

CHARTER
of
LEGO Fonden

I. Name, object, registered office and founder of the foundation

§ 1.

The name of the foundation is LEGO Fonden (the LEGO Foundation). The founder is “Edith og Godtfred Kirk Christiansens Fond” (Edith and Godtfred Kirk Christiansen’s Foundation).

§ 2.

The foundation will be a commercial foundation and have the following object:

to secure and support the basis for the continued existence and development of the companies within the LEGO Group if the board of directors of the foundation deem that this can be done on a sound, commercial and financial basis. Based on these conditions the foundation will seek to provide support in such a manner that the Group shall have the possibility to be maintained as a unified and independent group of companies, but if this is deemed as not financially justifiable, the foundation may choose to support a larger or smaller part of the Group if there is agreement within the board of directors that such support can be considered being the most efficient way to secure for the future the invested, financial and human resources in the Group to the greatest possible extent.

If it is deemed financially justifiable, support may according to the board of directors’ judgement also include: Direct and/or indirect support of research and educational objects; activities by which children may profit directly or indirectly; and objects which otherwise support the LEGO Group’s interest in children and their development.

and moreover

to carry on business activities through investment in production, trading or service companies either directly or through other companies, including purchase, sale or leasing of real estate as well as any other activity related thereto.

§ 3.

The registered address of the foundation is DK-7190 Billund, the municipality of Billund.

II. The Capital of the Foundation

§ 4.

The base capital of the foundation is 262,453,000 DKK

The base capital consists of:

- a. Contribution in connection with establishment of 91,150,000 DKK with addition of consecutive donations and less subsequent capital decreases.
- b. What may be accrued later to the foundation by way of inheritance or donation where donor or testator have decided that the amounts in question shall be allocated to the base capital.
- c. Any amounts which the board of directors decides to allocate to the foundation's base capital.

The remaining capital of the foundation shall be referred to as available capital.

§ 5.

The foundation's income consists of:

- a. Interests and dividend from the foundation's capital as well as other current payments which accrue to the foundation.

- b. Such amounts, which by way of inheritance or donation accrue to the foundation in the course of a financial year and which already according to the testator's or donor's determination shall be added to the base capital.

§ 6.

No part of the foundation's funds, neither of its capital nor its dividend thereof may ever be paid out or repaid either as a loan to the founder foundation or to this foundation's own founders or other contributors or to a cohabiting spouse of other contributors or to the home living children below 18 years of the persons mentioned above, or in any other way benefit these, but shall be used to achieve the object of the foundation.

§ 7.

The board of directors is responsible for protecting the foundation's capital and ensuring it is invested such that reasonable care is taken to protect the assets although the board is entitled to allow the foundation to take normal business risks.

Within the specified framework, it shall be left to the board of director's judgement to decide how the capital is applied, partly as part of the business activity, and partly as investment so that it rests with the board to decide whether the investment shall be made in real property, bonds, shares, debenture bonds, mortgages, by way of lending or in any other way which the board may find justifiable and in alignment with the objects of the foundation.

According to its free judgement, the board of directors shall be entitled to realize one or more of the foundation's assets and invest the proceeds in another way in accordance with the provisions mentioned above.

III. Utilization of the Foundation's Income

§ 8.

In connection with the approval of the annual report, see Article 15, the board of directors shall determine which part of the foundation's annual net income and/or available capital shall be reserved for consolidation to ensure the realisation of the objects of the foundation.

The part of the foundation's net income which is not used for distributions may, according to the board of directors' judgement, be allocated either to the base capital or the available capital.

IV. The Board of Directors

§ 9.

The foundation is supervised by a board of directors consisting of six members who shall attend to the overall management of the foundation's affairs.

The board members shall be of legal age and fulfil the conditions for eligibility for appointment as board member according to the provisions of the current legislation.

Should the situation of one of the board members result in the member being unable to fulfil the conditions for a board membership in accordance with the current provisions of the legislation on this subject the member in question shall immediately vacate his or her position in the board of directors.

§ 10.

The foundation's initial board shall be identical to the board of the founder foundation. The founders of the founder foundation shall reserve the right, as long as both or one of them is alive and is a member of the board, to elect the chairman of the board of directors and a first and second deputy chairman and all board members with the exception of the independent member mentioned as no. 4 below.

The foundation's initial board shall consist of:

No. 1: Godtfred Kirk Christiansen

No. 2: Edith Kirk Christiansen

No. 3: Kjeld Kirk Kristiansen

No. 4: Christian Møller

No. 5: Orla Esben Jørgensen

No. 6: Henning Skovmose

All board members shall be elected for a term of two years given that, however, in consideration of the continuity of the work of the board, the first term for the board members nos. 2 and 5 shall be two years and the first term for the board members nos. 3 and 6, shall be one year. The terms of office shall run from ordinary board meeting to ordinary board meeting.

§ 11.

When none of the founders of the founder foundation are no longer alive or any of its board members or if at any earlier date these have informed the chairman of the board in writing that they renounce their rights according to Article 10, paragraph one, the following shall apply for election of board members:

- A. Board members nos. 1, 2, and 3 shall be elected by Kjeld Kirk Kristiansen and after him, his direct descendants.

Every descendant of legal age shall be entitled to one vote for the election of each board member. Election takes place by simple majority of votes.

