



RECOMMENDATIONS ON FOUNDATION GOVERNANCE

Lind Foundation uses the Recommendations on Foundation Governance from the Committee on Foundation Governance (www.godfondsledelse.dk) as inspiration.

Updated: June 2022

RECOMMENDATION	COMPLIANCE
1.1. It is recommended that the Board of Directors adopts guidelines for external communication, including who can make public statements on behalf of the foundation and on what matters. The guidelines should address the need for transparency and stakeholders' needs and possibilities to obtain relevant up-to-date information about the circumstances of the foundation.	Lind Foundation complies with this recommendation. The Board of Directors has decided who can make public statements on behalf of Lind Foundation and on what matters. It is mainly the Chair and the CEO who makes public statements on behalf of Lind Foundation unless the Board decides otherwise.
2.1.1 It is recommended that, in order to secure the activities of the commercial foundation in accordance with the purposes and interests of the foundation, at least once a year the Board of Directors takes a position on the overall strategy and distribution policy of the foundation on the basis of the Articles of Association.	Lind Foundation complies with this recommendation. The Board of Directors approves the overall strategy for Lind Foundation and ensures to at least once a year review the strategic direction and strategic initiatives through an annual strategy health check.
2.1.2 It is recommended that the Board of Directors regularly addresses whether the foundation's asset management is in line with the purpose of the foundation and its long and short-term needs.	Lind Foundation complies with this recommendation. At least once a year the Board of Directors reviews and considers whether the foundation's asset management approach corresponds to the targeted returns and associated risks.
2.2.1 It is recommended that the chairman of the Board of Directors organises, convene and chair meetings of the Board of Directors in order to ensure effective board work and to establish the best conditions for the work of the board members individually and collectively.	Lind Foundation complies with this recommendation. The Chair collaborates with the CEO in organising the Board of Directors meetings, which, among other things, are based on an annual schedule. The Chair leads the Board of Directors meetings.



<p>2.2.2 It is recommended that if, in addition to the position as chairman, in exceptional circumstances, the chairman of the Board of Directors is requested to perform specific operating functions for the commercial foundation, a board resolution is passed which ensures that the Board of Directors retains its independent, overall management and control function. Appropriate allocation of responsibilities should be ensured between the chairman, the vice chairman, the other members of the Board of Directors and the executive board, if any.</p>	<p>Lind Foundation complies with this recommendation.</p> <p>To the extent, the Chair performs special tasks for the foundation this will be authorised by a Board decision specifying the conditions to ensure that the Board retains its overall management and control function.</p>
<p>2.3.1 It is recommended that the Board of Directors regularly assesses and stipulates the competences that the Board of Directors is to possess in order to perform the tasks incumbent upon the Board of Directors as well as possible.</p>	<p>Lind Foundation complies with this recommendation.</p> <p>The Board of Directors conducts an annual review of the competences needed to optimally perform the tasks that the Board of Directors is responsible for.</p> <p>In addition, the Board of Directors performs an annual self-evaluation of the Board of Directors and the work of the Board of Directors. The self-evaluation is driven by the Chair.</p>
<p>2.3.2 It is recommended that, with due respect to any right in the Articles of Association to make appointments, the Board of Directors ensures a structured, thorough and transparent process for the selection and nomination of candidates for the Board of Directors.</p>	<p>Lind Foundation complies with this recommendation.</p> <p>The Board of Directors shall ensure a structured, thorough and transparent process in selecting candidates for the Board of Directors.</p>
<p>2.3.3 It is recommended that members of the Board of Directors are appointed on the basis of their personal qualities and competences taking into account the collective competences of the board and when composing and nominating new members of the board the need for introducing new talent is weighed against the need for continuity and the need for diversity in relation to commercial and grants experience, age and gender.</p>	<p>Lind Foundation complies with this recommendation.</p> <p>Members of the Board of Directors are elected based on their personal qualities and competences, considering the collective competences of the Board as well as a need for diversity in terms of commercial and grants experience, age, and gender.</p>



2.3.4 It is recommended that in the management commentary in the annual report and on the commercial foundation's website, there is an account of the composition of the Board of Directors, including its diversity, and that the following information is provided on each board member:

- the name and position of the member,
- the age and gender of the member,
- date of original appointment to the board whether the member has been re-elected, and expiry of the current election period,
- any special competences possessed by the member,
- other managerial positions held by the member, including positions on executive boards, boards of directors and supervisory boards and board committees in Danish and foreign foundations, enterprises, and institutions, as well as other demanding organisation tasks,
- whether the member has been appointed by authorities/ providers of grants etc., and
- whether the member is considered independent.

