



TRUST DEED
for
VILLUM FONDEN

established on 21 December 1971 by Villum Kann Rasmussen, MSc (Engineering)

- 1) The name of the Foundation is VILLUM FONDEN (during the years 1971 – 1981 the name was VELUX FONDEN and during the years 1981 – 2009 the name was VILLUM KANN RASMUSSEN FONDEN).

As secondary name the Foundation uses the name VILLUM KANN RASMUSSEN FONDEN (VILLUM FONDEN).

The domicile of the Foundation is Gladsaxe Municipality, Denmark. The object of the Foundation is to promote a number of purposes beneficial to society and thereby continue the founder's activities.

- (2) The Foundation has been established with a base capital consisting of shares at a nominal value of DKK 4,500,000 B shares in V. Kann Rasmussen Holding A/S (now VKR Holding A/S), which derive from a gift from the founder, Villum Kann Rasmussen, MSc (Engineering).

The base capital can be increased by such other capital effects as the founder or others might grant to the Foundation at a later time.

The capital of the Foundation shall be invested:

Primarily

- (i) in shares in VKR Holding A/S or affiliated companies, as the Foundation in such a case shall be able to acquire more shares in the companies mentioned.

Secondarily

- (ii) in other securities according to the rules that apply to investment of the Foundation funds.

The Foundation funds shall be placed in a trust department approved by the Danish Ministry of Justice.

To the extent possible, the securities of the Foundation shall be registered in the name of the Foundation. In addition to the base capital, the funds of the Foundation comprise any such increases as the board of trustees might decide to transfer to a reserve fund out of the annual yield, as when managing the trust funds, the board of trustees must always ascertain that the financial basis for the continued existence of VKR Holding A/S and its affiliated companies is sound from a business point of view and financially.

In future, no part of the Foundation funds or the return on their investment must be paid out, lent or reversed to the founder, his wife or to children taxed jointly with the founder.

- (3) According to a specific provision of the board of trustees, the net earnings of the Foundation shall be applied as follows:

- (i) Possible appropriation to reserves to maintain the value of the base capital as in this way the board of trustees takes into account the development and consolidation of VKR Holding A/S.

- (ii) Every year on 23 January, the Foundation shall grant an award, preferably to a Danish researcher, for valuable achievement within the technical and natural science fields in Denmark. The award shall be granted for the first time on 23 January 1987. The name shall be the "Villum Kann Rasmussen Annual Award in Science and Technology".

The following terms and conditions shall apply to the granting of the annual award:

- (a) The annual award shall amount to not less than one million Danish Kroner annually, but subject to the board of trustees' decision it may be increased.
- (b) Normally, the award shall be granted to one person, but if particular conditions make it desirable, it may be divided into as many as two portions, which need not be equal in size. No portion shall be less than five hundred thousand Danish Kroner.
- (c) The board of trustees are entitled to refrain from granting the award in individual years.
- (d) The granting of the annual award shall be determined by the board of trustees upon recommendation from a committee of three members, who are experts within technical and natural science research, appointed by the board of trustees. As part of the selection procedure the committee shall acquire a statement (peer review) from an international, acknowledged, Danish or foreign, highly qualified researcher within the research field of the nominated award candidate to substantiate the candidate's work. The nomination committee members may be members of the committee for a maximum of 6 years, and by determining the individual member's membership period, the board of trustees shall thus attend to the continuity of the nomination committee.
- (e) The award can be granted wholly or partly as an acknowledgement of already completed research work or partly as financial support for ongoing research work.
- (f) The nomination shall be submitted to the Foundation Secretariat not later than at the end of the month of October, and then at a meeting in November or December the board of trustees shall make the final decision with regard to granting the award, and if so decide the size and distribution of the award.

All involved shall keep absolutely secret about the nomination and decision until the official award ceremony, particularly in relation to the press.

