

Japan Manato has type 1 diabetes

Large scale lay offs at Novo Nordisk

Mette Kondrup Jensen, Vice President





Agenda

- 1 Introducing Novo Nordisk
- 2 Before the lay-offs
- 3 Preparing the lay-offs
- 4 Planning the lay-offs
- 5 The role of the HR lawyer
- 6 The lay-offs
- 7 Reflections
- 8 The importance of outplacement



Novo Nordisk at a glance

Novo Nordisk is a global healthcare company with more than 90 years of innovation and leadership in diabetes care.

This heritage has given us experience and capabilities that also enable us to help people defeat other serious chronic conditions: haemophilia, growth disorders and obesity.

PRODUCTS MARKETED IN 165 COUNTRIES





R&D CENTRES IN CHINA, DENMARK,

UK AND US



EMPLOYS APPROXIMATELY 42,000 PEOPLE

DKK 111.8IN TOTAL REVENUE

STRATEGIC

IN BRAZIL, CHINA, DENMARK, FRANCE AND US





210,000 SHARFHOI DERS

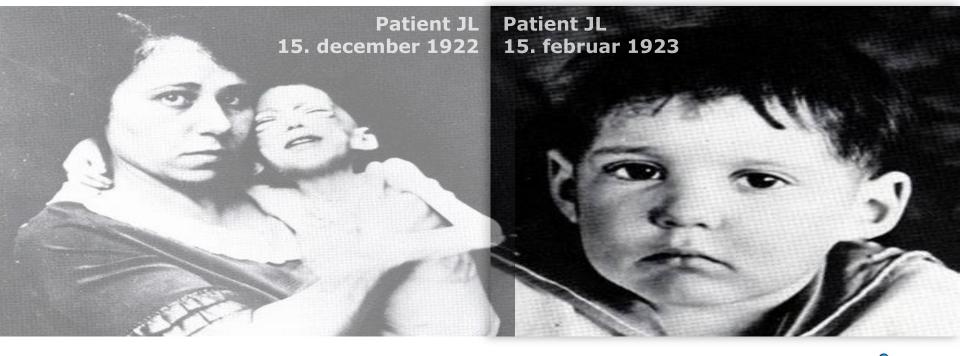


HALF OF THE WORLD'S INSULIN

28,000,000

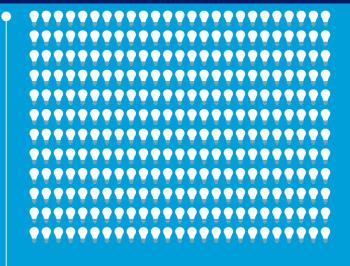


The miracle of insulin





10,000 IDEAS



10
WILL BE TESTED
ON PEOPLE

ONE MAY REACH THE MARKET



From idea to patient

Industry estimates that out of 10,000 ideas that begin in the lab, just 10 will ever reach the stage where they are tested on people. Out of that, one may reach the market.

The process normally takes 10 to 15 years from initial work in the lab until a product is launched on the market.

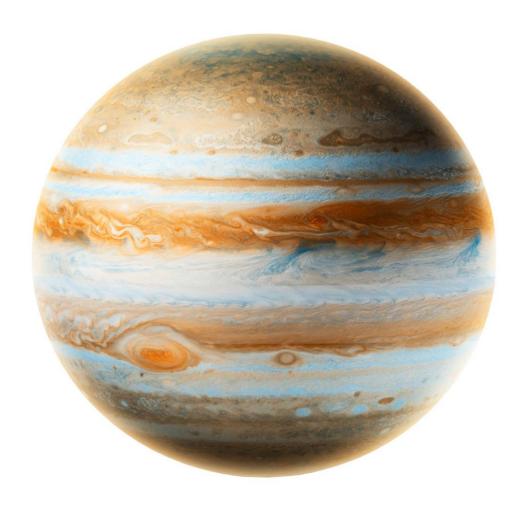




The Novo Nordisk Way

The Novo Nordisk Way describes who we are, where we want to go and the values that characterise our company

The Novo Nordisk Way ...We treat everyone with respect... We provide innov environmental cor The Triple Rottom Line is about ...Social responsible way... We never compri ethics. Lars Fruergaard Jørgensen, President and Chief Executive Officer

