

# ARTICLES OF ASSOCIATION

for

KRAKS FOND

(CVR No. 48 95 30 18)

1. **NAME AND DOMICILE**

1.1 The name of the foundation is Kraks Fond.

1.2 The foundation's office and domicile are in Copenhagen Municipality.

2. **FOUNDING, MERGER WITH ANOTHER FOUNDATION AND THE SELLING OF KRAKS FORLAG**

2.1 In accordance with the decision of 27 January 1922 of the deceased publisher of Kraks Vejviser, Ove Holger Krak, and the surviving widow Else Cecilie Emilie Krak, born Nielsen, the foundation is, as stated in the will created and confirmed before a public notary, designated as being the above-mentioned Ove Krak's sole and exclusive heir, and as such, everything that Ove Krak's estate includes, namely the businesses and publishing houses owned solely by him or together with third parties, shall be passed on to the foundation which shall be entitled to continue to operate the above-mentioned companies under the company names used previously.

Those companies owned and managed by Ove Krak at the time of his death - in connection with third parties - were reported to be as follows: Kraks Forlag, Kraks Vejviser, Krak, Københavns Vejviser and Danmarks Handelsspejl.

2.2 As of 1 May 1992, the foundation was merged with Kraks Legats Fond for special personal support (original Danish name: Kraks Legats Fond for særlige personlige understøttelser) which was founded on 6 September 1967 by the governing board of Kraks Legat. Kraks Legats Fond for special personal support was dissolved in connection with the merger.

2.3 In June 2007, with the approval of the Foundations Authority, the foundation sold all shares in Kraks Forlag A/S. At this time, Kraks Forlag A/S managed the businesses and publishing houses previously owned and managed by Ove Krak.

3. **THE FOUNDATION'S PURPOSE AND ACTIVITIES**

3.1 The purpose of the foundation is

To manage the foundation as the sole beneficiary of Ove Krak's estate and its accrued assets and whatever may replace these, including via direct and indirect investments in real estate and businesses and companies that have business activities related to commerce, industry, services and/or real estate, and thus there shall be no limitations to the degree of the foundation's ownership of such businesses and companies.

To assist and support individuals, institutions or enterprises that - regardless of whether they are domiciled in Denmark or abroad - via their activities, as assessed by the governing board, work towards the benefit of Danish commerce and industry

To provide support to the widows of doctors who are in financial distress

To maintain the burial sites of Ove Krak and his spouse in good condition and

To provide support to the relatives of Ove Krak and Mrs Else Krak or to individuals who were close to the above-mentioned while they lived and to previous employees of Kraks Forlag A/S or their widows.

3.2 The foundation shall be entitled to exercise its commercial activities via one or more public limited companies or private limited companies.

#### 4. **THE COMPOSITION OF THE GOVERNING BOARD**

4.1 The foundation's governing board shall comprise of four appointed individuals, two of whom shall be appointed by the chairman of the Danish Chamber of Commerce, one shall be appointed by the chairmanship of the Confederation of Danish Industry, and one shall be appointed by the governing board of Kraks Fond. In addition, the governing board shall comprise of the members that might be elected under the provisions of the legislation concerning employees electing board members.

4.2 The following applies to all appointed members: If one of the four appointed members should cease to be a member, it is the appointing body which has appointed the leaving member that shall appoint the replacement. This implies the following:

1. If the member whose seat will be, or is, vacant has been appointed by the chairmanship of the Confederation of Danish Industry, the rest of the governing board shall contact the chairman of the Confederation of Danish Industry and request that the chairman of the Confederation of Danish Industry urges the board of the Confederation of Danish Industry to appoint a new member to the governing board of Kraks Fond.
2. If the member whose seat will be, or is, vacant has been appointed by the chairman of the Danish Chamber of Commerce, the rest of the governing board shall contact the chairman of the Danish Chamber of Commerce and request that the chairman of the Danish Chamber of Commerce appoints a new member to the governing board of Kraks Fond.
3. If the member whose seat will be, or is, vacant has been appointed by the governing board of Kraks Fond itself, Kraks Fond's governing board shall appoint a new member to Kraks Fond's governing board. The governing board shall not be authorised to appoint any individual who is associated with the Danish Chamber of Com-

merce or the Confederation of Danish Industry as a designated member of the organisation's management team or as an employee thereof. The new board member shall, as far as possible, be appointed by the governing board the year before the departing member steps down so that the departing member participates in the process.