- (g) The annual granting of the annual award shall take place on 23 January, or, if this date is a Saturday or a Sunday, on the day immediately before or after this date. Each year, the board of trustees shall determine where the award ceremony of the annual award is to take place.

At the ceremony the Foundation shall be represented by its chairman (possibly its deputy chairman) and other members of the board of trustees. The persons who are also to attend the ceremony (including members of the press) shall be invited by the Foundation or by the institution where the award takes place.

Possible minor expenses in connection with the award ceremony shall be defrayed by the Foundation.

- (h) The words "technical and natural science research" shall be understood in their widest sense and comprise any research of a technical and natural science nature, including basic research, undertaken in the public sector or wholly or partly in the private sector.
 - (i) The amounts stated under (a) – (b) shall be determined by the board of trustees in connection with the annual nomination being transacted, taking into consideration the development that has taken place since the award was granted the first time in January 1987.
 - (j) After seven years of granting awards from the first award in January 1987, the board of trustees shall consider whether these awards are to be discontinued or are to continue for a further 7 years. The resolution to continue requires all members of the board of trustees to vote in favour. Every seventh year the question whether to continue shall be determined in exactly the same way.
- (iii) The Foundation shall be entitled to award honorary gifts to individuals or to small groups in Denmark or abroad, who have made an artistic, scientific or practical contribution to understanding the value and significance of daylight and its practical use in everyday life, or a similar contribution in relation to industrially manufactured building components.
- (iv) The Foundation shall be entitled to grant support for individual, specific, clearly defined, major tasks to promote scientific, artistic, cultural, societal and environmental purposes, primarily for the benefit of Denmark and the Danish people.

For such support the following special terms and conditions shall apply:

- a) The board of trustees shall in general obtain a statement from independent, neutral experts for guidance when evaluating the task, drafting possible commitments and when planning and controlling the realisation of the task.
 - b) Only exceptionally may the support stretch over more than 6 years. Awarded amounts that have not been spent at the end of the year shall be entered as debt in the financial statements of the Foundation in the usual way.
 - c) To an unessential degree only, support for such major tasks may be used to cover current operating expenses.
 - d) The board of trustees shall consider a case of this nature at not less than two meetings at an interval of at least 4 weeks between the meetings: A first meeting where the case is presented, and another meeting where, based on an expert statement, the case is resolved. Resolution requires a two-third majority.
- (v) Also in special cases shall the Foundation be entitled to grant support of any kind to persons who, for a fair number of years, are or have been employed in VKR Holding A/S or affiliated companies in Denmark and abroad, or who, in any other way, have or have had

relations to the founder or to the companies and businesses established by him over the years. However, according to this provision a maximum of 20 per cent at most must be granted annually out of the amount available for awards, and a maximum of half of the dividend the Foundation has received from the shares that have been transferred as the base capital of the Foundation, cf. article 2 of the trust deed.

- (vi) Part of the annual earnings can be transferred and be available for subsequent years' appropriation of reserves and awards.

The trustees are the sole decision-makers with regard to candidates to be considered for awards out of the Foundation funds and to what extent funds can be made available for the different purposes, and nobody can claim support from the Foundation in a court of law. In the same way, the board of trustees shall decide whether to announce by advertising or in any other way that support may be granted out of the Foundation funds and in each individual case the board of trustees shall fix the time when the funds are to be awarded.

With a two-third majority the total board of trustees can determine that the Foundation shall be entitled to transfer its annual earnings wholly or partly to VELUX FONDEN. In case of such a resolution the board of trustees can transfer the entire annual yield, solely with the exception of the amount or amounts that the board wants reserved to comply with the other purposes laid down in the trust deed. The Foundation shall be entitled to establish one or more new foundations.

- (4) The Foundation shall be managed by a board of trustees of six members appointed in accordance with the trust deed provisions. All members must be persons of full legal capacity, of good character, trustworthy and mature. At least half of them must be resident in Denmark.

