

## **TAXATION**

### **Danish Taxation**

The following summary outlines certain Danish tax consequences to holders of ADRs or B shares who are citizens or residents of the United States, entitled to benefits, 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').

#### *Withholding Tax*

Generally, Danish withholding tax is deducted from dividend payments to U.S. residents and corporations at a 28% rate, the rate which is generally applicable to non-residents in Denmark without regard to eligibility for a reduced treaty rate. Under the Current Convention, however, the maximum rate of Danish tax that may be imposed on a dividend paid to a U.S. resident or corporation 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. residents and corporations who are 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').

The Danish tax authorities have approved a simplified withholding tax refund procedure for U.S. resident ADR holders entitled to the benefits of the Current Convention. Under the simplified refund procedures, U.S. resident ADR holders that provide a properly completed Internal Revenue Service ('IRS') Form 6166 to the Depositary within a sufficient time prior to the dividend payment date will receive the Excess Withholding Tax at the time of the receipt of the dividend. U.S. resident ADR holders that provide a properly completed Form 6166 to the Depositary after the dividend payment date, but no later than four months following such date will receive a refund from the Depositary of the Excess Withholding Tax after the dividend payment date. U.S. resident ADR holders that do not provide IRS Form 6166 to the Depositary within the period ending four months after the dividend payment date may claim a refund of the Excess Withholding Tax by filing a properly completed Danish Dividend Tax claim form 06.008 and a properly completed IRS Form 6166 with the Danish tax authorities within the three-year period following the year in which the dividend was paid.

#### *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 an individual that is not a resident of Denmark or a non-Danish corporation that is not 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. 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 who 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 political subdivision thereof, 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 10% or more of Novo Nordisk voting stock. 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. This discussion assumes that the Company is not, and will not become, a passive foreign investment company for U.S. federal income tax purposes.

Based on certain representations by the Depositary, 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.

The U.S. Treasury has expressed concern that parties to whom American depositary receipts are released before shares are delivered to the depositary (referred to as a 'pre-release'), or intermediaries in the chain of ownership between holders and the issuer of the security underlying the American depositary receipts, may be taking actions that are inconsistent with the claiming of foreign tax credits by holders of American depositary receipts. These actions would also be inconsistent with the claiming of the reduced rate of tax, described below, applicable to dividends received by certain non-corporate U.S. Holders. Accordingly, the creditability of Danish taxes, and the availability of the reduced tax rate for dividends received by certain non-corporate U.S. Holders, each described below, could be affected by actions taken by such parties or intermediaries.

#### *Taxation of Distributions*

For U.S. federal income tax purposes, distributions on ADRs or B shares received by U.S. Holders, without reduction for any Danish tax withheld, generally will be included in the 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 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 and the discussion above regarding concerns expressed by the U.S. Treasury, dividends paid to certain non-corporate U.S. Holders in taxable years beginning before January 1, 2013 will 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 and conditions under U.S. federal income tax law and the discussion above regarding concerns expressed by the U.S. Treasury, a U.S. Holder may be eligible to credit against its U.S. federal income tax liability the Danish taxes withheld from dividends on B shares or ADRs in an amount not exceeding the amount that reflects the rate provided by the Current Convention. The rules governing foreign tax credits are complex and, therefore, U.S. Holders 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 foreign tax credits 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 generally are subject to information reporting, and may be subject to 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.

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

**DIVIDENDS AND PAYING AGENTS**

Not applicable.

**STATEMENT BY EXPERTS**

Not applicable.

**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 the Form 20-F as well as the *Annual Report 2010* can be downloaded from the Investors pages at novonordisk.com. The content of this website is not incorporated by reference into this Form 20-F. The Form 20-F is also filed and can be viewed via EDGAR on www.sec.gov.

**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 risk management, counterparty risk management and equity price risk management, reference is made to Note 27 'Financial risk' and the section on 'Risk management' on pages 43-45 in the *Annual Report 2010*.

