Danish taxes withheld in excess of the applicable rate under the Current Convention will not be eligible for credit against a U.S. Holder's federal income tax liability. The rules governing foreign tax credits are complex and, therefore, U.S. Holders

ITEM 10 ADDITIONAL INFORMATION

should consult their tax advisers regarding the availability of foreign tax credits in their particular circumstances. Alternatively, subject to applicable limitations, U.S. Holders may elect to deduct Danish taxes withheld from dividend payments. An election to deduct foreign taxes instead of claiming a foreign tax credit must apply to all taxes paid or accrued in the taxable year to foreign countries and possessions of the United States.

Sale or Exchange of ADRs or B Shares

A U.S. Holder will recognize capital gain or loss for U.S. federal income tax purposes on a sale or other disposition of ADRs or B shares, which will be long-term capital gain or loss if the U.S. Holder held the ADRs or B shares for more than one year. The amount of the gain or loss will equal the difference between the U.S. Holder's tax basis in the ADRs or B shares disposed of and the amount realized on the disposition, in each case as determined in U.S. dollars. Such gain or loss will generally be U.S. source gain or loss for foreign tax credit purposes.

Information Reporting and Backup Withholding

Payments of dividends and sales proceeds that are made within the United States or through certain U.S. related financial intermediaries may be subject to information reporting and backup withholding, unless (i) the U.S. Holder is a corporation or other exempt recipient or (ii) in the case of backup withholding, the U.S. Holder provides a correct taxpayer identification number and certifies that it is not subject to backup withholding.

The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against the holder's U.S. federal income tax liability and may entitle it to a refund, provided that the required information is timely furnished to the Internal Revenue Service.

Certain U.S. Holders who are individuals (and certain specified entities) may be required to report information relating to securities issued by a non-U.S. person or foreign accounts through which such securities are held, subject to certain exceptions (including an exception for securities held in accounts maintained by U.S. financial institutions). U.S. Holders should consult their tax advisers regarding their possible reporting obligations with respect to the ADRs or B shares.

The foregoing sections offer a general description and U.S. Holders should consult their tax advisers to determine the U.S. federal, state, local and non-U.S. tax consequences of owning and disposing of ADRs or B shares in their particular circumstances.

F. DIVIDENDS AND PAYING AGENTS

Not applicable.

G. STATEMENTS BY EXPERTS

Not applicable.

H. DOCUMENTS ON DISPLAY

Documents referred to and filed with the SEC together with this Form 20-F can be read and copied at the SEC's public reference room located at 100 F Street, NE, Washington, DC 20549. Please call the United States Securities and Exchange Commission at 1-800-SEC-0330 for further information on the public reference rooms.

Copies of this Form 20-F as well as our Annual Report 2020, Annual Report 2019 and Remuneration Report 2020 can be downloaded from the Investors pages at novonordisk.com. The contents of this website are not incorporated by reference into this Form 20-F. This Form 20-F is also filed and can be viewed via EDGAR on www.sec.gov.

I. SUBSIDIARY INFORMATION

Not applicable.

ITEM 11 QUALITATIVE AND QUANTITATIVE DISCLOSURES ABOUT MARKET RISKS**Financial exposure and financial risk management**

For a description and discussion of the Company's foreign exchange risk management, interest rate risk management, liquidity risk management and credit risk management, reference is made to Note 4.2 'Financial risks' and 'Risk management' on pages 34-35 in our Annual Report 2020.

Sensitivity analysis

When conducting a sensitivity analysis, the Group assesses the change in fair value on the market-sensitive instruments following hypothetical changes in market rates and prices. The rates used to mark-to-market the instruments are market data as of December 30, 2020.

Interest rate sensitivity analysis

For information on Interest rate sensitivity analysis in the financial year of 2020, reference is made to Note 4.2 ‘Financial risks’ in our Annual Report 2020.

Foreign exchange sensitivity analysis

For information on Foreign exchange sensitivity analysis in the financial year of 2020, reference is made to Note 4.2 ‘Financial risks’ and ‘Risk management’ on pages 34-35 in our Annual Report 2020.

ITEM 12 DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

A. DEBT SECURITIES

Not applicable.