Not less than four members must be business experts just as, at all times, the board must comprise

- partly a member who is a descendent of the founder, Villum Kann Rasmussen, and who will be able to succeed him, and
- partly a member, who is or for a number of years has been employed in VKR Holding A/S or in one or several of the companies owned by VKR Holding A/S.

Not more than two members of the board of trustees shall also be entitled to be on the board of directors or the executive board of VKR Holding A/S or affiliated companies.

Irrespective of the above, at the time when this trust deed becomes effective, the members of the board of trustees of the Foundation are:

1. Aa. Kann Rasmussen, MSc (Engineering)
2. Jens Kaastrup-Olsen, Executive Director
3. Carl Tjur, Supreme Court Attorney
4. S. Kamman, MSc (Engineering)
5. V. Kann Rasmussen, MSc (Engineering)

Every year one of the members of the board of trustees listed in the above order is up for re-election, as the sixth member of the board of directors, however, also enters into the order as number 6. Re-election can take place with at least four out of the other board members' five votes, as the member up for re-election is not entitled to vote. After a 10-year term, or after attaining the age of 75 years, the member shall resign from the board of trustees at the next annual meeting. However, in case of descendents of the founder, Villum Kann Rasmussen, the board of trustees can extend the 10-year term mentioned by up to 5 years. A newly appointed member of the board of trustees shall assume his predecessor's number in relation to the time for re-election. In the event a member of the board of trustees resigns, a new sixth member shall be appointed by the other five trustees with not less than four votes. The resigning trustee shall be entitled to propose his successor.

Provided 5 of the members appointed to the board of trustees agree, they shall be entitled to demand that the sixth member, even though it may be the chairman, shall resign. Such a demand may be made without the resigning trustee being entitled to be given a reason.

Immediately after each re-election or new election, the board of trustees shall elect from among themselves a chairman and a deputy chairman by simple majority.

Irrespective of the above provisions the founder shall be a member of and the chairman of the board of trustees for as long as he may wish.

The founder's descendents of full legal capacity shall be entitled to appoint a representative from among themselves, who shall be entitled to attend the meetings of the board of trustees as an observer and shall therefore be summoned to the meetings by the board of trustees.

- (5) The board of trustees of the Foundation shall represent the Foundation in every respect, and the board is under an obligation to supervise all that the Foundation is subjected to, safeguard the interests of the Foundation and make sure this present trust deed is adhered to.

The board of trustees forms a quorum when a majority of all of its members are present, and resolutions are made by simple majority, however, resolutions that involve long-term and binding appropriations of the Foundation funds require a majority of at least two-thirds of the votes. In case of parity of votes, the chairman or in his absence the deputy chairman shall have the casting vote. Voting for election to the board is subject to the provisions laid down in article 4.

The Foundation is liable to a third party by the joint signatures of the chairman and a trustee or an executive officer or by the joint signatures of the deputy chairman and a trustee or an executive officer.

To the extent the shareholding in VKR Holding A/S of the Foundation makes it possible, the board of trustees is under an obligation at any time to safeguard that this company has an active board of directors that manages and controls the company efficiently, so that its and its subsidiaries' viability and competitiveness are maintained and developed, and so that the companies are expanded to a reasonable extent permitting the conditions that exist at any time, but still safeguards that the level of activity is adapted to the available equity and to the conditions and future prospects at hand.

Every year, the board of trustees shall assess whether the financial development of VKR Holding A/S and its subsidiaries has been satisfactory in such a way that the capital of the Foundation may still be considered invested in a sound and creditworthy company where the real value of the capital is maintained and enhanced.

The evaluation shall be made on the basis of the company's financial statements, the consolidated financial statements for VKR Holding A/S and its subsidiaries, the Directors' report, the auditor's report and the budget for the coming year as well as the report from the auditor of the Foundation, cf. article 9 (3).