**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 31, 2010.

**Interest rate sensitivity analysis**

For information on Interest rate sensitivity analysis in the financial year of 2010, reference is made to Note 27 'Financial risk' in the *Annual Report 2010*.

**Foreign exchange sensitivity analysis**

For information on Foreign exchange sensitivity analysis in the financial year of 2010, reference is made to Note 27 'Financial risk' and the section on 'Risk management' on pages 43-45 in the *Annual Report 2010*.

**ITEM 12 DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES****ITEM 12A DEBT SECURITIES**

Not applicable.

**ITEM 12B WARRANTS AND RIGHTS**

Not applicable.

**ITEM 12C OTHER SECURITIES**

Not applicable.

**ITEM 12D AMERICAN DEPOSITARY SHARES**

Novo Nordisk's American Depositary Receipt ('ADR') program is administered by J.P. Morgan Depositary Receipts Group, JPMorgan Chase Bank, N.A., 4 New York Plaza, New York, USA, as depositary.

The ADRs are traded under the code NVO on the New York Stock Exchange and the underlying security is the Novo Nordisk B-share, NOVOb on the NASDAQ OMX 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. No fees are charged to the holders of the ADRs in relation to these procedures.

The holder of an ADR has to pay the following fees and charges related to services in connection with the ownership of the ADR:

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	USD 5.00 for each 100 ADRs (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, 2010, the depositary reimbursed USD 500,000 for costs related to investor relations programs and special investor relations promotional activities and waived costs of USD 35,000 related to the maintenance of the ADR program and other services. The amounts the depositary reimbursed are not related to the amount of fees collected by the depositary from ADR holders.

## 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 under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the United States Securities and Exchange Commission.

Novo Nordisk Management has evaluated the Company's disclosure controls and procedures as of December 31, 2010. Based on this evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective at the reasonable assurance level for gathering, analyzing and disclosing the information the Company is required to disclose in the reports it files under the Securities Exchange Act of 1934, within the time periods specified in the SEC's rules and forms.

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 Board of Directors and Executive Management are responsible for establishing and maintaining adequate internal control over financial reporting. The Novo Nordisk Group's internal control system was designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation and fair presentation of its published consolidated financial statements.

All internal control systems no matter how well designed have inherent limitations. Therefore, even those systems determined to be effective may not prevent or detect misstatements and can provide only reasonable assurance with respect to financial statement preparation and presentation. 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 assessed the effectiveness of the Group's internal control over financial reporting as of December 31, 2010. In making this assessment, they used the criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ('COSO'). Based on this assessment the Chief Executive Officer and Chief Financial Officer have concluded that, as of December 31, 2010, the Novo Nordisk Group's internal control over financial reporting is effective based on those criteria.

The effectiveness of internal control over financial reporting as of December 31, 2010 has been audited by PricewaterhouseCoopers, Statsautoriseret Revisionsaktieselskab, Denmark, an independent registered public accounting firm, as stated on page 43 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, 2010 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**

The Audit Committee has three members elected by the Board among its members. All members qualify as independent as defined by the U.S. Securities and Exchange Commission ('SEC'). One member is designated as chairman and all members are designated as Audit Committee Financial Experts as defined by the SEC.

The board has in March 2010 elected the following individuals to the Audit Committee: Kurt Anker Nielsen (Audit Committee Chairman and Financial Expert), Hannu Ryöppönen (Audit Committee Member and Financial Expert) and Jørgen Wedel (Audit Committee Member and Financial Expert).

#### **ITEM 16B      CODE OF ETHICS**

Novo Nordisk has an ethics framework consisting of a number of rules and guidelines, including but not limited to the Novo Nordisk Way, which consists of the Company's Vision and Essentials as well as a number of policies, including a business ethics policy and related procedures. This framework is applicable to all employees in Novo Nordisk including the Board of Directors and Management.

The Novo Nordisk Way is principle-based and describes corporate essentials and required mindsets on business conduct and ethics including a number of the topics dealt with in the rules on Code of Ethics set forth in the Sarbanes-Oxley Act and in the NYSE Listed Company Manual.

