Corporate Governance Report 2025

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This Statutory Corporate Governance Report covers the period 1 January 2025 to 31 December 2025 and is prepared pursuant to art. 107b of the Danish Financial Statements Act and is an element of the management review as included in the Annual Report for 2025. Appendix 1 is not subject to the auditor's report in the Annual Report.

Corporate Governance recommendations and practices

As a global company listed on the stock exchange in Copenhagen, Lundbeck is subject to the Danish Corporate Governance Recommendations designed by the Danish Committee on Corporate Governance (www.corporategovernance.dk).

Lundbeck follows the applicable recommendations in all material aspects and a detailed report of Lundbeck's compliance with and deviations from the Danish Corporate Governance Recommendations can be found in Appendix 1.

Governance framework

Lundbeck is committed to creating long-term value for all its stakeholders. Our governance framework is guided by principles that promote sustainable financial performance and responsible value creation for shareholders and society.

Shareholders and General Meeting

The shareholders of Lundbeck exercise their rights at the Annual General Meeting, which is the supreme governing body of the company. Lundbeckfonden is the majority shareholder, holding about 69% ownership stake of A- and B-shares, corresponding to approximately 77% of the votes in H. Lundbeck A/S.

As outlined in our governance structure, Lundbeck is organized under a two-tier board structure, consisting of the Board of Directors and Executive Leadership Team. These bodies are separate, with no individual serving on both, promoting effective oversight, risk management, and accountability to achieve sustainable value creation for our stakeholders[1].

Board of Directors

In 2025, Lundbeck's Board of Directors consisted of 11 members: seven elected annually by the General Meeting and four by employees for a four-year term in 2022. Of the seven elected by the General Meeting, four (57%) are independent while the remaining three are not considered independent due to their close relationship with Lundbeckfondon. The members of the Board of Directors elected by the General Meeting include two (29%) female and five (71%) male, and the employee elected members include two (50%) female and two (50%) male. By 30 June 2026, Lundbeck is committed to achieving balanced gender distribution among the members of the Board of Directors, measured individually for those elected by the General Meeting and those elected by employees. The targets are set in accordance with the Gender Balance Act.

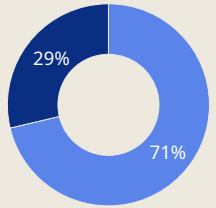
Evaluation procedures

The Board of Directors initiated a board effectiveness Evaluation in H2 2025. The evaluation was conducted

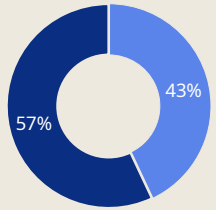
Lundbeck's governance structure

Governing bodies	Key responsibilities
Shareholders and Annual General Meeting (Articles of association)	• Right to vote and present suggestions at the General Meeting. • Adopt and amend the company's Articles of association. • Approve the Annual Report. • Elect members of the Board of Directors.
Board of Directors (Articles of association)	• Approve the corporate strategies and budgets. • Set goals and evaluate Executive Leadership Team performance. • Ensure adequate risk management and internal control systems. • Oversee sustainability matters. • Review and assess capital needs and structure.
Audit Committee (Charter)	Provide advice on external auditors, internal compliance, business ethics, material liability issues, risk management, internal controls, double materiality assessment, and sustainability matters, along with accounting treatment, financial and sustainability reporting, tax, treasury, and insurance coverage.
Scientific Committee (Charter)	Provide advice on the R&D strategy, notably innovation, risk balance of the pipeline, review of the R&D budget, review of the scientific and technical aspects of the pipeline, along with assessing business development deals.
Remuneration & Nomination Committee (Terms of reference)	Provide advice on remuneration and nomination of Executive Leadership Team, specifically remuneration policy and reporting, recruitment, and appointment to the Board of Directors and Executive Leadership Team.
Executive Leadership Team	• Day-to-day management of the company. • Develop and implement strategies and policies. • Manage and address sustainability matters. • Report to the Board of Directors and its committees.

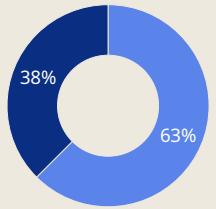
Board of Directors[1]
Gender balance



Board of Directors
Independence



Executive Leadership Team
Gender balance



1 Gender balance covering the members of the Board of Directors elected by the General Meeting.

by an external vendor (as in 2022 and 2019) specialized in this type of evaluation. The overall conclusion of the evaluation states that "The board operates with strong cohesion, trust, and a clear shared purpose, supported by a constructive and transparent relationship with the Executive Leadership Team."

Further details on Board of Directors and Executive Leadership team are available on our website.

Committees of the Board of Directors

The Board of Directors has established three advisory committees: The Audit Committee, the Remuneration & Nomination Committee, and the Scientific Committee. The three committees advise the Board of Directors on financial and sustainability information and reporting, the company's nomination and remuneration strategy, including the remuneration of the Executive Leadership Team, as well as R&D strategy and pipeline evaluation, respectively. See page 4 for an overview of their key responsibilities and charter.