To determine whether the financial development has been satisfactory, it is necessary partly to evaluate the company's total earnings compared to the capital invested at any time together with the normal earnings capacity of the business community, and partly evaluate whether the companies' financing still rests on a sound basis.

The board of trustees shall enter the minutes of its negotiations in a minute book in which all resolutions of importance are recorded.

- (6) The board of trustees of the Foundation shall be entitled to employ the staff required to conduct the day-to-day business of the Foundation, and the board shall determine the remuneration to be paid for such work. If the board of trustees of the Foundation does not have a practicing lawyer as a member, the board must make arrangements with a practicing lawyer to act as secretary to the board of trustees.
- (7) At the first meeting each year, the board of trustees of the Foundation shall fix its remuneration for the previous year. This may be increased in relation to the depreciation of the money, and if the work load in certain years should increase above what is normal, the remuneration may be increased to what is deemed proper. In connection with special tasks the individual trustees shall be entitled to receive a special fee in addition to the normal remuneration.
- (8) The financial year of the Foundation shall be the calendar year.

At the end of each financial year, complete financial statements shall be prepared showing the profit and loss account as well as the balance sheet of the Foundation.

The annual financial statements shall be prepared within 4 months after the financial year ends, and the statements shall then be adopted by the board of trustees within the next 2 months, i.e. before 1 July.

The meeting of the board of trustees when the financial statements are adopted is called the annual meeting.

- (9) The financial statements shall be audited by a state-authorized public accountant, who is appointed by the board of trustees for one year at a time, and not an accountant in VKR Holding A/S or in affiliated companies.

The auditor of the Foundation is responsible for ensuring that the provisions of the trust deed including article 5 (4) are adhered to, which must be set out in his report to the financial statement.

In case the auditor has to enter a statement indicating that the provisions of the trust deed have not been observed, the board of trustees of the Foundation is under an obligation to consider the matter and inform the auditor about its decision in writing within 3 months.

Moreover, for the benefit of the board of trustees the auditor of the Foundation shall prepare a report in which he must assess the financial development of VKR Holding A/S and affiliated companies and state directly whether, based on his expert, general accounting opinion and in view of the present conditions, he considers the total earnings of the companies satisfactory. Moreover, he must express a direct opinion whether he considers the group's capital has been retained and whether the companies' creditworthiness all in all has been impaired.

In the event the auditor's report on the financial development etc. concludes that the financial development has not been satisfactory, the board of trustees of the Foundation is under an obligation to consider the matter accordingly.

- (10) Changes to or additions to this trust deed can be made provided they are passed by a two-third majority of the total number of trustees of the Foundation at two meetings at an interval of not less than 2 weeks.

In the event the Foundation is dissolved, the funds of the Foundation shall be applied in accordance with the objects of the Foundation.

Resolutions about significant amendments to the articles of association of VKR Holding A/S shall be adopted by the board of trustees of the Foundation.

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This trust deed was adopted on 21 December 1971 with amendments adopted at the board of trustees meetings on 3 June 1981, 21 June 1982, 21 December 1986, 21 December 1988, 6 June 1989, 22 June 1992, 2 April 1997, 1 November 2000, 21 December 2002, 21 December 2004, 26 August 2008, 21 December 2009, 8 May 2012 and 14 March 2017.

VILLUM FONDEN

Søborg, 14 March 2017

On the board:

Signatures:

Jens Kann-Rasmussen
Chairman

Steen Riisgaard
Deputy Chairman

Peter Landrock

Bjarne Gråbæk Thomsen

Anja Boisen

Eva Zeuthen Bentsen

Christian Gregersen
Legal Secretary of the Foundation

This is to certify that the above document is a true and faithful translation of the attached transcript in the Danish language produced to me for translation.

In witness whereof I have hereunder set my hand and affixed my Seal of Office this 16 March 2017.



Hanne B. Hansen
Official Translator and Interpreter
Pennehave 3G, 2960 Rungsted Kyst, Denmark