Novo Nordisk has not established a separate Code of Ethics as a response to the requirement set forth in the Sarbanes-Oxley Act because the framework is already well integrated in the Company, and includes rules and guidelines reasonably similar to those required by Code of Ethics in the Sarbanes-Oxley Act and the NYSE Listed Company Manual.

For further information on the Novo Nordisk Way, please visit Novo Nordisk's 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 'Fees to statutory auditors' in our *Annual Report 2010* 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 fully-owned affiliates 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 non-financial reporting included in the Annual Report and include consultations concerning financial accounting, reporting standards and financial due diligence.

## 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, transfer pricing and tax planning services.

## All other fees

Fees for all other services comprises fees billed for other permitted services such as audit or review opinions rendered to third parties regarding the Company's compliance with contracts, the implementation of a standard cost framework, risk management diagnostics and assessments, and compliance reviews in connection with healthcare laws and regulations. The auditors also assist management with internal investigations and fact-finding into alleged misconduct.

## Pre-approval policies

The Audit Committee assesses and pre-approves all audit and non-audit services provided by Price-waterhouseCoopers. 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

Not applicable.

## 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)
<b>2010</b>				
January 1-31	–	–		7,500,000,000
February 1-28	1,811,000	383.38	1,811,000	6,805,694,936
March 1-31	1,899,000	417.30	3,710,000	6,013,232,562
April 1-30	1,468,000	445.86	5,178,000	5,358,713,790
May 1-31	1,563,000	462.84	6,741,000	4,635,300,411
June 1-30	1,456,500	493.35	8,197,500	3,916,731,273
July 1-31	1,805,000	493.84	10,002,500	3,025,347,751
August 1-31	5,640,210	502.74	15,642,710	1,189,876,526
September 1-30	732,000	528.00	16,374,710	803,377,267
October 1-31	873,668	534.94	17,248,378	1,336,016,687
November 1-30	1,155,000	565.04	18,403,378	683,391,100
December 1-31	1,131,150	601.67	19,534,528	2,813,873
<b>Total</b>	<b>19,534,528</b>	<b>486.17</b>	<b>19,534,528</b>	<b>2,813,873</b>

Note to column (a) and (d)



The Board of Directors has an authorization from the annual shareholders’ meeting to buy up to 10% of the share capital at the price quoted at the time of the purchase with a deviation of up to 10%.

Under this authorization a share repurchase program of DKK 7.5 billion originally initiated in January 2010 and increased by DKK 1 billion in August and by DKK 1 billion again in October 2010 was completed in 2010. The shares have been purchased through a bank directly in the market or directly from named shareholders such as Novo A/S.

**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 23, 2011 a reduction in the B share capital, by cancellation of 20 million shares (nominal value DKK 1) of current treasury B shares, to DKK 472,512,800. This would correspond to a 3% reduction of the total share capital.

**ITEM 16F      CHANGE IN REGISTRANT’S CERTIFYING ACCOUNTANT**

Not applicable.

**ITEM 16G      CORPORATE GOVERNANCE**

Novo Nordisk is a foreign private issuer whose ADRs are listed on the New York Stock Exchange (the ‘NYSE’). As such Novo Nordisk is required to comply with U.S. securities laws, including the Sarbanes-Oxley Act and the NYSE Corporate Governance Standards except that as permitted under these standards, Novo Nordisk continues to apply Danish corporate governance practices in certain areas.

As a non-U.S. NYSE-listed Company, Novo Nordisk is required to provide a concise summary in this annual report of the significant ways in which its corporate governance practices differ from the corporate governance standards of the NYSE applicable to domestic U.S.-listed companies. Below is an overview of these significant differences.