Board of Directors' 2025 meeting attendance*

	Board of Directors	Audit Committee	Scientific Committee	Remuneration & Nomination Committee
Lars Søren Rasmussen[4]	2/0	1/0	-	1/0
Dorothea Wenzel (C)[6]	12/0	1/0	3/0	5/0
Lene Skole-Sørensen (DC)[6]	12/0	-	3/0	6/0
Lars Erik Holmqvist (M)[6]	11/1	4/1	-	-
Jeffrey Berkowitz (M)[6]	12/0	4/0	-	6/0
Santiago Arroyo (M)[6]	12/0		3/0	-
Lars Green (M)[5, 6]	9/1	4/0		-
Jakob Riis (M)[6]	12/0	-	3/0	-
Hossein Armandi (M)[7]	11/1	-	-	-
Dorte Clausen (M)[7]	10/2	-	-	-
Lasse Skibsbye (M)[7]	12/0	-	-	-
Camilla Gram Andersson (M)[7]	12/0	-	-	-

* The numbers indicate how many meetings the members of the Board of Directors have attended and not attended, respectively.
C = Chair, DC = Deputy Chair, M = Member.

- **Audit Committee:** In March 2025, the Board of Directors elected Lars Green as Chair and Jeffrey Berkowitz and Lars Erik Holmqvist as members of the Audit Committee.
- **Scientific Committee:** In March 2025, the Board of Directors elected Santiago Arroyo as Chair and Dorothea Wenzel, Lene Skole-Sørensen, and Jakob Riis as members of the Scientific Committee.
- **Remuneration & Nomination Committee:** In March 2025, the Board of Directors elected Dorothea Wenzel as Chair and Lene Skole-Sørensen and Jefferey Berkowitz as members of the Remuneration & Nomination Committee.

Executive Leadership Team

Lundbeck's Executive Leadership Team consists of eight members, led by Charl van Zyl, President & CEO. Currently, three out of the eight members of the Executive Leadership Team are women, equaling a female representation of 38%. Lundbeck's Executive Leadership Team has the overall responsibility for the corporate and sustainability strategies and presents any significant decisions to the Board of Directors for approval, including decisions related to the management of Lundbeck's material impacts, risks, and opportunities. The Executive Leadership Team is supported by several committees, ensuring a strategic enterprise mindset[1].

Lundbeck's Executive Leadership team consists of eight members, appointed by the Board of Directors:

- Charl van Zyl, President & CEO[2]
- Dianne Hol, Executive Vice President, People, Culture & Sustainability[3]
- Joerg Hornstein, CFO & Executive Vice President[2]
- Per Johan Luthman, Executive Vice President, Research & Development[2]
- Lars Bang, Executive Vice President, Product Development & Supply[2]
- Maria Alfaiate, Executive Vice President, Corporate Portfolio & Product Strategy[3]
- Michala Fischer-Hansen, Executive Vice President, Head of Europe & International Markets[3]
- Thomas Gibbs, Executive Vice President, Head of Lundbeck U.S.[3]

Executive leadership sustainability incentives

10% of the Executive Leadership Team's short-term incentive (STI) program is linked to Sustainability, with payouts contingent on performance against ESG objectives related to the Sustainability Strategy targets. For 2025, these objectives include progress on reducing scope 3 GHG emissions related to Business travel, the implementation of an Equity-based Tiered Pricing framework, Code of Ethics completion rate, gender balance in upper management, and inclusion survey scores, each contributing 2%, respectively.

Remuneration policy and report

Lundbeck's Remuneration policy outlines the framework for defining the remuneration of Lundbeck's Board of Directors and Executive Leadership Team, detailed in the annual 2025 Remuneration Report, aligning with Lundbeck's corporate strategy, Sustainability Strategy, long-term interests, and sustainability goals. This report is subject to an advisory vote on the Annual General Meeting after approval by the Board of Directors and published on our website.

1 In 2025, Lundbeck established a strong decisions making framework consisting of four committees – the Capital Allocation Committee, the Strategic Portfolio Committee, the Global Digital & AI Committee and the CAPEX Committee – which ensure that strategic decisions within their area of expertise are taken with an enterprise mindset. **2** Member of Executive Leadership Team as registered with the Danish Business Authority; **3** Participates in Executive Leadership Team but is not a member of Executive Leadership Team as registered with the Danish Business Authority. **4** Not re-elected as Board Member at the Annual General Meeting on 26 March 2025. **5** Elected as new Board member at the Annual General Meeting on 26 March 2025. **6** Member of the Board of Directors elected by the General Meeting **7** Member of the Board of Directors elected by employees.

Risk management

Lundbeck's risk management processes ensure close monitoring, systematic risk assessment, and reporting, supporting the timely identification and management of internal and external risks in a changing environment.

Enterprise Risk Management (ERM) at Lundbeck
Lundbeck is exposed to risks throughout the value chain, from developing innovative pharmaceuticals to delivering proven treatments to patients.

To anticipate and address these risks, scenario and risk-thinking exercises are integrated into strategic planning, including analyses of market trends and the potential impact of socioeconomic, environmental, geopolitical, and political changes. Lundbeck's risk management processes follow a systematic approach, enabling the identification, assessment, and mitigation of risks related to research and development, global economic developments, geopolitical factors, and long-term forecasts. This ensures that the Executive Leadership Team has a solid basis for decisions on overall risk exposure and mitigating actions, supporting sustainable growth and reliability as a partner to stakeholders and the communities in which Lundbeck operates.