If there at one point are no descendants of Kjeld Kirk Kristiansen, the board members nos. 1, 2 and 3 shall be elected by the rest of the board members. The same rules shall apply if no descendants attend the meeting after being duly summoned (four weeks' notice in writing to the last known address).

- B. Board member no. 4 shall at all times fulfil the provisions of the legislation on Danish foundations with respect to independence. He shall be appointed by the rest of the board members.

C. Board members nos. 5 and 6 shall be elected by the rest of the board members according to the provisions mentioned in Article 12. As regards the appointment of the independent member mentioned under B) and the election of two members mentioned in this subsection it shall apply that the composition of these members must try to ensure the board of directors the best possible professional, qualified representation.

For the election of board members nos. 5 and 6, and as regards the decision of the appointment of board member no. 4, each board member shall be entitled to propose a new member and the election/recommendation shall then be decided by simple majority of votes. In case of parity of votes the board members elected according to Article 11 A, shall - if they are in agreement - have a decisive vote. If they are not in agreement, the chairman of the board of directors shall hold a casting vote.

§ 12.

When the term of office expires new board members shall be elected at the ordinary board of directors meeting. Re-election may take place.

If during a term the board of directors is reduced to less than six members, it rests with the chairman of the board - or in case of his absence the first whom failing the second deputy chairman - to call a meeting of the board, inform what has occurred and see to it that new election is held concerning the remaining term of office. For such by-elections, the provisions of Articles 10 and 11 shall apply.

All elections to the board of directors and nomination of the independent board member shall be conducted by the chairman of the board or in his absence by the first deputy chairman whom failing the second deputy chairman according to the provisions of Articles 10 and 11.

§ 13.

With the exception of the instance mentioned in Article 10, paragraph one, the ordinary board meeting shall elect the chairman of the board and the first and the second deputy chairman who in this order will act as chairman in the chairman's absence. A member of the board of directors who is a member of the executive board of one of the companies within the LEGO Group at the same time, cannot be elected chairman of the board of directors of the foundation. This shall, however, not apply to Edith and Godtfred Kirk Christiansen and to Kjeld Kirk Kristiansen. Matters for discussion at board meetings shall be resolved by a simple majority of votes.

In case of a parity of votes, Article 11 C, Section 2, items 2 and 3 shall apply.

No board member may participate in the vote regarding decisions concerning agreements between the foundation and the board member himself, see Article 51 in the Danish Act on Commercial Foundations.

Board meetings shall be held as often as required by the chairman or any other board member, however, one ordinary board meeting must be held annually, see Article 15. Board meetings shall be called by the chairman with at least 14 days' notice in writing. The notice shall be accompanied by a proposal for agenda.

The board shall form a quorum when at least four members, including the chairman or in his absence the first deputy chairman whom failing the second deputy chairman, are present in person. Minutes will be prepared of all matters discussed at the board meetings and will be signed by all board members present. Board members not present shall be obliged to make themselves familiar with the contents of the minutes and shall by their signature acknowledge that this has been done. A board member may be represented by proxy, if the representative is another board member. No one may exercise more than one proxy at a time.

Any remuneration paid to the board members shall be determined according to the scope of the work.

§ 14.

The foundation shall be legally bound by the joint signatures of the chairman of the board of directors and a general manager or by the signatures of two board members jointly.

V. Audit and Annual Report

§ 15.

The financial year of the foundation shall be the calendar year, however the first financial year runs from the date of establishment until 31 December 1987.

At the end of each financial year a complete annual report shall be prepared of all income and expenses of the foundation with appertaining balance sheet.

The board must ensure that the annual report is prepared as soon as possible after the end of the financial year and approved by the board of directors by 15 May at an ordinary board meeting held for this purpose.

At the ordinary board meeting, the agenda for the meeting shall include

1. Presentation of the board of directors' report for approval.
2. Presentation of the annual report for approval.
3. Decision on the distribution of the profit.
4. Election of board members and if required nomination of candidate for independent board member.
5. Election of chairman and first and second deputy chairman.
6. Appointment of auditor.
7. Any other business.

§ 16.

The annual report shall be audited by a state-authorized public accountant. The auditor of the foundation shall be appointed by the board.

VI. Amendments to the Charter

§ 17.

Should the provisions of this Charter become outdated or for other reasons amendment to certain provisions may be deemed necessary or strongly desirable, then the board of directors may resolve such amendments to the Charter if these are approved by at least five board members including the independent board member.

The above resolution shall be considered as a recommendation requiring the consent of the Danish Business Authority according to the Danish Act on Commercial Foundations.

VII. Dissolution of the foundation

Dissolution of the foundation shall require the acceptance of all board members. In case of the dissolution of the foundation, its funds shall be used for fulfilment of the foundation's objects clause. No part of the funds of the foundation may in case of dissolution be paid out to the founder foundation or to this foundation's own contributors or to other contributors or contributors' cohabiting spouses or children under 18 living at home, see however Articles 107-123 of the current Danish Act on Commercial Foundations.

Approved by the board on 20 August 2015

Kjeld Kirk Kristiansen

Thomas Kirk Kristiansen

Jørgen Vig Knudstorp

Sofie Kirk Kristiansen

William Ervin Hoover

Mette Morsing