- 4.3 Members appointed to the governing board shall be of good repute and shall have experience with the management of companies. Members of the governing board shall be of legal age and shall also comply with the usual requirements to legal competency. A member of the governing board shall not be permitted to work as a director of the foundation. In addition, the appointing organisations in question and the governing board of Kraks Fond respectively shall be free to appoint whom they wish and shall only be guided by what is deemed best in order to promote the foundation's purpose and interests.
- 4.4 Members of the governing board shall be appointed for five-year terms, and it shall be possible to be re-appointed. If a seat on the governing board should become vacant in the middle of an appointed member of the governing board's term, a new member of the governing board shall be appointed with a similar five-year term, and it shall also be possible to be re-appointed.
- 4.5 Appointed members of Kraks Fond's governing board shall step down from the board at the end of the month wherein the member in question reaches the age of 70. However, this shall not apply to the members of the foundation's governing board that were appointed to their position at the time of the expansion of the number of appointed from three to four - cf. the change to the foundation's charter of 26 August 1996.

5. **THE COMPOSITION OF THE GOVERNING BOARD, MEETINGS, DECISION-MAKING AUTHORITY, ETC.**

- 5.1 The governing board shall select a chairperson from among its members who shall manage the governing board's affairs and its ongoing activities.
- 5.2 The governing board shall be in quorum when over half of all its members - though at least three of the appointed members - are represented. Members of the governing board elected by employees shall not participate in the processing of questions that do not concern the foundation's commercial activities and neither shall they participate in the appointment of new members to the foundation's governing board. Neither shall those members of the governing board concerned, therefore, be counted when calculating whether the governing board is in quorum when the board is to decide on the above-mentioned issues.

- 5.3 Unless otherwise stated in these articles of association, the governing board shall make its decisions via a simple majority vote. In the event of a tied vote, the chairman's vote shall be the deciding vote.
- 5.4 The foundation's governing board shall only make, or contribute to, extraordinary arrangements that may result in non-compliance with these articles of association or the foundation's ceasing to exist if so authorised by the Foundations Authority.
- 5.5 The governing board shall assign the work among its members as it deems fit, and it shall itself manage all business procedures in accordance with the Danish Act on Commercial Foundations.
- 5.6 Minutes of the governing board's meetings and the decisions made at such meetings shall be kept and shall be signed by the participating members of the governing board and, if relevant, signed as read by any non-participating members. A copy of these minutes shall serve as complete evidence of what was decided at the meeting.
- 5.7 A member of the governing board shall neither be permitted to take part in the processing of questions concerning agreements between the foundation and himself/herself or legal proceedings involving himself/herself nor questions concerning agreements between the foundation and a third party or legal proceedings against third parties if the person in question has a significant interest that may be in conflict with the foundation.
- 5.8 The members of the governing board are entitled to remuneration for their work on the board. However, the total remuneration may not exceed what is deemed usual for the nature and scope of the work.

6. **EXECUTIVE BOARD**

- 6.1 The board may hire a director who shall then manage the day-to-day affairs of the foundation and the other tasks with which executive boards are charged under the relevant legislation. When carrying out his/her duties, the director shall follow the guidelines and instructions of the governing board, including adhering to the contract signed by the director.
- 6.2 The director shall be of legal age and shall also comply with the usual requirements to legal competency.
- 6.3 The director shall neither be permitted to take part in the processing of questions concerning agreements between the foundation and himself/herself or legal proceedings involving himself/herself nor questions concerning agreements between the foundation and a third party or legal proceedings against third parties if the director has a significant interest therein that may be in conflict with the foundation's interest.

7. **POWERS TO BIND THE COMPANY AND POWERS OF PROCURATION**

- 7.1 The foundation is legally bound by contracts signed on behalf of the foundation by the joint signatures of all members of the governing board or by the chairman together with the director or another member of the governing board.
- 7.2 The foundation's governing board shall be entitled to grant powers of procuration.