The Board of Directors is responsible for ensuring the implementation of risk management procedures, with oversight delegated to the Audit Committee. Lundbeck's ERM process is integrated into day-to-day activities, starting with decentralized teams who identify and monitor risks. These teams share updates with the Central risk office, which aligns and assesses risks, presenting an overview to the Executive Leadership Team and the Board of Directors for approval.

The corporate risk register details Lundbeck's risk exposure, categorized into:

- Research and development,
- Market strategy,
- Supply, quality and product safety,
- IT security,
- Legal compliance,
- Financial.

Link to double materiality assessment (DMA)
Lundbeck's ERM and DMA, as required under the Corporate Sustainability Reporting Directive (CSRD), are interlinked and focused on identifying, assessing, and managing risks and opportunities that affect both financial performance and sustainability. The ERM process identifies, assesses, and monitors risks across our six exposure categories. This is complemented by the DMA process, which provides a deeper evaluation of ESG topics by assessing both how sustainability factors may pose financial risks to Lundbeck (i.e., financial materiality) and how Lundbeck's operations and value chain activities may impact people and the environment (i.e., impact materiality). Our material impacts, risks, and opportunities (IROs) are monitored through the annual DMA review, which integrates stakeholders' perspectives into our existing governance structures and frameworks.

Lundbeck's governing bodies receive annual updates on sustainability reporting to support effective oversight and decision-making. Sustainability governance is anchored with the Board of Directors and cascades through the Audit Committee and the Executive Leadership Team, as outlined in 'Lundbeck's governance structure' overview on page 4. A cross-functional working group supports this structure by ensuring regulatory compliance, monitoring impacts, risks, and opportunities, and tracking progress on Sustainability Strategy and targets. To strengthen access to sustainability expertise, sessions with internal subject matter experts are included in the annual meeting schedules of the Board of Directors, Audit Committee, and Executive Leadership Team. This enables our governing bodies to oversee key sustainability topics, including material impacts, risks, and opportunities.

Internal controls

Lundbeck's internal control processes are part of a comprehensive governance and control system that spans broadly across the organization ensuring reliable financial and sustainability reporting, responsible cyber security and digitalization agenda, ethical and other corporate compliance, to uphold accuracy, compliance, and stakeholder trust.

Internal controls and risk assessments in financial and sustainability reporting

An essential part of Lundbeck's risk management and internal control systems aim to effectively identify, address, and mitigate risks in financial and sustainability reporting, minimizing errors and misstatements. Additionally, they support the operations of Lundbeck's business by emphasizing quality, efficiency, and strong ethical principles in daily transactions and decision-making.

The Board of Directors oversees risk management and internal controls linked with financial and sustainability reporting through the advice of the Audit Committee, with the Executive Leadership Team responsible for overall financial and sustainability reporting compliance.

Control activities

Control activities are guided by a continuously updated risk assessment to ensure compliance with Lundbeck's strategies, policies, and relevant legislation. A central component is the global Internal control framework, which is based on the COSO framework (Committee of Sponsoring Organizations), and enables Lundbeck to address key risks in financial and sustainability reporting, including fraud, and standardizes controls across all entities to enhance efficiency and consistency.

Monitoring and reporting

Lundbeck continuously monitors and assesses risks and control activities. Within Group Finance, the Financial compliance division supports lines of business to monitor and evaluate key risks identified through the ERM process and monitors risks through procedures outlined in the annual plan. These procedures include the reassessment of key risks and the evaluation of the effectiveness of the Internal control framework. The Audit Committee reviews and approves the reports resulting from this monitoring process, ensuring appropriate oversight and alignment with the company's governance framework.

External auditors also report significant control weaknesses to the Board of Directors, while minor issues are communicated to the CFO. The Board of Directors ensures follow-up by the Executive Leadership Team, who in turn ensure subsidiaries address any findings. Annually, subsidiary managers and financial controllers confirm compliance with Lundbeck's reporting guidelines.

Monitoring and risk assessment of internal controls for the sustainability reporting are under implementation as part of Lundbeck's roadmap under CSRD implementation.

Control activities in sustainability reporting

In 2025, Lundbeck continued to advance the internal control framework for sustainability reporting initiated under the CSRD. This includes ongoing evaluation and redesign of internal processes to ensure accurate and complete sustainability disclosures. The governance structure mirrors that of financial reporting, with the Board of Directors providing oversight, the Executive Leadership Team holding overall responsibility, and the Audit Committee advising on the effectiveness of sustainability reporting.

Sustainability reporting controls are integrated into Lundbeck's global Internal control framework, aligned with an established roadmap. Lundbeck continues strengthening sustainability reporting internal controls, which are informed by the double materiality assessment and embedded across business areas to ensure consistency with broader reporting processes.

The Executive Leadership Team reviews sustainability-related risks and coordinates with the Board of Directors on mitigating actions. External auditors report significant findings to the Board of Directors and minor issues to the CFO as part of the limited assurance of the Sustainability statement.