<b>Listed Company Manual – Section 303A</b>			
		Corporate Governance standard	Novo Nordisk corporate governance practice
Rule 2.(a)	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). Companies must identify which directors are independent and disclose the basis for that determination.		<p>Under the Danish Corporate Governance Recommendations, at least a majority of the elected members of the board, excluding any members that have been elected by employees of the company, must be independent. Employees are entitled to be represented by half of the total number of board members elected at the general meeting.</p> <p>The Board has determined whether board members qualify as independent under the Danish Corporate Governance Recommendations. The Board has also determined whether the board members, who are members of</p>

		<p>the Audit Committee, qualify as independent under Rule 10A-3 under 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 NYSE Corporate Governance Standards.</p>
Rule 2.(b)(i)	<p>In addition, a director is not 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.</p>	<p>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).</p> <p>One board member currently serves as executive of the majority shareholder, Novo A/S, and thus may be deemed as being non-independent. Also, four employees have been elected as board members by the Danish employees of the company.</p> <p>No other board members or immediate family member has within the last three years been an employee or executive of Novo Nordisk or any parent or subsidiary in a consolidated group with Novo Nordisk.</p>
Rule 2.(b)(ii)	<p>Furthermore, a director is not independent if the director has received, or has an immediate family member who has received, during any twelve months period within the last three years, more than \$120,000 in direct compensation from the listed company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service).</p>	<p>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). One board member serves as executive of the majority shareholder, Novo A/S, and thus may be deemed as being non-independent due to the receipt of remuneration as executive of Novo A/S.</p> <p>No other board members or immediate family member receives or has received such fees from Novo Nordisk.</p>
Rule.4(a)	<p>Listed companies must have a nominating/corporate governance committee composed entirely of independent directors.</p>	<p>The requirement does not apply if a company is 'controlled', which the New York Stock Exchange defines as having more than 50% of the voting power for the election of directors held by an individual, a group or another company. Novo Nordisk is such a controlled company and is therefore exempt from this requirement in the same manner as U.S. companies are.</p>

The Chairmanship serves as nomination committee and presents proposals to the Board. However, Novo Nordisk has not established a separate nomination committee because Novo Nordisk believes that each board member must have the opportunity to contribute actively to discussions and have access to all relevant information about nomination. To review the current board composition Novo Nordisk has established an ad hoc nomination team, which consists of the Chairmanship supplemented with two other board members.

Rule 5.(a) Listed companies must have a compensation committee composed entirely of independent directors.

The requirement does not apply if a company is 'controlled', which the New York Stock Exchange defines as having more than 50% of the voting power for the election of directors held by an individual, a group or another company. Novo Nordisk is such a controlled company and is therefore exempt from this requirement in the same manner as U.S. companies are.

The Chairmanship serves as a compensation committee and presents proposals to the Board. However, Novo Nordisk has not established a separate compensation committee because Novo Nordisk believes that each board member must have the opportunity to contribute actively to discussions and have access to all relevant information about remuneration.

Rule.5(b) Listed companies must have a compensation committee composed entirely of independent directors.

The role of the Chairmanship is described in the Chairmanship charter, which has been approved by the Board.

The compensation committee must have a written charter that addresses:

Rule.5(b)(i) the committee's purpose and responsibilities - which, at minimum, must be to have direct responsibility to:

The role of the Chairmanship is described in the Chairmanship charter.

Rule.5(b)(i)(C)	prepare the disclosure required by Item 407(e)(5) of Regulation S-K;	Details regarding board members as well as executives' remuneration are included in the Annual Report.  However, a compensation committee report as required by Item 407(e)(5) of Regulation S-K is not prepared.
Rule 7.(b)(i)	The audit committee must have a written charter that addresses: the committee's purpose – which, at minimum, must be to:	The charter addresses the Committee's purpose.
Rule 7.(b)(i)(A)	assist board oversight of (1) the integrity of the Company's financial statements, (2) the Company's compliance with legal and regulatory requirements, (3) the independent auditor's qualifications and independence, and (4) the performance of the Company's internal audit function and independent auditors; and	As outlined in the charter, the Audit Committee shall assist the Board of Directors with the oversight of: a) the external auditors b) the internal audit function c) the procedure for handling complaints regarding accounting, internal accounting controls, auditing or financial reporting matters and business ethics matters (compliance hotline) d) financial reporting e) post completion reviews and post investment reviews of investments f) other tasks  The Audit Committee is not specifically responsible for assisting the board with oversight of the Company's compliance with legal and regulatory requirements.
Rule 7.(b)(iii)	the duties and responsibilities of the audit committee – which, at a minimum, must include those set out in Rule 10A-3(b)(2), (3), (4) and (5) of the Exchange Act , as well as to:	The duties and responsibilities of the Audit Committee as described in the charter include those set out in Rule 10A-3 under the Exchange Act.
Rule 7.(b)(iii)(G)	set clear hiring policies for employees or former employees of the independent auditors; and	The Audit Committee has the responsibility of setting out clear hiring policies for the Internal Auditor, while Executive Management has the responsibility of setting hiring policies for other employees of Novo Nordisk. Special policies have been adopted for hiring employees formerly employed by the independent auditor.
Rule 8	Shareholders must be given the opportunity to vote on all equity-compensation plans and material revisions thereto.	The Remuneration Principles are presented by the Chairman to the Annual General Meeting and the Incentive Guidelines are approved by the Annual General Meeting.

