

Charter of the Nomination and Remuneration Committee of the Board of Directors of Novozymes A/S

1. Status

The Nomination and Remuneration Committee (the "Committee") is a committee of the Board of Directors of Novozymes A/S (the "Board of Directors") established in accordance with the Rules of Procedure of the Board of Directors.

2. Purpose

The Committee shall assist the Board of Directors with the oversight of:

- a) The competence and composition profile of the Board of Directors
- b) Nomination of candidates for the Board of Directors
- c) Nomination of candidates for the board committees
- d) Remuneration policy for the members of the Board of Directors and registered members of the Executive Leadership Team (Executive Management - ExM)
- e) Remuneration of the members of the Board of Directors and its committees
- f) Composition and performance of the Executive Leadership Team
- g) Remuneration and employment terms of the Executive Leadership Team
- h) Other tasks

3. Responsibilities

The primary function of the Committee is to assist the Board of Directors by reviewing information and analyses within and/or related to the areas of oversight, cf. clause 2, and based on that present recommendations to the Board of Directors.

a) The competence and composition profile of the Board of Directors

The Committee shall annually analyse which general competences are necessary to be represented on the Board of Directors. Based on such analysis, the Committee shall review the competence profile of the Board of Directors and propose changes as it deems necessary.

The Committee shall annually review developments in respect of required and desired diversity aspects for boards of directors and review the composition of the Board of Directors in relation to diversity.

The Committee shall review the structure, size and composition of the Board of Directors and propose changes as it deems necessary. The Committee will assess candidates for the Board of Directors based on the competency profile taking into account the need for continuity, renewal and diversity. The Committee may delegate the screening of candidates to one or more members of the committee as it deems necessary.

b) Nomination of candidates for the Board of Directors

The Committee shall regularly discuss succession planning for the Board of Directors and present proposals and recommendations in connection therewith.

The Committee shall prepare a process for and handle the recruitment and nomination of candidates for the Board of Directors at the next annual shareholders' meeting.

The Committee shall identify and recommend to the Board of Directors a specific proposal for nomination of individual members for election or re-election at the annual shareholders' meeting as Chair of the Board of Directors, Vice Chair of the Board of Directors and ordinary board members and shall prepare the Board of Directors' recommendation to the annual shareholders' meeting. As deemed necessary, the Committee may consult major shareholders to seek opinions.

The Committee shall evaluate candidates proposed by relevant persons, including shareholders, for the Board of Directors' further consideration.

c) Nomination of candidates for the board committees

Further, the Committee shall prepare for and - after consultation with the respective chair of a committee - present to the Board of Directors a specific proposal for election or re-election of individual members as board committee members.

d) Remuneration Principles

The Committee shall at least once annually review the remuneration policies and recommend to the Board of Directors any changes it deems necessary thereto to be proposed by the Board of Directors for adoption by the annual shareholders' meeting. If required or appropriate, the Committee shall also review other parts of the company's remuneration structures and/or policies.

e) Remuneration of the Board of Directors

The Committee shall annually evaluate the remuneration of the Board of Directors, including the structure and level, against relevant benchmarks and in due time present a proposal for remuneration of the Board of Directors and its committees in respect of the next calendar year.

The Committee shall review the annual reporting on remuneration of members of the Board of Directors as such is required by applicable law or deemed appropriate to be included in Novozymes' financial reporting, including the remuneration report.

f) Composition and performance of the Executive Leadership Team

The Committee shall annually assess the structure, size and composition of the Executive Leadership Team and handle the recruitment of new members to the Executive Management for approval by the Board of Directors.

The Committee shall approve descriptions of the required qualifications, competencies, knowledge and experience of Executive Management.

The Committee shall annually assess the qualifications, knowledge and experience of the individual members of the Executive Leadership Team based on approved descriptions of requirements for the role and report to the Board of Directors in this respect.

The Committee shall annually review a performance appraisal of the Executive Leadership Team, including the Executive Leadership Team's compliance with the guidelines for the Executive Leadership Team adopted by the Board of Directors.

The Committee shall monitor and advise the Board of Directors on the overall succession planning for the Executive Leadership Team.

The Committee shall evaluate candidates for Executive Management proposed by relevant persons, including shareholders, if any, for the Board of Directors' further consideration.

The Committee shall annually assess the competences, knowledge and experience of the two governing bodies combined (the Board of Directors and the Executive Leadership Team).

The Committee shall supervise Executive Managements policy for the engagement of executive employees and supervise changes, if any, to the Company's diversity policy for approval by the Board of Directors.

g) Remuneration and employment terms of the Executive Leadership Team

The Committee shall propose to the Board of Directors base salary and key terms including severance packages for the Executive Management and approve all other employment contract terms for the Executive Management.

The Committee shall annually evaluate the executive remuneration, including its structure and level, against relevant benchmarks and in due time present a proposal for adjustments in base salary (incl. pension contributions), short-term incentives and level of benefits for the Executive Management in respect of the next calendar year. The Committee shall ensure that the remuneration is in compliance with the company's remuneration policy and the assessment of the performance of the persons concerned.