Corporate Governance recommendations

#	Recommendation	Compliance status	Explanation	
1.	**Interaction with the company's shareholders, investors, and other stakeholders**			
1.1.	**Communication with the company's shareholders, investors, and other stakeholders**			
1.1.1.	The Committee recommends that the management through ongoing dialogue and interaction ensures that shareholders, investors, and other stakeholders gain the relevant insight into the company's affairs, and that the board of directors obtains the possibility of hearing and including their views in its work.	The company complies	Lundbeck has an ongoing dialogue with its shareholders, especially the Lundbeck Foundation who is a majority shareholder and which is represented in the Board of Directors. Lundbeck is conducting regular roadshows, meetings and participates in investor conferences. Conference calls held after the presentation of full-year and interim reports are webcasted on the internet to anyone interested, and the presentations are freely available at the company's website.	All corporate releases and press releases are published in English. The interim financial reports and the Annual Report are published in English. Lundbeck webcasts the annual general meeting (AGM) on the internet with simultaneous interpretation into English for the benefit of the company's large group of foreign shareholders. Lundbeck's stakeholders are addressed and discussed on a regular basis at Board meetings and strategy Board seminars.
1.1.2.	The Committee recommends that the company adopts policies on the company's relationships with its shareholders, investors and if relevant other stakeholders in order to ensure that the various interests are included in the company's considerations and that such policies are made available on the company's website.	The company complies	Lundbeck has adopted a policy on information and communication and has communication strategies for providing information to relevant stakeholders. Lundbeck has a purpose and beliefs that reflect the company's business concept, objectives, and fundamental management principles. In addition, Lundbeck's communication policy and Code of Ethics define guidelines for the interaction with stakeholders.	The Board of Directors believes that the interests of the company, and thus also of its shareholders, are best safeguarded by maintaining an open, constructive, and ongoing dialogue between the company and all its stakeholders. Lundbeck maintains a regular contact with its major stakeholders including investors, employees, partners, suppliers, organizations, and authorities.
1.1.3.	The Committee recommends that the company publish quarterly reports.	The company complies	Lundbeck publishes annual, mid-year, and quarterly reports.	

#	Recommendation	Compliance status	Explanation	
1.2.	The general meeting			
1.2.1.	The Committee recommends that the board of directors organizes the company's general meeting in a manner that allows shareholders, who are unable to attend the meeting in person or are represented by proxy at the general meeting, to vote and raise questions to the management prior to or at the general meeting. The Committee recommends that the board of directors ensures that shareholders can observe the general meeting via webcast or other digital transmission.	The company complies	The general meeting is convened by the Board of Directors giving not less than three weeks' notice and not more than five weeks' notice. Lundbeck aims to ensure that all notifications of the general meeting and agendas are clear and unambiguous, stating all relevant details for the shareholders to be able to form an adequate impression of the points to be discussed. Furthermore, all shareholders are entitled to have	specific issues or questions considered at the general meeting, subject to submitting a written request to the Board of Directors in time for the issue or question to be included on the agenda for the meeting. The general meeting is conducted by physical attendance at Lundbeck's headquarters in Valby with a live webcast on www.lundbeck.com; and shareholders can vote via proxy prior to the meeting.
1.2.2.	The Committee recommends that proxies and postal votes to be used at the general meeting enable the shareholders to consider each individual item on the agenda.	The company complies	Shareholders who grant proxies are given the opportunity to state their position on each item on the agenda.	
1.3.	Takeover bids			
1.3.1.	The Committee recommends that the company has a procedure in place in the event of takeover bids, containing a "road map" covering matters for the board of directors to consider in the event of a takeover bid, or if the board of directors obtains reasonable grounds to suspect that a takeover bid may be submitted. In addition, it is recommended that it appears from the procedure that the board of directors abstains from countering any takeover bids by taking actions that seek to prevent the shareholders from deciding on the takeover bid, without the approval of the general meeting.	The company complies	Lundbeck has established procedures for handling takeover bids. If a specific takeover bid is made, the Board of Directors will consider such a bid individually with due consideration to the	Danish Companies Act and the Rules for issuers of shares of NASDAQ OMX Copenhagen A/S as relevant internal guidelines already discussed and adopted by the Board of Directors.
1.4.	Corporate Social Responsibility			
1.4.1.	The Committee recommends that the board of directors adopts a policy for the company's corporate social responsibility, including social responsibility and sustainability, and that the policy is available in the management commentary and/or on the company's website. The Committee recommends that the board of directors ensures compliance with the policy.	The company complies	Lundbeck has adopted several policies and a strategy for sustainability that supports Lundbeck's commitment to the UN Global Compact principles and the relevant UN Sustainable Development Goals. Annual Reporting on the defined targets and general progress can be found on Lundbeck's website.	The Board of Directors signs a Management Statement which covers the content of Lundbeck's Annual Report including the sustainability statement as per the Corporate Sustainability Reporting Directive (CSRD) and thus ensures progress on the strategy.

