THE FOUNDATION, ITS OBJECTS AND ACTIVITIES

1. The Foundation was established by Mrs Grete Lundbeck.


   On 20 September 1957 Mrs Lundbeck donated an additional DKK 250,000 shares in H. Lundbeck & Co. A/S to the Foundation.

   Since then, the capital of the Foundation has been increased by way of gifts made and property left by Mrs Lundbeck.

3. With effect from 1 January 1991, the Foundation merged with another foundation established by Mrs Lundbeck by the name of the GRETE OG HANS LUNDBECK'S LEGAT (foundation), the assets of which originate from gifts made and property left by the founder.

4. The Foundation is registered with the Danish Business Authority under business registration (CVR) no. 11 81 49 13.

   The Foundation is subject to the supervision and control of the Danish Business Authority.

5. As at 17 April 2018, the Foundation holds 69% of the share capital in H. LUNDBECK A/S, which was established in 1915 by the founder's spouse, Mr Hans Lundbeck, manufacturer.

6. The objects of H. LUNDBECK A/S are to carry on activities within the fields of research in and manufacture and sale of pharmaceuticals, chemicals and the like, and to engage in any other activities which, in the opinion of the Board of Trustees, are related thereto.

7. The objects for which the Foundation is established are, subject to the directions of the Board of Trustees,

   a) to consolidate and expand the activities of the LUNDBECK GROUP
   b) to make distributions to the purposes mentioned in article 6 of these Statutes.

8. In these Statutes the founder has left it to the Board of Trustees to decide which business activities the Foundation is to engage in, to what extent the assets of the Foundation are to be used for expanding the business activities or for portfolio investments, respectively, and to what extent distributions are to be made out of the Foundation's profit.

   Board of Trustees
THE STATUTES

The LUNDBECKFONDEN was established by statutes dated 4 March 1954.

The GRETE OG HANS LUNDBECK’S LEGAT (foundation) merged with the Foundation was established by statutes dated 26 October 1951.

The Statutes of the LUNDBECKFONDEN were adopted on 13 June 1991 by the Board of Trustees of each of the two merging foundations.

The Statutes were adopted in their present form by the Board of Trustees on 17 April 2018.
STATUTES OF THE "LUNDBECKFONDEN"

I NAME, FOUNDER, REGISTERED OFFICE AND OBJECTS

Article 1. The name of the Foundation is "LUNDBECKFONDEN".

Article 2. The Foundation was established by Mrs Grete Lundbeck, née Sterregaard.

With effect from 1 January 1991, the Foundation merged with the GRETE OG HANS LUNDBECK’S LEGAT (foundation), which was also established by Mrs Lundbeck.

At the time of the merger, the capital and reserves of the LUNDBECKFONDEN amounted to DKK 824,761,000 and the capital and reserves of the GRETE OG HANS LUNDBECK’S LEGAT (foundation) amounted to DKK 232,540,000.

Article 3. The registered office of the Foundation is situated in the City of Copenhagen.

Article 4. The objects for which the Foundation is established are, subject to the directions of the Board of Trustees,

a) to consolidate and expand the activities of the LUNDBECK GROUP

b) to make distributions for the purposes mentioned in article 6 of these Statutes.

II BUSINESS ACTIVITIES OF THE FOUNDATION

Article 5. The business activities of the Foundation include activities within the fields of research in and manufacture and sale of pharmaceuticals, chemicals and the like, as well as any other business activities in which the Board of Trustees may decide to engage.

III DISTRIBUTIONS OF THE FOUNDATION

Article 6. The distributable share of the Foundation's profits pursuant to article 14 hereof may be distributed for the following purposes:

a) The Foundation may make grants to descendants of the parents of the founder and her spouse.

