

## **RULES OF PROCEDURE FOR THE BOARD OF DIRECTORS**

### Article 1

#### **BOARD MEETINGS**

1.1 Immediately upon the conclusion of the Annual General Meeting (AGM) or an extraordinary general meeting at which changes are made to the composition of the Board of Directors, the Board of Directors shall hold a constituting meeting at which the Chair shall be elected.

1.2 The Board shall hold meetings when a Board member or the chief executive so requests in order to discuss a specific matter. A request to this effect shall be made in writing to the Chair and shall be accompanied by a statement describing the circumstances of the matter.

1.3 As far as possible, the next meeting shall be scheduled at each board meeting.

### Article 2

#### **CONVENING OF BOARD MEETINGS**

2.1 The Chair shall convene meetings in writing with a notice period of no less than 8 days. This notice period may be shortened if special circumstances warrant.

2.2 The invitation to a meeting shall be accompanied by the agenda for the meeting and a copy of the written material necessary to discuss each matter.

2.3 Moreover, the invitation shall, as far as possible, provide members with details of the matters to be discussed.

### Article 3

#### **CHAIRING OF BOARD MEETINGS AND QUORUM**

3.1 Meetings shall be chaired by the Chair. Meetings shall be held in Copenhagen unless otherwise stated.

3.2 If a board member cannot attend a board meeting, he/she shall be entitled to be represented by an alternate elected at the AGM or by a proxy given to another board member.

3.3 When a meeting is convened in accordance with the provisions of Article 2, attendance by two thirds of members constitutes a quorum.

3.4 In other cases, the Board has quorum when all voting members are in attendance – or are represented by an alternate or an attending member – and when they all consent.

3.5 Board members – and other persons attending – shall have a duty to inform the Board immediately of any matter that may give rise to a disqualification.

3.6 Matters discussed by the Board shall be resolved by a simple majority of the votes cast. In case of a tie, the chair shall cast a deciding vote.

#### Article 4

##### **MINUTES**

4.1 The chair shall ensure that minutes are kept of the Board's discussions and resolutions.

4.2 The minutes shall contain the following details:

- 1) the name of the Chair,
- 2) the names of the members attending, and
- 3) the agenda, including the discussions and resolutions adopted accordingly for each individual point on the agenda.

4.3 A copy of the minutes shall be sent to all board members as soon as possible and no later than 14 days after the date of the meeting.

4.4 All members attending shall sign the minutes to confirm that they approve the minutes.

4.5 Any members not attending a minuted meeting and executives shall state in the minutes that they have familiarised themselves with their content.

#### Article 5

##### **COMPANY MANAGEMENT**

5.1 The Board shall direct the company's operations and ensure the proper organisation thereof.

5.2 The Board shall draw up the guidelines and instructions applicable to executives, ensuring that executives properly comply with said guidelines and instructions.

5.3 Each board member may request all information necessary for the fulfilment of his/her duties. This entitlement shall include the right to inspect the company's books and verify the existence of the company's assets.

5.4 The Board shall appoint and dismiss the company's chief executive.

5.5 The board members are appointed to the Board of Directors for a term of 1 year.

## Article 6

### **POWERS TO ADOPT RESOLUTIONS**

6.1 The Board shall discuss and adopt resolutions in all matters deemed to be of an unusual nature and scope relative to the company's circumstances.

6.2 The following circumstances shall in particular be subject to the Board's approval:

- A) Approval of the budget for the upcoming fiscal year. This approval must be made prior to the end of the previous (current) fiscal year.
- B) Changes in the company's business policies.
- C) Investment in or sale of assets involving sums exceeding DKK 100,000.
- D) Initiation of new operations or limitation of previous operations.

## Article 7

### **PARTICIPATION BY EXECUTIVES IN BOARD MEETINGS**

7.1 At each board meeting, executives shall report on the company's operations since the last board meeting.

7.2 Executives shall in addition submit interim accounts and budgets that may have been requested by the Board.

7.3 Executives shall furthermore inform the Board of Directors of any unusual or extraordinary circumstances and shall answer any questions raised by members of the Board of Directors.

## Article 8

### **FINANCIAL STATEMENTS**

8.1 Executives shall draw up draft financial statements and shall present them for auditing in time for audited statements to be submitted to the Board within two months of the end of the fiscal year.

8.2 The Board shall then discuss these financial statements in a board meeting, ensuring that they have been prepared in accordance with the Articles of Association and applicable legislation.

8.3 The Board shall prepare the annual report during this meeting and shall make a decision on its recommendation to the AGM regarding the application of profits or coverage for losses in accordance with the annual financial statements.

8.4 Members shall then sign the financial statements and annual report.

#### Article 9

### **PARTICIPATION BY THE AUDITOR IN BOARD MEETINGS**

9.1 Any member of the Board may request that the auditor participate in the board meeting convened to discuss financial statements so that he or she may comment on whether the financial statements and annual report, in his or her view, contain the information necessary to assess the company's financial position.

#### Article 10

### **MINUTES**

10.1 The chair shall ensure the presence at every board meeting of the minutes of company meetings, the audit report.

10.2 By signing any of the above, each Board member shall confirm to have acquainted him/herself with each addition thereto and shall at all times be entitled to inspect these minutes/reports/books.

#### Article 11

### **CONFIDENTIALITY**

11.1 Members of the Board shall have a duty to keep confidential any information to which they become privy in their role as Board member, unless such information is intended or statutorily stipulated to be shared publicly without any restriction.

11.2 If a member resigns his/her post on the Board, he/she shall immediately return all confidential materials he/she may possess, as well as any copies thereof, to the Board Chair.