B. WARRANTS AND RIGHTS

Not applicable.

C. OTHER SECURITIES

Not applicable.

D. AMERICAN DEPOSITORY SHARES

Novo Nordisk’s ADR program is administered by J.P. Morgan Depositary Receipts Group as Depositary, JPMorgan Chase Bank, N.A., 383 Madison Avenue, Floor 11, New York, United States. The ADRs are traded under the symbol "NVO" on the New York Stock Exchange and the underlying security is the Novo Nordisk B share, NOVO-B on Nasdaq Copenhagen. Each ADR represents one deposited Novo Nordisk B share. One ADR carries the same voting rights as one Novo Nordisk B share.

The Depositary distributes relevant notices, reports and proxy materials to the holders of the ADRs. When dividends are paid to shareholders, the Depositary converts the amounts into U.S. dollars and distributes the dividends to the holders of the ADRs. See Exhibit no. 2.1. to this Form 20-F for a description of the rights of holders of the ADRs.

The holder of an ADR may have to pay the following fees and charges related to services in connection with the ownership of the ADR up to the amounts set forth in the table below.

Service	Fee
Issuance or delivery of an ADR, surrendering of an ADR for delivery of a Novo Nordisk B share, cancellation of an ADR, including issuance, delivery, surrendering or cancellation in connection with share distributions, stock splits, rights and mergers	A maximum of USD 5.00 for each 100 ADRs (or portion thereof), to be paid to the Depositary
Distribution of dividend to the holder of the ADR	A maximum of USD 0.05 per ADR (or portion thereof), to be paid to the Depositary
Transfer of the Novo Nordisk B shares from the Danish custodian bank to the holder of the ADR’s account in Denmark	USD 20.00 cabling fee per transfer, to be paid to the Depositary
Taxes and other governmental charges the holder of the ADR has to pay on any ADR or share underlying the ADR	As necessary

J.P. Morgan, as Depositary, has agreed to reimburse certain reasonable expenses related to Novo Nordisk’s ADR program and incurred by Novo Nordisk in connection with the program. In the year ended December 31, 2020, the Depositary reimbursed USD 4,492,391 for costs related to investor relations activities.

PART II

ITEM 13 DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None.

ITEM 14 MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

None.

ITEM 15 CONTROLS AND PROCEDURES**Evaluation of disclosure controls and procedures**

Novo Nordisk maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in reports that Novo Nordisk files or submits under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported, within the time periods specified in the rules and forms of the United States Securities and Exchange Commission, and that such information is accumulated and communicated to management of the Company, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

Novo Nordisk Management, including the Chief Executive Officer and Chief Financial Officer, evaluated the Company's disclosure controls and procedures as of December 31, 2020. Based on this evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that as of December 31, 2020, the Company's disclosure controls and procedures were effective at the reasonable assurance level.

In designing and evaluating the disclosure controls and procedures, Management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives.

Report of Novo Nordisk Management on Internal Control over Financial Reporting

Novo Nordisk's Management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed by, or under the supervision of, the Chief Executive Officer and Chief Financial Officer, and effected by the Company's Board of Directors, Management and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS as issued by the IASB.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Novo Nordisk Management, including the Chief Executive Officer and Chief Financial Officer, assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2020, using the criteria established in the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ('COSO'). Based on this assessment, Novo Nordisk Management, including the Chief Executive Officer and Chief Financial Officer, concluded that, as of December 31, 2020, the Novo Nordisk Group's internal control over financial reporting was effective based on criteria stated in Internal Control - Integrated Framework (2013) issued by the COSO.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2020 has been audited by PricewaterhouseCoopers, Statsautoriseret Revisionspartnerselskab, Denmark, an independent registered public accounting firm, as stated in their report which appears on page 31-32 of this Form 20-F.

Changes in internal controls over financial reporting

There were no changes in the Company's internal control over financial reporting that occurred during the year ended December 31, 2020 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

ITEM 16A AUDIT COMMITTEE FINANCIAL EXPERTS

Reference is made to pages 38-39 in our Annual Report 2020.

As such, the Audit Committee is comprised of five members elected by the Board of Directors. One member is designated as Chair and two members, including the Chair, are designated as Audit Committee financial experts as defined by the SEC.