2.3.5 It is recommended that the majority of the members of the Board of Directors of the commercial foundation are not also members of the Board of Directors or executive board of the foundation's subsidiary(ies), unless it is a fully owned actual holding company.

Lind Foundation complies with this recommendation.

Lind Foundation's website includes information on the composition of the Board of Directors, including each member's name, age, date elected to the Board, whether the member has been re-elected, date the current election period ends, other managerial positions held, competences and whether the member is considered independent.

Going forward, this information will also be included in Lind Foundation's Annual Reports.

Lind Foundation complies with this recommendation.

Lind Foundation has no subsidiaries.



2.4.1 It is recommended that an appropriate proportion of the Board of Directors are independent.

If the Board of Directors (excluding employee representatives) is composed of up to four members, at least one member should be independent. If the Board of Directors is composed of between five and eight members, at least two members should be independent. If the Board of Directors is composed of nine to eleven members, at least three members should be independent, and so on.

To be considered independent, a person may not:

- be or within the past three years have been member of the executive board, or senior employee in the foundation, or a subsidiary or associated company to the foundation,
- within the past five years have received larger emoluments, including distributions or other benefits from the foundation/group or a subsidiary or associated company to the foundation in other capacity than as member of the Board of Directors or executive board of the foundation,
- within the past year have had a significant business relationship (e.g. personal or indirectly as partner or employee, shareholder, customer, supplier or member of the executive management of companies with corresponding connection) with the foundation/group or a subsidiary or associated company of the foundation,
- be or within the past three years have been employed or partner at the external auditor,
- have been a member of the Board of Directors or executive board of the foundation for more than 12 years,
- have close relatives with persons who are not considered as independent,
- be the founder or a significant donor if the purpose of the foundation is to grant support to this person's family or others who are especially close to this person, or
- be a member of the management of an organisation, another foundation or similar, which receives or repeatedly within the past five years have received significant donations from the foundation.

Lind Foundation complies with this recommendation.

Two of the five members of the Board of Directors are considered independent.



<p>2.5.1 It is recommended that members of the Board of Directors are appointed for a minimum period of two years and a maximum period of four years.</p>	<p>Lind Foundation complies partially with this recommendation</p> <p>All members of the Board of Directors are appointed for a minimum period of two years, except for the founder, Henrik Lind, who has a lifelong right to be member of the Board of Directors.</p> <p>No members have been part of the Board for more than four years.</p>
<p>2.5.2 It is recommended that an age limit for members of the Board of Directors is set, which is published in the management commentary or on the foundation's website.</p>	<p>Lind Foundation complies partially with this recommendation.</p> <p>In accordance with the Articles of Association, Board members can be re-elected until they reach the age of 75 years. However, this does not apply for the founder, Henrik Lind.</p>
<p>2.6.1 It is recommended that the Board of Directors establishes an evaluation procedure in which the Board of Directors, the chairman and the contributions and performance of individual members are evaluated annually and the result is discussed by the Board of Directors.</p>	<p>Lind Foundation complies with this recommendation.</p> <p>The Board of Directors performs an annual self-evaluation of the Board of Directors and the work in the Board of Directors. The self-evaluation is driven by the Chair and the results are discussed by the Board of Directors in accordance with the annual schedule for the Board of Directors.</p>
<p>2.6.2 It is recommended that once a year the Board of Directors evaluates the work and performance of the executive board and/or the administrator (where relevant) in accordance with predefined clear criteria.</p>	<p>Lind Foundation complies with this recommendation.</p> <p>The Board of Directors performs an annual evaluation of the CEO's performance based on a review of the annual targets and ambitions defined by the Board of Directors.</p>
<p>3.1.1 It is recommended that the members of the Board of Directors of commercial foundations be remunerated with a fixed remuneration and that members of a possible executive board be remunerated with a fixed remuneration, possibly combined with a bonus which should not be dependent upon accounting results. The remuneration should reflect the work and responsibilities consequential to the position.</p>	<p>Lind Foundation complies with this recommendation.</p> <p>Members of the Board of Directors receive a fixed remuneration and are also remunerated for additional work: for example the Chair.</p> <p>The CEO receives a fixed remuneration and a bonus for achieving agreed annual targets. The remuneration reflects the work and responsibilities consequential to the position.</p>



3.1.2 It is recommended that the annual financial statements provide information about the full remuneration received by each member of the Board of Directors and executive board (if relevant) from the commercial foundation and from other enterprises in the group. Furthermore, there should be information on any other remuneration which members of the Board of Directors, except for employee representatives, have received for performing tasks for the foundation, subsidiaries of the foundation or enterprises in the same group as the foundation.

Lind Foundation complies with this recommendation.

The annual report provides information about the remuneration received by the members of the Board of Directors and by the CEO from Lind Foundation.