#	Recommendation	Compliance status	Explanation	
1.4.2.	The Committee recommends that the board of directors adopts a tax policy to be made available on the company's website.	The company complies	The Board of Directors has adopted a tax policy and it is present on Lundbeck's website.	
2.	**The duties and responsibilities of the board of directors**			
2.1.	Overall tasks and responsibilities			
2.1.1.	The Committee recommends that the board of directors in support of the company's statutory objects according to its articles of association and the long-term value creation considers the company's purpose and ensures and promotes a good culture and sound values in the company. The company should provide an account thereof in the management commentary and/or on the company's website.	The company complies	At least once every year the Board of Directors takes a position on the matters related to the board's performance of its responsibilities and the purpose of Lundbeck. An account of Lundbeck's purpose can be found on Lundbeck's website. Furthermore, sound values and a good culture is ensured and promoted, through the Lundbeck	Code of Ethics and the compliance hotline, on which all employees receive training. The Lundbeck Code of Ethics and an account of the training and monitoring can be found on Lundbeck's website.
2.1.2.	The Committee recommends that the board of directors at least once a year discusses and on a regular basis follows up on the company's overall strategic targets in order to ensure the value creation in the company	The company complies	At least once every year the Board of Directors assesses the company's overall strategy at the annual strategy meeting, normally taking place	in June. In addition, the Board of Directors continuously discusses the strategy and the value creation at regular board meetings.
2.1.3.	The Committee recommends that the board of directors on a continuously basis takes steps to examine whether the company's share and capital structure supports the strategy and the long-term value creation in the interest of the company as well as the shareholders. The Committee recommends that the company gives an account thereof in the management commentary	The company complies	The Board of Directors analyses the company's need for capital on an ongoing basis, including an assessment of the company's capital structure. An account thereof can be found in the Annual Report. There is no universal answer to the question of what the optimum capital structure is for a specific company because the relationship between equity and interest-bearing debt relies on the specific characteristics that apply within the particular industry in which the business operates and, by extension, the operating and financial risk. However, companies in the pharmaceutical industry are often particularly well-funded which	may be explained by the extended development projects and risks associated with research activities. The Board of Directors pursues the policy that equity beyond the level which, based on a conservative estimate, would be considered sufficient to support the underlying business should be distributed to the shareholders. The distribution to our shareholders takes place through annual dividends. Lundbeck's dividend policy is to pay out a dividend of 30% - 60% of profit for the year after tax, with due considerations to the company's growth plans, possible acquisitions and other liquidity requirements.
2.1.4.	The Committee recommends that the board of directors prepares and on an annual basis reviews guidelines for Executive Leadership Team, including requirements in respect of the reporting to the board of directors.	The company complies	Communications between Executive Leadership Team and the Board of Directors are regulated in the rules of procedure for Executive Leadership Team which are assessed annually for	the need of changes. These procedures stipulate what matters Executive Leadership Team should report to the Board of Directors, and how often to report such matters.

#	Recommendation	Compliance status	Explanation	
2.2.	Members of the board of directors			
2.2.1.	The Committee recommends that the board of directors, in addition to a chairperson, appoints a vice chairperson, who can step in if the chairperson is absent and who can generally act as the chairperson's close sparring partner.	The company complies	Annually, the Board of Directors elects a chairperson and vice chairperson who chairs the board meetings in the chairperson's absence.	The duties of the chairperson and vice chairperson are set out in a description of tasks and duties.
2.2.2.	The Committee recommends that the chairperson in cooperation with the individual members of the board of directors ensures that the members up-date and supplement their knowledge of relevant matters, and that the members' special knowledge and qualifications are applied in the best possible manner.	The company complies	The Board of Directors in Lundbeck continuously updates their knowledge, among other things through general training sessions for all board members, and it is ensured during the	annual evaluation process that the knowledge and qualifications of each board member is applied in the best possible manner.
2.2.3.	The Committee recommends that if the board of directors, in exceptional cases, requests a member of the board of directors to take on special duties for the company, for instance, for a short period to take part in the daily management of the company, the board of directors should approve this in order to ensure that the board of directors maintains its independent overall management and control function. It is recommended that the company publishes any decision on allowing a member of the board of directors to take part in the daily management, including the expected duration thereof.	The company complies	To ensure that the Board of Directors will maintain responsibility for the overall management and control function in case the chair or other board members are asked to perform special tasks for the company, the distribution of duties and	duration of the assignments will be documented in minutes from the relevant Board of Directors meeting and disclosed in a company release.
3.	Composition, organization and evaluation of the board of directors			
3.1.	Composition			
3.1.1.	The Committee recommends that the board of directors on an annual basis review and in the management commentary and/or on the company's website states · which qualifications the board of directors should possess, collectively and individually, in order to perform its duties in the best possible manner, and · the composition of and diversity on the board of directors.	The company complies	The required skills of the Board of Directors are annually assessed and evaluated by the board as part of the annual Board Evaluation. All candidates nominated for the Board of Directors, including candidates for re-election, are described in the notice convening the general meeting.	A description of the Board of Directors in accordance with the recommendation is included in the management commentary or on Lundbeck's website. For the time being the Board of Directors is of the opinion that the qualifications represented in the Board matches the competencies that the Board should possess, both collectively and individually.