The Incentive Guidelines describe the framework for incentive programs for the Board and Executive Management. 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 it results in the issuance of new shares (and not if treasury shares are used).

Rule 10 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.

According to NYSE commentary, a code of business conduct and ethics shall include:

- Conflicts of interest.
- Corporate opportunities.
- Confidentiality.
- Fair dealing.
- Protection and proper use of company assets.
- Compliance with laws, rules and regulations (including insider-trading laws).
- Encouraging the reporting of any illegal or unethical behaviour.

Novo Nordisk has a framework of rules and guidelines, including but not limited to the Novo Nordisk Way, which describe corporate values and required mind sets on business conduct and ethics.

While certain topics mentioned in the Listed Company Manual are addressed in this framework of rules and guidelines there may be topics which are not covered.

Rule 12.(a) Each listed company CEO must certify to the NYSE each year that he or she is not aware of any violation by the listed company of NYSE corporate governance listing standards, qualifying the certification to the extent necessary.

Listed companies that are foreign private issuers are permitted to follow home country practice in lieu of the provisions of this section. Novo Nordisk has opted to follow Danish law and regulations which do not contemplate such certifications.

## PART III

### ITEM 17 FINANCIAL STATEMENTS

The financial statements required by this item accompany this annual report in the form of the Novo Nordisk *Annual Report 2010* (see Exhibit no. 15.1).

#### **RECONCILIATION OF NON-IFRS FINANCIAL MEASURES**

In the *Annual Report 2010*, 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. These non-IFRS financial measures may not be defined and calculated by other companies in the same manners, and may thus not be comparable with such measures:

The non-IFRS financial measures presented in the *Annual Report 2010* are:

- Free cash flow;
- Cash/earnings;
- Return on invested capital (ROIC);
- Financial resources at the end of the year.

#### **Free cash flow**

Novo Nordisk defines free cash flow as 'cash flow from operating activities less cash used in investing activities' excluding 'Net change in marketable securities (maturity exceeding three months)'.

Management believes free cash flow is an important liquidity metric because it measures, during a given period, the amount of cash generated that is available to make investments, fund acquisitions and for certain other activities. A positive free cash flow shows that the Group is able to finance its activities and that external financing is thus not necessary for Groups operating activities. Therefore, management believes that this non-IFRS liquidity measure provides useful information to investors in addition to the most directly comparable IFRS financial measure 'Cash flow from operating activities'.

The following table shows a reconciliation of free cash flow to 'Cash flow from operating activities'.

#### **Reconciliation of free cash flow**

DKK Million	2008	2009	2010
Free cash flow	11,015	12,332	17,013
+ Net change in marketable securities (>3 months)	466	–	(2,913)
+ Net cash used in investing activities	1,382	3,046	5,579
= Cash flow from operating activities	12,863	15,378	19,679

#### **Cash/earnings**

Cash/earnings is defined as 'free cash flow as a percentage of net profit'.

