

## THE FOUNDATION, ITS OBJECTS AND ACTIVITIES

1. The Foundation was established by Grete Lundbeck.
2. In 1956, to mark the 40th anniversary of H. Lundbeck & Co., the Foundation received DKK 250,000 shares in H. Lundbeck & Co. A/S from H. Lundbeck & Co., Kemisk Pharmaceutisk Laboratorium A/S (KEFALAS A/S) in memory of the founder of the company, Hans Lundbeck, manufacturer.

On 20 September 1957, Grete 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 Grete Lundbeck.

3. With effect from 1 January 1991, the Foundation merged with another foundation established by Grete Lundbeck, 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, CVR no. 11 81 49 13.

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

5. As at 23 April 2020, the Foundation holds 69% of the share capital in H. LUNDBECK A/S, which was established in 1915 by the founder's spouse, 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 Directors, are related to this.
7. The objects for which the Foundation is established are, subject to the directions of the Board of Directors,
  - a) to consolidate and expand the activities of the LUNDBECK GROUP
  - b) to make distributions to the purposes set out in article 6 of these Statutes.
8. In these Statutes the founder has left it to the Board of Directors to decide in which business activities the Foundation is to engage, the extent to which the assets of the Foundation are to be used for expanding business activities or for portfolio investments, respectively, and the extent to which the Foundation's profit is to be distributed.

Board of Directors

## 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 Boards of Directors of the two merging foundations.

The Statutes were adopted in their present form by the Board of Directors on 23 April 2020.

## STATUTES OF THE "LUNDBECKFONDEN"

### I NAME, FOUNDER, REGISTERED OFFICE AND OBJECTS

1. The name of the Foundation is "LUNDBECKFONDEN"
2. The Foundation was established by 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 Grete 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.

3. The registered office of the Foundation is situated in the City of Copenhagen.
4. The objects for which the Foundation is established are, subject to the directions of the Board of Directors,
  - a) to consolidate and expand the activities of the LUNDBECK GROUP
  - b) to make distributions for the purposes set out in article 6 of these Statutes.

### II BUSINESS ACTIVITIES OF THE FOUNDATION

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 Directors may decide to engage.

### III DISTRIBUTIONS OF THE FOUNDATION

6. The distributable part of the Foundation's profits pursuant to article 14 may be distributed for the following purposes:
  - a) The Foundation may award grants to descendants of the parents of the founder or 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, nee Carlsen
- V) Jan Carlsen
- VI) Mrs Laila Fromm Poulsen
- VII) Ms Else Wentorf

and their first generation descendants.

Grants may be disbursed in the form of a lump sum, for a fixed term or for life.

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

The monthly payments that were bestowed on any of the persons set out in article 6a) at the time of the founder's passing away must be set aside from the annual profit of the Foundation in advance of any other distributions being 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 profits from 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 at the time of the founder's passing away to others than the seven persons set out in paras I- VII above 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 be made once a year on 20 July, the birthday of the deceased Hans Lundbeck, manufacturer.
  - c) The Foundation may grant honorary awards to physicians, scientists and others.
  - d) The Foundation may grant support for 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 disease control.
  - g) The Foundation may support 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 profits from 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 Directors. However, support for such purposes may account for a maximum of 25% of the total annual distributions of each calendar year.
7. The Board of Directors of the Foundation is not obligated to give any of the distribution purposes set out in article 6 priority over others.

8. Grants may be awarded with or without prior application.

#### IV FOUNDATION CAPITAL

9. The capital base of the Foundation amounts to DKK 3,236,000,000 (three billion two hundred and thirty-six million Danish kroner).
10. The assets of the Foundation may be invested, and reinvested, in shares in H. LUNDBECK A/S or other shares, in bonds, mortgages, real estate and other sound investment objects at the discretion of the Board of Directors.
11. The Board of Directors of the Foundation may sell the Foundation's holdings in the LUNDBECK GROUP in whole or in part if, in the opinion of the Board of Directors, this will be in the best interest of the Group.
12. All cash payments received by the Foundation must be deposited immediately into a bank account in the name of the Foundation.
13. The Board of Directors exercises the voting rights attached to the Foundation shares.

#### V PROFIT OF THE FOUNDATION

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

Beyond that, the Board of Directors will decide within the applicable legislative framework 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 Directors 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 FOUNDATION GOVERNANCE

15. The Foundation is managed by a Board of Directors comprised by six to eight 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 Directors must be a lawyer or a prominent personality within trade or industry, within the Danish medical profession or within medical research.

The Board of Directors must elect a chairman and a vice-chairman from among its own numbers.

16. The Board of Directors has the power to co-opt members. Ordinary elections are held at the financial statements meeting. However, the members of the Board of Directors who are elected by the employees are not up for that election.

Members of the Board of Directors 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 Directors 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, to provide the desired competence profile of the Board of Directors, the Board may resolve to deviate from the provision in the preceding sentence.

17. The members of the Board of Directors 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 Directors of the Foundation as long as the Foundation holds shares in one of these companies. The other members of the Board of Directors may grant exemption from this provision by unanimous resolution.

18. The Board of Directors will meet at least twice every year.

The Board of Directors 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 Directors are passed by a simple majority of votes. In the event of equality of votes, the chairman, or in his absence the vice-chairman, has the casting vote.

In the chairman's absence, the vice-chairman will 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.

19. The Board of Directors will lay down its own rules of procedure.

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 relevant companies.

21. The members of the Board of Directors 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 profits in subsidiaries and associates, including LFI a/s. Their fees are determined with a view to the nature and scope of their 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 Directors, if requested. Similarly, if a member of the Board of Directors passes away, the Board of Directors of

the Foundation may grant a pension to any surviving spouse. The latter provision also applies in the event that the deceased member in question had retired from the Board of Directors.

22. For any employee representatives on the Board of Directors pursuant to s. 64 of the Commercial Foundations Act, participation is limited to issues pertaining to the business activities of the Foundation. Their fees are determined with a view to the nature and scope of their work.
23. The Board of Directors employ a chief executive officer.
24. The Foundation is bound by the joint signatures of the chairman and the 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 all members of the Board of Directors.

## VII ANNUAL REPORT AND AUDIT

25. The financial year of the Foundation is the calendar year.
26. The annual report is audited by one or two state-authorized public accountants appointed by the Board of Directors for terms of one year.
27. The audited annual report must be presented at the financial statements meeting of the Board of Directors 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 Directors must also decide on the appointment of auditor(s), see article 26 above.

As adopted by the Board of Directors on 23 April 2020.

Board of Directors:

Steffen Kragh	Peter Schütze	Svend Andersen
Lars Holmqvist	Michael Kjær	Susanne Krüger Kjær
Gunhild Waldemar	Vagn Flink Møller Pedersen	Ludovic Otterbein
Peter Adler Würtzen	Henrik Villsen Andersen	