Four members qualify as independent as defined by the SEC and one member relies on an exemption. See item 16D below. The Chair and financial expert, Liz Hewitt, and financial expert, Laurence Debroux, are both independent as defined by the SEC.

ITEM 16B CODE OF ETHICS

Novo Nordisk has a vision and a set of essentials named the Novo Nordisk Way. The Novo Nordisk Way describes who Novo Nordisk as a company is, where Novo Nordisk wants to go and how its employees work. The Novo Nordisk Way is principle-based and describes corporate essentials and the required values and mindset of employees on business conduct and ethics including a number of the topics required by the Sarbanes-Oxley Act and the NYSE Listed Company Manual. In addition to the Novo Nordisk Way, a number of guidelines have been established including a Business Ethics Code of Conduct and related business ethics requirements on how to conduct business in Novo Nordisk are outlined. The Novo Nordisk Way and our Business Ethics Code of Conduct apply to all employees in Novo Nordisk including the Chief Executive Officer and Chief Financial Officer.

The Novo Nordisk Way and our Business Ethics Code of Conduct may be found on our website at novonordisk.com (the contents of the website are not incorporated by reference into this Form 20-F).

ITEM 16C PRINCIPAL ACCOUNTANT FEES AND SERVICES

Reference is made to Note 5.4 ‘Fee to statutory auditors’ in our Annual Report 2020 regarding fees paid to our statutory auditors.

Statutory Audit Fees

Statutory audit fees consist of fees billed for the annual audit of the Company’s Annual Report, the financial statements of the Parent Company, Novo Nordisk A/S, and financial statements of wholly-owned subsidiaries including audit of internal controls over financial reporting (Sarbanes-Oxley Act, Section 404). The fees also include fees billed for other audit services, which are those services that only the statutory auditor can provide, and include the review of documents filed with the SEC.

Audit-Related Fees

Fees for audit-related services consist of fees billed for assurance and related services that are related to the performance of the audit or review of the Company’s social and environmental reporting included in our Annual Report 2020 and also include consultations concerning financial accounting reporting standards.

Tax Fees

Fees for tax advisory services include fees billed for tax compliance services, tax consultations, such as assistance and representation in connection with tax audits and appeals and transfer pricing.

Other Fees

Fees for other services comprise fees billed for other permitted services such as compliance reviews in connection with healthcare laws and regulations and assessment of their impact on the distribution chain, review of IT security plans and preparation of Benchmark reports etc.

Pre-approval policies

The Audit Committee assesses and pre-approves all audit and non-audit services provided by the statutory auditors. The pre-approval includes the type of service and a fee budget. Furthermore, the Audit Committee receives a quarterly update on actual services provided and fees realized.

ITEM 16D EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Novo Nordisk’s ADRs are listed on the New York Stock Exchange, the corporate governance rules of which require a foreign private issuer such as Novo Nordisk to have an Audit Committee that satisfies the requirements of Rule 10A-3 under the U.S. Securities

ITEM 16D EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Exchange Act of 1934, as amended. These requirements include a requirement that the Audit Committee be composed of members that are “independent” of the issuer, as defined in the Rule, subject to certain exemptions. Of the current five members of Novo Nordisk’s Audit Committee, four are considered independent and one member relies on an exemption. Stig Strøbæk is a current employee of Novo Nordisk who has been elected to the Board of Directors by the employees pursuant to the Danish Companies Act (in Danish: "Selskabsloven"). The Danish Companies Act requires any limited liability company with more than 35 employees on average over a three-year period to organize a vote in which the employees are entitled to decide whether they would like employee representation on the Board of Directors. Stig Strøbæk is not an executive officer of Novo Nordisk. Accordingly, his service on the Audit Committee is permissible pursuant to the exemption from the independence requirements provided for by paragraph (b)(1)(iv) (C) of Rule 10A-3. Novo Nordisk does not believe the reliance on such exemption would materially adversely affect the ability of the Audit Committee to act independently and to satisfy the other requirements of the Rule 10A-3.