The following persons have a right of priority:

I) The founder's sister, Mrs Ellen Arildslund
II) The founder’s niece, Mrs Henny Carlsen
III) The founder's niece, Mrs Birthe Christensen
IV) Mrs Birgit Petersen, née Carlsen
V) Mr Jan Carlsen
VI) Mrs Laila Fromm Poulsen
VII) Ms Else Wentorf

and their first generation descendants.
Grants will be in the form of a lump sum, for a fixed term or for life.

Grants made for a fixed period or for life will be disbursed in monthly payments at the end of each month.

The monthly payments which upon the founder’s death had been bestowed on any of the persons mentioned in article 6a) must be set aside from the annual profit of the Foundation before any other distributions are made.

The total annual payments under article 6a) to persons other than the persons mentioned in paras I-VII above are subject to a maximum of 8% of the annual profit before tax less retained earnings in subsidiaries and associates, including LFI a/s. To keep within this maximum, a proportionate reduction must be effected in the year concerned, if necessary; always provided, however, that payments promised to others than the seven persons mentioned in paras I-VII above on the death of the founder must be set aside from the said 8% before any other distributions are made.

b) The Foundation may provide financial support to and otherwise make distributions for the benefit of existing and former employees of the LUNDBECK GROUP, including for training and education, for holidays and for holiday purposes. In so far as there is no need in each individual case to make distributions at any other time of the year, such distributions will only be made once a year on 20 July, which is the birthday of the deceased Mr Hans Lundbeck, manufacturer.

c) The Foundation may grant honorary awards to physicians, scientists and others.

d) The Foundation may grant support to scientific purposes, primarily for specific projects.

e) The Foundation may support special research projects within the LUNDBECK GROUP.

f) The Foundation may grant support to hospitals and for diseases prevention.

g) The Foundation may provide support to training and education in the widest sense of the word, if relevant by way of interest-free loans.

h) The Foundation may make grants to nurses.

i) The Foundation may distribute up to 3% of the profit for the year before tax less retained earnings in subsidiaries and associates, including LFI a/s, for the support of old and/or sick people as well as those in need.

j) The Foundation may support other purposes as decided by the Board of Trustees. However, support to such purposes may only account for 25% of the total annual distributions of each calendar year.

Article 7. The Board of Trustees of the Foundation is not obliged to give any of the distribution purposes stated in article 6 priority over others.
Article 8. Grants may be made with or without prior application.

IV  CAPITAL OF THE FOUNDATION

Article 9. The capital base of the Foundation amounts to DKK 3,109,000,000 (three billion one hundred and nine million Danish kroner).

Article 10. The assets of the Foundation may be invested, and reinvested, in shares in H. LUNDBECK A/S or other shares, in bonds, mortgage deeds, real property and other sound investment objects at the discretion of the Board of Trustees.

Article 11. The Board of Trustees of the Foundation may sell the Foundation's interests in the LUNDBECK GROUP in whole or in part if, in the opinion of the Board of Trustees, this will be in the best interests of the Group.

Article 12. All cash payments received by the Foundation must be immediately deposited into a bank account in the name of the Foundation.

Article 13. The Board of Trustees is entitled to exercise the right to vote attaching to the shares of the Foundation.

V  PROFIT OF THE FOUNDATION

Article 14. No less than 20% of the profit of the Foundation before tax less retained earnings in subsidiaries and associates, including LFI a/s, must be transferred to the capital base.

In addition, the Board of Trustees must decide within the legislative framework in force from time to time how to distribute the profit of the Foundation, including to which extent distributions are to be made from the Foundation in accordance with the provisions of part III.

In connection with the distribution of the profit of the Foundation, the Board of Trustees must ensure that the required capital is available for consolidation and growth of the business activities of the Foundation according to commercially sound principles.

VI  MANAGEMENT OF THE FOUNDATION

Article 15. The Foundation is managed by a Board of Trustees consisting of 6-8 members in addition to any members elected pursuant to section 64 of the Danish Act on Commercial Foundations (lov om erhvervsdrivende fonde).

At least one of the members of the Board of Trustees must be a lawyer or a prominent personality within trade or industry, within the Danish medical profession or within medical research.

