

### 35 Management's remuneration, share options and shareholdings

For information on the Board of Directors, the members of Executive Management and of the Senior Management Board, please refer to pages 108–110 of the Annual Report.

#### Remuneration

It is the policy of Novo Nordisk that remuneration to the Board of Directors (eleven in total), Executive Management (six in total) and the Senior Management Board (twenty in total) must be at a competitive level compared to other major Danish companies and similar international pharmaceutical companies.

#### Fee to the Board of Directors and the Audit Committee

The fee to the Board of Directors and the Audit Committee is a fixed annual fee. Directors receive a fixed amount while the chairmanship receives a multiplier thereof: the Chairman (2.5 times) and the Vice Chairman (1.5 times). The Audit Committee also receives a multiplier thereof in addition to the director's fee: the Audit Committee chairman (1.25 times) and an Audit Committee member (0.5 times). In 2005, the base fee was DKK 300,000. In addition to the fee the members' costs in connection with participation in the meetings, such as travel and hotel expenses etc, are refunded. No other amounts or benefits are paid to the Board members or Audit Committee members.

DKK million	Board of Directors	Audit Committee	2005 Total	Board of Directors	Audit Committee	2004 Total
Mads Øvlisen (Chairman of the Board)	0.8	–	0.8	0.8	–	0.8
Sten Scheibye (Vice chairman of the Board)	0.5	–	0.5	0.4	–	0.4
Kurt Anker Nielsen (Chairman of the Audit Committee)	0.3	0.4	0.7	0.3	0.4	0.7
Other Board of Directors/Audit Committee members	2.2	0.3	2.5	2.1	0.3	2.4
Total	3.8	0.7	4.5	3.6	0.7	4.3

#### Executive Management and Senior Management Board

The remuneration to Executive Management and the Senior Management Board is based on a fixed salary, a potential cash bonus of up to four months' salary, pension contributions of 20% to approximately 30% of the cash salary including bonus, as well as non-monetary benefits in the form of car and phone. Additionally, Executive Management and the Senior Management Board participate in a long-term share-based incentive programme. The performance-based incentive programme is based on long-term value creation where Novo Nordisk B shares will be allocated annually to a shared bonus pool when predefined overall business-related targets have been achieved. The maximum annual allocation is capped. Subject to satisfactory subsequent performance, the bonus pool of shares may be paid out to the executives after a three-year lock-up period. The size of the cash bonus depends on the achievement of individual performance targets, whereas the incentive from the long term share-based programme is based on an annual calculation of shareholder-value creation compared to planned performance for the year for the Group.

The remuneration package for members of the Senior Management Board employed in foreign subsidiaries differs from the general package in respect of other benefit and bonus schemes included in the package in order to ensure an attractive package compared to local conditions. In addition, Executive Management and Senior Management Board members receive ordinary allowances in connection with business travelling, conferences and education etc, which are based on refunding of actual costs.

DKK million	Fixed salary	Cash bonus	Pensions	Car allowance etc	Share-based payment	Total remuneration
<b>2005</b>						
<b>Executive Management:</b>						
Lars Rebien Sørensen	5.5	1.6	1.8	0.3	–	9.2
Jesper Brandgaard	2.7	0.9	0.9	0.3	–	4.8
Lars Almbloom Jørgensen	2.6	0.8	1.1	0.3	–	4.8
Lise Kingo	2.7	0.9	0.9	0.3	–	4.8
Kåre Schultz	2.9	0.9	1.1	0.8	–	5.7
Mads Krogsgaard Thomsen	2.7	0.7	0.8	0.3	–	4.5
Executive Management in total	19.1	5.8	6.6	2.3	–	33.8
Senior Management Board in total	33.9	9.0	9.7	3.3	–	55.9
Share bonus pool *)					35.5	35.5

\*) The share bonus pool is locked up for three years before it is transferred to the participants employed at the end of the three-year period. The value is the cash amount of the share bonus granted in the year using the grant date market value of Novo Nordisk B shares. Based on the split of participants at the establishment of the bonus pool, approximately 40% of the pool will be allocated to the members of Executive Management and 60% to the members of the Senior Management Board. In the lock-up period, the bonus pool may potentially be reduced as a result of lower than planned value creation in subsequent years.

## notes – additional information

### 35 Management's remuneration, share options and shareholdings (continued)

DKK million	Fixed salary	Cash bonus	Pensions	Car allowance etc **)	Share-based payment	Total remuneration
<b>2004</b>						
<b>Executive Management:</b>						
Lars Rebien Sørensen	5.3	1.5	1.6	0.3	–	8.7
Jesper Brandgaard	2.6	0.9	0.8	0.3	–	4.6
Lars Almbloom Jørgensen	2.6	0.6	0.9	0.3	–	4.4
Lise Kingo	2.6	0.9	0.8	0.3	–	4.6
Kåre Schultz	2.9	0.9	1.0	0.3	–	5.1
Mads Krogsgaard Thomsen	2.6	0.4	0.8	0.3	–	4.1
Executive Management in total	18.6	5.2	5.9	1.8	–	31.5
Senior Management Board in total	39.4	11.3	11.1	5.3	–	67.1
Share bonus pool *)					33.7	33.7

\*) The share bonus pool is locked up for three years before it is transferred to the participants employed at the end of the three-year period. The value is the cash amount of the share bonus granted in the year using the grant date market value of Novo Nordisk B shares. Based on the split of participants at the establishment of the bonus pool, approximately 40% of the pool will be allocated to the members of Executive Management and 60% to the members of the Senior Management Board. In the lock-up period, the bonus pool may potentially be reduced as a result of lower than planned value creation in subsequent years.