#	Recommendation	Compliance status	Explanation	
3.1.2.	The Committee recommends that the board of directors on an annual basis discusses the company's activities in order to ensure relevant diversity at the different management levels of the company and adopts a diversity policy, which is included in the management commentary and/or available on the company's website.	The company complies	The company strives to ensure inclusion, diversity and equity for all employees and has adopted an Inclusion, Diversity and Equity Policy, which is available on Lundbeck's website.	A general status on diversity and inclusion is provided in Lundbeck's Annual Report available on www.lundbeck.com.
3.1.3.	The committee recommends that candidates for the board of directors are recruited based on a thorough process approved by the board of directors. The Committee recommends that in assessing candidates for the board of directors – in addition to individual competencies and qualifications – the need for continuity, renewal and diversity is also considered.	The company complies	The goal of the Board of Directors is for the individual board members to complement each other with respect to international experience and qualifications, as this is the best way to be a qualified sounding board for Executive Leadership Team. The Board of Directors' proposals for new members are always accompanied by a thorough description of the candidate and the candidate's resume.	The Board of Directors supports diversity, inclusion, and equal opportunities for both genders. Moreover, at the general meeting the Chair of the Board of Directors reviews the recruitment criteria on which the Board of Directors has based its recommendation.
3.1.4.	The Committee recommends that the notice convening general meetings, where election of members to the board of directors is on the agenda - in addition to the statutory items - also includes a description of the proposed candidates' · qualifications, · other managerial duties in commercial undertakings, including board committees, · demanding organizational assignments and · independence.	The company complies	Candidates nominated for the Board of Directors are described according to the recommendation in the notice convening the general meeting.	
3.1.5.	The Committee recommends that members to the board of directors elected by the general meeting stand for election every year at the annual general meeting, and that the members are nominated and elected individually	The company complies	Pursuant to the company's articles of association, board members elected by the general meeting are elected for a period of one year and they are elected individually.	
3.2.	The board of director's independence			
3.2.1.	The Committee recommends that at least half of the members of the board of directors elected in general meeting are independent in order for the board of directors to be able to act	The company complies	At least half of the members of the Board of Directors elected by the shareholders are independent in accordance with the cited definition.	

#	Recommendation	Compliance status	Explanation
	independently avoiding conflicts of interests. In order to be independent, the member in question may not: · be or within the past five years have been a member of Executive Leadership Team or an executive employee in the company, a subsidiary or a group company, · within the past five years have received large emoluments from the company/group, a subsidiary or a group company in another capacity than as member of the board of directors, · represent or be associated with a controlling shareholder, · within the past year have had a business relationship (e.g. personally or indirectly as a partner or an employee, shareholder, customer, supplier or member of a governing body in companies with similar relations) with the company, a subsidiary or a group company, which is significant for the company and/or the business relationship, · be or within the past three years have been employed with or a partner in the same company as the company's auditor elected in general meeting, · be a CEO in a company with cross-memberships in the company's management, · have been a member of the board of directors for more than twelve years, or · be closely related to people who are not independent, cf. the above-stated criteria. · Even if a member of the board of directors does not fall within the above-stated criteria, the board of directors may for other reasons decide that the member in question is not independent.		
3.2.2.	The Committee recommends that members of the Executive Leader-ship Team are not members of the board of directors and that members retiring from Executive Leadership Team does not join the board of directors immediately thereafter.	The company complies	No current or recently retired members of the Executive Leadership Team are members of the Board of Director.
3.3.	Members of the board of directors and the number of other management duties		
3.3.1.	The Committee recommends that the board of directors and each of the members on the board of directors, in connection with the annual evaluation, cf. recommendation 3.5.1., assesses how much time is required to per-form the board duties. The aim is for the individual member of the board of directors not to take on more managerial duties than the board member in question is able to perform in a satisfactory manner.	The company complies	The number of directorships each board member is able to hold is subject to an individual assessment. Each board member is encouraged to make such assessment in connection with the board evaluation procedure.

#	Recommendation	Compliance status	Explanation	
3.3.2.	The Committee recommends that the management commentary, in addition to the statutory requirements, contains the following information on the individual members of the board of directors: · position, age and gender, · competencies and qualifications relevant to the company, · independence, · year of joining the board of directors, · year of expiry of the current election period, · participation in meetings of the board of directors and committee meetings, · managerial duties in other commercial undertakings, including board committees, and demanding organizational assignments, and · the number of shares, options, warrants, etc. that the member holds in the company and its group companies and any changes in such holdings during the financial year.		The company's Annual Report or website contains information on the members of the Board of Directors in accordance with the recommendation.	
3.4.	Board committees			
3.4.1.	The Committee recommends that the management describes in the management commentary: · the board committees' most significant activities and number of meetings in the past year, and · the members on the individual board committees, including the chairperson and the independence of the members of the committee in question. In addition, it is recommended that the board committees' terms of reference are published on the company's website.	The company complies	The specified information is published on the company's website and in the Annual Report. The board committees' term of reference are published on Lundbeck's website.	
3.4.2.	The Committee recommends that board committees solely consist of members of the board of directors and that the majority of the members of the board committees are independent.	The company complies partially	The majority of members in the Audit Committee and the Remuneration & Nomination Committee are independent, and all committees consist solely of board members.	The Scientific Committee during the course of 2025, operated with two members considered independent and two members considered non-independent.