ITEM 16E PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

	Total Number of Shares Purchased (a)*	Average Price Paid per Share in DKK (b)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (c)	Maximum Approximate Value of Shares that may yet be purchased under the Plans or Programs in DKK (d)
2019 repurchase program				
Status year end 2019**	41,028,923	344.18	41,028,923	878,598,302
January 1-31, 2020	2,084,350	402.53	43,113,273	39,589,139
February 1-3, 2020	96,232	411.39	43,209,505	374
Total***	43,209,505	347.15	43,209,505	374
2020 repurchase program				17,000,000,000
February 4-28, 2020	1,970,000	431.10	1,970,000	16,150,723,559
March 1-31, 2020	2,770,000	382.65	4,740,000	15,090,785,895
April 1-30, 2020	2,180,000	425.76	6,920,000	14,162,638,832
May 1-31, 2020	8,417,219	435.68	15,337,219	10,495,441,909
June 1-30, 2020	2,104,150	436.81	17,441,369	9,576,324,327
July 1-31, 2020	2,405,000	432.21	19,846,369	8,536,870,803
August 1-31, 2020	2,216,810	415.44	22,063,179	7,615,913,883
September 1-30, 2020	2,410,491	427.01	24,473,670	6,586,614,597
October 1-31, 2020	2,099,352	446.52	26,573,022	5,649,212,405
November 1-30, 2020	9,227,500	418.03	35,800,522	1,791,837,374
December 1-31, 2020	1,800,000	425.89	37,600,522	1,025,234,763
Total	37,600,522	424.85	37,600,522	1,025,234,763

*) All shares purchased through a publicly announced program.

**) Shares purchased under 2019 repurchase program during 2019.

***) As of February 3, 2020, Novo Nordisk had repurchased a total of 43,209,505 B shares equal to a transaction value of DKK 15 billion. The DKK 15 billion share repurchase program announced February 1, 2019 was thereby concluded.

Note to column (a) and (d)

The Board of Directors has been authorized by the Annual General Meeting to have the Company acquire up to 10% of the share capital at the price quoted at the time of the purchase with a deviation of up to 10%. This authorization is renewed annually at the Annual General Meeting. If the limit of 10% is reached, a number of shares would have to be cancelled before further purchases can be made. The cancellation of shares must be approved by the shareholders.

Under this authorization, a share repurchase program for 2019 of DKK 15 billion initiated in February 2019, was completed in February 2020. A new share repurchase program for 2020 of DKK 17 billion initiated in February 2020 was completed in February 2021. The shares have been purchased through a bank directly in the market or directly from Novo Holding A/S.

Column (a) shows shares Novo Nordisk purchased as part of our share repurchase program initiated in February 2019 (completed in February 2020) and our share repurchase program initiated in February 2020.

Notes to columns (c) and (d)

In order to maintain capital structure flexibility, the Board of Directors intends to propose at the Annual General Meeting on March 25, 2021, a reduction in the B share capital, by cancellation of 40 million shares (nominal value DKK 0.20) of current treasury B shares, to DKK 354,512,800. This would correspond to a 1.70% reduction of the total share capital.

ITEM 16F CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

Not applicable.

ITEM 16G CORPORATE GOVERNANCE

Novo Nordisk A/S is a public limited company incorporated in Denmark and admitted to trading on Nasdaq Copenhagen. As a result, it follows the applicable Danish Corporate Governance Recommendations issued in November 2017 in respect of its corporate governance practices.

Novo Nordisk A/S has ADRs listed on the New York Stock Exchange (the “NYSE”) and is therefore required to comply with U.S. securities laws and regulations, including the Sarbanes-Oxley Act and the NYSE Corporate Governance Standards (the “NYSE Standards”) applicable to listed companies as described in the NYSE Listed Company Manual’s section 303A. As a foreign private issuer, Novo Nordisk A/S is permitted to follow the corporate governance practice of its home country in lieu of certain provisions of the NYSE Standards.

Novo Nordisk A/S complies with the requirements of the SEC and NYSE except that Novo Nordisk as a “controlled company” (a listed company of which more than 50% of the voting power for the election of directors is held by an individual, a group or another company) pursuant to section 303A.00 of the NYSE Listed Company Manual is not obliged to comply with sections 303A.01 (majority independent directors), 303A.04 (nominating/corporate governance committee) and 303A.05 (compensation committee) of the NYSE Listed Company Manual.