The Committee shall propose to the Board of Directors the structure for a potential long-term incentive program for the Executive Leadership Team.

The Committee shall determine any settlement of claims in connection with termination of members of Executive Management and may delegate this task to the Committee Chair.

The Committee shall review the annual reporting on remuneration of Executive Management that is required by applicable law or deemed appropriate to be included in Novozymes' financial reporting, including the remuneration report.

h) Board Evaluation

The Board of Directors annually carries out an evaluation of the board of directors. The evaluation shall focus on the board of directors' work, efficiency, composition and organisation and the evaluation shall as a minimum always include the following topics:

- the composition of the Board of Directors with focus on competencies and diversity
- the Board of Directors and the individual member's contribution and results,

- the cooperation on the Board of Directors and between the Board of Directors and the executive management,
- the Chair's leadership of the Board of Directors,
- the committee structure and the work in the committees,
- the organisation of the work of the Board of Directors and the quality of the material provided to the Board of Directors, and
- the board members' preparation for and active participation in the meetings of the Board of Directors

The evaluation is facilitated by the Chair of the Board in cooperation with the Nomination and Remuneration Committee who may hire professional consultants to assist with the preparation and implementation of the evaluation procedure. The target is to have external assistance at least every third year.

i) Other tasks

The Committee shall carry out such other tasks on an ad hoc basis as specifically decided by the Board of Directors.

4. Membership

The Committee shall at least consist of three members. Members of the Committee are elected for a one-year term until the next annual shareholders' meeting by and among the members of the Board of Directors. Election usually takes place at the board meeting following the annual shareholders' meeting. However, any member of the Committee can be removed by the Board of Directors at any time.

One of the members of the Committee shall be designated by the Board of Directors as Chair of the Committee.

The majority of the members of the Committee shall qualify as independent as defined by Danish law and as a whole have the relevant expertise.

Members of the Executive Leadership Team, employees and/or other persons shall attend meetings at the invitation of the Committee.

5. Miscellaneous

The Committee may engage independent counsel and other advisors as it determines necessary to carry out its duties. The Committee shall not consult with the same external advisors as the Executive Leadership Team of the company.

The secretary of the Board of Directors shall be the secretary of the Committee.

The Committee shall have appropriate funding as determined necessary by the Committee for the fulfilment of its tasks and duties.

The Committee shall once a year:

- a) conduct a performance evaluation of the Committee and report such evaluation to the Board of Directors
- b) evaluate the adequacy of this Charter and recommend any proposed changes to the Board of Directors

6. Meetings

The Committee shall meet as often as it determines appropriate, but at least two times each year. Any Committee meeting can be conducted as a virtual meeting as decided by the Committee Chair.

Meetings shall normally be convened with no less than five days' written notice to all members of the Committee, and such notice shall include an agenda for the meeting in question. Any written material relating to the individual agenda items shall, to the extent possible, be forwarded to the members together with the notice convening the meeting.

The Committee shall maintain, through its secretary, minutes of the Committee meetings.

Under special circumstances, a committee resolution may be passed over the phone or in writing. In such cases, the proposed resolution shall be forwarded to the members and the Chair shall subsequently seek to obtain a written, oral or electronically transferred statement from all members of the Committee and arrange for the recording of the resolution in the minutes of the coming meeting.

7. Quorum

The Committee forms a quorum when two or more of its members are present. Resolutions are passed by simple majority.

8. Nomination and Remuneration Committee Member Fee

Each member of the Committee shall receive an annual fee to be fixed – together with the fixing of the fee to the members of the Board of Directors – at the annual shareholders' meeting in connection with the adoption of the audited annual report; provided, however, that the Chair and the Vice Chair shall not receive any such supplementary payment if elected to the Committee.

9. Reporting to the Board of Directors

The Committee has been set up with the sole purpose of facilitating the transaction of business by the Board of Directors and must not cause significant information required by all members of the Board of Directors to only be communicated to the Committee, or that the necessary processing required in the Board of Directors be unduly limited or omitted. All decisions will be made by the Board of Directors except as expressly stated in this charter. The Board of Directors remains fully responsible for all decisions prepared by the Committee.

In addition to the previous mentioned reporting, the Committee shall regularly inform the Board of Directors of discussions and present recommendations to the Board of Directors. Further, the Board of Directors shall have access to the minutes of meetings of the Committee as well as all material presented to or prepared by the Committee.

10. Adoption of Charter

This Charter has been approved by the Board of Directors at its meeting on 31 January 2022.

Board of Directors:



Jørgen Buhl Rasmussen



Cees de Jong



Heine Dalsgaard




Preben Nielsen



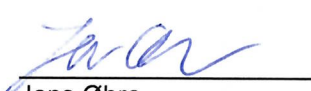
Sharon James




Anders Hentze Knudsen



Kasim Kutay



Jens Øbro



Kim Stratton



Mathias Uhlén



Anne Breum