

Novo Holdings recognizes that the fast pace of technological development, along with evolving risks and benefits from large scale data use, require thoughtful and responsible decision-making where existing laws and regulations do not necessarily provide clear ethical guidance.

To cope with these challenges Novo Holdings has developed a policy on data ethics based on five principles for how to handle data in an ethical way. The rules describe how Novo Holdings use and process both personal data and non-identifiable (e.g., anonymized, aggregated, non-personal) data as well as data and information related to our investment processes. The policy complements the rules and principles for handling of personal and other data that are adopted in Novo Holdings.

Novo Holdings will periodically review and revise the principles to reflect evolving technologies, the regulatory landscape, stakeholder expectations, and understanding of the risks and benefits to individuals and society of data use.

The five principles of Novo Holdings' policy on data ethics and responsible handling of personal data.

1. Respect for the privacy of employees is a fundamental value for Novo Holdings.
2. Novo Holdings perceives data ethics considerations as more far reaching than compliance with the law.
3. Novo Holdings priorities openness and transparency in the ongoing challenges that handling both personal data and non-identifiable data entails. The aim is that companies, organizations, and authorities can learn from each other's experiences.
4. All Novo Holdings employees who access personal data and confidential information are subject to confidentiality obligations. Any such data is always kept to a minimum in order to fulfil the purpose, is stored securely, kept accurate, retained for no longer than necessary, and is only used for a specific and legitimate business.
5. Data confidentiality are supported externally by high IT security levels assessed by external IT security partner and internally by having dedicated System owners with mandates to allow or decline access to systems.

Use of computer programs, artificial intelligence and algorithms

Novo Holdings uses computer programs, artificial intelligence and algorithms in analysis and evaluations aimed solely at supporting Novo Holdings work to become a better partner for our investment targets and portfolio companies and to be transparent about Novo Holdings societal impact and the effects of Novo Holdings' activities.

- Artificial intelligence and similar technologies are widely used by consumers, businesses and authorities. Novo Holdings uses these technologies to improve own decision-making processes, to make evaluations in investment cases and monitoring investment performance.
- Novo Holdings will use new technologies, databases and research methods to help Investment teams by reduced processing time, and tailor-made solutions for due diligence activities and performance monitoring.
- At any time, the Danish authorities will be able to access and check applied algorithms upon request to verify that these are not programmed to deliver discriminatory or "biased" results.