Moreover, Novo Nordisk A/S as a foreign private issuer is permitted to follow home country practice in lieu of sections 303A.02 (independence tests), 303A.03 (executive sessions), 303A.07 (audit committee), 303A.08 (shareholder approval of equity compensation plans), 303A.09 (corporate governance guidelines), 303A.10 (code of business conduct and ethics) and 303A.12 (a) (certification requirements).

Below is a list of practices followed by Novo Nordisk A/S as a foreign private issuer that differ from certain corporate governance requirements under the NYSE Standards:

Independence requirements

Under the NYSE Standards, listed companies must have at least a majority of independent directors and no director qualifies as “independent” unless the Board of Directors affirmatively determines that the director has no material relationship with the listed company (either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company).

Under the Danish Corporate Governance Recommendations, at least half of the shareholder-elected Board members, i.e. excluding any employee-elected Board members, must be independent. Employees are entitled to be represented by half of the total number of the shareholder-elected Board members.

Under the NYSE Standards a director is not deemed independent if the director is, or has been within the last three years, an employee of the listed company, or an immediate family member is, or has been within the last three years, an executive officer, of the listed company. Rule 303A.02 defines ‘listed company’, for purposes of the independence standards, to include ‘any parent or subsidiary in a consolidated group with the listed company or such other company as is relevant to any determination under the independence standards set forth in this Section 303A.02(b)’.

Four employees have in accordance with the requirements in the Danish Companies Act been elected as Board members by the Danish employees of the Company. One Board member is an executive of Novo Holdings A/S. No other Board members or the Board members’ immediate family members have within the last three years been an employee or executive of Novo Nordisk A/S or any parent or subsidiary in a consolidated group with Novo Nordisk A/S or received any fees from Novo Nordisk A/S.

The Board has determined whether the Board members qualify as independent under the Danish Corporate Governance Recommendations. The Board has also determined whether the Board members, who are members of the Audit Committee, qualify as independent under Rule 10A-3 in the Securities Exchange Act. Such determination is disclosed in the Annual Report. Further, the Annual Report provides detailed and individual information regarding the Board members, but it does not explicitly identify which Board members the Board considers independent under the NYSE Standards.

Audit Committee

Under Section 303A.06 of the NYSE Standards, the Audit Committee in a listed company must be composed entirely of independent directors as set out in section 303A.02 and, in the absence of an applicable exemption, Rule 10A-3(b)(1). The members of the Audit Committee are elected at a Board meeting held immediately following the Annual General Meeting. Novo Nordisk A/S' Audit Committee has five members. Four members satisfy the independence requirements of Rule 10A-3(b)(1) of the Securities Exchange Act and section 303A.02 of the NYSE Listed Company Manual and one member relies on an exemption.

One Audit Committee member is an employee representative relying on the exemption from the independence requirements in Rule 10A-3(b)(1) provided for by paragraph (b)(1)(iv)(C) of Rule 10A-3. See Item 16D above for further details.

Further, Novo Nordisk's Audit Committee, is among other things, responsible for oversight of and reporting to the Board of Directors on the elements described in section 303A.07(b)(i)(A) of the NYSE Listed Company Manual. However, with respect to legal and regulatory requirements, the Audit Committee's oversight responsibility only includes oversight of compliance with legal and regulatory requirements relating to business ethics compliance.

Remuneration Committee

Pursuant to the NYSE Standards listed companies must have a compensation committee composed entirely of independent directors. Compensation committee members must satisfy the additional independence requirements specific to compensation committee membership set forth in section 303A.02(a)(ii). The NYSE Standards states that in affirmatively determining the independence of any director who will serve on the compensation committee of the listed company's Board of Directors, the Board of Directors must consider all factors specifically relevant to determining whether a director has a relationship to the listed company which is material to that director's ability to be independent from management in connection with the duties of a compensation committee member.