Management believes that Cash/earnings is an important performance metric. Cash/earnings measures the Group's ability to turn earnings into cash and is, therefore, in the eyes of management a meaningful measure for investors to understand the development of the Group's cash flow from operating activities. Because management wants this measure to capture the ability of the Group's operations to generate cash, free cash flow is used as the numerator instead of net cash flow.

The following table shows the reconciliation of Cash/earnings to the most comparable IFRS financial measure 'Cash flow from operating activities/earnings in %':

#### Reconciliation of cash/earnings

DKK Million	2008	2009	2010
<b>Numerator</b>			
Free cash flow	11,015	12,332	17,013
<b>Denominator</b>			
Net profit (as reported in Annual Report)	9,645	10,768	14,403
<b>Cash/earnings (as reported in Annual Report) in %</b>	<b>114.2%</b>	<b>114.5%</b>	<b>118.1%</b>
<b>Numerator</b>			
Free cash flow	11,015	12,332	17,013
+ Net change in marketable securities (>3 months)	466	—	(2,913)
+ Net cash used in investing activities	1,382	3,046	5,579
<b>= Cash flow from operating activities</b>	<b>12,863</b>	<b>15,378</b>	<b>19,679</b>
<b>Denominator</b>			
Net profit (as reported in Annual Report)	9,645	10,768	14,403
Cash flow from operating activities	12,863	15,378	19,679
<b>/ Net profit (as reported in Annual Report)</b>	<b>9,645</b>	<b>10,768</b>	<b>14,403</b>
<b>= Cash flow from operating activities / Net profit in%</b>	<b>133.4%</b>	<b>142.8%</b>	<b>136.6%</b>

#### Return on invested capital (ROIC)

ROIC is defined as 'operating profit after tax (using the effective tax rate) as a percentage of average stocks, debtors, tangible and intangible fixed assets less non-interest bearing liabilities including provisions (where average is the sum of above assets and liabilities at the beginning of the year and at year-end divided by two)'.

Management believes ROIC is a useful measure in providing investors and management with information regarding the Group's performance. ROIC is a widely accepted measure of earnings efficiency in relation to total capital employed. Management believes that the return on total capital employed, as measured by ROIC, is an effective measure of increases or decreases, as the case may be, in shareholder value. In addition, management believes that ROIC makes the Group's ability to provide a competitive return on investments in the Group visible.

The following table reconciles ROIC with 'Operating profit/equity in %', the most directly comparable IFRS financial measure:

#### Reconciliation of ROIC

DKK Million	2008	2009	2010
Operating profit after tax	9,401	11,498	14,886
<b>/ Average non-interest bearing balance sheet items</b>	<b>25,129</b>	<b>24,329</b>	<b>23,390</b>
<b>= ROIC (as reported in the Annual Report) in %</b>	<b>37.4%</b>	<b>47.3%</b>	<b>63.6%</b>

<b>Numerator</b>				
Reconciliation of Operating profit after tax to Operating profit				
	Operating profit after tax	9,401	11,498	14,886
/	(1 minus effective tax rate) in %	76.0%	77.0%	78.8%
=	<b>Operating profit (as reported in the Annual Report)</b>	<b>12,373</b>	<b>14,933</b>	<b>18,891</b>
<b>Denominator</b>				
Reconciliation of Average non-interest bearing balance sheet items to Equity				
Average non-interest bearing balance sheet items as used in ROIC calculation				
		25,129	24,329	23,390
*	2	50,258	48,658	46,780
-	Non-interest bearing balance sheet items at the beginning of the year	25,539	24,719	23,939
=	Non-interest bearing balance sheet items at the end of the year	24,719	23,939	22,841
	Non-interest bearing balance sheet items at the end of the year	24,719	23,939	22,841
+	Investments in associated companies	222	176	43
+	Other financial assets	194	182	254
+	Marketable securities and derivative financial instruments	1,377	1,530	4,034
+	Cash at bank and in hand	8,781	11,296	12,017
-	Non-current debt	(980)	(970)	(504)
-	Current debt	(1,334)	(419)	(1,720)
=	<b>Equity at the end of the year (as reported in the Annual Report)</b>	<b>32,979</b>	<b>35,734</b>	<b>36,965</b>
	Operating profit (as reported in Annual Report)	12,373	14,933	18,891
/	Equity	32,979	35,734	36,965
=	<b>Operating profit/Equity in %</b>	<b>37.5%</b>	<b>41.8%</b>	<b>51.1%</b>

#### Financial resources at the end of the year

Financial resources at the end of the year is defined as the sum of cash and cash equivalents at the end of the year, bonds with original term to maturity exceeding three months and undrawn committed credit facilities.