8. **BASE CAPITAL**

- 8.1 The foundation's base capital amounts to DKK 10,350,000.  
The capital has been fully paid up.
- 8.2 The base capital's funds shall be allocated in accordance with the provisions governing the allocation of the foundation's funds. Returns generated by the base capital are not included herein.
- 8.3 The governing board can decide to increase the amount of base capital in accordance with the legal framework governing such decisions.
- 8.4 The base capital may only be reduced with the consent of the Foundations Authority.

9. **ALLOCATION OF THE FOUNDATION'S ASSETS**

- 9.1 The board shall be responsible for making decisions on issues concerning the foundation in accordance with its purpose, the provisions of these articles of associations and the Danish Act on Commercial Foundations. With respect to the above, the governing board shall at all times be entitled to do as it deems best when it comes to managing the foundation's assets, including disposing of the foundation's direct or indirect ownership of all potential associated businesses, companies, real estate and securities and to allocate the foundation's funds, in whole or in part, as operational capital, loan capital and/or equity to businesses or companies.
- 9.2 The governing board shall be responsible for ensuring that the foundation's assets are at all times allocated responsibly and appropriately while taking into account both risks and the possibility of generating satisfactory returns.

10. **ALLOCATION OF PROFITS AND DISTRIBUTIONS**

- 10.1 The governing board can allocate reasonable provisions from the year's profits as it deems fit in order to consolidate the foundation, including for the purposes of ensuring to the greatest extent possible that the foundation will also in the future be able to fulfil its purpose and contribute to the continuing assistance and development of the wholly

or partly - directly or indirectly - owned businesses and companies or for the purposes of increasing the base capital. As such, the foundation shall, among other things, be entitled to use such provisions for these purposes.

10.2 The foundation's incomes shall be used by the governing board for various purposes beneficial to the community, including making distributions that fulfil the foundation's purpose. Under extraordinary circumstances, however, the governing board may decide that there should be fewer distributions or no distributions in a given year.

10.3 Distributions are made via the funds that can legally be used for distributions.

Before the distributions are made, any potential provisions for increasing the base capital or provisions for consolidation shall be deducted. In addition, any losses carried forward from previous years shall be deducted.

After deduction of provisions and distributions, the remaining profits are carried forward to the next financial year.

10.4 With respect to the limitations under these articles of association and the legal framework, the governing board is quite free to dispose of the amounts, and its decisions on such matters are final. Distributions related to the foundation's purpose may not be disproportionate to the foundation's funds and are subject to the oversight of the Foundations Authority.

## 11. **FISCAL YEAR, ANNUAL REPORT AND AUDIT**

11.1 The foundation's financial year is from 1 May to 30 April.

11.2 The foundation shall deliver an annual report in accordance with the legislation governing such.

11.3 The annual report shall be audited by one or more chartered accountants which shall be designated by the governing board at the annual report meeting for one year at a time.

## 12. **AMENDING THE ARTICLES OF ASSOCIATION**

Amendments and additions to these articles of association can only be adopted by the appointed members of the governing board's unanimous vote, cf. the articles of association 4.1(1), and with the consent of the Danish Department of Civil Affairs and the Foundations Authority's endorsement if such consent or endorsement respectively is required under the Danish Act on Commercial Foundations.

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These articles of association, which are an amendment of the original Charter for Kraks Fond, ratified by royal decree on 13 February 1924, with amendments ratified on 2 October 1940, 7 December 1948, 20 September 1955, 3 February 1961, 25 October 1962, 11 March 1964, 19 May 1967, 16 January 1987, 22 June 1987, 7 July 1988, 30 January 1989, 31 August 1989, 25 July 1990, 1 May 1992, 26 August 1996, 7 July 2001, 30 September 2008 (new domicile), 9 October 2008 (new articles of association) and 27 August 2015 (amended articles of association as part of adapting them to the new Danish Act on Commercial Foundations) have been adopted unanimously by the foundation's governing board.

The governing board:

Torben Qvist  
Chairman of the board

Michael Kjær

Poul Scheuer

Rikke Hvilshøj