As a controlled company, Novo Nordisk A/S is exempt from the requirement to establish a separate compensation committee in the same manner as U.S. companies are. Novo Nordisk A/S has established a Remuneration Committee and the members of the Remuneration Committee are elected at a Board meeting held immediately following the Annual General Meeting. When electing the members, the Board of Directors considers all factors relevant to determine whether the members of the Remuneration Committee have a relationship to the Company which is material to the director's ability to be independent from management when performing its duties. At least a majority of the members of a board committee shall qualify as independent as defined by the Danish Corporate Governance Recommendations. Under the Danish Corporate Governance Recommendations, two members qualify as non-independent members, including the Chair, and two members qualify as independent members.

Hence, the composition of the Remuneration Committee does not adhere to the Danish Corporate Governance Recommendations. This is due to the fact that the Board of Directors finds that the composition of the Remuneration Committee allows a member from the Chairmanship, who is a representative of the main shareholder, as well as an employee representative, both qualifying as non-independent, being on the Remuneration Committee while maintaining an operational structure of the Remuneration Committee with relatively few members.

Nomination Committee

Under the NYSE Standards listed companies must have a nominating/corporate governance committee composed entirely of independent directors, which requirement does not apply to Novo Nordisk A/S as a controlled company. Novo Nordisk A/S has established a Nomination Committee and the members of the Nomination Committee are elected at a Board meeting held immediately following the Annual General Meeting. Novo Nordisk A/S' Nomination Committee consists of two members who are independent, including the Chair, and two members who are non-independent. A majority of the members of a board committee shall qualify as independent as defined by the Danish Corporate Governance Recommendations. Hence, the composition of the Nomination Committee does not adhere to the Danish Corporate Governance Recommendations. This is due to the fact that the Board of Directors finds that the composition of the Nomination Committee allows for a representative of the main shareholder, as well as an employee representative, both qualifying as non-independent, being on the Nomination Committee while maintaining an operational structure of the Nomination Committee with relatively few members.

Equity-compensation plans

Under Section 303A.08 of the NYSE Standards, shareholders must be given the opportunity to vote on all equity compensation plans and material revisions thereto, with certain limited exceptions. In 2020, a new Remuneration Policy was adopted by the Annual General Meeting describing Board and Executive remuneration. The policy replaces Novo Nordisk's Remuneration Principles and was introduced to comply with changes in applicable EU legislation. The new policy is applicable to Board remuneration as of 2020, and to Executive remuneration as of 2021. Consequently, the Remuneration Principles applied to Board remuneration relating to the period up to and including 2019 and to Executive remuneration for the period up to and including 2020. All incentive programs offered to the Board and/or Executive Management shall comply with this framework. However, under Danish law, the practice of voting on equity-

compensation plans is not contemplated and accordingly, equity compensation plans are only subject to shareholder approval if they result in the issuance of new shares (and not if treasury shares are used).

Code of business conduct and ethics

Under Section 303A.10 of the NYSE Standards, listed companies must adopt and disclose a code of business conduct and ethics for directors, officers and employees, and promptly disclose any waivers of the code for directors or executive officers. Novo Nordisk has a global framework of rules and guidelines, including but not limited to the Novo Nordisk Way and a Business Ethics Code of Conduct, which describe the corporate principles on ethical business conduct. See Item 16B. While certain topics mentioned in the NYSE Listed Company Manual are addressed in this framework of rules and guidelines, there may be topics which are not covered.

CEO certification

Under Section 303A.12(a) of the NYSE Standards, each listed company's Chief Executive Officer must certify to the NYSE each year that he or she is not aware of any violation by the listed company of NYSE Standards, qualifying the certification to the extent necessary. Novo Nordisk has opted to follow Danish law and regulations which do not contemplate such certifications. However, in accordance with NYSE Standards, Novo Nordisk will notify the NYSE promptly in writing if it becomes aware of any non-compliance with NYSE Standards applicable to the Company.

ITEM 16H MINE SAFETY DISCLOSURE

Not applicable.

PART III

ITEM 17 FINANCIAL STATEMENTS

See response to Item 18.

ITEM 18 FINANCIAL STATEMENTS

The financial statements required by this item accompany this annual report in the form of our Annual Report 2020 (see Item 19).