Management believes that the Financial resources at the end of the year is an important measure of the Group's financial strength from an investor's perspective, capturing the robustness of the Group's financial position and its financial preparedness for unforeseen developments.

#### ITEM 18 FINANCIAL STATEMENTS

The Registrant has responded to Item 17 in lieu of responding to this item.



**a. Annual Report**

The following pages from our *Annual Report 2010*, furnished to the SEC on Form 6-K, dated February 14, 2011, 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.

	<b>Page(s) in the Annual Report</b>
Our 2010 accomplishments and results	2-15
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Corporate governance	40-42
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Consolidated Income Statement and Statement of Comprehensive Income for the years ended 31 December 2008, 2009 and 2010	58
Consolidated Balance sheet as of 31 December 2009 and 2010	59
Consolidated Statement of cash flows for the years ended 31 December 2008, 2009 and 2010	60
Consolidated Statement of changes in equity for the years ended 31 December 2009 and 2010	61
Notes to the Consolidated financial statements	62-91
Companies in the Novo Nordisk Group	90-91
Statement by the Board of Directors and Executive Management on the Annual Report	109

**b. Exhibits**

List of exhibits:

<b>Exhibit No.</b>	<b>Description</b>	<b>Method of filing</b>
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 30, 2010.
8.1	Companies in the Novo Nordisk Group	Incorporated by reference to pages 90-91 of our <i>Annual Report 2010</i> filed on Form 6-K dated February 14, 2011.
12.1	Certification of Lars Rebien Sørensen, 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 for 2010.
12.2	Certification of Jesper Brandgaard, 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 for 2010.
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 for 2010.
15.1	Extracts from Registrant's Annual Report for the fiscal year ended December 31, 2010.	Incorporated by reference to the portions of Registrant's Report furnished to the SEC on Form 6-K on February 14, 2011 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, 2009.	Incorporated by reference to the portions of the Registrant's Report furnished to the SEC on Form 6-K on February 11, 2010 identified in Item 19.a of the Form 20-F on February 11, 2010.
15.3	Consent of independent registered public accounting firm.	Filed together with this Form 20-F for 2010.

**Report of Independent Registered Public Accounting Firm**

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

In our opinion, the Consolidated Financial Statements listed in the accompanying index appearing under Item 19 present fairly, in all material respects, the financial position of Novo Nordisk A/S and its subsidiaries (the Company) as of 31 December 2010 and 31 December 2009, and the results of their operations and their cash flows for each of the three years in the period ended 31 December 2010 expressed in DKK and incorporated by reference to the Registrant's Annual Report (the pages listed in Item 19 of the Form 20-F) furnished to the SEC on Form 6-K dated 14 February 2011 in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB), and with International Financial Reporting Standards as adopted by the EU. Also in our opinion, the Company has maintained, in all material respects, effective internal control over financial reporting as of 31 December 2010, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these 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 accompanying Report of Novo Nordisk Management on Internal Control Over Financial Reporting. Our responsibility is to express opinions on these financial statements and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. 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.

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 authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized 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.

PricewaterhouseCoopers  
Statsautoriseret Revisionsaktieselskab  
Copenhagen, Denmark

February 1, 2011

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 Rebien Sørensen

Name: Lars Rebien Sørensen  
Title: President and Chief Executive Officer

/s/ Jesper Brandgaard

Name: Jesper Brandgaard  
Title: Executive Vice President and  
Chief Financial Officer

Dated: February 14, 2011