#	Recommendation	Compliance status	Explanation
3.4.3.	The Committee recommends that the board of directors establishes an audit committee and appoints a chairperson of the audit committee, who is not the chairperson of the board of directors. The Committee recommends that the audit committee, in addition to its statutory duties, assists the board of directors in: · supervising the correctness of the published financial information, including accounting practices in significant areas, significant accounting estimates and related party transactions, · reviewing internal control and risk areas in order to ensure management of significant risks, including in relation to the announced financial out-look, · assessing the need for internal audit, · performing the evaluation of the auditor elected by the general meeting, · reviewing the auditor fee for the auditor elected by the general meeting, · supervising the scope of the non-audit services performed by the auditor elected by the general meeting, and · ensuring regular interaction between the auditor elected by the general meeting and the board of directors, for instance, that the board of directors and the audit committee at least once a year meet with the auditor without Executive Leadership Team being present. If the board of directors, based on a recommendation from the audit committee, decides to set up an internal audit function, the audit committee must: · prepare terms of reference and recommendations on the nomination, employment, and dismissal of the head of the internal audit function and on the budget for the department, · ensure that the internal audit function has sufficient resources and competencies to perform its role, and · supervise Executive Leadership Team 's follow-up on the conclusions and recommendations of the internal audit function.	The company complies	Lundbeck has established an Audit Committee consisting of three board members. Only members of the Board of Directors are members of the Audit Committee, and the Chair of the Board of Directors is not Chair of the Audit Committee. In case of significant changes in accounting policies or estimates, related party transactions or changes in uncertainties or risks, the company's Audit Committee will deal with the changes and notify the Board of Directors. The Board of Directors, together with the Audit Committee, assesses the need for an internal audit function. It has been determined that the tasks of assessing internal control systems and risk management systems are better carried out by the company's external auditor and the internal compliance functions and, consequently, that no internal audit function is required. Based on the work conducted by the external auditors and internal compliance functions, the Audit Committee reviews and assesses the internal control systems and the management's guidelines for such systems at least annually, and either recommends that the Board of Directors approves the systems or ensures that necessary improvements are implemented. Executive Leadership Team follows upon conclusions and recommendations made in this respect. The Audit Committee is regularly updated by the internal compliance functions. The Audit Committee holds several meetings throughout the year with external and internal risk and compliance functions to identify significant risk areas and discuss substantial accounting issues. Based on the discussions, the Audit Committee reports back to the Board of Directors. To close the year-end audit, the external auditors prepare a long-form audit report which is presented to the Audit Committee for their review and discussion. At the subsequent board meeting, at which the financial statements and sustainability statement are approved, the external auditors review the long-form audit report together with the members of the Board of Directors. The Board of Directors and the Audit Committee meet with the external auditors at least once every year without Executive Leadership Team present. The audit report and the base fee are part of the recommendation from the Audit Committee to the Board of Directors, which after approval from the Board of Directors are recommended for approval at the AGM. Additionally, Audit Committee supervises the non-audit services performed by external auditor, the monitoring is outsourced to the financial compliance function.
3.4.4.	The Committee recommends that the board of directors establishes a nomination committee to perform at least the following preparatory tasks: · describing the required qualifications for a given member of the board of directors and Executive Leadership Team, the estimated time required for performing the duties of this member of the board of directors and the competencies, knowledge and experience that is or should be represented in the two management bodies,	The company complies	The company has a combined Remuneration & Nomination Committee with the responsibility for handling preparatory tasks related to nomination and remuneration

#	Recommendation	Compliance status	Explanation
	· on an annual basis evaluating the board of directors and Executive Leadership Team 's structure, size, composition, and results and preparing recommendations for the board of directors for any changes, · in cooperation with the chairperson handling the annual evaluation of the board of directors and assessing the individual management members' competencies, knowledge, experience, and succession as well as reporting on it to the board of directors, · handling the recruitment of new members to the board of directors and Executive Leadership Team and nominating candidates for the board of directors' approval, · ensuring that a succession plan for Executive Leadership Team is in place, · supervising Executive Leadership Team s' policy for the engagement of executive employees, and · supervising the preparation of a diversity policy for the board of directors' approval.		
3.4.5.	The Committee recommends that the board of directors establishes a remuneration committee to perform at least the following preparatory tasks: · preparing a draft remuneration policy for the board of directors' approval prior to the presentation at the general meeting, · providing a proposal to the board of directors on the remuneration of the members of Executive Leadership Team, · providing a proposal to the board of directors on the remuneration of the board of directors prior to the presentation at the general meeting, · ensuring that the management's actual remuneration complies with the company's remuneration policy and the evaluation of the individual member's performance, and · assisting in the preparation of the annual remuneration report for the board of directors' approval prior to the presentation for the general meeting's advisory vote.	The company complies	Lundbeck has a combined Remuneration & Nomination Committee responsible for the company's overall nomination and remuneration strategy and remuneration of the members of Executive Leadership Team and the Board of Directors.
3.5.	Evaluation of the board of directors and Executive Leadership Team		
3.5.1.	The Committee recommends that the board of directors once a year evaluates the board of directors and at least every three years engages external assistance in the evaluation. The Committee recommends that the evaluation focuses on the recommendations on the board of directors' work, efficiency, composition and organization, cf. recommendations 3.1.-3.4. above, and that the evaluation as a minimum always includes the following topics: · the composition of the board of directors with focus on competencies and diversity	The company complies	The Board of Directors has adopted a formal evaluation procedure to ensure an annual and systematic evaluation of the work of the Board of Directors and the individual members. The Chair is in charge of the evaluation of the Board of Directors and the evaluation includes,