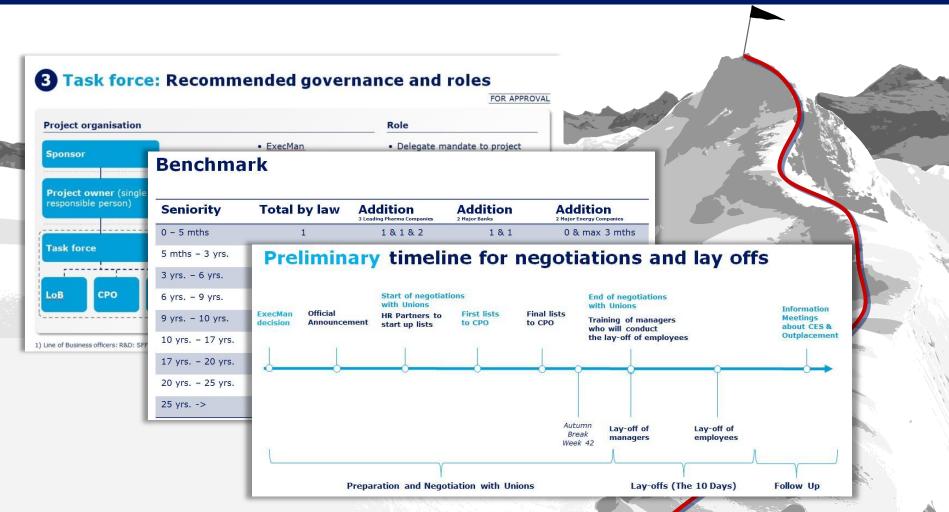


Lay-offs in Novo Nordisk

"Project Jupiter"



2) Before the lay-offs





Manager's preparation for layoff meetings How to conduct a respectful and dignified process



October

Agenda

- Welcome/HR
- Purpose of preparation/HR
- Formalities /Legal representative
- Layoff process presentation/HR
 - · Preparation execution follow up
 - · Handling reactions
 - · Managers own reactions and selfpreservation
 - · Managers' do's & don't's
- Practise real cases /HR + all





The conversation is expected to last app. 10 minutes. After that the lay representative will escort the employee out and the manager will bring in the next affected employee.

1. Introduction/by manager

. As you are aware of from the announcem decided that a number of positions in Nov sorry to inform you that we have chosen You have been called to this meeting in o which have been negotiated with the unic

We have therefore chosen to invite a lay not want a representative present, the re

There will be no representative from Novnot a member of one of the local unions i

- · Present at this meeting are:
- Manager
- HR lawyer
- Union rep from LASA/NAF/Union for Lab Technician/Skilled workers union/Operato
- · We will now go through:
 - 1. The background and reason for yo 2. Terms in connection with the lavol

1) Reason for your layoff

Either:

a. If the entire area is closed down: The background for your layoff is that you work closed down. The reason for your layoff is then s Nordisk.

b. If a selection has occurred:

The reason for the layoff is that Novo Nordisk ne the future operating profit expectations.

I have made an evaluation of who should be laid the future.

2. Terms in connection with the layoff / by HR lawyer)

- I will now go through the main terms which are connected to the layoff. These terms Novo Nordisk has negotiated with the different unions at Novo Nordisk.
- You will receive two copies of the layoff paper which you can read at home. Please sign one copy to confirm the receipt and return it in the franked envelope no later
- . You are more than welcome to discuss the lay off with your local or labour union or call one of the lawyers in Labour Relations in case you have questions.
- · Please also receive this envelope containing:

 - a description of the AS3 outplacement program
 Information regarding an option to be contacted about internal and
 - external job positons
 - a list of contact persons
 an invitation to information meetings reg. Centre for Employee Support and AS3 outplacement

STORY AND ADDRESS OF THE STORY ADDRESS OF THE STORY

As annual or it is possible into the result of sold in radio or best in a long to day out with the last marks from sold at Market, The material for the layoffs, the sales/fees criteria and the names of the layoff face inter-

. Template termination letter UK

6. outplacement-material

Advice and support You have today the possibility to visit the

and support from:

- Your local union NGC/LASA/NAF/ U for Technician/Skilled workers unio Novo Nordisk social counsellors
- Psychologist

3. Closing the conversation/

Only if a selection has occurred:

- · We will when all terminations meeting in the department, who round is completed. You are we your colleagues, you are welcon . I would like you to come by ton
- we can meet and discuss the n discuss any questions you may

The conversation is over and the lay re

General tips

- · Prepare your answers as object
- . Speak slowly and look at the e



2. Lists of contacts



7. outplacement-addendum



3. Invitation to CES and outplacement meeting



A. Slide deck from training session



Preparing the managers

4. Guidance about personal information



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B. Speaking paper



C. Check list

Material sent to managers 1 week prior to the lay-offs

4) Planning the lay-offs

Master plan – all information regarding all employees involved 457 employees, 42 lay reps, 10 HR Lawyers, 392 managers, 5 locations, 41 meeting rooms



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1658-Area 2				1		1
1883-Area 3			8			8
430-Area 4					1	6
480-Area 5					12	251
562-Area 6				4	1	5
746-Area 7				13	1	14
336-Area 8					1	25
361-Area 9				9		9
906.01-Area 10	2				1	3
906.02-Area 11	9			11	2	22
911-Area 12				2		2
957-Area 13	1				1	2
325-Area 14			12			12
4715-Area 15				13		13
Grand Total	148	132	98	53	26	457
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Overall overview of areas and days

Overview of the day meeting by meeting – who is suppose to be where with whom

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Reception prepared



Meeting room requirements



Back-office to HR Lawyers



HR Lawyers to bring packages & overview



- Employee name
- Union Rep.
- Room

Content of each envelope







when leaving Novo Nordisk

have funded with its contribute to the problets for our last off employees to get on with their curvers or quickly as possible. In support the see all propers a filled book, where we collect the CVY of employees with what in the part of the book, the book will be marked both records in two bordet lowards will and externals bounds compared

writer corner, their cornert will be sale and 10 May 2015. Please ups attached address; of cornert and return it to Nove Northe along with your CV to

Centre for Employee Support

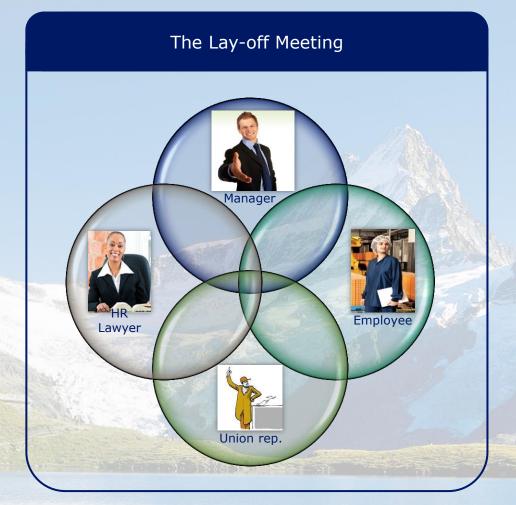


- Location
- Area
- Manager

- Start date in NN
- Seniority in years
- Legal notice in months
 - Seniority in months

NN severance in months

6) The lay-offs







7) Reflections

Feedback from:

- HR Business Partners
- Managers

- Local Unions
- HR Lawyers

Collaboration with Unions

Crisis Psychologist present

Training of managers

Back-office for HR Lawyers

1 central planner

HR Lawyer present during lay off meeting

Outplacement present

Invitation shortly before meeting

Daily status to upper management

Central communication

One negotiation track

Communication bottleneck

Roles/ownership of process

More outplacement people

No late change in meeting rooms

Protected employees

No outlook invitations

Non-affected departments

Need of 'go-to-lounge'

Too long time

Facilitation Report conducted for CEO



The outplacement company as a partner

- ✓ Individual cases
- ²⁰ ✓ Large scale lay-offs
- **Next step in employee** career
- ✓ Ambassador for Novo

■IPE ■Lab/Tech ■Manager ■Operators ■Skilled worker ■Prof. ■Adm.

Nordisk

- Outplacement company as a co-player
- ✓ Presence on the day
- ✓ "Follow you all the way"
- ✓ Not a Novo Nordisk person
- ✓ International flexibility
- ✓ Monthly follow up



