

## Responsible Investments

### Purpose & Objectives

The purpose of the investments of Novo Holdings is both to grow the assets of the Novo Nordisk Foundation and to deliver a return that can be distributed for scientific, social and humanitarian purposes to improve the lives of people and the sustainability of society.

#### Strategic objectives



##### Strong owner of Novo Nordisk and Novozymes

- Secure a set minimum level of ownership
- Ensure a set liquidity reserve to provide financial support if ever required



##### Generate attractive returns

- Deliver long-term attractive returns
- Provide excess returns to set benchmarks



##### Promote better health, sustainability and welfare

- Invest in and build the Nordic biotech industry
- Make life science investments that improve lives and support biosustainability
- Manage impact investments

### Partnerships

Together with other investors and institutions, we work to contribute to developing the area of responsible investments. Among our main joint objectives, we wish to promote transparency and sustainability standards in companies and in the financial markets.



**We aspire to be a leading global responsible investor delivering attractive long-term returns and positive societal impact.**

### 2021 highlights

#### Develop technology, research, and innovation to benefit people and upgrade society

**258** patents related to medicines and therapeutics granted and 287 active clinical trials in Novo Holdings portfolio companies<sup>1</sup>

<sup>1</sup> For the financial year 2020. Source: The Novo Nordisk Foundation Annual Impact Report 2020

#### Provide more people with better treatments to improve health in society

**DKK 78 bn** invested in healthcare companies by the end of 2021 through direct investments in 117 companies

#### Develop solutions that enable the transition to a more efficient use of natural resources

**DKK 17 bn** invested in bioindustrial companies harnessing the power of biology at scale to create sustainable solutions through investments in 18 companies

### Novo Holdings' Principles for Responsible Investing

- **Our investments:** We favour investments with positive societal impact
- **Our investment approach:** We aim to create long-term sustainable value and to mitigate risks through our investment processes
- **Our engaged ownership practices:** We encourage companies to prioritise societal impact and ESG measures and we monitor their progress
- **Our work with other institutions:** We collaborate with reputable institutions to promote responsible investment practices, transparency and sustainability standards
- **Our communication approach:** We strive to deliver transparent reporting and communication of our efforts

## Driving the green transition through biotechnology

With 18 portfolio companies in the bioindustrial sector, we are contributing to advancing the green transition of agriculture and industry. By harnessing the immense potential of microorganisms and fungi, our bioindustrial portfolio delivers sustainable substitutes such as biofuels, biomaterials and chemical substitutes.

### Main themes represented in the Novo Holdings Bioindustrial Portfolio

**12**

portfolio companies focusing on sustainable agriculture & food



**6**

portfolio companies focusing on sustainable chemicals & materials



### Highlights from the Novo Holdings Bioindustrial Portfolio

**LanzaTech**

LanzaTech creates climate-safe materials and fuels for a future where waste carbon is converted into new everyday products and virgin fossil material stays in the ground.

**BIOMASON**

Biomason produces biocement® building material. Inspired by marine ecosystems, biocement® is a biologically derived, carbon-neutral alternative to cement.

**VESTARON**  
THE POWER OF PEPTIDES™

Vestaron is a company dedicated to improving the safety, efficacy and sustainability of crop protection through migration from synthetic pesticides to peptide-based biopesticides.

## Societal impact

### UN Sustainable Development Goals (SDGs) guide our investment focus

We believe that we are uniquely positioned to deliver positive societal impact within SDGs 3, 9 and 12 as they reflect our priorities and focus on investing to address unmet needs within the life sciences.

#### 3 GOOD HEALTH AND WELL-BEING



##### Goal

Ensure healthy lives and ensure well-being for all at all ages

##### Novo Holdings' focus

Provide more people with better treatments to improve health in society

#### 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



##### Goal

Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation

##### Novo Holdings' focus

Develop technology, research, and innovation to benefit people and upgrade society

#### 12 RESPONSIBLE CONSUMPTION AND PRODUCTION



##### Goal

Ensure sustainable consumption and production patterns

##### Novo Holdings' focus

Develop solutions enabling the transition to a more efficient use of natural resources

### UN SDGs are guiding our work with portfolio companies

SDGs 8, 10 and 13 embody our standards as a responsible owner and are in line with our values Performance, Respect and Responsibility. The SDGs reinforce our focus when addressing the business practices of our portfolio companies.

#### 8 DECENT WORK AND ECONOMIC GROWTH



##### Issue

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

##### Novo Holdings' focus

Build safe workplaces and resilient companies

#### 10 REDUCED INEQUALITIES



##### Issue

Reduce inequality within and among countries

##### Novo Holdings' focus

Develop business leadership to increase company diversity and inclusion

#### 13 CLIMATE ACTION



##### Issue

Take urgent action to combat climate change and its impacts

##### Novo Holdings' focus

Accelerate the transition to a low-carbon society