#	Recommendation	Compliance status	Explanation	
	• 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 Executive Leadership Team, • the chairperson's leadership of the board of directors, • the committee structure and the work in the committees, • the organization 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.		amongst others, the criteria set out in recommendations 3.1-3.4 and an individual interview between each board member and the Chair. External assistance will be obtained at least every third year. The latest externally assisted evaluation was conducted in 2025. The 2025 evaluation was initiated and concluded in H2.	
3.5.2.	The Committee recommends that the entire board of directors discusses the result of the evaluation of the board of directors and that the procedure for the evaluation and the general conclusions of the evaluation are described in the management commentary, on the company's website and at the company's general meeting.	The company complies	The main elements of the evaluation procedure and the general conclusions are discussed in the Board of Directors and described in the management commentary and on the company's website. Further, the Chair accounts for the evaluation as set out in the recommendation on the general meeting	
3.5.3.	The Committee recommends that the board of directors at least once a year evaluates the work and results of Executive Leadership Team according to preestablished criteria, and that the chairperson reviews the evaluation together with Executive Leadership Team. In addition, the board of directors should on a continuous basis assess the need for changes in the structure and composition of Executive Leadership Team, including in respect of diversity, succession planning and risks, in light of the company's strategy.	The company complies	The evaluation of the work and results of Executive Leadership Team forms a natural part of the regular meetings held between the Board of Directors and Executive Leadership Team. As part of the annual board evaluation set out in recommendation 3.5.1, Executive Leadership Team is evaluated. A performance plan for Executive Leadership Team is established annually. The Board of Directors continuously evaluates the need for changes to the structure and the composition of Executive Leadership Team in light of the company's strategy.	The Board of Directors has adopted a formal evaluation procedure to ensure an annual and systematic evaluation of the work of the Board of Directors and Executive Leadership Team. Further, ongoing evaluation of the cooperation between Executive Leadership Team and the Board of Directors is part of the regular meetings held by the Chair of the Board of Directors and the CEO.
4.	Remuneration of management			
4.1.	Remuneration of the board of directors and Executive Leadership Team			

#	Recommendation	Compliance status	Explanation	
4.1.1.	The Committee recommends that the remuneration for the board of directors and Executive Leadership Team and the other terms of employment/service is considered competitive and consistent with the company's long-term shareholder interests.	The company complies	The remuneration is reviewed on an ongoing basis and aligned against relevant benchmarks.	
4.1.2.	The Committee recommends that share-based incentive schemes are revolving, i.e. that they are periodically granted, and that they primarily consist of long-term schemes with a vesting or maturity period of at least three years.	The company complies	Executive Leadership Team receives share-based remuneration that will generally have a vesting period of three years and is granted as roll-over programs.	The Board of Directors believes that the LTI programs implemented promote long-term behavior and retention.
4.1.3.	The Committee recommends that the variable part of the remuneration has a cap at the time of grant, and that there is transparency in respect of the potential value at the time of exercise under pessimistic, expected, and optimistic scenarios.	The company complies	Lundbeck lives up to this requirement and it is stated in the Remuneration Report	
4.1.4.	The Committee recommends that the overall value of the remuneration for the notice period, including severance payment, in connection with a member of Executive Leadership Team 's departure does not exceed two years' remuneration including all remuneration elements,	The company complies	The Board of Directors has adopted a general policy that severance payments to Executive Leadership Team should not amount to more than two years annual remuneration.	
4.1.5.	The Committee recommends that members of the board of directors are not remunerated with share options and warrants.	The company complies	The members of the Board of Directors receive a fixed annual remuneration Following H. Lundbeck's A/S's Remuneration Policy, the Board of Directors can't participate in bonus or incentive programs	
4.1.6.	The Committee recommends that the company has the option to reclaim, in whole or in part, variable remuneration from the board of directors and Executive Leadership Team if the remuneration granted, earned or paid was based on information, which subsequently proves to be incorrect, or if the recipient acted in bad faith in respect of other matters, which implied payment of a too large variable remuneration	The company complies	In exceptional cases, Lundbeck is entitled to reclaim in full or in part the financial benefits received by Executive Leadership Team and/or the Board of Directors as recommended	

#	Recommendation	Compliance status	Explanation	
5.	**Risk management**			
5.1.	**Identification of risks and openness in respect of additional information**			
5.1.1.	The Committee recommends that the board of directors based on the company's strategy and business model considers, for instance, the most significant strategic, business, accounting, and liquidity risks. The company should in the management commentary give an account of these risks and the company's risk management.	The company complies	Lundbeck takes a systematic approach to risk management. The most significant risks are identified semi-annually and monitored on a quarterly basis. These risks are monitored by Executive Leadership Team, reviewed by Audit Committee and finally shared with the Board of Directors. The company's risk management activities are disclosed in the Annual Report.	
5.1.2.	The Committee recommends that the board of directors establishes a whistleblower scheme, giving the employees and other stakeholders the opportunity to report serious violations or suspicion thereof in an expedient and confidential manner, and that a procedure is in place for handling such whistleblower cases	The company complies	Lundbeck has established a Compliance Hotline (whistleblower system) as a secure and confidential reporting channel managed by an independent provider. Concerns that involve legal, financial, or other serious risks and matters of misconduct at Lundbeck may be reported via the Compliance Hotline.	All reported concerns are investigated and handled in line with Lundbeck's global procedures. It safeguards individuals who report concerns in good faith by offering confidentiality and protection against retaliation. The reporter can communicate anonymously with the investigator through the Compliance Hotline. Concerns that are substantiated are followed by proportionate corrective and preventive actions.

Corporate Governance Report 2025

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