\*\*) For 2004, Car allowance etc has been adjusted to reflect a revaluation of car lease expenses.

In relation to severance payment, the members of Executive Management are, in the event of termination by the Company or by the individual due to a merger, acquisition or takeover by an external company, entitled to a severance payment of up to 36 months' salary plus pension contributions. This equals amounts between DKK 10.5 million and DKK 21.9 million.

Lars Rebien Sørensen serves as a member of the Board of Directors of Scandinavian Airlines and ZymoGenetics, Inc. and retains the remuneration received from Scandinavian Airlines, which amounts to SEK 300 thousand in 2005 (SEK 300 thousand in 2004) but does not retain the compensation from ZymoGenetics, Inc. Lars Rebien Sørensen furthermore serves as a member of the Supervisory Board of Bertelsmann AG for which he receives EUR 41 thousand in 2005, which he retains.

### Management's share options

Share options in Novo Nordisk	At the beginning of the year	Exercised during the year	Additions during the year	At the end of the year	Market value *)
					DKK million
<b>Executive Management:</b>					
Lars Rebien Sørensen	115,500	–	–	115,500	16.8
Jesper Brandgaard	65,280	–	–	65,280	9.5
Lars Almbloom Jørgensen	66,780	–	–	66,780	9.8
Lise Kingo	37,520	–	–	37,520	5.5
Kåre Schultz	67,280	(38,530)	–	28,750	3.8
Mads Krogsgaard Thomsen	65,280	–	–	65,280	9.5
Executive Management in total	417,640	(38,530)	–	379,110	54.9
<b>Former members of Executive Management **):</b>					
Mads Øvlisen	98,580	–	–	98,580	15.1
Kurt Anker Nielsen ***)	37,840	–	–	37,840	5.8
	136,420	–	–	136,420	20.9
Senior Management Board in total ****)	585,754	(167,510)	15,500	433,744	60.9
Total	1,139,814	(206,040)	15,500	949,274	136.7

\*) Calculation of market values at year-end has been based on the Black-Scholes option pricing model applying the assumptions shown in note 34.

\*\*) Mads Øvlisen and Kurt Anker Nielsen are now members of the Board of Directors.

\*\*\*) In addition, Kurt Anker Nielsen has share options in Novo Nordisk, issued by Novo A/S. At the end of 2005, 21,000 of these options were outstanding.

\*\*\*\*) Additions during the year cover the holdings of share options by Senior Management Board members appointed in 2005.

**35 Management's remuneration, share options and shareholdings (continued)**

**Management's holding of Novo Nordisk shares**

The internal rules for board members', executives' and certain employees' trading in Novo Nordisk securities only permit trading in the 15-calendar-day period following each quarterly announcement.

Shares in Novo Nordisk	At the beginning of the year	Purchased during the year	Sold during the year	At the end of the year	Market value *) DKK million
<b>Board of Directors:</b>					
Mads Øvlisen	17,330	–	–	17,330	6.1
Sten Scheiby	400	–	–	400	0.1
Anne Marie Kverneland	1,600	60	–	1,660	0.6
Göran A. Ando	–	–	–	–	–
Henrik Gürtler	–	–	–	–	–
Johnny Henriksen	300	60	–	360	0.1
Jørgen Wedel	5,555	–	–	5,555	2.0
Kurt Anker Nielsen	27,612	5,000	(5,000)	27,612	9.8
Kurt Briner	2,400	–	(2,400)	–	–
Niels Jacobsen	11,000	–	–	11,000	3.9
Stig Strøbæk	400	60	(300)	160	0.1
<b>Board of Directors in total</b>	<b>66,597</b>	<b>5,180</b>	<b>(7,700)</b>	<b>64,077</b>	<b>22.7</b>
<b>Executive Management:</b>					
Lars Rebien Sørensen	3,800	60	–	3,860	1.3
Jesper Brandgaard	5,545	60	(5,445)	160	0.1
Lars Almbloom Jørgensen	4,690	60	–	4,750	1.6
Lise Kingo	1,555	60	–	1,615	0.6
Kåre Schultz	5,000	38,590	(43,430)	160	0.1
Mads Krogsgaard Thomsen	100	60	–	160	0.1
<b>Executive Management in total</b>	<b>20,690</b>	<b>38,890</b>	<b>(48,875)</b>	<b>10,705</b>	<b>3.8</b>
<b>Senior Management Board in total</b>	<b>56,504</b>	<b>148,600</b>	<b>(165,631)</b>	<b>39,473</b>	<b>14.0</b>
Share bonus pool for Executive Management and Senior Management Board **)	126,344	116,013	–	242,357	85.9
<b>Total</b>	<b>270,135</b>	<b>308,683</b>	<b>(222,206)</b>	<b>356,612</b>	<b>126.4</b>

\*) Calculation of the market value is based on the quoted share prices at the end of the year.

\*\*) The share bonus pool is locked up for three years before it is transferred to the participants employed at the end of the three-year period. Based on the split of participants at the establishment of the bonus pool, approximately 40% of the pool will be allocated to the members of Executive Management and 60% to the members of the Senior Management Board. In the lock-up period, the bonus pool may potentially be reduced as a result of lower than planned value creation in subsequent years.