The Board of Trustees must elect a chairman and a vice-chairman from among its own number.
Article 16. The Board of Trustees has the power to co-opt members. Ordinary elections are held at the financial statements meeting. However, the members of the Board of Trustees who are elected by the employees do not participate in the election,

Members of the Board of Trustees are elected for terms of one year, i.e. for the period until the next financial statements meeting, and are eligible for re-election. However, any person who has been a member of the Board of Trustees for more than a total of 12 years or who has attained the age of 75 will not be eligible for election or re-election. If necessary, exceptions may be made to this rule to provide the desired competence profile of the Board of Trustees.

Article 17. The members of the Board of Trustees may not be related by blood or marriage or be financially inter-dependent.

Persons who as self-employed traders or by virtue of their affiliation to a company may be considered direct or indirect competitors of H. Lundbeck A/S and/or group companies may not be members of the Board of Trustees of the Foundation as long as the Foundation holds shares in one of these companies. The other members of the Board of Trustees may grant exemption from this provision by unanimous resolution.

Article 18. The Board of Trustees must meet at least twice every year.

The Board of Trustees forms a quorum when at least two-thirds of its members, including the chairman or the vice-chairman, are present.

Resolutions by the Board of Trustees are passed by a simple majority of votes. In case of equality of votes, the chairman, or in his absence the vice-chairman, will have a casting vote.

In the chairman’s absence, the vice-chairman must assume the duties of the chairman.

Minutes of the proceedings at board meetings must be recorded in a minute book to be signed by all members present.

Article 19. The Board of Trustees must lay down its own rules of procedure.

Article 20. As long as the Foundation holds shares in H. Lundbeck A/S and/or group companies, it must to the extent possible be represented on the boards of the companies concerned.

Article 21. The members of the Board of Trustees are entitled to a fee for their work which in the aggregate is subject to a maximum of 8% of the past three years’ average gross income less retained earnings in subsidiaries and associates, including LFI a/s. The fee is determined for one year at a time based on the nature and scope of the work.

If a member retires after having attained the age of 65, such member may be granted a pension for one year at a time.

It is a condition for receiving the pension that the person concerned is prepared to make his/her experience available to the Board of Trustees if requested. Similarly, if a member of the Board of Trustees dies, the Board of Trustees of the Foundation may grant a pension to any surviving
spouse. The same provision also applies in the event that the member in question has retired from the Board of Trustees.

**Article 22.** Any employee representatives on the Board of Trustees pursuant to section 64 of the Act on Commercial Foundations may only participate in the transaction of business pertaining to the business activities of the Foundation. Their fees must be determined on the basis of the nature and scope of their work.

**Article 23.** The Board of Trustees must employ a chief executive officer.

**Article 24.** The Foundation is bound by the joint signatures of the chairman and vice-chairman, or by the joint signatures of the chairman and the chief executive officer, or by the joint signatures of the vice-chairman and the chief executive officer, or by the joint signatures of the entire Board of Trustees.

**VII ANNUAL REPORT AND AUDIT**

**Article 25.** The financial year of the Foundation is the calendar year.

**Article 26.** The annual report must be audited by one or two state-authorised public accountants appointed by the Board of Trustees for terms of one year.

**Article 27.** The audited annual report must be presented at the financial statements meeting of the Board of Trustees to be held as soon as possible and within five months of the end of the financial year. At the financial statements meeting, the Board of Trustees must also decide on the appointment of auditor(s), see article 26 above.

As adopted by the Board of Trustees on 17 April 2018.

Board of Trustees:

Jørgen Huno Rasmussen  Steffen Kragh  Lars Holmqvist

Michael Kjær  Susanne Krüger Kjær  Gunhild Waldemar

Peter Schütze  Vagn Flink Møller Pedersen  Ludovic Otterbein

Peter Adler Würtzen  Henrik Villsen Andersen