

## **STATUTES for KR Foundation**

### ***Translation***

#### **Section 1 Name and registered office**

The name of the Foundation is “KR Fonden”.

The Foundation has been established by VILLUM FONDEN and the descendants of civil engineer Villum Kann Rasmussen as a non-profit foundation with the purposes set out herein.

The registered office of the Foundation is in the municipality of Copenhagen.

When the Foundation acts internationally, it shall use "KR Foundation" as the English translation of its Danish name.

The Foundation may establish representative offices or branches abroad.

#### **Section 2 Purposes**

The purpose of the Foundation is at the discretion of the Board to promote work of any kind for the benefit of the environment, climate, nature, sustainability and resilience.

The Foundation shall act internationally, holistically and on a long-term basis and shall focus on the fundamental challenges within the scope described herein.

### **Section 3 Activities**

The Foundation may carry out projects on its own and may provide financial support to projects carried out by third parties. Financial support can be given in the form of donations or loans.

The Foundation may acquire assets or engage in activities within the purposes of the Foundation, regardless of whether this will imply that the Foundation will become a commercial foundation in accordance with the Danish Act on Commercial Foundations and thus subject to this legislation.

The Foundation may receive funds from others and engage in activities for the purpose of applying for such funds.

### **Section 4 Capital**

At the establishment, the assets and equity of the Foundation amounted to DKK 10,000,000. The capital has been paid in cash by the founders.

Neither the founders nor any other party have been granted any special rights apart from those explicitly set out herein. The capital contributed at the establishment cannot be returned to the founders.

### **Section 5 Profits and distribution of grants**

The Foundation's annual profits and the Foundation's funds exceeding the stated capital may be applied for projects within the purposes of the Foundation upon decision by the Board.

The Board may make suitable appropriations for consolidation purposes or reservations for projects in coming years.

Decision to distribute grants is made by the Board. The Board may in certain defined circumstances delegate this decision to the Chairmanship and the Executive Director, in particular if concerning small amounts or implementation of a decision already adopted by the Board.

The Board exclusively decides who will be considered eligible to receive grants and to which extent funds may be provided for the various purposes, and no one can claim support from the Foundation through the courts. The Board further decides whether to advertise or in any other way announce invitations to apply for grants from the

Foundation, and the Board determines the time of the distribution of grants in each individual case.

## **Section 6 Asset management**

The Foundation's funds shall be placed in accordance with the statutory rules on the placement of funds of foundations, including the Danish executive order on placement of funds.

The Foundation may further apply its stated capital for investments in assets supporting the overall purposes of the Foundation, including through direct ownership of assets (for example land); as capital contributions to companies; or through loans to third parties.

## **Section 7 The Board**

The Foundation is managed by a Board consisting of five to seven members.

VILLUM FONDEN is entitled to appoint up to two members, who will be designated Board members no. one and no. two. To the extent possible, one of these members shall be a descendant of the founder of VILLUM FONDEN, civil engineer Villum Kann Rasmussen. VILLUM FONDEN may obtain proposals for candidates from the Board of the Foundation.

The Board is self-perpetuating to the effect that the Board itself finds new members to replace the other three to five members, should one of these members wish to resign.

The Foundation's first Board consists of:

1. Connie Hedegaard, Chair
2. Astrid Kann-Rasmussen
3. Anthony Leiserowitz
4. Tim Jackson
5. Johan Rockström.

Decisions on the election or re-election of Board members designated as Board members nos. three to seven require a majority with no more than one member vot-

ing against the proposal. However, the Board must endeavour to elect Board members unanimously. All Board members participate in the voting process, including those appointed by VILLUM FONDEN, however, a resigning member cannot participate in the vote when he or she is to be replaced.

Board members are appointed or elected for a term of three years at a time. Appointment, election and re-election usually take place in connection with the annual meeting of the Foundation, at which meeting the annual accounts are considered. If a vacancy arises during a term of office, the appointment and election may, however, take place at the next board meeting. Re-election is possible, however, not more than twice. Appointment, election or re-election is not possible if the member has reached the age of 75 years.

The Board members must be legally competent, reputable, reliable and mature as well as fulfill the statutory requirements for serving as a Board member. In connection with the election of members to the Board, efforts must also be made to ensure that the Board members together possess the qualifications desired for the performance of the overall purposes of the Foundation, and that such qualifications include professional insight and a relevant international network within the fields of environment, climate, nature, sustainability, resilience, finance, communication, political processes, processes of changes, etc.

Efforts must be made to ensure continuity in the work of the Board in order to ensure that not all members resign at the same time. The first term of office for Board members no. one and no. two referred to above will thus be four years, whereas it will be two years for Board members no. five, no. six and no. seven.

It is the intention that the Board members receive reasonable remuneration in accordance with Danish legislation on foundations, and, to the extent possible, at the same level as comparable foundations in Denmark and abroad. The Foundation further reimburses the costs used for travel and accommodation incurred by the Board members in connection with the performance of their duties in accordance with guidelines determined by the Board.

The founders elect the first Chair. Hereafter, the Board elects its Chair and Vice-Chair among its members after each new election to the Board.

The Board forms a quorum when at least half of its members participate. The Board makes decisions by a simple majority of votes, unless a higher majority is required. In case of a parity of votes, the Chair has the casting vote.

The Board adopts rules of procedure that govern the Board's activities and includes a provision that there must be no conflicts of interest.

The Board may employ a secretariat, including an Executive Director.

## **Section 8 Power to bind**

The Foundation is bound by the joint signatures of all members of the Board or by the joint signatures of the Chair and one member of the Board or the Executive Director. The Board of the Foundation may grant a specific power of attorney to bind the Foundation in specified matters.

## **Section 9 Accounts**

Each year the Board of the Foundation must prepare the annual accounts in accordance with the relevant rules of legislation. The financial year is the calendar year. However, the first financial year runs from the establishment of the Foundation until 31 December 2015.

The annual accounts of the Foundation must be audited by a state-authorized public accountant elected by the Board. The auditor is appointed for one year at a time.

The Foundation's annual accounts must be submitted to the Board for its approval at a meeting to be held before the end of June in the following calendar year.

## **Section 10 Amendments to the Statutes and dissolution**

Amendments to the Statutes of the Foundation and dissolution of the Foundation require that the Board makes a unanimous decision of this and that the relevant permits required by law are obtained.

Upon demand from VILLUM FONDEN, the Foundation must change its name without undue delay in such a manner that the name of "KR" is no longer included and so that the new name of the Foundation is not associated with VILLUM FONDEN, its activities or founder, subject to the permission from the appropriate government bodies to amend the Statutes.

If the Foundation is dissolved, the funds of the Foundation must be applied to promote the purposes of the Foundation to the extent possible.