Reconciliation of non-IFRS financial measures

In the Financial statements, Novo Nordisk discloses certain financial measures of the Group’s financial performance, financial position and cash flows that reflect adjustments to the most directly comparable measures calculated and presented in accordance with IFRS. The inclusion of non-IFRS measures has been expressly permitted by the Danish Business Authorities and thereby exempted from the prohibition in Item 10(e)(1)(ii)(C) of Regulation S-K. However, these non-IFRS financial measures may not be defined and calculated by other companies in the same manner and may thus not be comparable with such measures.

The non-IFRS financial measures presented in our Annual Report 2020 are:

- Free cash flow;
- Cash to earnings;
- Operating profit after tax to net operating assets;
- Financial reserves;
- Sales growth in constant exchange rates; and
- Operating profit growth in constant exchange rates.

Reference is made to the section ‘Non-IFRS financial measures’ on pages 79-80 in our Annual Report 2020.

ITEM 19 EXHIBITS

A. ANNUAL REPORT

The following pages from our Annual Report 2020, furnished to the SEC on Form 6-K, dated February 3, 2021, are incorporated by reference into this Form 20-F. The content of websites, scientific articles and other sources referenced on these pages are not incorporated by reference into this Form 20-F.

	Page(s) in the Annual Report
Management Discussion and Analysis	
Introducing Novo Nordisk	3-10
Strategic aspirations	11-33
Pipeline overview	24
2020 performance and 2021 outlook	29-33
Risk management	34-35
Shares and capital structure	36-37
Corporate governance	38-41
Board of Directors	42-44
Executive Management	45
Consolidated Financial Statements	
Consolidated Income statement and Statement of comprehensive income for the years ended 31 December 2020, 2019 and 2018	47
Consolidated Cash flow statement for the years ended 31 December 2020, 2019 and 2018	48
Consolidated Balance sheet as of 31 December 2020 and 2019	49
Consolidated Equity statement at 31 December 2020, 2019 and 2018	50
Notes sections in the Consolidated financial statements	51-77
Companies in the Novo Nordisk Group	77

B. REMUNERATION REPORT

The following pages from our Remuneration Report 2020, furnished to the SEC on Form 6-K, dated February 3, 2021, are incorporated by reference into this Form 20-F. The content of websites, scientific articles and other sources referenced on these pages are not incorporated by reference into this Form 20-F.

	Page(s) in the Remuneration Report
2.2 Remuneration composition	5
2.4 Board and committee fee levels 2020	6
2.5 Board remuneration 2020	7
2.6 Shareholdings by the Board	8
3.1 Remuneration principles	9
3.2 Remuneration composition	9-10
3.4 Executive remuneration in 2020	11-12
3.6 Short-term incentive programme 2020	14
3.7 Long-term incentive programme 2020	15
3.8 Long-term incentive programme 2017 – vested shares	16
3.9 Long-term incentive programmes 2018-2020 – unvested shares	16-17
3.10 Shareholdings by Executive Management	18

C. EXHIBITS

List of exhibits:

Exhibit No.	Description	Method of filing
1.1	Articles of Association of Novo Nordisk A/S	Incorporated by reference to the Registrant's Report furnished to the SEC on Form 6-K on March 27, 2020.
2.1	Description of the rights of American Depositary Shares registered under Section 12 of the Securities Exchange Act of 1934	Incorporated by reference to the description of the rights of American Depositary Shares included in Exhibit 2.1 to the Registrant's Report on Form 20-F for the year ended December 31, 2019.
2.2	Description of the rights of B Shares registered under Section 12 of the Securities Exchange Act of 1934	Filed together with this Form 20-F
8.1	Companies in the Novo Nordisk Group	Incorporated by reference to page 77 of our Annual Report 2020 filed on Form 6-K dated February 3, 2021.
12.1	Certification of Lars Fruergaard Jørgensen, President and Chief Executive Officer of Novo Nordisk, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	Filed together with this Form 20-F 2020
12.2	Certification of Karsten Munk Knudsen, Executive Vice President and Chief Financial Officer of Novo Nordisk, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	Filed together with this Form 20-F 2020
13.1	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	Filed together with this Form 20-F 2020
15.1	Extracts from Registrant's Annual Report for the fiscal year ended December 31, 2020	Incorporated by reference to the portions of Registrant's Report furnished to the SEC on Form 6-K on February 3, 2021 identified in Item 19.a of this Form 20-F.
15.2	Extracts from Registrant's Annual Report for the fiscal year ended December 31, 2019	Incorporated by reference to the portions of the Registrant's Report furnished to the SEC on Form 6-K on February 5, 2020 identified in Item 19.A of the Form 20-F filed on February 5, 2020.
15.3	Consent of independent registered public accounting firm.	Filed together with this Form 20-F 2020
15.4	Extracts from Registrant's Remuneration Report for the fiscal year ended December 31, 2020	Incorporated by reference to the portions of the Registrant's Report furnished to the SEC on Form 6-K on February 3, 2021 identified in Item 19.b of this Form 20-F.
EX-101.SCH	XBRL Taxonomy Extension Schema Document	Incorporated by reference to the Registrant's Report furnished to the SEC on Form 6-K on February 3, 2021.
EX-101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document	Incorporated by reference to the Registrant's Report furnished to the SEC on Form 6-K on February 3, 2021.
EX-101.DEF	XBRL Taxonomy Extension Definition Linkbase Document	Incorporated by reference to the Registrant's Report furnished to the SEC on Form 6-K on February 3, 2021.
EX-101.LAB	XBRL Taxonomy Extension Labels Linkbase Document	Incorporated by reference to the Registrant's Report furnished to the SEC on Form 6-K on February 3, 2021.
EX-101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document	Incorporated by reference to the Registrant's Report furnished to the SEC on Form 6-K on February 3, 2021.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of Novo Nordisk A/S

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Novo Nordisk A/S and its subsidiaries (the "Company") as of December 31, 2020 and 2019, and the related consolidated income statement, statement of comprehensive income, equity statement and cash flow statement for each of the three years in the period ended December 31, 2020, including the related notes (collectively referred to as the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020 in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control - Integrated Framework (2013) issued by the COSO.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the Report of Novo Nordisk Management on Internal Control over Financial Reporting appearing under Item 15. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Sales rebates and discounts in the U.S. business

As described in Notes 2.1 and 3.6 to the consolidated financial statements, sales to various customers in the US can fall under certain commercial and government mandated contracts and reimbursement arrangements, of which the most significant are Managed Care,

Medicare, Medicaid and charge-backs to wholesalers. These arrangements gave rise to obligations to provide customers with sales rebates, discounts and allowances which are provisioned and recorded as sales deduction at the time the related sales are recorded. The provision for sales rebates and discounts amounted to DKK 34,052 million as of December 31, 2020, a significant portion of which related to the US business. The estimates of unsettled sales rebate and discount obligations required significant judgment by management, as not all conditions are known at the time of sale. Significant rebates and discounts estimated by management are based on sales volume forecasts, historical experience and the specific terms in the individual agreements.

The principal considerations for our determination that performing procedures relating to sales rebates and discounts in the US business is a critical audit matter are the significant judgment by management due to the significant measurement uncertainty involved in developing these provisions, as the provisions are based on assumptions using sales volume forecasts, historical experience and the specific terms in the individual agreements. This in turn led to significant auditor judgment, effort and subjectivity, in applying procedures relating to these assumptions.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to provision for the US Managed Care, Medicare, and Medicaid rebate programs, including controls over the assumptions used to estimate these rebates. These procedures also included, among others, (i) developing an independent estimate of the rebates by utilising third-party information on price and market conditions in the US, the terms of the specific rebate programs, and the historical trend of actual rebate claims paid; (ii) comparing the independent estimate to management's estimates; and (iii) testing rebate claims processed by the Company, including evaluating those claims for consistency with the contractual and mandated terms of the Company's rebate arrangements.

/s/ PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Hellerup, Denmark
February 3, 2021
We have served as the Company's auditor since 1982.

SIGNATURES

The Registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this Annual Report on its behalf.

NOVO NORDISK A/S

/s/ Lars Fruergaard Jørgensen

Name:

Lars Fruergaard Jørgensen

Title:

President and Chief Executive Officer

/s/ Karsten Munk Knudsen

Name:

Karsten Munk Knudsen

Title:

Executive Vice President and Chief Financial Officer

Bagsværd, Denmark
Dated: February 3, 2021